

CONTRACT FOR ADMINISTRATION OF PUBLIC ECOSYSTEM BENEFITS



Sites Project Authority Board Meeting
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OVERVIEW OF CONTRACT CONTENTS

Recitals

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Section 2 Roles and Responsibilities

Section 3 Term

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Exhibit A Findings

Exhibit B Adaptive Management Plan

Exhibit C Agreements

CONTRACT FOR THE ADMINISTRATION OF PUBLIC BENEFITS

Consistency with Prop 1 and WSIP Regulations

- The project applicant has entered into a contract to ensure that the public contribution of funds pursuant to Chapter 8 of Proposition 1 achieves the public benefits identified for the project (Water Code § 79755)
- Any project funded under the Program shall enter into a contract with each of the appropriate State agencies to administer the public benefits of the project. These contracts shall supersede any preliminary operations, monitoring, and management commitments made in the Program application (Cal. Code Regs, tit. 23, § 6014 subd. (a)(2))

Contract shall contain:

- Adaptive management plan
 - Metrics, monitoring, trigger level to initiate AM actions, decision making process, funding sources, other items deemed necessary by administering agency
 - Description of public benefits
 - Reporting requirements
 - Assurances
 - Provision to inspect the project
 - Actions to be taken if project does not comply

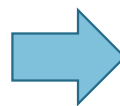
PUBLIC ECOSYSTEM BENEFIT

Project Implementation Actions:

- Volume of water delivered
- Base and downstream facility capacity of 17.3%

Benefit Implementation Actions:

Maintain Agreements



Benefit Environmental Response:

- Contribution toward CVJV Implementation Plan
- Wetland habitat enhancement

CONTRACT IMPLEMENTATION

- Implement Project and Benefit Implementation Actions
- Monitor
- Report annually
- Evaluate Performance Thresholds on 5-year adaptive management (AM) cycle
- Submit AM Review Report
- Implement AM actions, if needed

POTENTIAL ADAPTIVE MANAGEMENT ACTIONS

Management Actions in response to Project Implementation Action AM Trigger:

- Provide water in different Water Year types or different months.
- Provide water to a different location category.
- Provide water to additional eligible Wetland Habitat.
- Increase the use of operational exchanges with the SWP to increase water deliveries.
- Ensure water deliveries to Wetland Habitat under this Contract have the priority use of 17.3% of Downstream Facilities Capacity.
- Ensure 17.3% of Base Facilities Capacity is utilized to deliver water to Wetland Habitat.
- Operate to maximize the volume of available Sites Water to achieve greater public benefits through use of the Storage Allocation.

