



Water Planning & Stewardship Committee

Review Term Sheet for the Bay-Delta Watershed Voluntary Agreement

Item 2a

April 26, 2022

Review of Term Sheet for

Bay-Delta Watershed Voluntary Agreement

Agenda



Background



MOU and Term Sheet overview



Next Steps



Discussion

Background

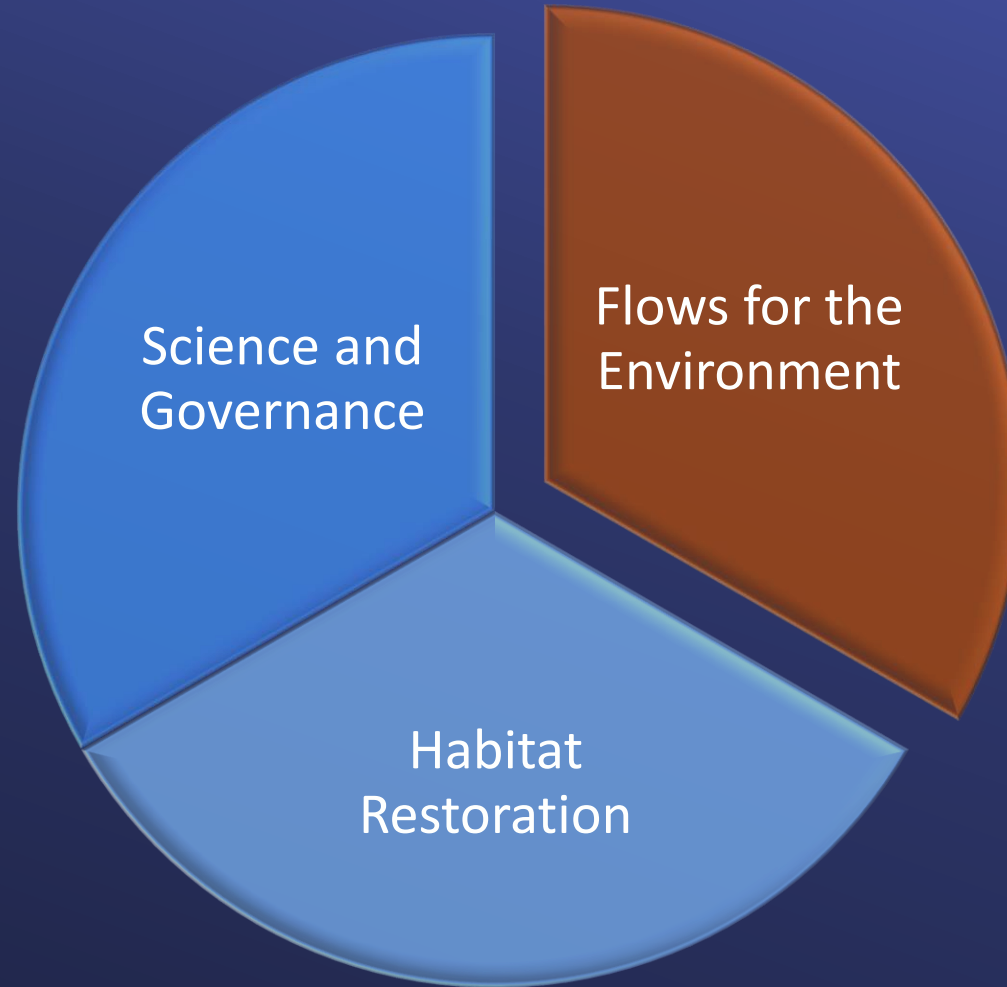
State Board update to the

Water Quality Control Plan



Since 2015 the State has been,
and will continue to lead

An Alternative Approach



Aligns with:

