

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Engineering Workshop
Agenda
May 11, 2020 at 1:30 p.m.

Revised

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, **THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING THIS BOARD MEETING IN PERSON.** MEMBERS OF THE PUBLIC MAY LISTEN AND PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE FOLLOWING NUMBER:
(669) 900-6833 OR VIA ZOOM. MEETING ID 992 5387 6296.

1. **Call to Order, Flag Salute and Roll Call**
2. **Public Comment:** Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.
3. **Discussion and Update on Sites Reservoir Progress to Date and Phase 2 Agreement* (p. 2)**
4. **Discussion of proposed Engineering budget for FY 20-21*(p. 16)**
5. **Announcement:**
 - A. Water Conservation and Education Workshop, May 14, 2020 at 1:30 p.m.
- Cancelled
 - B. Regular Board Meeting, May 18, 2020 at 1:30 p.m. – Teleconference/Zoom
 - C. Special Board Meeting, Wednesday, May 20, 2020 at 12:00 p.m. – Teleconference/Zoom
 - D. Office Closed Monday, May 25, 2020 in observance of Memorial Day
 - E. Finance & Budget Workshop, Tuesday, May 26, 2020 at 1:30 p.m.
– Teleconference/Zoom
6. **Adjournment**

***Information included in Agenda Packet**

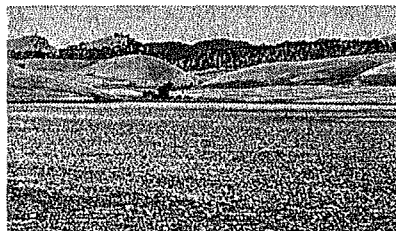
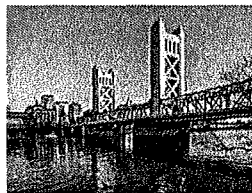
(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for Public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at <http://www.sgowa.com>. (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

Sites Reservoir



21st Century Solution to California's Water Reliability Challenges

Sites Reservoir is a generational opportunity to construct a multi-benefit water storage project that helps **restore flexibility, reliability, and resiliency** to our statewide water supply



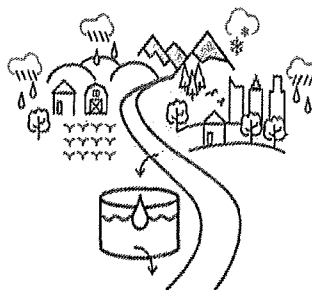
21st Century Solution to California's Water Reliability Challenges

Sites Reservoir is a new perspective for water storage

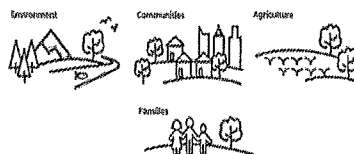
Captures and stores stormwater flows from the Sacramento River—after all other water rights and regulatory requirements are met—for release primarily in dry and critical years

Sites is not a “traditional” reservoir project. It is an off-stream facility that does not dam a major river system and would not block fish migration or spawning.

Sites Reservoir is one of only two statewide projects specifically named as a priority project in Governor Newsom’s Water Resilience Portfolio.



Water from Sites directly benefits:



Our Strength is in Our Broad Statewide Participation

Participants are diverse, representing major urban centers and rural agricultural regions across California

The Sites Project Authority is working in collaboration with a broad coalition of project participants throughout California to address our statewide water supply challenges and create a resilient water future

Working in close collaboration with California Department of Water Resources and Bureau of Reclamation to add operational flexibility to the State Water Project and Central Valley Project

Spirit of teamwork and regional collaboration to advance a practical solution for our statewide water management challenges

Our participants serve:



