



Review of the Remaining Planning Process and Funding Needs for Sites Reservoir Project

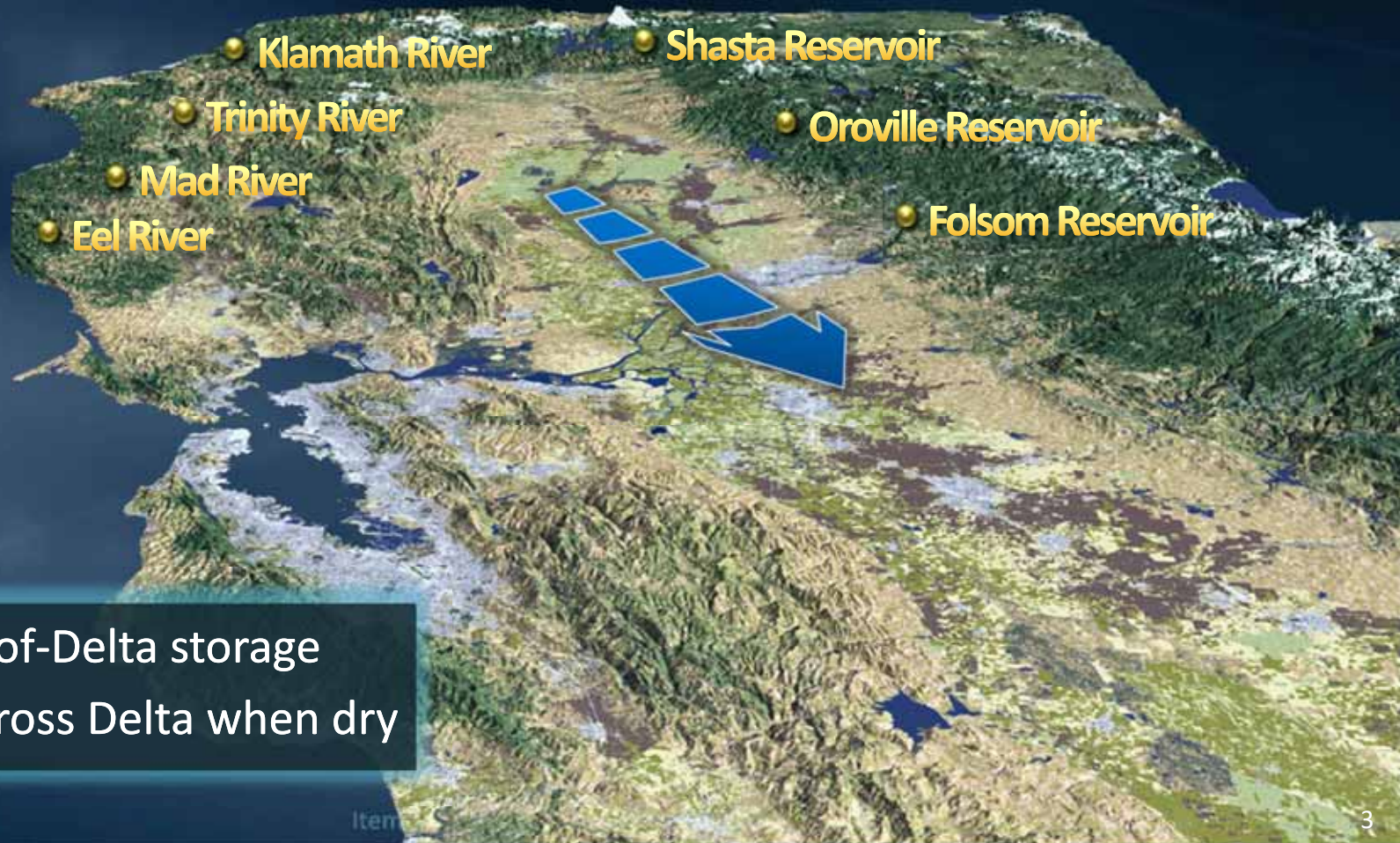
Water Planning & Stewardship Committee
Item 9-3
March 7, 2022



