

Topic: **Sites Reservoir Project, Phase 2**

Subject: **Monthly Status Report**

Report Period: **2020 September**

Monthly Status Summary:

The development of the Sites Project continues to make progress in the critical areas including the following activities:

WSIP Funding:

- Submitted Invoice and Progress Report No 5 in the amount of \$1.9 million to the Water Commission.
- Discussed with ACWA that they should convene a Prop 1 storage projects roundtable to discuss progress and possible coordination on common terms and conditions for benefit agreements. ACWA is considering the request.

WIIN Act Funding:

- Staff met with Reclamation to discuss reporting requirements and submittal of pre-incurred costs relative to the Federal Financial Assistance Agreement. Staff will work to submit the first request for reimbursement during October.
- The Final Federal Feasibility Report is in the Office of Management and Budget. The document is still on track for a December 2020 completion, which is the statutory deadline for the WIIN Act.
- The Authority is having discussions with Reclamation regarding their comment at the joint September meeting about considering a 1.8MAF alternative in the environmental documentation. At this stage the alternative technically remains in play because until the Revised Draft EIR is issued, the 2017 Draft EIR remains active. However, there are serious complications with reverting to an alternative that Value Planning determined was not feasible and did not meet project objectives. The Board will be kept updated on these discussions through the environmental planning and permitting reporting.

USDA Funding:

- A meeting was held to provide an update on the status of the project and the new direction for rightsizing. The loan continues in an active status and any actions needed to extend deadlines would be considered at the end of the Amendment 2 work plan.

Engineering:

- Continued feasibility analysis and design refinement of project alternatives.
- Continued supporting permitting and environmental data needs.
- Export/convert CADD project footprint to GIS format for permitting and environmental impacts assessment.

Coordination with Reclamation:

- Continued coordination with Reclamation for in-kind work associated with geologic and geotechnical exploration efforts in support of the feasibility design.
- Continued to work with Reclamation planning and environmental teams on the National Environmental Policy Act approach and schedule.

- Continued coordinating with Reclamation on Endangered Species Act and Section 106 of the National Historic Preservation Act consultations for geotechnical exploration and project-level work.

Coordination with Department of Water Resources:

- Staff continue to meet with DWR modeling teams and management to discuss the operations of Sites as it relates to the State Water Project and Oroville operations.

Environmental Planning and Permitting:

- Continued to work with the project engineers to refine alternatives, including the designated preferred project, for the purposes of the environmental analysis.
- Initiated the preparation of the Revised Draft EIR/Supplemental Draft resource chapters and sections.
- Pursuant to the Authority's Local CEQA Guidelines, prepared CEQA memo for the upcoming phase of geotechnical field investigations and initiated preparation of a CEQA Notice of Exemption.
- Initiated the integration of the new water rights legal team into the ongoing planning actions for preparation of the project's water right application.
- Initiated planning for preparation for the Clean Water Act 404 permit with the US Army Corps of Engineers.
- Continued discussions with California Department of Fish and Wildlife (CDFW) on 2020/2021 meetings and workshops, CDFW permit review schedule and CDFW staff funding to help ensure sufficient staffing to meet project deadlines. A meeting with CDFW management is being planned for October to do check-in on the progress of discussions regarding take permit conditions and Prop 1 benefits.
- Continued data exchange and water quality small technical working groups to facilitate development of those project components for use in the Revised EIR/Supplemental EIS, Biological Assessment and Sites Feasibility Report.
- Continued the geotechnical small group efforts to facilitate development of the 2020/2021 geotechnical investigation. Completed updating the project description and amended Biological Assessment for the geotechnical activities and provided to Reclamation for review and input.
- Completed the administrative draft of the project description for use in the Revised EIR/Supplemental EIS and the Biological Assessment.
- A meeting is planned for October to review NGO interest in the project evaluating a diversion and release criteria that is more restrictive and along the lines of their comment letters on the 2017 Draft EIR. The intent of the meeting is to get clarification of the requested operations to model and then the team will evaluate next steps.

Water Rights:

- Conducted a meeting State Board staff and Board member Sean MacQuire to review the new project direction, rightsizing, and to clarify the updated schedule for water rights applications and process.

Operations:

- Completed preliminary CalSim analysis of preferred project and began reviewing with staff and fisheries team.

- Continued refining Sites Project Calsim model, including continued development of Shasta Exchange code, and evaluate fisheries impacts in preparation for discussions with CDFW.
- Worked with Storage Policy small group to discuss the original development of the Storage Policy and potential updates.
- Led initial meeting with the DWR and Reclamation Operations Agreement negotiations team.

Stakeholder Engagement, Public Outreach & Real Estate:

- Continued engagement and outreach efforts with landowners, local community members, state and federal elected officials, non-governmental organizations, and coalitions of regional and statewide organizations to introduce the Value Planning Report and the new "rightsized" project.
- Responded to landowner requests for project information, facilitated coordination activities with local government agencies and organizations and planned for future landowner, stakeholders and general public outreach activities and events.

Program Management & Administration:

- Presented 75% Local Cost Share Commitment Information at September Joint Meeting.
- Coordinated with Reclamation on Financial Assistance Agreement Reporting Requirements.