



**Requested Action:**

Review and comment on the status update on Impact Alleviation Agreements with interested parties as identified in the County Development Agreements.

**Detailed Description/Background:**

One of the conditions of the now executed County Development Agreements is to make best efforts to secure Impact Alleviation Agreements with public agencies in the vicinity of the Reservoir and other Project work. This report is intended to provide the Board with an update on progress made on IAAs since the last report made in October 2025.

A list of parties the Counties have identified as potentially interested in engaging with the Authority regarding impact alleviation agreements is shown in Attachment A. There have been ongoing efforts by Staff toward reaching agreements as follows:

- Maxwell Unified School District (MUSD) – In cooperation with MUSD, the Authority competitively selected and paid 100% of the cost for the consulting firm, BAE Urban Economics, to prepare an independent impact analysis of potential project effects on the current and future operations of the Maxwell Schools. The report concludes that:
  - No significant historical or latent fiscal impacts attributable to the Project were identified. The reported noted that regional demographic and economic trends are the primary drivers of enrollment decline.
  - During construction, there are no definite impacts but there are possible areas of impacts depending on actual conditions including: i) school bus reroute mileage/wear and tear cost and time at up to \$5,000 per year (2026 dollars) ii) the need for crossing guard and student safety measures are possible depending on project adherence to limited use of Oak Street in Maxwell, iii) employment incentives to assist MUSD in retaining certain staff estimated at up to \$372,000 annually in current dollars may be needed. A “paid as incurred” approach is suggested.
  - The Sites Reservoir Project is not expected to create long-term structural operating deficits for the MUSD.

- Long-term, projected enrollment increases are expected to remain within existing school capacity and are expected to be offset by associated State funding. Facility and modernization costs associated with potential future residential growth were estimated to range from approximately \$154,000 to \$338,000, depending on actual housing and population growth. This is net of developer fee revenue secured by MUSD from new development and based on current fees not being adjusted by MUSD. Again, due to the uncertainty, a “paid as incurred” approach is suggested.

The consultant considered input from MUSD and the Authority prior to finalizing the report. Staff understands that MUSD is not in agreement with BAE’s findings. Next steps include meeting with MUSD and seeking to reach an agreement on IAA terms.

- Local Fire, Sheriff and Highway Patrol – The Authority convened these parties last month with Barnard providing an overview of their standard approach to limiting effects of remote projects such as Sites on the provision of emergency response, fire, and public safety services to nearby communities in Colusa and Glenn County. The group asked questions and provided feedback on Barnard’s plans. It was agreed that reconvening after the selection of the Construction Manager At Risk Conveyance in 9 to 12 months would be prudent to understand the approaches of both worksites before engaging in further IAA negotiations.
- Dunnigan Community Advisory Committee – In conjunction with Yolo County, considering their authorization of the Developer Agreement, concerns were raised by the Dunnigan Community Advisory Committee about the potential project effects in the Dunnigan area. The County’s decision was deferred until June 23 to allow time for County and Authority Staff to meet with the Committee to understand any issues. Such a meeting was conducted on June 10. The Committee had questions and suggestions for coordination during construction as follows:
  - Considerations for potential business operations (agriculture and commercial) impacts during construction will be needed.
  - Existing drainage issues in the area that may be exacerbated by new construction need to be evaluated.
  - Similar concerns to other project areas around potential impacts on local fire and sheriff service level affects during construction of the Dunnigan pipeline. As a result, these entities have been added to Attachment A.
  - There is interest in economic betterment from the transitory workforce expected to migrate into the area.

The Committee would like to be more involved in project planning and will be invited to ongoing Local Community Working Group and Landowner meetings.

- Glenn County Public Works Agency (PWA) – There has been some discussion with Glenn County PWA about their concerns related to excessive wear and tear on existing roads and crossings (above what is addressed in the Developer Agreement) during construction and operations, and potential hazard mitigation preparations and stormwater/flood flow management changes during construction and operations. To date, the alleviation needs identified center on planning studies and evaluations. Further Staff level discussions will occur over the next 4-6 months, and proposed agreement key terms will be brought to the Board for approval after there is a better understanding of the potential areas of concern and alleviations.

At the October 2025 Board meeting, the Board withheld authorizing staff from entering into IAAs until after receiving further direction on the consideration of local input and oversight. At this time, there does not appear to be an urgency to secure these agreements, however the Authority remains committed to these efforts and Staff believes that Agreements with many of parties listed in Attachment A will be necessary.

**Prior Action:**

October 2025: Considered authorizing the Executive Director to execute the Impact Alleviation Agreements with interested parties identified in the County Development Agreements.

**Fiscal Impact/Funding Source:**

The cost of the preparation of the Alleviation Agreements and the supporting analysis is included in the Amendment 3 work plan. Costs associated with the commitments being made will be incorporated into the updated Project cost estimate.

**Staff Contact:**

Jerry Brown

**Attachments:**

Attachment A- List of Parties Identified in County Developer Agreements for Possible Impact Alleviation Agreements.

**List of Parties Potentially Interested in Impact Alleviation Agreement  
 with the Sites Project Authority  
 June 26, 2026**

Per Development Agreements (DA) with the Project Area Counties, the Authority will use best efforts to enter into Impact Alleviation Agreements with the following entities that have been identified by the Counties as potentially being affected by the Project construction and/or operations:

		Within County DA
a.	Maxwell Unified School District	Colusa
b.	Maxwell Public Utilities District	Colusa
c.	Maxwell Parks and Recreation District	Colusa
d.	Maxwell Fire District	Colusa
e.	Colusa County Sheriff	Colusa
f.	Colusa County Public Works Agency	Colusa
g.	Kanawha Rural Fire Protection District	Glenn
h.	Willows Rural Fire Protection District	Glenn
i.	Glenn County Sheriff	Glenn
j.	Glenn County Public Works Agency	Glenn
k.	California Highway Patrol	NA
l.	Interested Participants in the Lower Colusa Basin Drain Working Group	Yolo
J.	Dunnigan Fire Protection District	Yolo
K.	Yolo County Sheriff	Yolo

The additions of J and K above were made in the finalization of the Yolo County Developer Agreement to maintain consistency with the Colusa and Glenn County Developer Agreements.