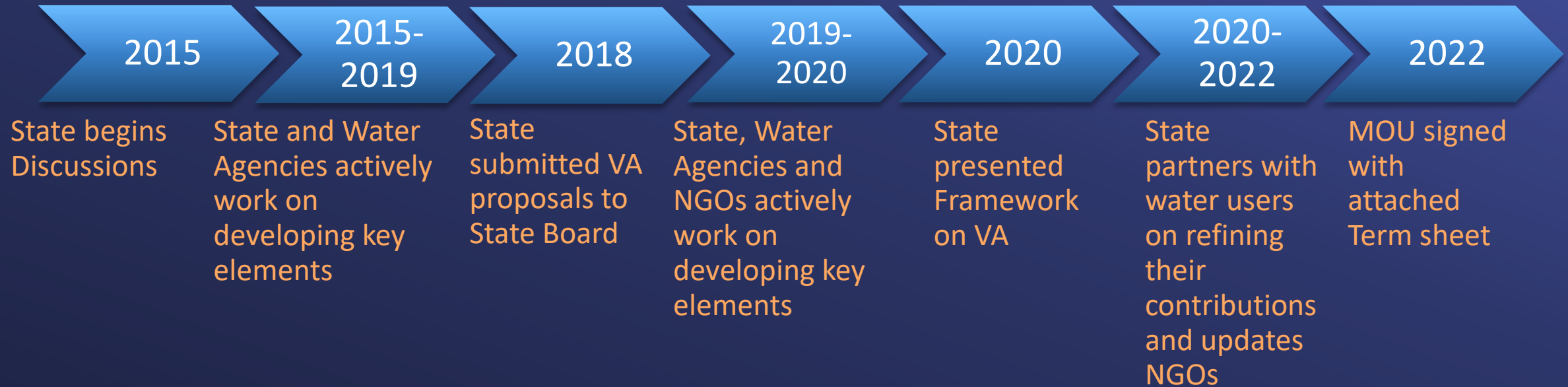
Water Resilience Portfolio

State's priorities in Executive Orders
(Drought and Biodiversity)

State's desire to fund multiple
benefit programs

Voluntary Agreement (VA) Development

2015 to present



March 29, 2022

MOU signed



- California Natural Resources Agency
- California Environmental Protection Agency
- Department of Water Resources
- Department of Fish and Wildlife
- U.S. Bureau of Reclamation, California-Great Basin Region
- State Water Contactors
- Metropolitan Water District
- Kern County Water Agency
- Westlands Water District
- Glenn-Colusa Irrigation District
- Yuba Water Agency
- Regional Water Authority
- Western Canal Water District
- River Garden Farms
- Garden Highway Mutual Water Company
- Sutter Mutual Water Company

MOU provision: 2.5. “It is the intent of the Parties to encourage the possibility that additional entities, at a later date, will sign this MOU to offer contributions that would enhance the effectiveness of the VA Program described in the Term Sheet....If appropriate, the entity shall sign this MOU as a separate counterpart, and the additive contributions shall be incorporated into the Term Sheet.”

MOU and Term Sheet

Voluntary Agreements

MOU and Term Sheet

KEY COMPONENTS OF
VOLUNTARY AGREEMENT



Voluntary Agreement Flows



Habitat Restoration



Governance



Voluntary Agreement Timeline



Funding

Voluntary Agreements

Watershed Wide Approach

- Up to 824,000 acre-feet of additional flow
- Flows made available under the agreement will be above regulatory conditions¹

SWP Flow Contributions for Environment Thousand Acre-Feet (TAF)	Critical	Dry	Below Normal	Above Normal	Wet
Water Purchase Program - Fixed	0	30	30	30	0
State Water Project and Central Valley Project Export Reduction	0	125	125	175	0

¹ Per Term sheet section 4.1. The VA flows described in Appendix 1 will be additive to the Delta outflows required by Revised Water Rights Decision 1641 (Revised D1641) and resulting from the 2019 Biological Opinions, although the 2019 Biological Opinions may be modified, including to resolve litigation concerning those opinions.



Voluntary Agreement Flows

Flow Amounts for Environment Thousand Acre-Feet (TAF)	Critical (15%)	Dry (22%)	Below Normal (17%)	Above Normal (14%)	Wet (32%)
San Joaquin Basin	48	156	181	122	0
Sacramento River Basin	39	278	256	281	0
Friant	0	50	50	50	0
Water Purchase Program	3	108.5	129.5	144.5	27
SWP/CVP Export Reduction	0	125	125	175	0
State Purchases	65	108	9	52	123
Total New outflow (Year 1)	155	825.5	750.5	824.5	150
New Water Projects (Before Year 8)	0	87	97	0	0

¹ All Appendix 1 and Phase 1 flows will be protected and parties agree to discuss the protection of these flows and collaboratively identify and resolve any redirected adverse impacts to water supply in excess of Appendix 1 contributions resulting from the protection of these flows from delta outflow.

NOTE: These flow amounts were from Table 1a of Appendix 1 and summarized by Basin



Voluntary Agreements

Habitat Restoration

Habitat Type	Acres
Fish Food Production	20,000
Floodplain Habitat	20,000
Tidal Wetlands and Associated Floodplain	5,000
Spawning, Instream and Floodplain juvenile rearing habitat	3,300
Approximate Total	48,000

¹ Per Term sheet Appendix 2. Minimum Additive Contributions to Habitat Restoration: Sacramento: 137.5 (instream), 113.5 (spawning), Sutter Bypass, Butte Sink, and Colusa Basin: 20,000 (floodplain), 20,000 (fish food production; Feather 15 (spawning), 5.25 (instream), 1,655 (floodplain); Yuba 50 (instream), 100 (floodplain); American 25 (spawning), 75 (rearing); Mokelumne: 1 (instream), 25 (floodplain); Putah: 1.4 (spawning)



