

# Agenda Item 02-04: Final WSIP Feasibility Report and Prop 1 Eligibility Conditions

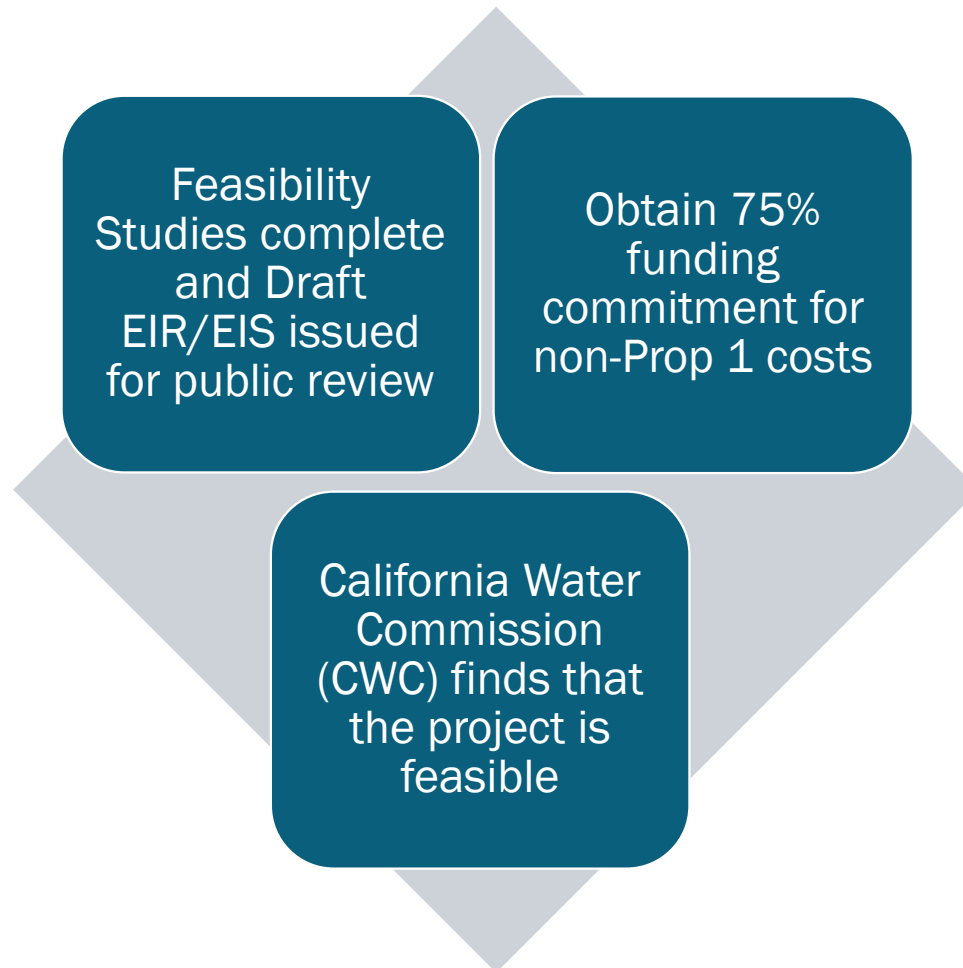
Joint Reservoir Committee and Authority Board

September 22, 2021



# What are the Prop 1 Eligibility Requirements?

by January 1, 2022



# Final WSIP Feasibility Report Status

Henry Luu



# Purpose: Secure State Funding

- Eligible public benefits from WSIP application were \$1,008M
- CWC made a maximum conditional eligibility determination (MCED) of **\$816M**
- CWC adjusted the MCED to **\$836M**
- \$40M in early funding
- Remaining funds for construction are contingent on a feasibility determination by the CWC
- WSIP Feasibility Report is basis for determination

# Coordination with CWC Staff

- CWC staff reviewed and provided comments on the Draft WSIP Feasibility Report
- The project team is working on addressing reviewer comments in preparation of the Final WSIP Feasibility Report
  - Seeking input from select members on expected use and economic benefit of the project's future water supply increases

# Status of Analysis

- Total **public benefit** is **\$928M**
  - Meets the 50% minimum ecosystem benefits requirement
  - Higher than CWC adjusted MCED of \$836M
  - Public benefit-cost ratio (PBR) is **1.11**
- The project team will utilize input from members to complete analysis of the Project benefit-cost ratio (BCR), ensuring a BCR greater than 1.0 before finalizing the WSIP Feasibility Report

# Final WSIP Feasibility Report Next Steps

- Complete updates and work with CWC staff to ensure the document is compliant and meets the needs for the Commission's feasibility determination
- Submit in October 2021
  - CWC staff plans to bring consideration of feasibility for the Sites Project to the December 15, 2021 meeting
- This is a **checkbox** for determination of feasibility and demonstrate continued funding eligibility
  - not a final commitment (negotiations still to follow)

