



Meeting: **Reservoir Committee/Authority Board Agenda  
Item 3.2**

**October 17, 2025**

Subject: **Conditions Precedent Reporting**

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**Requested Action:**

Receive and comment on the updated conditions precedent quarterly status report.

**Detailed Description/Background:**

Since August 2023, the Conditions Precedent Report has been presented to the Board on a quarterly basis as a status update on the critical items the Board has identified as necessary for their agency's execution of the Benefits & Obligations Contract. Also presented was a Storage Partner Approvals Coordination Table to represent the permits and approvals needed across all of the Storage Partners; Participants/Reservoir Committee members, State/California Water Commission, and Federal/Bureau of Reclamation. Having a common list of expected deliverables ensures Sites Staff, consultants, and all Storage Partners prioritize efforts in the right places. These logic connections are incorporated into the Amendment 3 schedule update, Agenda Item 4.4C.

This report updates on the progress of items listed in Attachment A since the July 2025 report. Board members, state representatives and federal representatives are requested to confirm any changes or additions to their needs for executing contracts during investor commitment escrow.

Last month a group of Board members identified additional needs related to Lower Colusa Basin assurances. This small group is meeting on October 14, 2025. Outcomes from this meeting will be reported out during the Board meeting and future conditions precedent reporting will be adjusted accordingly.

The key activity to starting investor commitment continues to be issuance of the water right order. This report incorporates a working assumption in the schedule, which is an order issued in December 2025. The Authority anticipates a minimum 2-month process to true-up documents to the water right order and final state and federal contracts. Therefore, Participants should plan to be in the six-month investor escrow, starting after the March 20, 2026 AB/RC Board Meeting. Since the water right is pushing out in the schedule, Participants should consider taking steps early to assist in compressing the escrow period to shorter than six months to ensure a 2026 groundbreaking can still occur.

The funding shortfall due to an extended schedule beyond June 2026 has been mitigated by the additional early funding provided by the recent increased Maximum Conditional Eligibility Determination from the State Prop 1 funds. Sufficient funds now exist to extend work through December 2026.

**Prior Authority Board Action:**

July 2025 – Received a quarterly update.

**Fiscal Impact/Funding Source:**

The Amendment 3 Work Plan includes sufficient budget to cover required resources and activities to achieve the supporting deliverables as listed in the Storage Partners Approvals Coordination Table.

**Staff Contact:**

Ali Forsythe/JP Robinette/Jerry Brown

**Primary Service Provider:**

None.

**Attachments:**

Attachment A: Activities to be Completed Prior to Resolution of Offer of Capacity and During Investment Commitment Escrow, Status Update

Attachment B: Storage Partners Approvals Coordination Table – working draft dated October 17, 2025



**Activities to be Completed Prior to Resolution to Offer Capacity & Service and During Investor Commitment Escrow  
 Status Update as of October 17, 2025**

Activity / Agreement	Target Completion	Status	Notes / Critical Issues
<b>Contract and Supporting Documents:</b>			
• Benefits and Obligations Contract final review	Dec 25	On Track	Remaining issues to be resolved and the B&O to be conformed upon issuance of final water right.
• Phase 3, 4, 5 Bylaws	same as B&O		
• Amended Joint Exercise of Powers Agreement	same as B&O		
• Sites Reservoir Operations Plan (Version 2)	same as B&O	Downstream Conveyance Capacity Issue	Outcomes with other permits and approvals may affect document.
<b>Actions:</b>			
• CEQA Notice of Determination	Nov 23	Completed	Nov 17, 2023
• NEPA Record of Decision	Oct 25	Dependent on Reclamation	Revised based on Sec 106 Programmatic Agreement and Construction BiOp schedule.
• Preliminary Baseline Report including Updated Class 3 Cost Estimate and Updated Plan of Finance Forecast Tables	Nov/Dec 25	On Track	Progress report on cost/benefit estimates provided June 2025.
• Resolution to Offer Capacity & Service	Mar 26	Revised	Revised based on schedule update.
<b>Permits and Approvals:</b>			
• Water Right decision by SWRCB	Dec 25	Revised	
• State Construction and Operations Incidental Take Permits	Oct 24 Oct 24	Completed	
• Federal Project Construction Biological Opinion	Oct 24	Completed	
• Federal Programmatic Operations Biological Opinion (Step one)	Dec 24	Completed	
• National Historic Preservation Act – Section 106 Programmatic Agreement	Oct 25	Revised	Document is out for final review prior to signature. The Authority has signed.
• DSOD Confirmation of Dam Design Criteria	Nov 25	Revised	
• County Developer Agreements	Oct 25	Revised	
• Clean Water Act – Section 401	Mar 26	Revised	
• Clean Water Act – Section 404	Jun 26	Revised	Application deemed complete on Sept 29, 2025
• CVFPB Encroachment Permit	Jul 28	On Track	Need to advance engineering/design to 65%.
• USC Section 408 Approval	Nov 28	On Track	Need to advance engineering/design to 65%.
• Eagle Long Term Permit	Dec 25	On Track	
• Memoranda of Understanding related to CEQA Compliance and Air Board permits	Oct 25	Revised	



