



Topic: **Authority Board Agenda Item 2.2**

2021 January 27

Subject: **State Legislative Activities**

Requested Action:

Consider Acceptance of the 2021 Sites Project State Agency Legislative Activity Priorities.

Detailed Description/Background:

At the June 2020 meetings, the Reservoir Committee and Authority Board approved a number of near-term State government affairs/legislative priorities to focus our activities to better align with key project milestones and align in a coordinated manner with our Federal government affairs/legislative activities.

Staff has updated the priorities to reflect the project's current activities and to address emerging issues since the Authority Board/Reservoir Committee approval in June 2020. This document covers the revised priorities thru December 31, 2021.

Prior Action:

June 2020: Accepted the 2020-2021 Sites Project State Agency Legislative Activity Priorities.

May 21, 2020: Accepted 2020-2021 Sites Project Federal Government Affairs Priorities.

Fiscal Impact/Funding Source:

Sufficient funds exist to support activities associated with these priorities within the Amendment 2 work plan.

Staff Contact:

Jerry Brown/Kevin Spesert

Attachments:

Attachment A: State Legislative/Government Affairs Priorities Memo



TO: Ad Hoc Legislative & Outreach Committee
DATE: 12 January 2021
SUBJECT: State Government Affairs/Legislative Priorities

At the June 2020 meetings, the Reservoir Committee and Authority Board approved a number of near-term State government affairs/legislative priorities to focus our activities to better align with key project milestones and align in a coordinated manner with our Federal government affairs/legislative activities.

Staff has updated the priorities to reflect the project's current activities and to address emerging issues since the Authority Board/Reservoir Committee approval in June 2020. This document covers the revised priorities thru December 31, 2021.

STATE FUNDING

Proposition 1/CWC

- Continue to advance activities to meet the statutory requirements of WSIP to secure the \$816 million awarded to the project.
 - Must have completed feasibility studies, a draft version of the recirculated environmental documents released for public review, CWC finding that the project is feasible and advances long-term Delta goals, and commitments for at least 75 percent of the non-public benefit funding **by January 1, 2022.**
- Continue to secure WSIP Early Funding that was awarded to the project.
 - Approximately **\$28.3 million** of the WSIP Early Funding awarded to the project is still available (\$40.8 million awarded by CWC).
- Advance discussions with CWC to reconcile WSIP public benefits regarding the Authority's preferred alternative ("right-sized" project). Evaluate opportunities for additional WSIP benefits if additional dollars are made available.
- Advance discussions with CDFW to ensure flexibility is reflected in the RDEIR/SEIS for the implementation of the ecosystem benefits. Pursue in the near term ecosystem benefits in awarded Prop 1 categories (Yolo Bypass and IL4 refuge supplies) and longer term ecosystem benefits to encompass an environmental water manager concept.

Other State Appropriations/Bonds/Grants

- Pursue opportunities from potential state bond measures to offset project costs or achieve beneficial financing mechanisms related to climate change adaptation, infrastructure development, drought resiliency, water resources and flood control.
- Potentially apply for loan funding through the California Infrastructure and Economic

Development Bank (IBank) or other state programs for appropriate/eligible project components to achieve reduced interest expense.

- Continue to track and pursue opportunities for state appropriations/grants to offset project cost as appropriate for transportation, economic/workforce development, flood control, infrastructure planning, operations & maintenance, etc.

STATE AGENCY COORDINATION

- Pursue development of a DWR/SWP Coordinated Operations Plan.
 - Including term sheet whereby the parties agree on the key provisions of an agreement coordinating with DWR operations of the SWP by **July 2021**.
 - Monitor activities of Sites/SWP Participants in their efforts to achieve agreement in principle (AIP) with DWR and other SWC's regarding the coordination of Sites into water management by **June 2021**.
- Completion of the recirculated Draft Environmental Impact Report (EIR) by **July 2021**.
 - Coordinated with USBR's development of the Recirculated Draft Environmental Impact Statement (EIS) which is planned for completion no later than **July 2021**.
- Advance the Authority's water rights application with a planned submittal of the application by **December 2021**. The best-case scenario for securing water rights is 18 months following the application.
- Submit permit applications for CDFW for ITP by **December 2021**.
- Initiate coordination with Division of Safety of Dams (DSOD) in developing plan for geotechnical investigations at dam sites **to support field work being initiated in early 2022**.
- Complete approvals and permits to achieve the Final Funding Conditions for Prop 1 by **July 2023** for management of WSIP public benefit water produced by the project.
 - All environmental documentation completed, water rights approved, all other federal, state, and local approvals, certifications and agreements required to be completed have been obtained.

ELECTED OFFICIAL ENGAGEMENT & NGO OUTREACH

- Ongoing engagement with state elected officials and their staff, administration officials and state agency leadership.
 - Planning for a State Legislative Day in **March 2021**.
 - State Delegation Coalition letter in **2nd Quarter 2021**.
- Ongoing engagement with regional/local elected officials (Supervisors & City Council) and local government agencies.
 - Presentations to regional/local electeds (Counties, Cities, Special Districts).
 - Local Government Coalition letter **2nd Quarter 2021**.
- Ongoing engagement with public policy NGOs and Associations. Continued development of a state-wide project coalition.
 - Presentations to NGOs and Association Boards/Membership.
 - NGO/Associations Coalition Letter **3rd Quarter 2021**.

Other items that do not require legislative/government affairs action but are administrative in nature are listed below. We will need to keep our legislators informed on progress of these items so that they can step in when/if needed to assist in keeping them on the timeline required to support the project schedule.

State Permitting - Ongoing consultation with state agencies to secure required state permits and agreements to advance the project.

Regional/Local Permitting & Agreements – Ongoing consultation and coordination with regional and local governmental agencies to advance necessary permits and agreements to advance the project.

EIR Public Outreach - Coordinate with appropriate state agencies on any public outreach activities associated with a recirculated EIR. AB 52 engagement with tribes and continued consultation activities. Conduct outreach with local non-English speaking communities in Spring 2021.