Voluntary Agreement

Governance, Science, and Adaptive Management

Governance Program will direct flows and habitat restoration



Systemwide Governance
Committee



Tributary / Delta Governance
Entities



State's Voluntary Agreement Timeline

8 year term – potential up to 15 years



Implement Voluntary Agreements

- Annual Reports
- Triennial Reports
- Strategic Plan
- Governance and Science




Three possible pathways

- 1) Renew Voluntary Agreements up to 15 years
- 2) Voluntary Agreements modified and/or Bay-Delta Plan update
- 3) Regulatory pathway



State Board Determines Pathway after Year 8

State Board Public Process

	Substantially achieving	Renew VAs up to 15 years
	Significant progress	VA modifications and/or Bay-Delta Plan update
	Not achieving	New VAs or regulatory approach

State Board review considers implementation progress and adaptive management studies



Voluntary Agreement Program Costs and Funding

Based on up to 8 years

Total Estimated Costs	\$2.589 billion
Total Estimated Funding	\$2.914 billion
Public Water Agency Funding Mechanism	
Metropolitan Estimated Funding Contribution	
~\$8¹ - \$12² million annual average	

¹Based on historic 10-year deliveries 2011-2020

²Based on 4.9 MAF exports per operational permit modeling

Next Steps

Next Steps

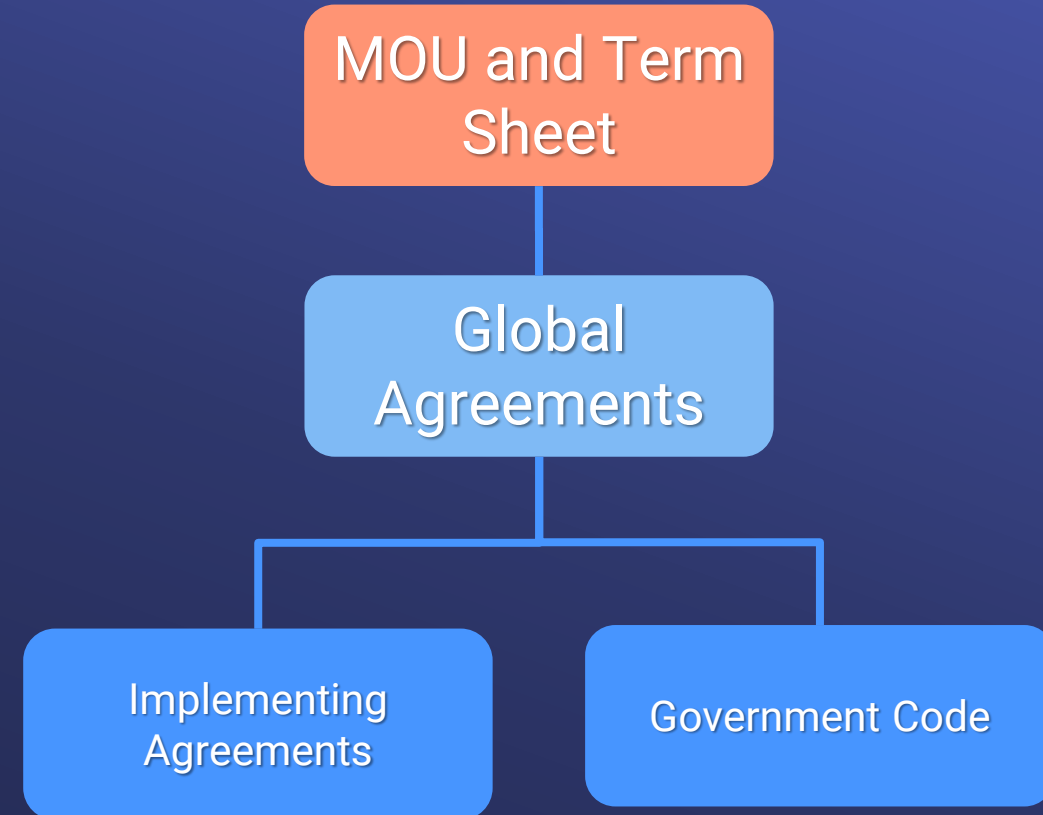
Advancing the Voluntary Agreements

- State Board considers Voluntary Agreements as an alternative implementation of narrative objectives in Substitute Environmental Document
- Approval of the Update to the Water Quality Control Plan that includes the Voluntary Agreements
- Implementation of Voluntary Agreements
- Continued discussions on Early Implementation

Voluntary Agreements

Key Agreements

- Global Agreements
 - Structure
 - Funding
 - Science Program
 - Governance
- Implementing Agreements
- Government Code Section 11415.60