Activity / Agreement	Target Completion	Status	Notes / Critical Issues
<ul style="list-style-type: none"> <li>Master Lake and Streambed Alteration Agreement</li> </ul>	Jul 25	Completed	
<b>Executed Agreements:</b>			
<ul style="list-style-type: none"> <li>Facilities Use Agreements – TC Canal System</li> </ul>	Jan 26	Revised	Revised based on progress to date.
<ul style="list-style-type: none"> <li>Facilities Use Agreements – GCID System</li> </ul>	Jan 26	Revised	Revised based on progress to date
<ul style="list-style-type: none"> <li>Lower Colusa Basin Drain System Term Sheets</li> </ul>	Mar 25	Partially Completed	Meeting with Downstream Group on Oct 14 to identify add'l req'ts
<ul style="list-style-type: none"> <li>Operating Agreement with DWR and Reclamation</li> </ul>	Oct 25	On Track	Agreement is in Legal Review.
<b>Conditions To Occur During Investor Commitment Escrow:</b>			
<ul style="list-style-type: none"> <li>B&amp;O Contract executed by all parties</li> </ul>	Sept 26	Revised	
<ul style="list-style-type: none"> <li>Final Public Benefit Agreements with CDFW and DWR                             <ul style="list-style-type: none"> <li>Agreement with Reclamation for Pumping and Conveyance of Incremental Level 4 Refuge Water is anticipated to be on same timing with Public Benefit Agreement with CDFW</li> </ul> </li> </ul>	DWR – Dec 25 CDFW - Dec 25	On Track	Revised based on progress to date. Executed agreements will occur after CWC public review process.
<ul style="list-style-type: none"> <li>Prop 1 Resolution of Final Award by CWC</li> </ul>	Sept 26	Revised	CWC has clarified their schedule.
<ul style="list-style-type: none"> <li>Final Prop 1 Funding Agreement executed by CWC Staff</li> </ul>	Dec 26	Revised	This does not affect initiating Phase 3 funding
<ul style="list-style-type: none"> <li>Final Partnership Agreement with Reclamation.</li> </ul>	Dec 25 Complete negotiations and sign-off ready document Aug 26 final sign-off	Revised	Public negotiations ongoing.
<ul style="list-style-type: none"> <li>Execution of Loan Agreements for Project Financing</li> </ul>	Sept 26	On Track	To occur after close of Investor Commitment Escrow
<ul style="list-style-type: none"> <li>Final Biological Opinion for project level operations (Step Two)</li> </ul>	May 26	Revised	

Sites Project: Permits and Agreements by Agency  
Status Update as of October 17, 2025

Permit Issued or Agreement Ready for Execution	Needed for Resolution for Offer of Capacity	Needed for CWC Funding Agreement	Needed for Reclamation Partnership Agreement
Complete CEQA	Yes	Yes	No
Complete NEPA and Sign ROD	Yes	Yes	Yes
Sites / Reclamation / DWR Operations Agreement	Yes	Yes	Yes
Conveyance Agreement(s) (formerly called 'Warren Act' contract(s))	No	Partial, for refuge water deliveries	No
Land Lease/License Agreement for use of Federally Owned Property	No	No	No
Partnership Agreement	Yes	Yes	Yes
Reimbursement Agreements within the CVP	Yes	No	No
Agreements Necessary for Pumping and Conveyance of IL4 Refuge Water - DWR Conveyance Agreement and Reclamation Donation Agreement	No	Yes	No
Design and Construction Agreement to Add Pumping Capacity at Red Bluff PP	No	No	No
Power Agreement(s)	No	No	No
Sites Reservoir Benefits and Obligations (B&O) Contracts PLUS all Necessary Annexes	Yes	Yes	Yes
Revisions to JPA and Bylaws	Yes	Yes	Yes
Sites / GCID Facilities Use Agreements	Yes	Yes	Yes
Sites / TCCA Facilities Use Agreements	Yes	Yes	Yes