Cities/neighborhoods



Farmland/irrigation



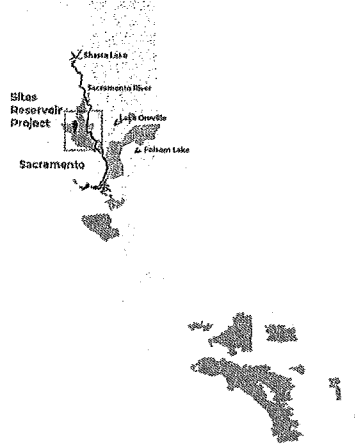
State/environment

equating to **24+ million people** and
over **500,000 acres of farmland**



**Our Strength is in Our
Broad Statewide Participation**

Diverse statewide representation of public agencies advancing Sites Reservoir



Participants include
**counties, cities, water
and irrigation districts**


Urban and Rural

Sacramento Valley

San Joaquin Valley

Bay Area

Southern California



**Our Strength is in Our
Broad Statewide Participation**

<p>Sacramento Valley</p> <ul style="list-style-type: none">Carter Mutual Water CompanyCity of American CanyonColusa CountyColusa County Water AgencyCortina Water DistrictDavis Water DistrictDunnigan Water DistrictGlenn CountyGlenn-Colusa Irrigation DistrictLaGrande Water DistrictPlacer County Water AgencyReclamation District 108City of RosevilleSacramento County Water AgencyCity of SacramentoTehama-Colusa Canal AuthorityWestside Water DistrictWestern Canal Water District	<p>Bay Area</p> <ul style="list-style-type: none">Santa Clara Valley Water DistrictZone 7 Water Agency <p>San Joaquin Valley</p> <ul style="list-style-type: none">Wheeler Ridge-Maricopa Water Storage District <p>Southern California</p> <ul style="list-style-type: none">Antelope Valley - East Kern Water AgencyCoachella Valley Water DistrictDesert Water AgencyMetropolitan Water DistrictSan Bernardino Valley Municipal Water DistrictSan Geronio Pass Water AgencySanta Clarita Valley Water Agency
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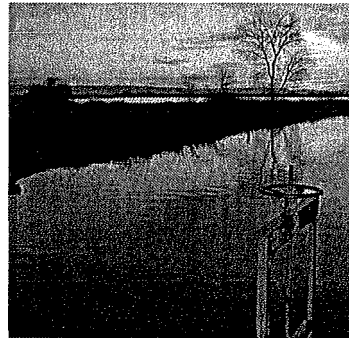
21st Century Solution to California's
Water Reliability Challenges

**Sites Reservoir would be a vital component of
California's integrated statewide water infrastructure**

Sites Reservoir will significantly improve the state's water management system in drier periods and **restore much-needed flexibility and reliability** that has been lost in the statewide system

Will add flexibility to California's existing water infrastructure by providing up to 1.5 million acre-feet of additional storage capacity

Sites will be cooperatively managed in conjunction with both the State Water Project and Central Valley Project and **will greatly increase the flexibility, reliability and resiliency of statewide water supplies in drier years for environmental, agricultural, and urban uses**



21st Century Solution to California's
Water Reliability Challenges

**Sites Reservoir is designed to be adaptable to a
changing climate**

As **snowpack declines** due to climate change and more of our **water comes in the form of atmospheric rivers** - Sites Reservoir will **become even more vital** to the future resiliency of our statewide water supply

Sites Reservoir captures and stores this water **for release primarily in dry and critical years** adding **resiliency** to future California water supplies

Sites **operates even better** under the most challenging climate change scenarios



Rightsized to Meet Our Current and Future Water Supply Needs

Sites Reservoir has been designed and optimized to meet our water supply needs for today and in the future

The Sites Project Authority conducted a rigorous Value Planning effort to review the project's proposed operations and facilities to develop a project that is "right sized" for our investors and participants while still providing water supply reliability and enhancing the environment

Rightsizing the reservoir was responsive to input from state and federal agencies, NGOs, elected officials, landowners and local communities

The feedback we received through a robust outreach effort was critical to developing a reservoir that is the right size for both people and the environment

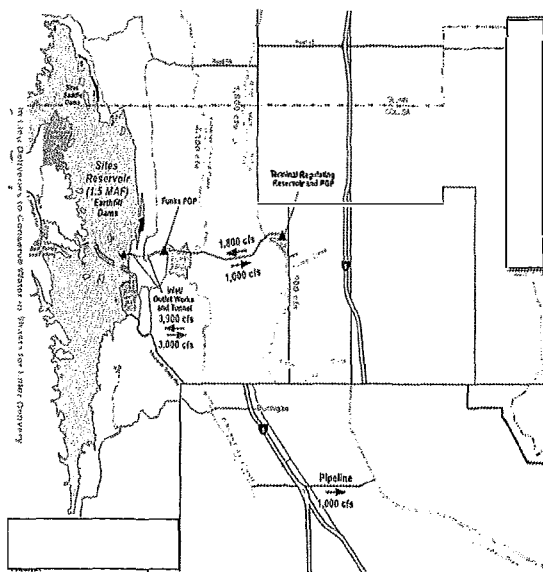


Rightsized to Meet Our Current and Future Water Supply Needs

1.5 million acre-feet

Utilizes the existing Glenn-Colusa Irrigation District and Tehama-Colusa Canal Authority canals to convey water to Sites Reservoir from the Sacramento River

