Reservoir Committee and Authority Board Meeting

Agenda Item 7.2: Update on GCID and TCCA Facilities Use Agreements

August 21, 2026

Sites

Facilities Use Agreement Update

Issue for Discussion

- Delivering the benefits of the Sites Reservoir Project requires agreement for use of existing Glenn-Colusa Irrigation District (GCID) and the Tehama-Colusa Canal Authority (TCCA) facilities (incl Reclamation).

Policy Direction Needed

- Concur terms of agreement meet previous board principles
- Comment on “white paper” approach for incorporating TMs
- Identify new board principles, as needed

Summary of Previous Direction to Staff

- Protection of Regular Customers
- Level of Service and Partnering Considerations
- Wheeling Cost Considerations
- Conveyance Considerations
- Capital Improvement Considerations

Protection of Regular Customers

No negative impact to Facility Partner Regular Customers.	• Addressed in Section 3.1
No modification of existing Facility Partner water service, repayment, purchase, or exchange contract.	• Addressed in Section 3.1
No impact to Facility Partner water rights.	• Addressed in Section 3.1
The Project's environmental planning and permitting processes will not create "new" effects to existing operations and Regular Customers.	• Addressed in Section 3.1

Level of Service and Partnering Considerations

Sites Authority will not become a Regular Customer (no representation).	• **Addressed in Section 3.2**
Facility Partners should be compensated for a reasonable share, prorated for interruptible service, of their initial development costs.	• **Addressed in Attachment B**
Facility Partners will support the approvals for conveying Sites Water through federal facilities.	• Being Met and In Progress via ongoing negotiations of Reclamation Excess Capacity Agreement
Facility Partners will support and will not protest the Sites Project throughout the water rights and permitting proceedings.	• **Addressed in Section 5.6**

Wheeling Cost Considerations

Reflect standard industry practice	• **Addressed in Section 3.5**
Recover Facility Partner variable costs	• **Addressed in Attachment B**
Recovery of a share of fixed costs to acknowledge risk, establish long-term relationship, provide payment for service	• Addressed in Attachment B, different based on ownership model (GCID owns facilities fully, TCCA has OM&R responsibilities)
The Sites Authority will schedule and purchase power needed for the conveyance of Sites Water	• Covered in Excess Use Agreement. Operational details deferred until the project is further developed (to be described in agreement attachment)

Conveyance Considerations

Annual coordination of schedules; conveyance and down-time.	• **Addressed in Section 5.2**
A process will be developed to agree upon reasonable loss rates and to address changes in loss assumptions.	• **Addressed in Section 6.1 / Attachment B**
Agree on process for measuring, controlling, and reporting flow with verification by both parties.	• **Addressed in Section 6.1**

Capital Improvement Considerations

Capital improvements directly related to Project needs will be paid in full by the Sites Authority.

- Addressed Section in 3.4

The Sites Authority will establish fair cost sharing for mutually beneficial reliability improvement projects.

- Addressed in Attachment B

Capital improvements needed after Project completion are outside of this agreement.

- Addressed in Section 3.4

White Paper Approach to adding TMs

- The Board approved Sites-DWR-Reclamation Agreement to Coordinate Operations includes the "white paper"
  - Describes mutual understanding of Sites operations in today's environment as part of the agreement
  - Serves as a starting place for addressing future changes
- Closely similar situation to TMs and FUA

Questions?