Sites Project: Permits and Agreements by Agency  
Status Update as of October 17, 2025

Permit Issued or Agreement Ready for Execution	Needed for Resolution for Offer of Capacity	Needed for CWC Funding Agreement	Needed for Reclamation Partnership Agreement
Sites / RD108 Lower Colusa Basin Drain Operations Agreement	No	No	No
Biological Assessment/Biological Opinion Construction and Programmatic Operations (Step 1)	Yes	Yes	Yes
Biological Assessment/Biological Opinion Project-level Operations (Step 2)	Yes	Yes	Yes
Eagle Take Permit / Eagle Conservation Plan	No	No	Yes
State Incidental Take Permit – Operations	Yes	Yes	Yes
State Incidental Take Permit – Construction	Yes	Yes	Yes
Section 106 Programmatic Agreement	Yes	Yes	Yes
Water Right Permit SWRCB Decision	Yes	Yes	Yes
Clean Water Act Section 404, wetlands and waters of the US (must have a Section 401 to get a 404)	No	Partial, based on conceptual approval	No
Clean Water Act Section 401 and Porter Cologne Water Quality Control Act	No	Partial, based on conceptual approval	No
Waste Discharge Requirements	No	No	No
USC Section 408, if needed	Partial, based on conceptual approval	Partial, based on conceptual approval	No
Central Valley Flood Protection Board Encroachment Permit	Partial, based on conceptual approval	Partial, based on conceptual approval	No
County General Plan and Zoning Changes	No	No	No

Sites Project: Permits and Agreements by Agency  
Status Update as of October 17, 2025

Permit Issued or Agreement Ready for Execution	Needed for Resolution for Offer of Capacity	Needed for CWC Funding Agreement	Needed for Reclamation Partnership Agreement
County General Plan and Zoning Changes	No	No	No
County Developer Agreements – Agreements on Zoning Changes, Road Maintenance and Ownership, Taxes, Etc	Yes	Yes	Yes
County Developer Agreements – Agreements on Zoning Changes, Road Maintenance and Ownership, Taxes, Etc	Yes	Yes	Yes
County Developer Agreements – Agreements on Zoning Changes, Road Maintenance and Ownership, Taxes, Etc	Yes	Yes	Yes
WSIP Public Benefits – Ecosystem	Yes	Yes	Yes
WSIP Public Benefits – Flood and Recreation	Yes	Yes	Yes
WSIP Final Funding Resolution by CWC	Yes	Yes	Yes
WSIP Final Funding Agreement (CWC staff approval)	No	No	Yes
Lake and Streambed Alteration Agreement (Master)	No	Partial, based on conceptual approval	No
WIFIA Master and Loan Agreement(s)	Yes	No	No
MOUs related to CEQA compliance (Air Districts)	No	Yes (Construct) No (Operate)	No

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 Status Update as of October 17, 2025

Permit Issued or Agreement Ready for Execution	Needed for Resolution for Offer of Capacity	Needed for CWC Funding Agreement	Needed for Reclamation Partnership Agreement
Encroachment Permits	No	No	No
Transportation Permits	No	No	No
Permit to Construct/Operate	No	Partial, based on conceptual approval	No
Interconnection Agreement	No	No	No
Exemption from FERC	No	No	No
Lower Colusa Basin Drain – Knights Landing Outfall Gates Operations Term Sheet	Yes	Yes	No
Lower Colusa Basin Drain – Knights Landing Outfall Gates Operations Agreement	No	No	No
Lower Colusa Basin Drain - Wallace Weir Operations Term Sheet	Yes	Yes	No
Lower Colusa Basin Drain - Wallace Weir Operations Agreement	No	No	No
Lower Colusa Basin Drain - White Paper Evaluation (Flowage Easements)	Yes	Yes	No

Sites Project: Permits and Agreements by Agency  
 Status Update as of October 17, 2025

Permit Issued or Agreement Ready for Execution	Needed for Resolution for Offer of Capacity	Needed for CWC Funding Agreement	Needed for Reclamation Partnership Agreement
Lower Colusa Basin Drain - Real Estate Agreement (Flowage Easements)	No	No	No
Lower Colusa Basin Drain: Real Estate Term Sheet (Dunnigan Pipe Outlet Structure into CBD)	Yes	Yes	No
Lower Colusa Basin Drain: Real Estate Agreement (Dunnigan Pipe Outlet Structure into CBD)	No	No	No
Lower Colusa Basin Drain: Long Term Maintenance Agreement	No	No	No