

# ***San Geronio Pass Water Agency***

**DATE:** September 20, 2021

**TO:** Board of Directors

**FROM:** Lance Eckhart, General Manager

**BY:** Lance Eckhart, General Manager

**SUBJECT: AUTHORIZATION TO INCLUDE SITES RESERVOIR PROJECT PHASE 2, AMENDMENT 3 CHARGES ON THE DWR'S STATEMENT OF CHARGES**

## **RECOMMENDATION**

Staff recommends the Board authorize the General Manager to execute SWPAO #21034 Agreement, dated: September 8, 2021, at its next regular Board meeting. This agreement authorizes the Department of Water Resources (DWR) to include San Geronio Pass Water Agency (SGPWA) Sites Reservoir Project Phase 2, Amendment 3 charges in the State Water Project (SWP) Statement of Charges (SOC) starting in Calendar Year (CY) 2022.

## **PREVIOUS CONSIDERATION**

- December 2, 2019: Board of Directors Authorization of Phase 2 Amendment 1
- August 17, 2020: Board of Directors Authorization of Phase 2 Amendment 2

## **BACKGROUND**

SGPWA has been investing in the SWP for over six decades. SWP limitations such as increasing regulation, changing hydrology, and unrealized SWP improvements have resulted in local long-term supply challenges. In an effort to restore reliability in SGPWA's SWP supply, SGPWA has been participating in the Sites Reservoir Project (Project) since 2016. The Project is a modern, off-stream water storage facility that was originally envisioned as part of the SWP. The Project is designed to increase operational flexibility through tributary releases into the Sacramento River. Some background information on the Project is located [HERE](#).

Recognizing the enormity of costs associated with the SWP, the 1959 Burns-Porter Act (California Water Code Section 12930) authorized the reimbursement of SWP-related expenses to be collected through a special local property tax as an alternative to other revenue streams. SGPWA's Board authorized participation in the SWP in 1961 as part of SGPWA's plan to eliminate groundwater overdraft. In 1962, the Board approved the collection of SWP tax within its service area to fund SGPWA's SWP supplies and groundwater replenishment activities.

SGPWA participation in the Project is at a level of 10,000 acre-feet shares (AF-shares). The goal of Phase 2 is to complete permitting and other activities required in advance of the final design. It is anticipated that Phase 2 will continue through 2024, and another amendment to the agreement, Amendment 3, will need to be executed between SGPWA and the Sites Project Authority (Authority) to continue Project participation. Amendment 3 is not expected to be ready for SGPWA Board consideration until late 2021 or early 2022.

It is important to note that in 2018, the Beaumont-Cherry Valley Water District (BCVWD), working through the SGPWA as the local State Water Contractor, requested to invest in the Project. BCVWD has been participating in the Project at a level of 4,000 AF-shares. This brings the regional investment in Sites to 14,000 AF-shares or approximately 87,000 AF of storage in the 1.5 million AF Project. As the Project matures, close regional coordination and collaboration will be needed between SGPWA and BCVWD to ensure that the utilization of the Project (water, storage, delivery, trades/transfers, etc.) is optimized for the maximum regional benefit and to avoid local conflicts.

## **ANALYSIS**

A preceding companion action to Amendment 3 is to request the inclusion of Project planning costs in DWR's SOC to SGPWA, starting in 2022, which allows SGPWA to use Debt Service property tax as the funding mechanism. Authorization must be provided to DWR from interested parties by October 2021 to allow sufficient time to include these charges in the 2022 SOC. The Authority is still finalizing Amendment 3, which addresses the Project's 36-month work plan costs. Amendment 3 costs are not anticipated to exceed \$400/AF-share. Amendment 3 costs will be billed at \$100/AF-share for 2022, \$140/AF-share for 2023, and \$160/AF-share for 2024 (\$400/AF-share total). For SGPWA, the total estimated cost of Amendment 3 will not exceed \$4 million, based on 10,000 AF-share of participation. SGPWA's total participation cost to date is \$2,085,000.

Realizing that the request to DWR needs to precede the Board discussion of Amendment 3, Staff is seeking Board authorization to request that Amendment 3 charges be included in DWR's SOC for SGPWA, contingent upon SGPWA's continued participation in the Project after 2021. SGPWA's option to exit participation in the Project is consistent with its agreement with the Authority. If SGPWA opts out of its agreement with the Authority, some future payments may be due and payable, which is also consistent with the agreement. SGPWA will notify both DWR and the Authority simultaneously of its intention to opt out. In this case, SGPWA will work with both DWR and the Authority to coordinate final payments to the Authority consistent with the agreement.

## **FISCAL IMPACT**

The Fiscal Year 2021-22 Debt Service Budget includes \$1,400,000 for continued investment in Sites. This total includes an anticipated \$400,000 reimbursement from BCVWD.

- 10,000 AF-shares, SGPWA @ \$100 AF-share - \$1,000,000
- 4,000 AF-shares BCVWD @ \$100 AF-share - \$400,000

## **ACTION**

At the next regular Board meeting, the Board authorizes the General Manager to execute SWPAO #21034 Agreement, dated: September 8, 2021, allowing Sites Reservoir Project planning costs to be included in the Department of Water Resources Statement of Charges for the San Gorgonio Pass Water Agency.

## **ATTACHMENT**

SWPAO Agreement #21034, September 8, 2021

**DEPARTMENT OF WATER RESOURCES**

1416 NINTH STREET, P.O. BOX 942836  
SACRAMENTO, CA 94236-0001  
(916) 653-5791



9/8/2021

Mr. Jerry Brown, Executive Director  
Sites Project Authority  
122 Old Highway 99 West  
Maxwell, California 95955

Mr. Mark Krause, General Manager  
Desert Water Agency  
Post Office Box 1710  
Palm Springs, California 92263-1710

Mr. Jim Barrett, General Manager  
Coachella Valley Water District  
Post Office Box 1058  
Coachella, California 92236-1058

Ms. Heather Dyer, General Manager  
San Bernardino Valley Municipal Water District  
380 East Vanderbilt Way  
San Bernardino, California 92408-3593

Mr. Lance Eckhart, General Manager  
San Geronio Pass Water Agency  
1210 Beaumont Avenue  
Beaumont, California 92223-1506

This Agreement, SWPAO #21034 (Agreement), is in response to the request by your Agencies for the Department of Water Resources (DWR) to include certain charges in the Agency's State Water Project (SWP) Annual Statement of Charges (SOC) related to planning costs for the Sites Reservoir Project owned and managed by the Sites Project Authority (SPA).