Delivers water back to the Sacramento River through the Tehama-Colusa Canal and through the Colusa Basin Drain for participant deliveries and for the environment



Rightsized to Meet Our Current and Future Water Supply Needs

Member	Reservoir Participation (AFY)
Public Water Agencies	
North of Delta	52,142
South of Delta	140,750
Subtotal Public Water Agencies	192,892
State of CA	~ 40,000
Total Requirement	~230,000

Participant Demand

Participant water subscriptions allocated in the current participation agreement

Allocation of State of California water subscription is based on the **Proposition 1 water investment**

- Water for Delta Smelt
- Water for Refuges

Release Capacity from Sites

The "rightsized" project can deliver water to meet the demands of our participants and California's investment of water for the environment

Long term average ~240,000 AFY

Year Type	1,000 cfs Release Capacity (AFY) to the Colusa Basin Drain
Wet	90 - 120
Above Normal	260 - 290
Below Normal	245 - 275
Dry	355 - 385
Critically Dry	210 - 240



Rightsized to Meet Our Current and Future Water Supply Needs

The Value Planning process has resulted in a project that has a **smaller footprint and operated in a different manner** than originally designed

Due to these changes the Authority will revise and recirculate its Draft EIR

Work with **landowners, tribes, stakeholders, NGOs, and local communities** to develop a collaborative environmental review process

It is essential that we **build a project now that makes sense for all our participants** - local, state, and federal



Rightsized to Meet Our Current and Future Water Supply Needs

Reservoir Size (MAF)	1.5
Project Cost (2019\$, billions)	\$2.4 - \$2.7
Contingency Cost (2019\$, billions)	\$0.6
Total Project Cost (2019\$, billions)	\$3.0 - \$3.3
Annualized AF/year release (AFY)	240,000
Range of Annual Costs During Repayment Without WIFIA Loans (2020\$, \$/AF)	\$650 - \$710
Range of Annual Costs During Repayment With WIFIA Loans (2020\$, \$/AF)	\$600 - \$660

The rightsized project is roughly **\$2 Billion less** than the 2017 preferred alternative

Cost savings primarily from the **removal of the Delevan Diversion facility** on the Sacramento River and the **Delevan Pipeline**

Lowered the Annual Cost during repayment (\$/AF)

Significant savings to participants with finance through a **WIFIA government backed loan**



Provides Statewide Benefits for Generations to Come

Sites Reservoir provides many multi-layered benefits



Off-stream Storage

Does not create a barrier to native fish migration



Cooperative Operation

Increases effectiveness and efficiency of existing water storage infrastructure



Recreational Opportunities

Provides northern Sacramento Valley with additional opportunities for recreation



Federal and State Agencies Manage Environmental Water

Adaptable to current and future conditions and priorities



Adaptable to Climate Change

Contributes to system reliability and performance with climate change



Environmental Support

Provides environmental water in drier periods for native fish, and habitat for native species and birds



Local Leadership and Cooperation

Aligns with Sacramento Valley's values and fosters regional and statewide collaboration



Dry Year Water Supply

Reliable dry year water supply for California communities, farms and businesses



Provides Statewide Benefits for Generations to Come

Sites Reservoir provides water dedicated to environmental use

A significant portion of the Sites Reservoir Project's annual water supplies will be dedicated to environment uses:

Preserve cold-water pool in Lake Shasta later into the summer months to support salmon development, spawning and rearing

Provide a reliable supply of refuge water to improve Pacific Flyway habitat for migratory birds and other native species

Provide water dedicated to help improve conditions for the Delta Smelt

Water dedicated for the environment provided by Sites Reservoir will be managed by state resources agency managers who will decide how, and when, this water would be used - creating a water asset for the state that does not currently exist



Provides Statewide Benefits for Generations to Come

Sites Reservoir provides regional flood protection benefits

Provides significant regional flood protection benefits for the Sacramento Valley

Will capture and store flood flows that would normally impact the community of Maxwell - protecting homes, business and farms

Will help to limit "down stream" flooding issues by capturing storm flows that sometimes overwhelm the regions flood control facilities



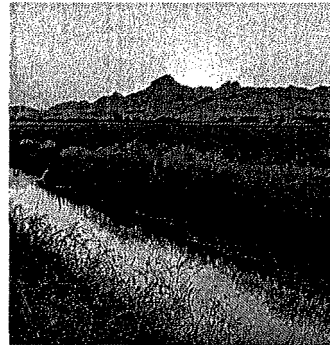
Provides Statewide Benefits for Generations to Come

Sites Reservoir will benefit the local and regional economy

Create hundreds of construction-related jobs during each year of the construction period, and **long-term jobs related to operations**