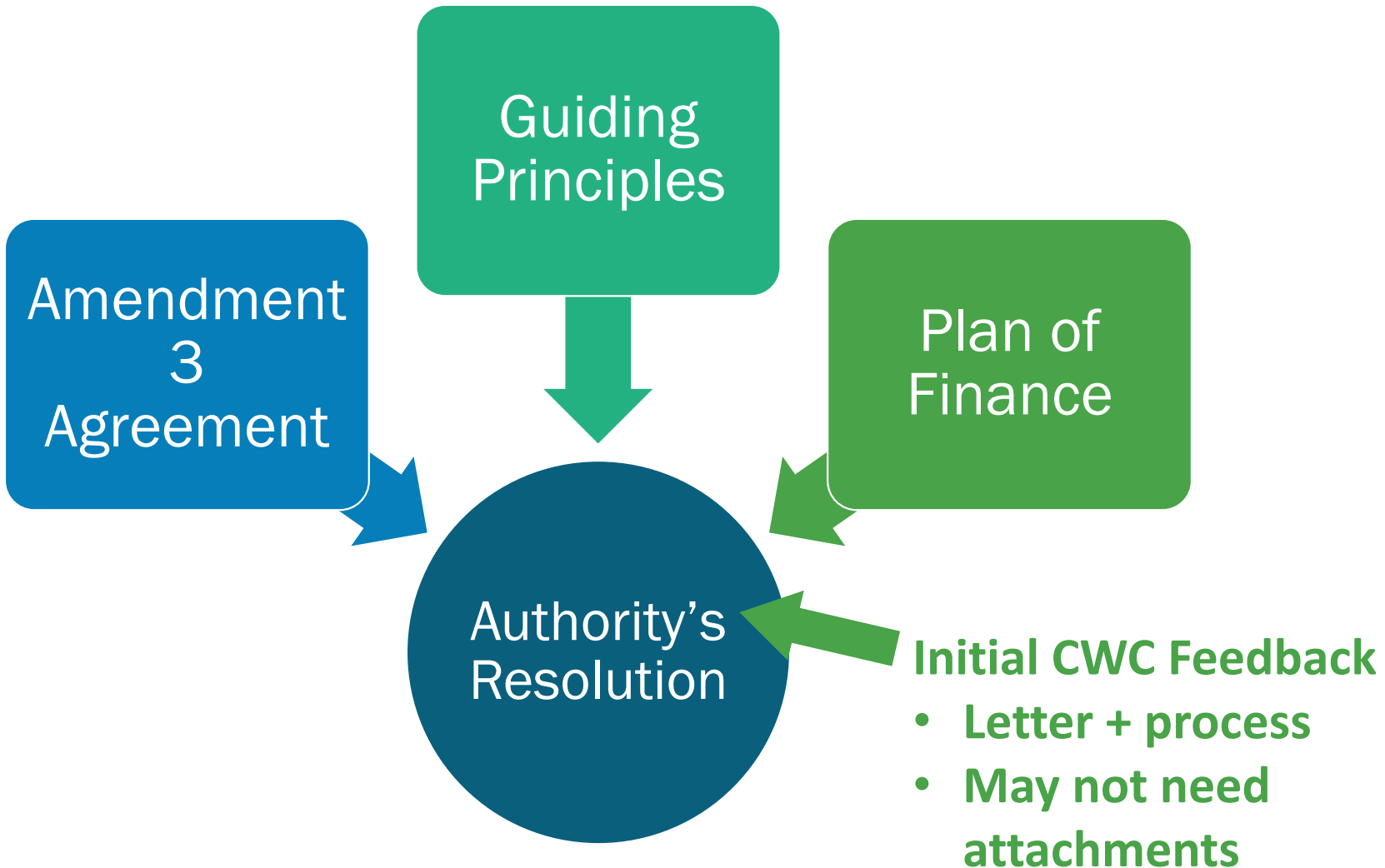
# 75% Non-Public Cost Share Commitment

JP Robinette





# What is the Authority's approach to satisfying the 75% commitment?



# Revised 75% commitment schedule

Pushing action on 75% commitment item **from September to October** allows time for staff to...

- continue coordination with CWC staff
- integrate pending Participant comments
- observe the approach of other projects



*Note: authorization to submit feasibility report still moving forward in September*

# Feedback received on the draft plan of finance

**Two options: pooled financing or pay-as-you-go ("pay-go")**

For **all Participants**, we need to clarify how the sufficiency pledge might work

We will host a **workshop on October 15th** to discuss these updates to the 2021 draft materials.

# 75% Commitment Next Steps

## September 22<sup>nd</sup> Joint Meeting:

- ✓ Amendment 3 Agreement and Work Plan
- ✓ Authorize submission of the Final WSIP Feasibility Report
- ✓ Receive informational update on 75% Commitment

## October:

- Joint workshop (tentatively planned for October 15, 9am)
- Submit Final WSIP Feasibility Report & approve and submit 75% Commitment Package to CWC



Questions?