The requesting agencies are Coachella Valley Water District, Desert Water Agency, San Bernardino Valley Municipal Water District, and San Geronio Pass Water Agency, herein referred to individually as "Agency" or collectively as "Agencies." Collectively, DWR, SPA, and the Agencies are herein referred to as "Parties."

The Agencies are working through DWR to obtain water from the Sites Reservoir Project to address shortages in their respective SWP Water Supply Contracts (WSC) and to help meet water needs in the Agencies' service areas.

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Proposition 1, adopted by the California voters in 2014, dedicated funds for investments in water storage projects that improve the operation of the state water system and California Water Plan. The California Water Commission is administering the Water Storage Investment Program (WSIP) to fund the public benefits associated with these projects. SPA is a project participant in the WSIP, and the Sites Reservoir Project would provide public benefits of flood control, recreation, and ecosystem improvements. Sites Reservoir Project would also augment the supplies of water in the Sacramento-San Joaquin Delta and is expedient for the accomplishment of the purposes of the State Water Resources Development System. Through Proposition 1 and Water Code Section 79759, DWR is an ex officio member of the SPA. DWR is willing to facilitate the planning of the Sites Reservoir Project and is willing to provide for the Sites Reservoir Project Planning Costs in the Agencies' SOC under the WSC between each Agency and DWR.

The Agencies and SPA are preparing Amendment 3 to Sites Reservoir Planning Agreement (Amendment 3) that provides for the SPA to be reimbursed for the Sites Reservoir Planning Costs (A3 Planning Costs) based on each Agency's allocation of Sites Reservoir Project. To facilitate the reimbursement to SPA, the Agencies are requesting that the A3 Planning Costs be included in each Agency's SOC for calendar years 2022-2024.

The purpose of this Agreement is to establish a funding mechanism for the planning costs for the Sites Reservoir Project that are the responsibility of the Agencies. This Agreement does not represent a commitment by DWR, SPA or the Agencies to approve the Sites Reservoir Project under the California Environmental Quality Act.

DWR approves the inclusion of Agency's allocation of A3 Planning Costs in each Agency's SOC beginning in January 2022 subject to the following terms and conditions:

## **TERM**

1. This Agreement addresses the inclusion of A3 Planning Costs in the SOC for calendar years 2022, 2023, and 2024. This Agreement shall become effective upon execution by all Parties and shall terminate on December 31, 2024, or upon final payment to SPA of all costs attributable to this Agreement, whichever occurs later. The term of this Agreement may be extended by mutual agreement by DWR, SPA, and one or more of the Agencies.

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## **APPROVALS**

2. This Agreement is contingent upon the approval of Amendment 3 between the SPA and each Agency.

## **UNIQUENESS OF AGREEMENT**

3. DWR's approval under this Agreement is unique and shall not be considered a precedent for future agreements or DWR activities.

## **PAYMENTS THROUGH SOC AND PAYMENTS TO SPA**

4. Payments to DWR through the SOC are scheduled to start in January 2022, or upon execution of Amendment 3 between the SPA and each Agency for A3 Planning Costs, whichever comes last.
5. SPA shall send to DWR, for each of the years included in this Agreement, projected total annual charges under A3 Planning Costs for each Agency by February of the previous year to cover A3 Planning Costs for the following calendar year.
6. DWR shall include projected A3 Planning Costs from SPA as a charge under the Transportation Minimum Operations, Maintenance, Power & Replacement Component in each Agency's SOC pursuant to Articles 25 and 29 of the WSC. Notwithstanding the typical method of collection of Minimum Component charges pursuant to Article 29(g) of the WSC, each Agency shall pay DWR one or two lump sum payments each year for the total annual A3 Planning Costs as shown in the SOC during the term of this Agreement.
7. DWR recently received projected A3 Planning Costs from SPA for 2022. Because DWR received these costs after the 2022 SOC's were already sent to SWP contractors, DWR shall send a revised 2022 SOC to each Agency that includes 2022 A3 Planning Costs and 2023 A3 Planning Costs. The 2022 A3 Planning Costs payment from each Agency to DWR will be due in January of 2022. If Amendment 3 between the SPA and the Agency is not executed in 2021, but will be executed in 2022, the payment to DWR from the Agency shall be due within 30 days upon execution of Amendment 3. The 2023 A3 Planning Costs from each Agency to DWR will be due in October of 2022.
8. After DWR receives payment from the Agencies, DWR will transmit the payment amounts to SPA within 60 days from the date of the last payment received from the Agencies.

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9. All charges under this Agreement are subject to redetermination (true-up). This true-up process is common to other charges included in the SOC. The need for a true-up under this Agreement would likely come from, though not limited to, an update of total annual A3 Planning Costs from SPA to DWR.

## **INVOICES, NOTICES, OR OTHER COMMUNICATIONS**

10. All invoices, notices, or other communications required under this Agreement shall be in writing, and will be deemed to have been duly given upon the date of service, if: (i) served personally on the Party to whom notice is to be given; (ii) sent by electronic mail, and the Party to whom notice is to be given confirms receipt; or (iii) on the third day after mailing, if mailed to the Party to whom invoice, notice or other communication is directed, by first-class mail, postage prepaid, and properly addressed to the designated representative(s) of the Parties set forth below.