Creates new recreation opportunities in the Sacramento Valley which adds to the **region's economy**

Adding **resiliency** to the water supply will **strengthen the statewide economy and business** that rely on a reliable source of water for their operations – particularly agriculture



We are On-Track to Deliver This Vital Project for the People of California

Sites Project Authority has accomplished a lot since it was formed

2010: Sites Project Authority is formed

2016: Reservoir Committee is formed

- **Released** a Draft Environmental Impact Report/Environmental Impact Statement (Draft EIR/EIS) in partnership with the Bureau of Reclamation

2018: Sites Reservoir Project was **awarded \$816 million in state investment** to advance the project, the **largest award** given to any project requesting Proposition 1 support

- **Awarded a \$449 million loan** from the U.S. Department of Agriculture's Rural Development program

2019: The project **received \$6 million**, bringing the total in Congressional Appropriations from the Water Infrastructure Improvements for the Nation (WIIN) Act to **\$10 million**

2020: Sites Reservoir is **specifically named as one of only two priority projects** in the Governor's **2019 Water Resilience Draft Portfolio**—a plan to provide reliability and resiliency to statewide water supplies



**We are On Track to Deliver
This Vital Project for the People of California**

Next Steps for 2020 – 2021 Environmental Permitting

Finalization of the EIR/EIS Project Description Chapter, both construction and operations/maintenance of the project and alternatives

Desk top research to **update environmental baseline**, where appropriate, to better support analysis and the administrative record

Continued **outreach to Landowners, Agencies, NGOs, Tribes**, and other stakeholders to proactively address concerns and formulate collaborative solutions

Prepare and circulate a revised Draft EIR/EIS

Review, categorize and **draft initial responses** to comments received on the recirculated Draft EIR/EIS

Prepare and submit an Environmental Summary Report to support CWC feasibility determination



**We are On Track to Deliver
This Vital Project for the People of California**

Next Steps for 2020 – 2021 Environmental Permitting

Submit the **Biological Assessment (BA)** and work with U.S. Fish and Wildlife Service to complete a **Biological Opinion (BO)**

Finalize Programmatic Agreement in compliance with the National Historic Preservation Act (Section 106)

Submit **Clean Water Act Section 404 Section 401 permit applications**

Development **agreement** on approach for River and Harbors Act **Section 408** approval

Progress **Water Right application**

Submit **required permits** in support of planned **Geotechnical field activities**



**We are On Track to Deliver
This Vital Project for the People of California**

Next Steps for 2020 – 2021 Engineering

Complete **Final Federal Feasibility Report** in coordination with Bureau of Reclamation

Engage with **Division of Safety of Dams (DSOD)** on dam design and construction approach

Continuing **collecting and analyzing of focused geotechnical data** in support of design

Develop the project-wide **Geotechnical Investigation Plan**

Updated and refine the **project-wide cost estimate**

Support the Environmental Planning and Permitting teams with **engineering and design support**

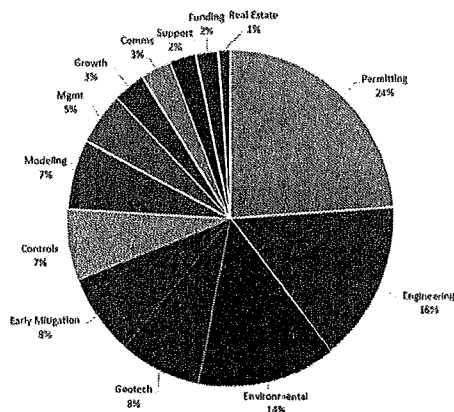


**We are On Track to Deliver
This Vital Project for the People of California**

\$100/acre-ft funding request in two installments

- \$60/acre-ft due Sept 1, 2020
- \$40/acre-ft due Feb 1, 2021

Funds would cover work performed from 9/1/20 through 12/31/21



We are On-Track to Deliver
This Vital Project for the People of California

Near-term Project Schedule

	2020				2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	AMENDMENT 1A and 1B				AMENDMENT 2						
Go/No-Go Decision Points											
Participation Agreement Materials			Home board package approved					Home board package approved			
Value Pricing			Preferred Project Facilities								
Engineering			Engineering to support Project Description		Engineering to support Prop 1 Feasibility						
Confirm Operations and Temperature Benefits			Preferred Project Operations								
Environmental Documentation							EIR/EIS Response to Comments and Revisions				Final EIR/EIS
Ongoing Operations Modeling Support											
Prop 1 Feasibility Report (Env, Eng, Fin, Eco)						Submit to State	State Review			State Validation of Eligibility	
Advance Key Permits Needed for Project Certainty											
Water Rights											Submit Application
Biological Assessment						Submit to USFWS & NMFS					
Incidental Take Permit (CDFW)							Submit to CDFW				
106 Programmatic Agreement							Final Section 106/RA				

NOTE: This graphic includes schedule drivers only and does not include all activities/deliverables. This work plan is based on current participation commitments.