Topics

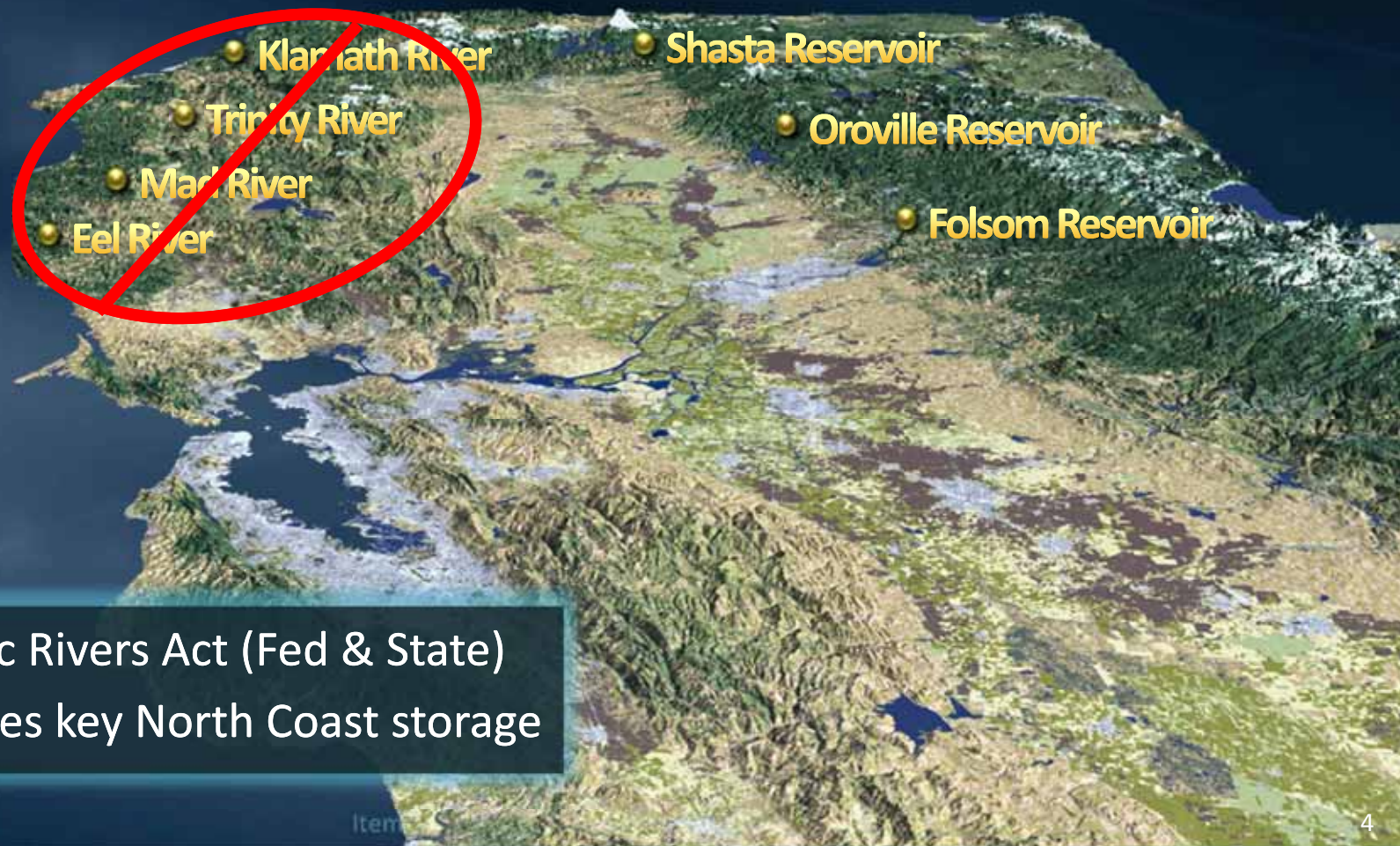
- Storage Supplies & Lessons Learned
Integrated Groundwater & Surface Storage
- Sites Reservoir Planning Status
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The Original Vision 1950s



- Large North-of-Delta storage
- Deliveries across Delta when dry

Environmental Priorities 1970s



- Wild & Scenic Rivers Act (Fed & State)
- SWP plan loses key North Coast storage

Integrated Operations 1990s

- Develop diverse portfolio, including GW banking & off-stream storage
- Integrate surface reservoir and groundwater recharge operations