Department of Water Resources  
Division of Fiscal Services  
715 P Street, 6<sup>th</sup> Floor  
Post Office Box 942836  
Sacramento, California 94236-0001

Sites Project Authority  
Mr. Jerry Brown, Executive Director  
Sites Project Authority  
122 Old Highway 99 West  
Maxwell, California 95955

Mr. Mark Krause, General Manager  
Desert Water Agency  
Post Office Box 1710  
Palm Springs, California 92263-1710

Mr. Jim Barrett, General Manager  
Coachella Valley Water District  
Post Office Box 1058  
Coachella, California 92236-1058

Ms. Heather Dyer, General Manager  
San Bernardino Valley Municipal Water District  
380 East Vanderbilt Way  
San Bernardino, California 92408-3593

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Mr. Lance Eckhart, General Manager  
San Gorgonio Pass Water Agency  
1210 Beaumont Avenue  
Beaumont, California 92223-1506

## **STATUS OF SITES RESERVOIR PROJECT AND FUNDS**

11. Each Agency recognizes that Sites Reservoir Project may not proceed to construction. No reimbursements of money advanced or contributed to DWR pursuant to this Agreement will occur, except for unspent funds as determined by SPA pursuant to the separate agreement between the SPA and each Agency for the SPA Planning Costs.

## **GENERAL PROVISIONS**

12. This Agreement may be amended or modified only by a subsequent written agreement approved and executed by the Parties. However, the Term may be extended as described in Paragraph 1 of this Agreement.
13. This Agreement does not amend, abridge, or modify each Agency's respective WSC in any way.
14. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this Agreement among the Parties concerning the subject matter, and supersedes all prior negotiations, representations or agreement, either oral or written, that may be related to the subject matter of this Agreement, except as to those other agreements that are expressly referred to in this Agreement.
15. The Agencies agree to defend and hold DWR, its officers, employees, and agents harmless from any direct or indirect loss, liability, lawsuits, cause of action, judgment or claim, and shall indemnify DWR, its officers, employees, and agents from all lawsuits, costs, damages, judgments, attorneys' fees, and liabilities that DWR, its officers, employees and agents incur as a result of DWR approving this Agreement or providing services under this Agreement, except to the extent resulting from the sole negligence or willful misconduct of DWR, its officers, employees, and agents.
16. This Agreement shall not be administered or interpreted in any way that would cause financial harm to other contractors not participating in this Agreement. The Agencies shall be responsible, jointly and severally, as determined by DWR, for any demonstrable increase in costs to the other contractors that may result from the implementation of this Agreement.



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17. The Parties agree that this Agreement will be executed using DocuSign by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature. The Agreement shall take effect as soon as all Parties have signed.
18. All Parties will receive an executed copy of this Agreement via DocuSign after all Parties have signed.
19. If Agency requires a Board of Directors' approval of this Agreement, it shall send an electronic file of the board approval to DWR.

If the terms and conditions in this Agreement are acceptable, please sign and date using DocuSign.

Sincerely,



Ted Craddock  
Deputy Director  
State Water Project

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ACCEPTED:

SITES PROJECT AUTHORITY

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

COACHELLA VALLEY WATER  
DISTRICT

\_\_\_\_\_  
Signature

\_\_\_\_\_  
General Manager  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

SAN BERNARDINO VALLEY  
MUNICIPAL WATER DISTRICT

\_\_\_\_\_  
Signature

\_\_\_\_\_  
CEO/General Manager  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

DESERT WATER AGENCY

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

SAN GORGONIO PASS WATER  
AGENCY

\_\_\_\_\_  
Signature

\_\_\_\_\_  
General Manager  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Certificate Of Completion**

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| Envelope Id: 9CB5C85C82824C0D86ACA2C50029A167   | Status: Sent              |
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| Source Envelope:  |                           |
| Document Pages: 7   | Signatures: 1             |
| Certificate Pages: 6  | Initials: 0               |
| AutoNav: Enabled  | Envelope Originator:      |
| Envelopeld Stamping: Enabled  | WOEM WOEM Support Staff   |
| Time Zone: (UTC-08:00) Pacific Time (US & Canada)   | 1416 9th Street           |
|   | Sacramento, CA 95814      |
|   | woemadmin@water.ca.gov    |
|   | IP Address: 136.200.53.23 |


**Record Tracking**

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**Signer Events**

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| Jim Barrett<br>jbarrett@cvwd.org<br>General Manager<br>Security Level: Email, Account Authentication (None)                      |           | Sent: 9/8/2021 4:36:40 PM<br>Viewed: 9/8/2021 5:17:40 PM  |
| <b>Electronic Record and Signature Disclosure:</b><br>Accepted: 9/8/2021 5:17:40 PM<br>ID: 4c35378c-baa2-4680-bac7-4c8cbfec7a4f  |           |   |
| Lance Eckhart<br>leckhart@sgpwa.com<br>General Manager<br>Security Level: Email, Account Authentication (None)                   |           | Sent: 9/8/2021 4:36:40 PM<br>Viewed: 9/9/2021 2:01:00 PM  |
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| MARK KRAUSE<br>mkrause@dwa.org<br>Security Level: Email, Account Authentication (None)   |           | Sent: 9/8/2021 4:36:39 PM<br>Viewed: 9/10/2021 8:09:35 AM |
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| Robert Cooke<br>robert.cooke@water.ca.gov<br>Security Level: Email, Account Authentication (None)  | <b>COPIED</b> | Sent: 9/8/2021 4:36:40 PM<br>Viewed: 9/8/2021 6:04:53 PM |
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| WOEM WOEM Support Staff<br>woemadmin@water.ca.gov<br>Security Level: Email, Account Authentication (None)                                |               |  |

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## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Department of Water Resources (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

### **How to contact Department of Water Resources:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by phone call: (916) 653-5791

To contact us by paper mail, please send correspondence to:

Department of Water Resources

P.O. Box 942836

Sacramento, CA 95236-0001

### **To advise Department of Water Resources of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at [don.davis@water.ca.gov](mailto:don.davis@water.ca.gov) and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