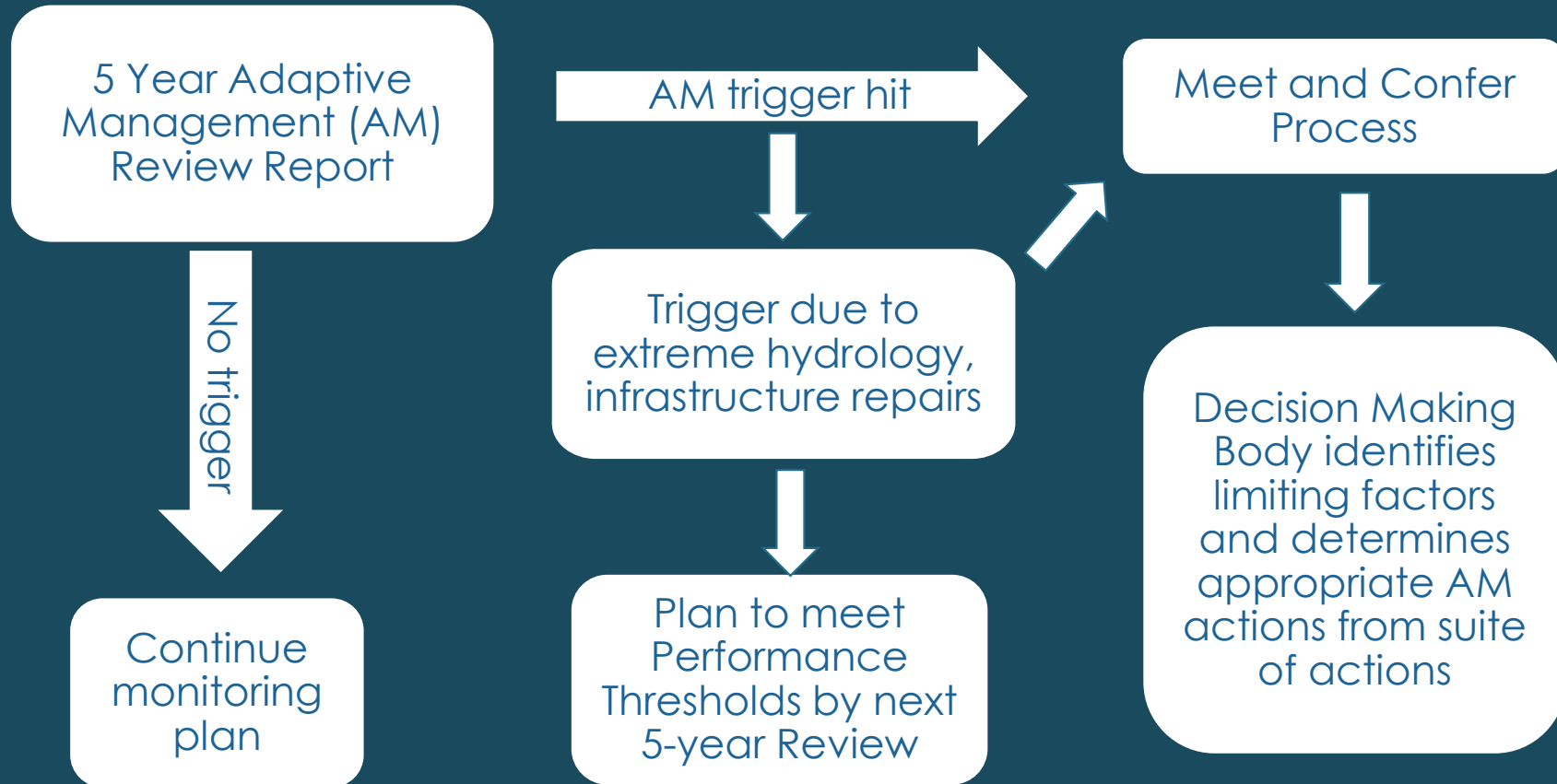
Management Actions in response to Benefit Implementation Action AM Trigger:

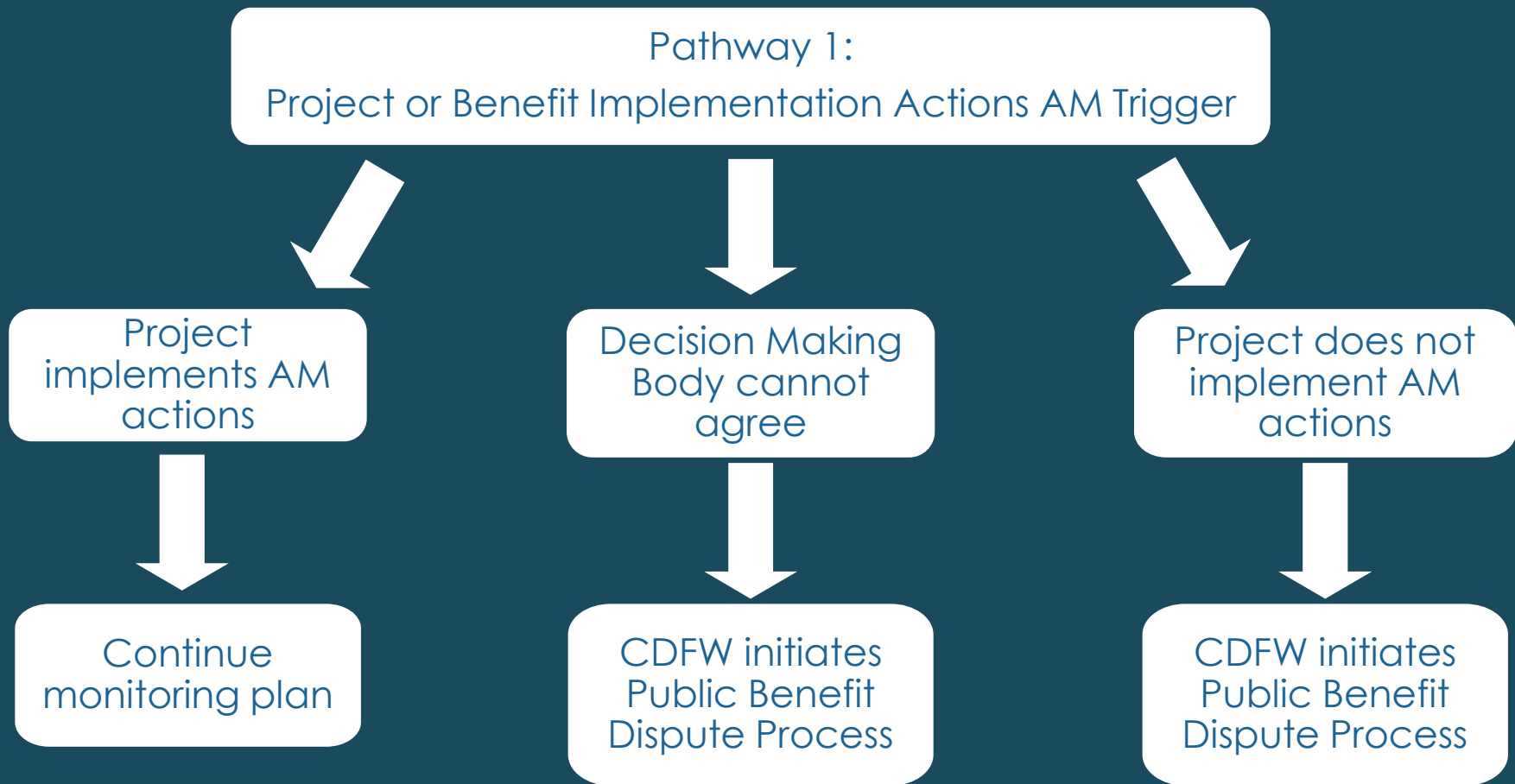
- Negotiate modifications/amendments to existing agreements or develop new agreements to allow for the delivery of water.
- Implement Dispute Resolution process in appropriate agreement.
- Identify and deliver water to new Wetland Habitat that has existing water conveyance infrastructure and will accept water from the Project.