Climate Resiliency 2010s



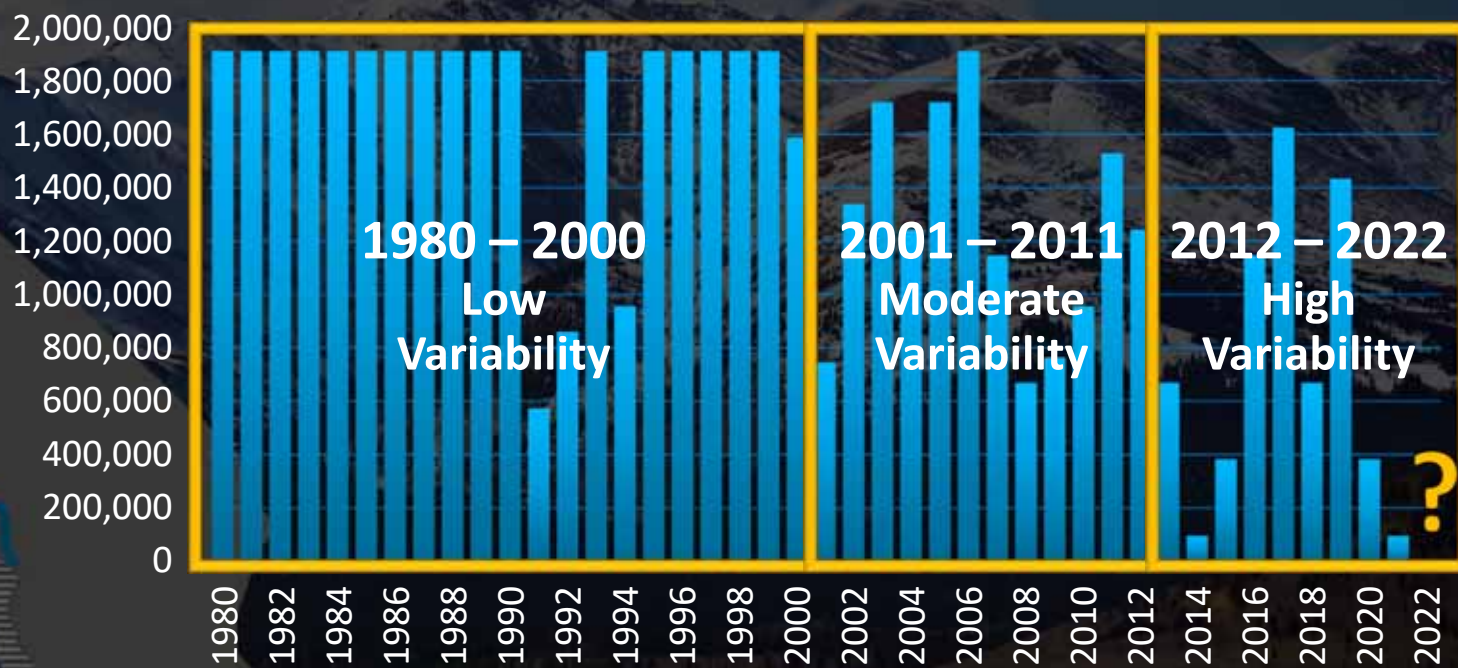
- Adapt & mitigate the impacts that snow will increasingly fall as rain
- Adapt to increased winter flooding, & reduced Spring/Summer runoff

Lessons Learned

Snowpack Reservoir & SWP Water Allocation

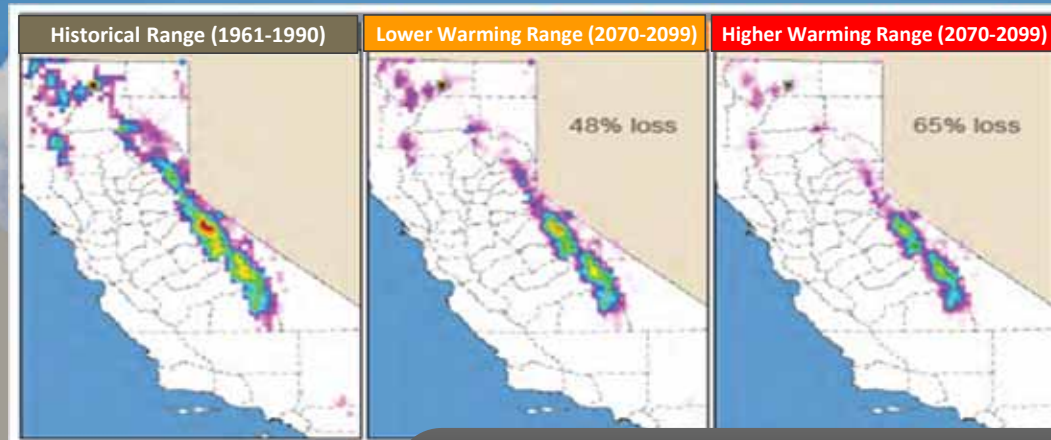


State Water Project Allocation



Lessons Learned

Snowpack Reservoir & SWP Water Allocation



Climate Research

- 30 to 65% of snowpack (4-9 million AF) will fall as rain by 2100
- Existing reservoirs not designed to handle faster runoff
- Lower river flows in the spring/summer for fish and water supply