### **To request paper copies from Department of Water Resources**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to [don.davis@water.ca.gov](mailto:don.davis@water.ca.gov) and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

### **To withdraw your consent with Department of Water Resources**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

|                         |  |
|-------------------------|--|
| Operating Systems:      | Windows2000? or WindowsXP?   |
| Browsers (for SENDERS): | Internet Explorer 6.0? or above                                      |
| Browsers (for SIGNERS): | Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above) |
| Email:                  | Access to a valid email account                                      |

|                            |  |
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| Screen Resolution:         | 800 x 600 minimum  |
| Enabled Security Settings: | <ul style="list-style-type: none"> <li>• Allow per session cookies</li> <li>• Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul> |

\*\* These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

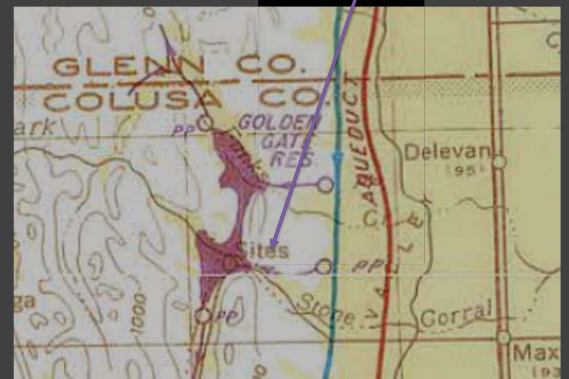
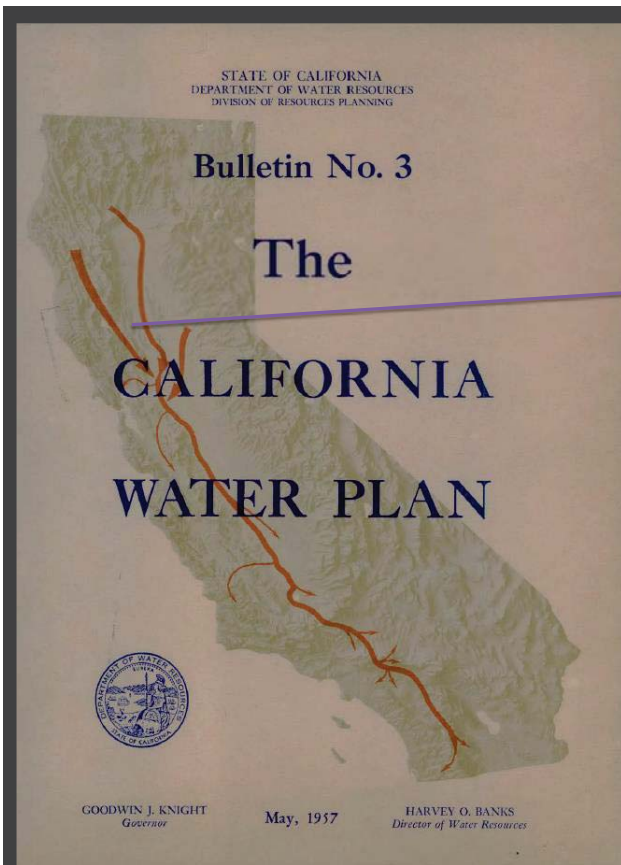
- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Department of Water Resources as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Department of Water Resources during the course of my relationship with you.



# Sites Reservoir Update



SGPWA Workshop – July 19, 2021



The Golden Gate Reservoir (aka Sites) was originally considered a “local project” as part of the aspirational California Water Plan 1957.

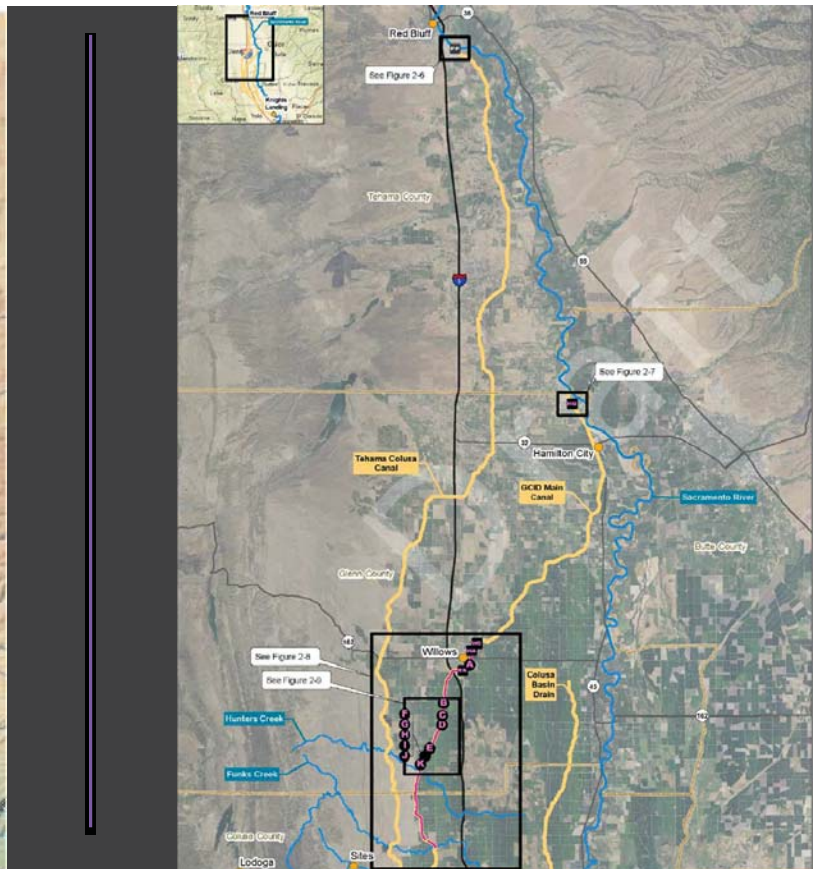


Renewed discussions in the 1980's, the Sites Reservoir Project began to gain attention in the 2000's.