Voluntary Agreements vs. Regulatory Approach

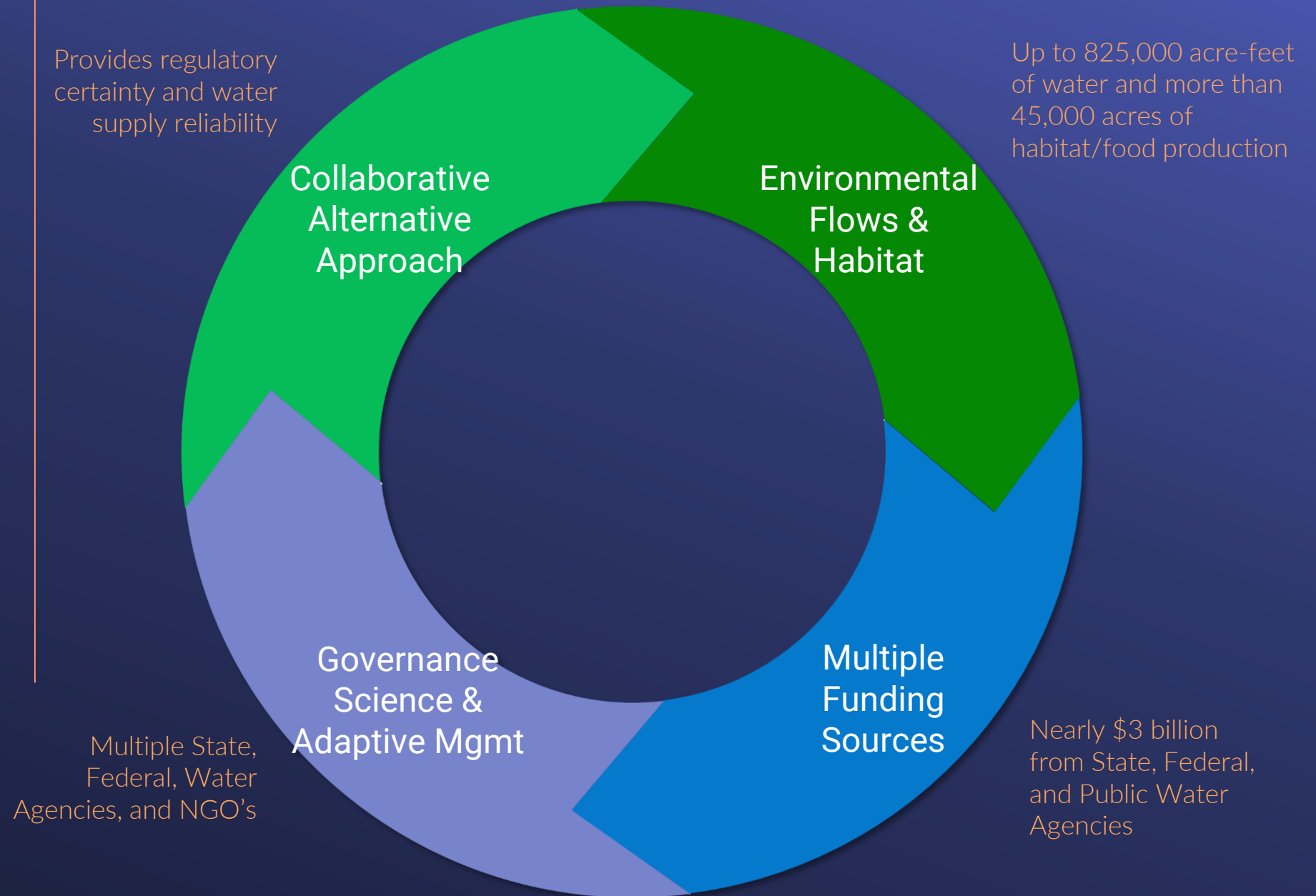
	Voluntary Agreements	Regulatory Approach
Water Supply	Up to 175 TAF (SWP/CVP) Additional 30 TAF SWP only	55% Unimpaired Flow ¹
Costs	\$10/AF diverted	No direct costs, but must replace lost supply
Structure	Voluntary Approach 8 up to 15 years	Permanent change, unless amended
Watershed	Bay-Delta Watershed-wide	Juniors (SWP-CVP) larger obligation
Governance	State Board/Water Users/NGO's/Science	State Board
Functionality	Habitat Restoration Adaptively Managed flows (functional flows) Performance based	Flow only

¹State Board would allocate responsibility for the 55% in a subsequent water rights adjudication or by regulation amending water rights

NOTE: Current estimated flows to be agreed upon by multiple parties. This information reflects the State's most recent proposal, subject to agreement by multiple parties, legislation, and actions by multiple boards and state/federal agencies. May be modified, updated or reconciled based on actual agreements.

Voluntary Agreements
Summarized

Watershed Wide Approach



Discussion

