

Topic: **Sites Reservoir Project**

Subject: **Monthly Status Report**

Report Period: **2020 October**

Monthly Status Summary:

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

WSIP Funding:

- A roundtable discussion among the 8 storage projects was scheduled for November 6. This is an opportunity to explore possible areas for collaboration going forward. ACWA has not stepped up to be involved. Project proponents agreed to initiate the discussions.
- The Temperance Flat Reservoir Authority took an action to notify the CWC they no longer wish to receive the ~\$170M MCED. They did however, request that the CW work with them to identify projects that could provide similar benefits to those funded in Prop1 within the San Joaquin Valley.
- Progress payment No.5 in the amount of \$1.9 million has not been received.

WIIN Act Funding:

- First request for payment was submitted to Reclamation for \$658,092.17 on October 30.
- 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.

USDA Funding:

- No update this month.

Engineering:

- Continued feasibility analysis and design refinement of project alternatives.
- Began preparation of Class IV project cost estimate.
- Began preparation of a high-level project construction schedule.
- Continued supporting permitting and environmental data needs.

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. The amended Biological Opinion for geotechnical explorations was received on October 20.

Coordination with Department of Water Resources:

- Staff had several focused meetings with DWR operations and modeling teams 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 project engineers in refinement of project alternatives focusing on construction means and methods and development of a high-level schedule to be included as an appendix to the Revised Draft EIR/Supplemental Draft EIS.
- Continued AB 52 outreach to Native American tribes, including meeting with representatives of the Colusa Indian Community Council (CICC) Cachil Dehe Band of Wintun Indians.
- Continued preparation of the Revised Draft EIR/Supplemental Draft EIS, specifically those resource chapters and appendices that not dependent on modeling and scheduled to be submitted in early December.
- Continued to work with the project engineers to refine alternatives, including the designated preferred project, for the purposes of the environmental analysis.
- Continued planning for preparation for the Clean Water Act 404 permit with the US Army Corps of Engineers and initiated 404 permitting small working group.
- Continued discussions with California Department of Fish and Wildlife (CDFW) on 2020/2021 meetings and workshops.
- Held an inter-agency project update meeting and an Aquatics Workshop with a focus on the revisions to the Project's aquatic modeling and review of initial modeling results.
- Continued discussions with CDFW 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.

Water Rights:

- Initiated meetings with water rights legal counsel and MBK to continue refining the approach for development of the water rights application.
- Continued development of Water Rights Application Key Parameters.

Operations:

- Finalized preliminary CalSim run and initial impacts analysis, including OBAN and IOS.
- Worked closely with fisheries team to evaluate potential benefits and impacts to fish species based on preliminary modeling results.
- Reviewed preliminary CalSim analysis with staff and select agencies.
- Began second CalSim iteration including full integration of modeling exchanges with Shasta Lake and Lake Oroville.
- Began evaluating Prop 1 benefits under revised project and updated model.

Stakeholder Engagement, Public Outreach & Real Estate:

- Finalized participation agreements with agencies and issued invoices for first cash

call installment of \$60/AF, due November 1, 2020. Projected total participation level reduced from 173,720 AF to 167,620 AF based on Valley Water recommendation to their board for a 500 AF participation level and an increase in participation by Westside Water District to 5,375 AF (an increase of 1,200 AF over the amount invoiced in October). The projected participation level represents a reduction of 25,272 AF from the prior level and reduces work plan revenue by \$2.53M. The unallocated funds in the work plan is reduced from \$3.38M (includes unallocated plan of finance budget) to \$850k. The financial conditions will be re-evaluated in February 2021 when the second cash call amount is determined.

- 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:

- Developed Project Financing Action Plan defining approach, schedule, and resources to meet 75% local cost share requirement for Prop 1 by January 1, 2022.
- Submitted CWC Invoice/Progress Report 6.
- Submitted CWC Quarterly Report 9 (for work performed through September 2020).
- Submitted Financial Assistance Agreement Financial Invoice 1 for \$650,000 to Reclamation.
- Submitted Financial Assistance Agreement Performance Report 1 to Reclamation.