Prop. 1 (2014) funding helped the project along with \$840M but local "investors" needed to cover the remainder.

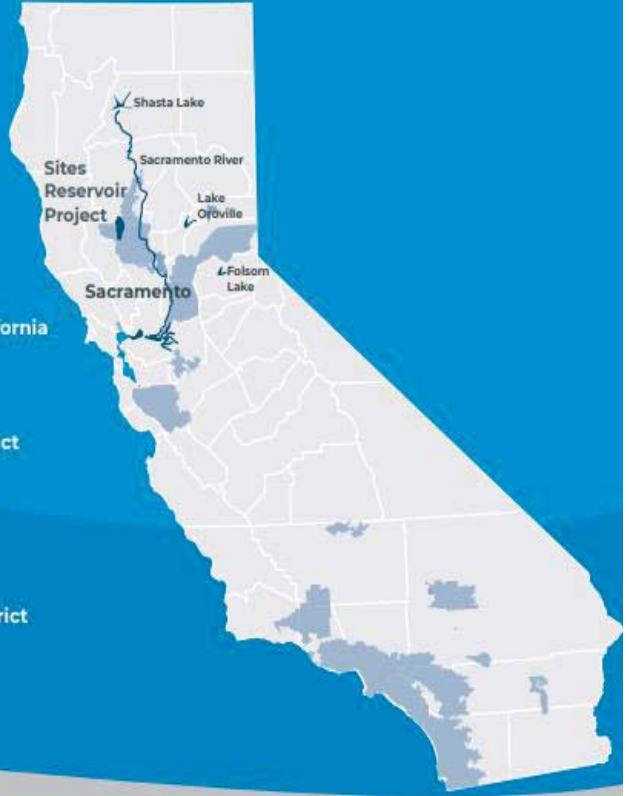
In 2020 the project was "right sized" to a 1.5 MAF reservoir and reduced the cost by ~\$1.5B

Investors continued to fund and develop with "cash calls" to further develop project soft cost elements.





# 30 participants span California



Antelope Valley – East Kern Water Agency  
 Bureau of Reclamation  
 California Department of Water Resources  
 Carter Mutual Water Company  
 City of American Canyon  
 City of Roseville  
 City of Sacramento  
 Coachella Valley Water District  
 Colusa County  
 Colusa County Water District  
 Cortina Water District  
 David Water District  
 Desert Water  
 Dunnigan Water District  
 Glenn County

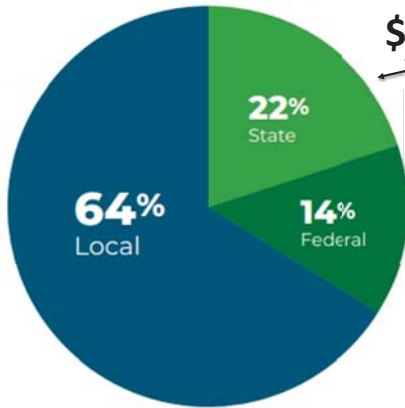
Glenn-Colusa Irrigation District  
 Irvine Ranch Water District  
 La Grande Water District  
 Metropolitan Water District of Southern California  
 Reclamation District 108  
 Rosedale-Rio Bravo Water Storage District  
 Sacramento County  
 San Bernardino Valley Municipal Water District  
 San Geronio Pass Water Agency  
 SCV Water  
 Tehama Colusa Canal Authority  
 Western Canal Water District  
 Westside Water District  
 Wheeler Ridge-Maricopa Water Storage District  
 Zone 7 Water Agency



SITESPROJECT.ORG

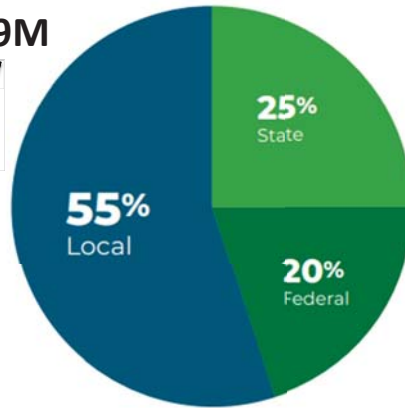
## Cost Share (Actual)