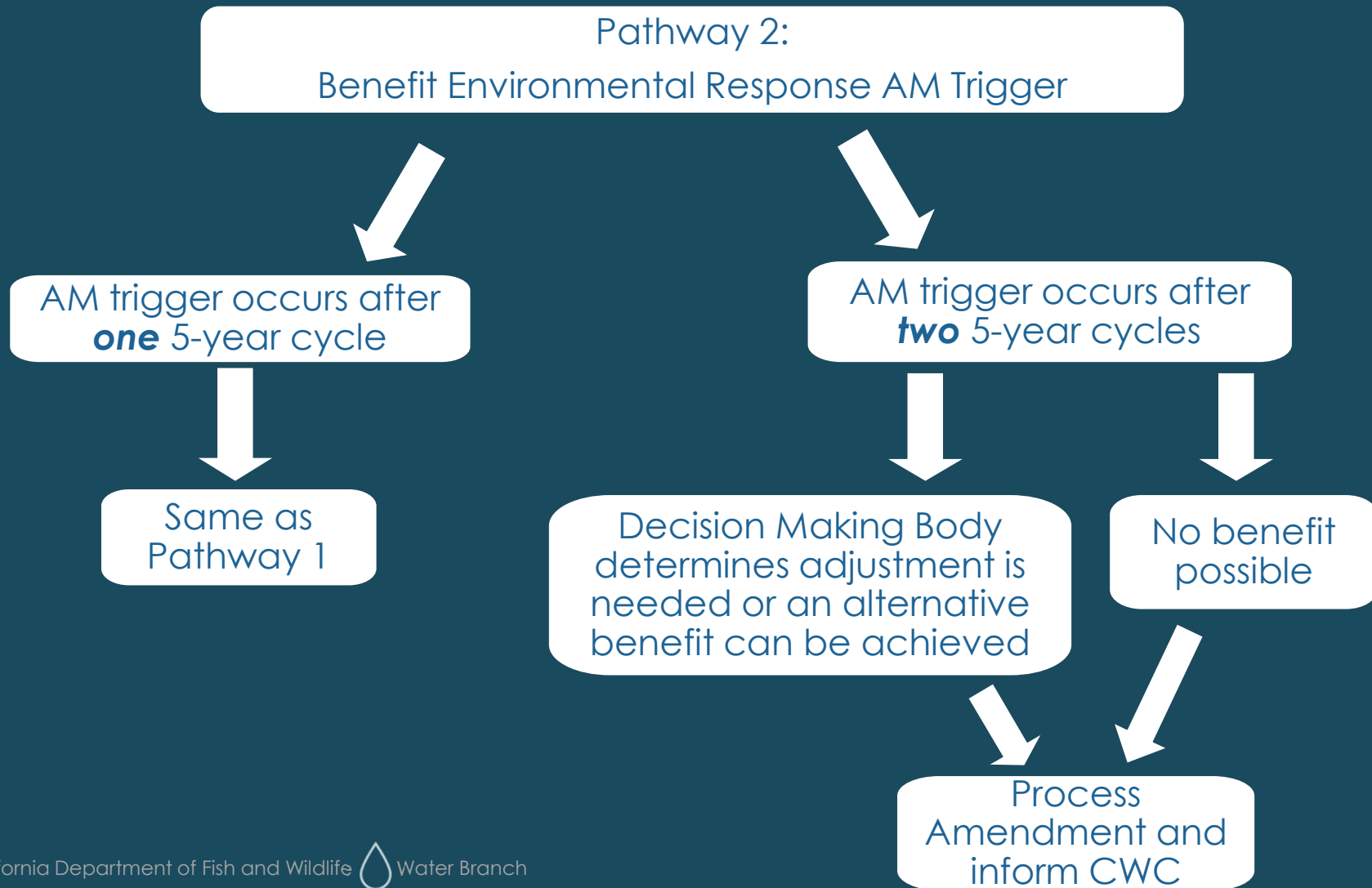
Management Actions in response to Benefit Environmental Response AM Trigger:

- Provide water in different Water Year types or different months, if beneficial to the receiving Wetland Habitat.
- Provide water to a different location category.
- Provide water to additional eligible Wetland Habitat.

DECISION MAKING PROCESS







PUBLIC BENEFIT DISPUTE PROCESS

CDFW may only initiate the public benefit dispute process when:

- The Parties disagree on appropriate adaptive management actions and lack of action will result in an insufficient Public Ecosystem Benefit
- The Parties disagree on whether the Public Ecosystem Benefit should be adjusted
- The Parties disagree on whether the Public Ecosystem Benefit continues to be feasible
- The CDFW determines the Public Ecosystem Benefit is no longer occurring due to failure to conduct adaptive management actions

PUBLIC BENEFIT DISPUTE PROCESS

Goal: find a solution; may include amendment to contract or adaptive management plan

CDFW will provide written notice to Project:

1. State disputed issue
2. Document alternatives considered during Meet and Confer
3. State any partial resolution
4. Identify unresolved issues
5. Propose a solution

Project will respond to CDFW within 60 days

CONCLUSION OF DISPUTE PROCESS

1. Parties mutually agree on a solution
 - May require amendment to CAPB

2. Parties do not mutually agree on a solution
 - CDFW submits finding of insufficient public benefit to CWC
 - Requires CDFW Director approval
 - CDFW provides CWC explanation and recommendation for compliance
 - Project may also provide information to CWC

SPECIFIC PERFORMANCE

If CWC agrees with CDFW:

- CDFW may initiate litigation

If court sides with CDFW, remedy is Specific Performance, which requires the Authority to implement:

- Project Implementation Actions
- Adaptive Management Actions

QUESTIONS?

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