We are On-Track to Deliver
This Vital Project for the People of California

Key Milestones Through 2021

Meet eligibility requirements under Prop 1 (WSIP) in order to access the remainder of the \$816 Million in funding

Recirculate Draft EIR for public comment, proactively engage stakeholders, develop responses to comments to support environmental feasibility determination

Complete Feasibility Report

Secure environmental permit certainty and draft permit applications

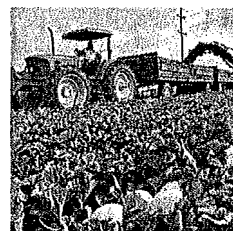
Update and refine cost estimate and affordability analysis

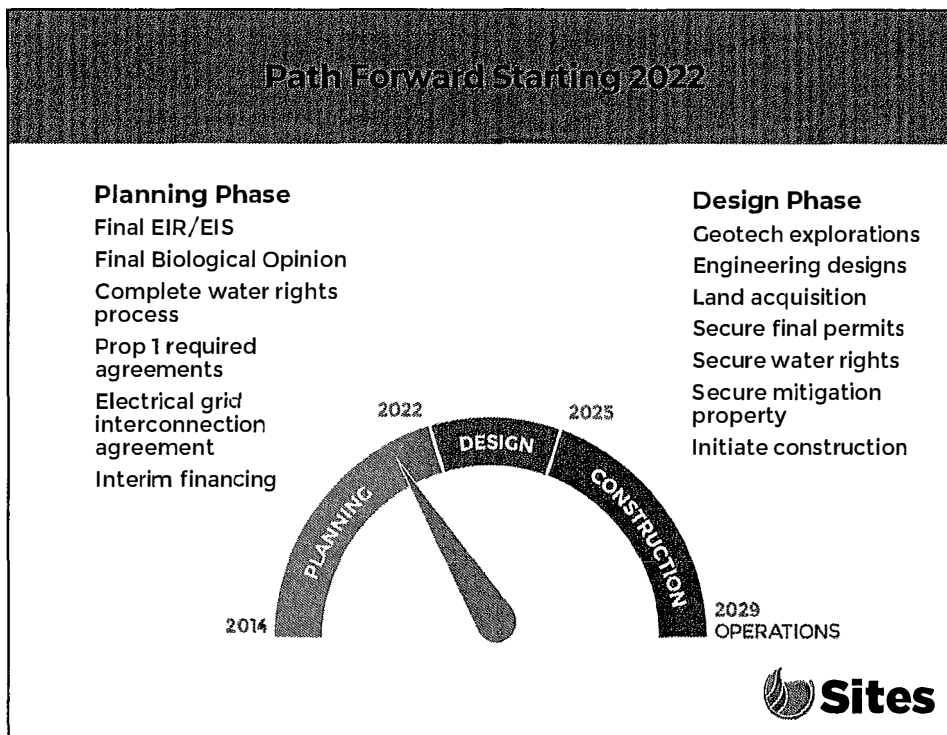
Develop Plan of Finance

Improve definition of SWP/CVP exchange, including Operations Plan

Enhance landowner, stakeholder & NGO engagement

Develop Operating Agreement Term Sheets with: DWR, USBR, TCCA, GCID, CBD Authority





21st Century Solution to California's Water Reliability Challenges

Why Sites Reservoir?

- Unique opportunity to restore flexibility, reliability and resiliency to statewide water supply
- Not a traditional water storage project
- Benefits people, farms and the environment
- Critical to California's water resiliency

Questions

 **Sites**

Proposed Draft Engineering Budget
2020-2021

SGMA		
	GSP Consultant	600,000
	Website management	3,000
	Yucaipa GSP	35,000
Studies		
	USGS	100,000
	UWMP	125,000
	Water rate nexus study	30,000
	Water rate modeling	12,000
	Capacity fee nexus study	20,000
	Wheeling study	4,000
	Infrastructure plan	12,000
General		
	New water	2,000
	GIS (district boundaries)	5,000
	Basin Monitoring Program Task Force	30,000
	Flume flow monitoring	30,000
	General engineering	10,000
	Total	1,018,000