Since 2015 through December 31, 2020



## Cost Share (Forecast)

Since 2015 through December 31, 2021



\$19M



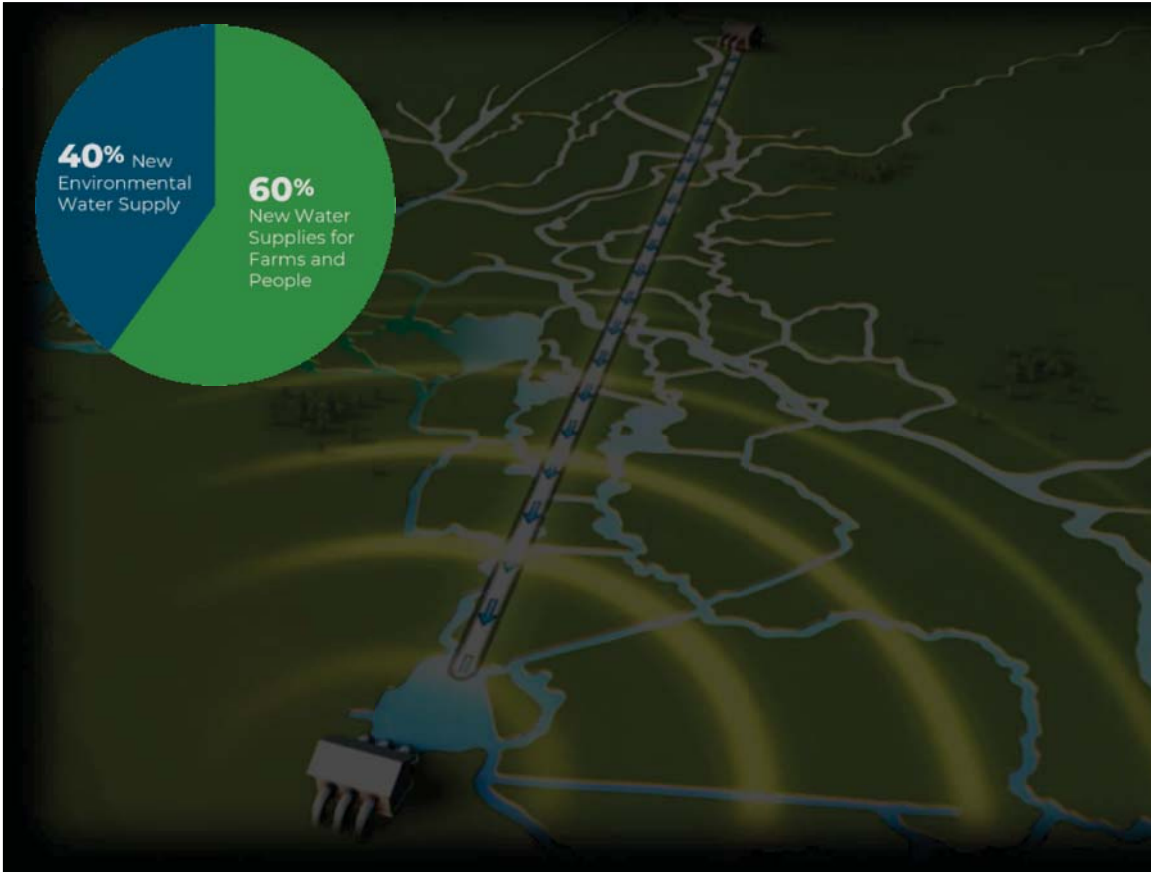
**\$37 million**

invested by Sites Reservoir participants through 2020.

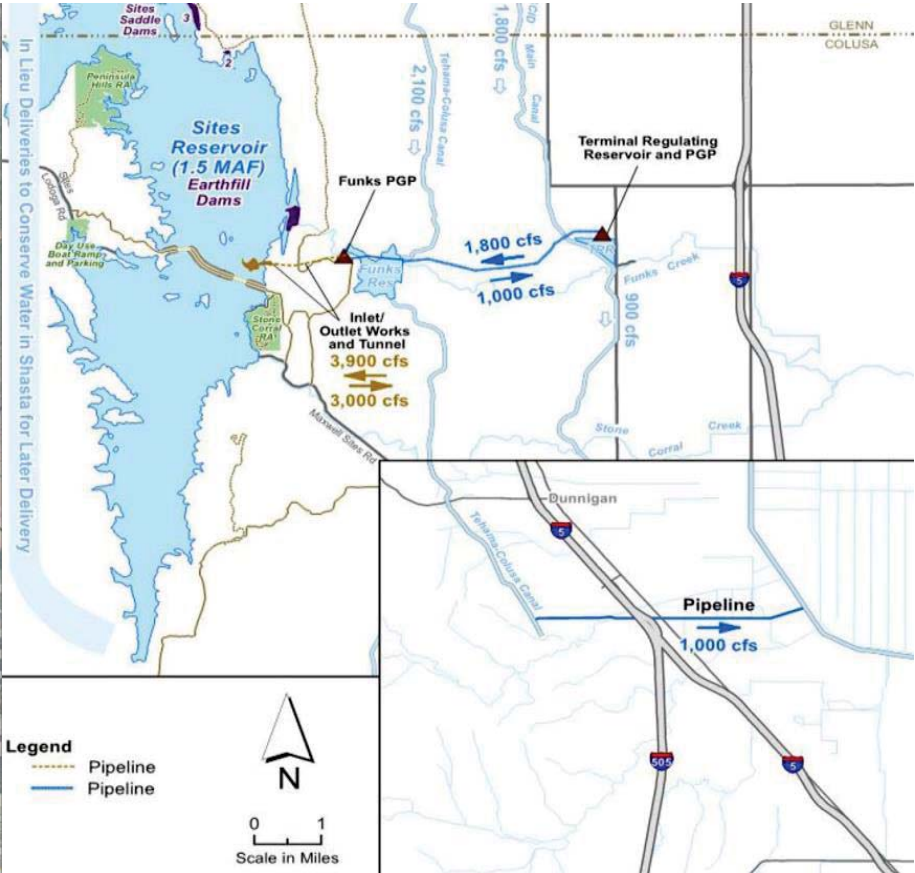
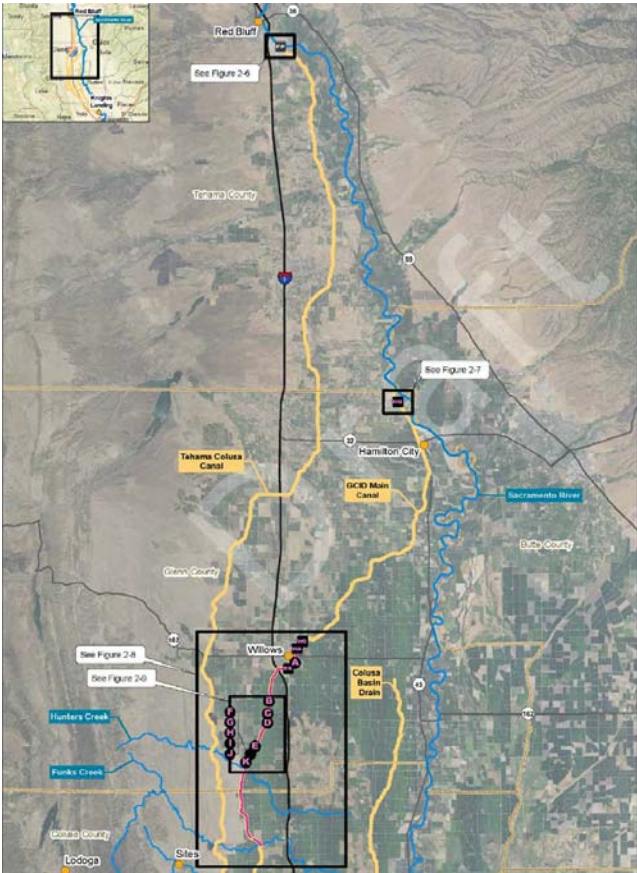
Sites Reservoir participants are committed to seeing this project constructed.



