SEPTEMBER 19, 2025

Sites Reservoir Project

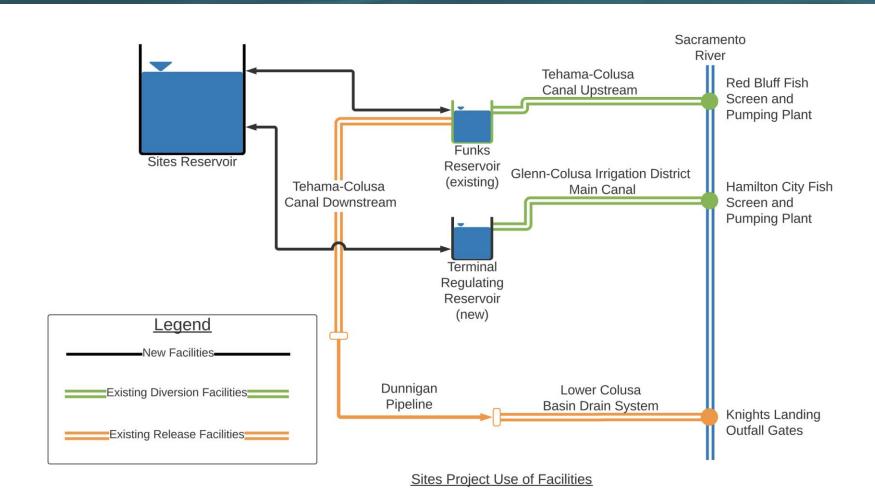
Construction & Operations Considerations for the Lower Colusa Basin Drain (CBD) System



Agenda

- Lower Colusa Basin Drain System Principles of Use
- Real Property Considerations
- Knights Landing Outfall Gates and Wallace Weir Term Sheets
- Upcoming Efforts to Incorporate into Program Baseline Report

Sites Project conveyance into and out of the Sacramento River



Principles of Sites Reservoir Project's Use of Lower CBD System

Principles address:

- ✓ Existing operation and uses of the Lower CBD System
- ✓ Partnership with local partners
- ✓ Water rights and water accounting
- ✓ Maintenance and Capital Improvements

Principles adopted September 2023.

Items needed before B&O signature January 2024 RC/AB meeting

- Real estate considerations for flowing water through the Lower CBD System and for siting the Dunnigan Pipeline discharge facility
- Term sheets with DWR for the use of the Knights Landing Outfall gates (KLOG) and the Wallace Weir (since determined not needed)

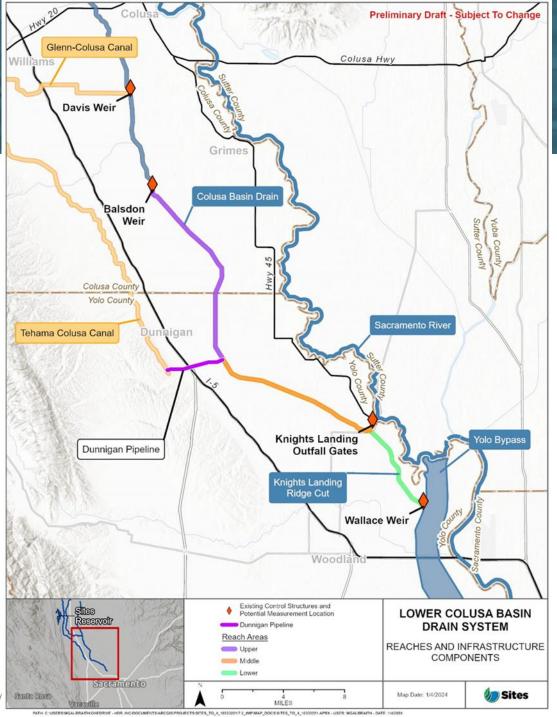
Real Estate Considerations

- Patchwork of landownership underlying the Lower CBD
- Sites water to traverse lands subject to similar flows
- The effects of additional flows and their geographic extent (downstream & upstream) and increase in water elevation are still being analyzed will determine the necessary land rights needed
- May require some limited physical improvements to be constructed and long-term access for O&M
- Establish flowage easements to convey Sites water over private land
- Anticipate acquiring via permanent and temporary easements fee-title only when necessary or requested by the landowner
- Will affect an existing conservation easement operated by USDA will likely require additional mitigation to cover loss

Real Estate Team and Legal Counsel review has determined that the land rights needed to accomplish the Project's objectives in the Lower CBD System fits within the Authority's statutory authorities and all lands can be acquired by the Authority within the Project's schedule requirements.

KLOG and Wallace Weir Operations Coordination

- KLOG to be used for delivering Sites water into the Sacramento River for use by water agencies and refuges south of the Delta.
- Water to benefit Delta smelt originally planned for conveyance via Wallace Weir /Yolo Bypass.
 - Alternatives to this scenario are currently being considered.
 - Sites' operations may continue to affect KLRC and Wallace Weir operations—to be confirmed with hydraulic model updates.



Purpose of Term Sheets

- Memorialize DWR and Sites Authority's intent to work cooperatively to facilitate Sites' use of the Lower CBD System.
- Reflect Sites Authority's intent to respect existing uses of the Lower CBD system.
 - Consistency with Lower CBD System "Principles of Use" (September 2023)
- Support continued compliance with regulations and existing agreements (e.g., Hershey Agreement).

Purpose of Term Sheets (continued)

- Acknowledge remaining work to evaluate Sites' impacts and contributions, including, but not limited to:
 - additional studies (hydraulic model updates)
 - additional measurement/s to support proper accounting
 - discussions with Local Maintaining Agencies, CVFPB, USACE, landowners and other members of the local community
 - risk evaluations
 - coordination with other planning efforts (e.g., Sites
 Operations Plan)
- Inform the development of Operations Agreement/s

Term Sheets Status

- Wallace Weir no term sheet developed.
 - Strategy changed due to CDFW determining flowing Sites water through the Yolo Bypass would not serve an ecosystem public benefit as initially conceived.
 - Wallace Weir and Lower Reach to remain a part of Lower CBD System due to potential backflow at KLOG.
- KLOG term sheet executed with DWR in March 2025.
 - Final operations agreement efforts prior to start of reservoir operations

Upcoming Efforts to Incorporate into Program Baseline Report

- Review of new and existing facilities and right-of-way processes
- Review of agency jurisdictions
- Refining hydraulic analysis of the Lower CBD System
- Cost analysis for CBD/KLOG improvements and OM&R

Sites