— BUREAU OF —  
**RECLAMATION**



- BENEFITS**
- 
**Adaptable to Climate Change**  
 Improves water system reliability and performance as climate changes
  - 
**Off-stream Storage**  
 Does not create a barrier to native fish migration
  - 
**Flood Control and Protection**  
 Creates opportunities for local flood damage reduction and flood protection
  - 
**Local Leadership and Cooperation**  
 Aligns with Sacramento Valley's values and fosters regional and statewide collaboration
  - 
**Dry Year Water Supply**  
 Provides reliable dry year water supply for California communities, farms and businesses
  - 
**Recreational Opportunities**  
 Provides new recreational opportunities in the northern Sacramento Valley
  - 
**Local Economy**  
 Creates hundreds of construction-related jobs, along with long-term operation jobs
  - 
**Cooperative Operation**  
 Increases effectiveness and efficiency of existing water storage infrastructure
  - 
**Federal and State Partners**  
 Provides adaptability to current and future priorities





## Tao Te Ching - Chapter 11

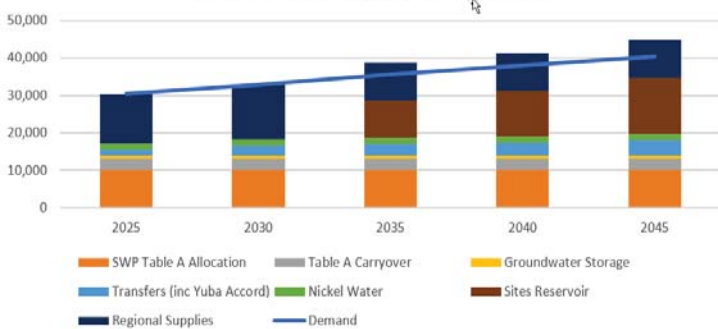
Thirty spokes share the wheel's hub;  
 It is the center hole that makes it useful.  
 Shape clay into a vessel;  
 It is the space within that makes it useful.  
 Cut doors and windows for a room;  
 It is the holes which make it useful.  
 Therefore profit comes from what is there;  
 Usefulness from what is not there.

### Sites Project Water Supply

| Year Type                | Water Supply<br>(thousand acre-feet) |
|--------------------------|--------------------------------------|
| Wet                      | 87                                   |
| Above Normal             | 154                                  |
| Below Normal             | 224                                  |
| Dry                      | 427                                  |
| Critically Dry           | 348                                  |
| <b>Long-Term Average</b> | <b>232</b>                           |



### Normal Year Supply vs Demand



### Sites Project Deliveries

DRAFT-Subject to Revision

Sites Participant: San Geronio Pass Water Agency

|                              | Deliveries (TAF/year) |               |              |              |
|------------------------------|-----------------------|---------------|--------------|--------------|
|                              | ALT 1A 011221         | ALT 1B 011221 | ALT 2 011221 | ALT 3 020121 |
| Long-term Average            | 10.9                  | 10.1          | 9.7          | 7.9          |
| Dry and Critically Dry Years | 27.4                  | 25.4          | 24.2         | 19.9         |
| Wet Years                    | 0.0                   | 0.0           | 0.0          | 0.0          |
| Above Normal Years           | 0.0                   | 0.0           | 0.0          | 0.0          |
| Below Normal Years           | 4.4                   | 4.0           | 4.5          | 3.1          |
| Dry Years                    | 29.1                  | 26.5          | 26.0         | 20.5         |
| Critically Dry Years         | 24.7                  | 23.9          | 21.4         | 19.0         |

#### Notes:

1. Water year types are calculated using the D-1641 Sacramento Valley 40-30-30 water year type calculation
2. End-point deliveries assume the NOD to SOD transfer operation as defined in the assumptions
3. Annual average deliveries are calculated on a Jan-Dec SWP contract year for SOD participants
4. South of Delta deliveries are based on Authority exports modeled in CalSim II
5. Deliveries do not include any San Luis reoperation or south of Delta storage agreements
6. South of Delta delivery arcs were combined and then deliveries were distributed proportional to participation

*...we cannot revert to managing the Projects as though ensuing years will be "average."*



# “Acre-feet” to “Shares” to “Storage” for a storage project

*\*April 21, 2021*

Existing participation x 6.234 AF = Storage Allocation

**10,000 “shares” = 62,340 AF space SGPWA**

**4,000 “shares” = 24,963 AF space BCVWD**

**14,000 regional “shares” = 87,276 AF space**

# 2π



## Two “Cash Calls” to Date:

- **Call 1 - 2018**

- SGPWA - \$1,000,00 (10,000 shares)
- BCVWD - \$400,000 (4,000 shares)

- **Call 2 - 2020**

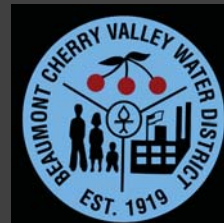
- SGPWA - \$1,000,000 (10,000 shares)
- BCVWD - \$400,000 (4,000 shares)

**Regional Total - \$2,800,000\*** (14,000 regional shares)

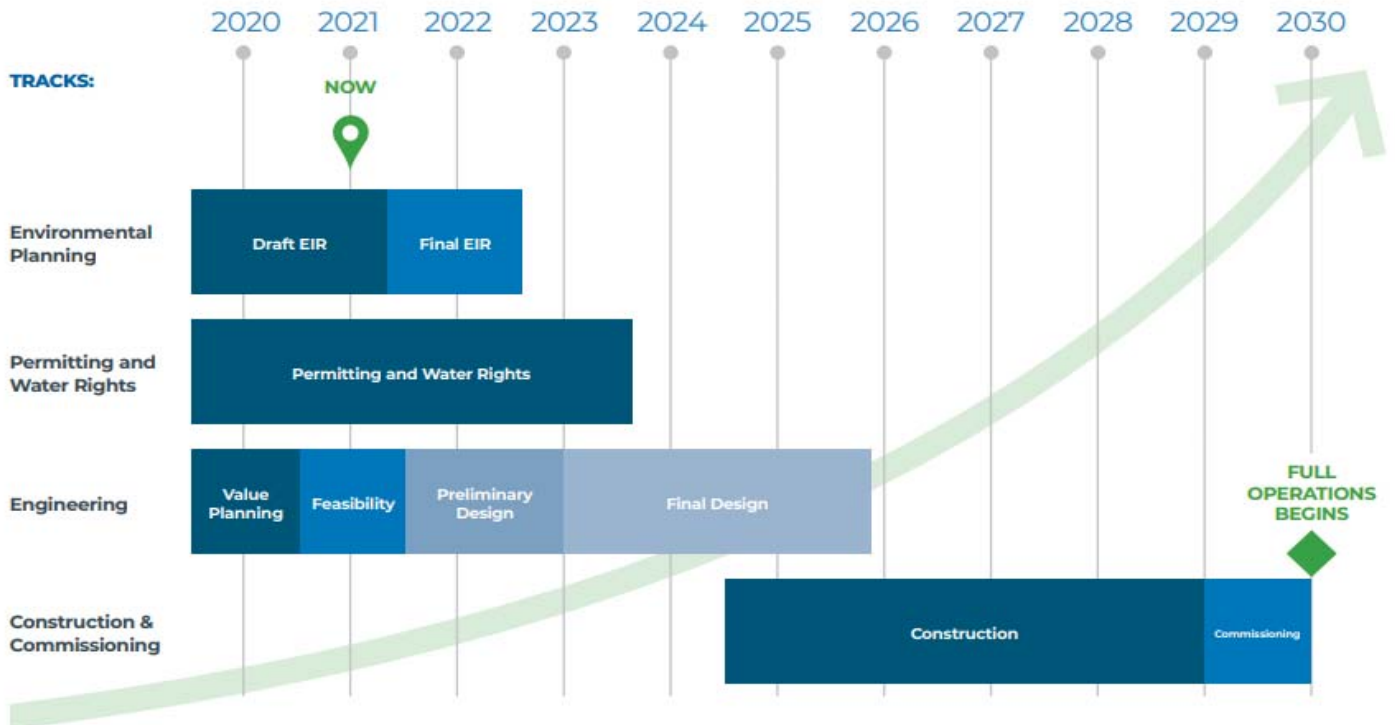
*\*Actual Total = \*2,919,000 including misc. charges & adjustments*

- Future Calls (= \$ per share)

- Jan 2022 (~\$100); Jan 2023 (~\$140); Jan 2024 (~\$160)



## Sites Reservoir Project Schedule



### EXECUTIVE DEPARTMENT STATE OF CALIFORNIA

#### Executive Order N-10-19

Water is a human right, and is central to the well-being of our state.

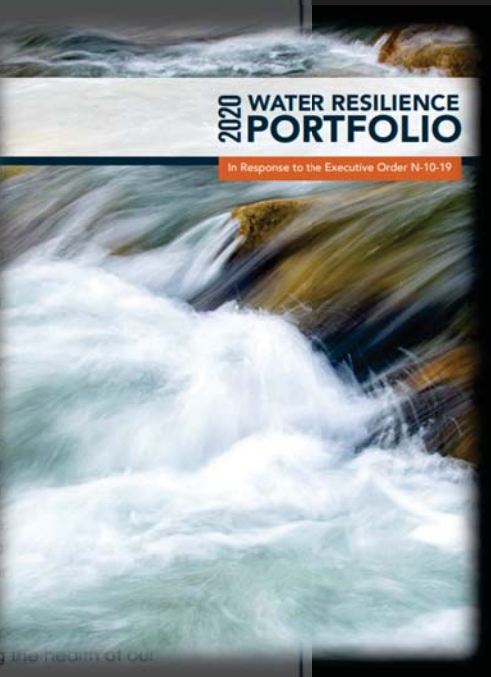
California faces a range of existing water challenges, including the state's major flood risks that threaten lives, property, groundwater aquifers, agricultural communities, and native fish populations that are essential to our state's economy and environment.

Climate change is having a profound impact on our state, making the climate warmer and more volatile, intensifying drought and wildfires, and increasing the risk of worsened flooding; and

California continues to grow, with our population projected for the next several decades and our state's fifth largest economy; and

the future prosperity of our communities depends on our ability to tackle pressing current water challenges and to meet broad water needs through innovative solutions.

California's state programs, policies and investments must be aligned with the Sustainable Groundwater Management Act and other standards, that can be built upon to ensure that we are providing clean, dependable water supply to our communities while restoring and maintaining the health of our watersheds, as necessary and possible; and



#### 7. Expand smart surface water storage where it can benefit water supply and the environment.

**7.1** Accelerate state permitting of projects that protect and enhance fish and wildlife and water supply reliability—such as Sites, Pacheco Reservoir Expansion, and the Chino Basin Conjunctive Use Environmental Water Storage/Exchange Program—that were selected under the Water Storage Investment Program (Proposition 1).

**7.1** Accelerate state permitting of projects that protect and enhance fish and wildlife and water supply reliability—such as Sites, Pacheco Reservoir Expansion, and the Chino Basin Conjunctive Use Environmental Water Storage/Exchange Program—that were selected under the Water Storage Investment Program (Proposition 1). (CNRA, CalEPA)