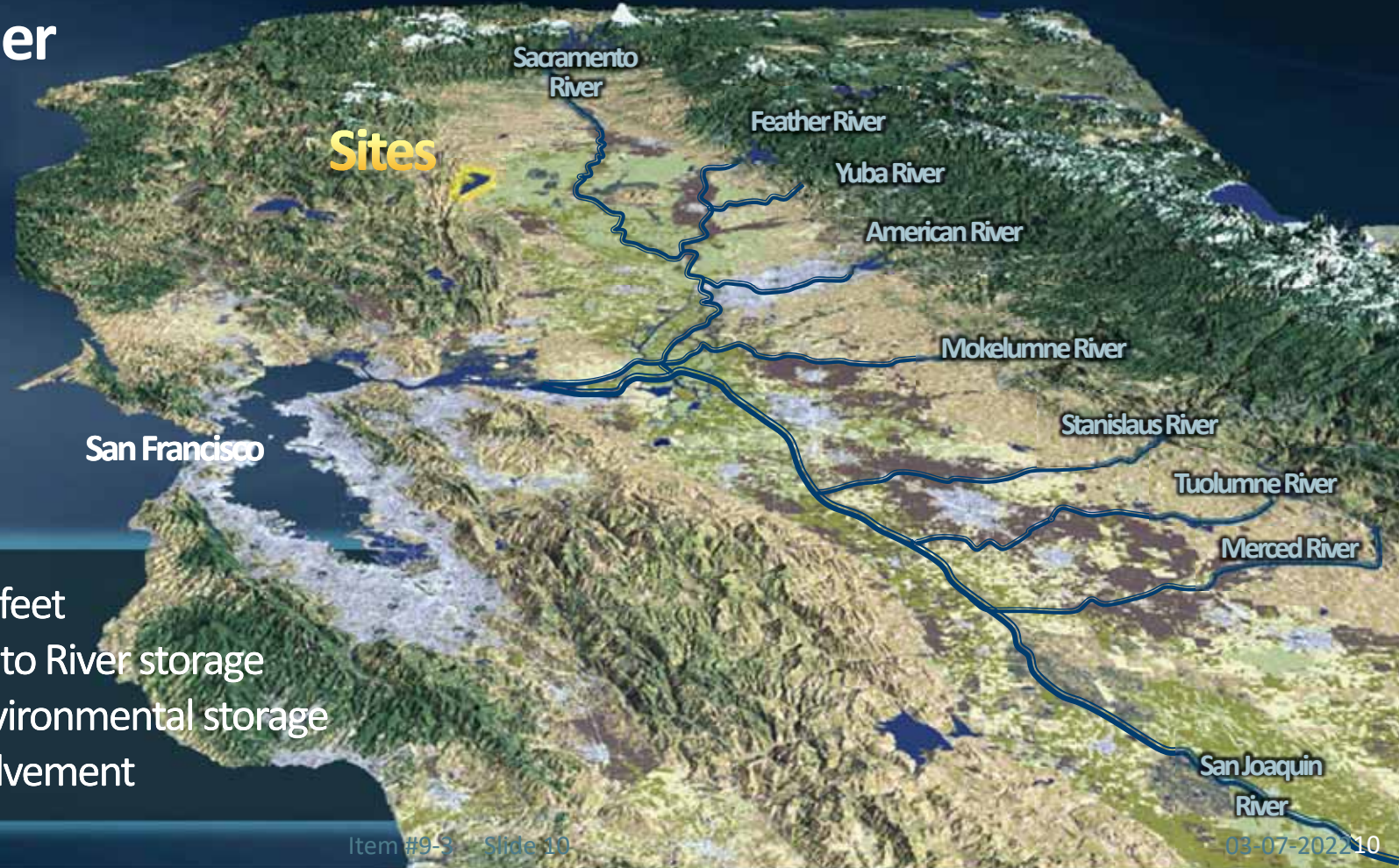


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Sites Reservoir

Proposal Under Analysis



- 1.3 – 1.5 million acre-feet
- Off-stream Sacramento River storage
- Largest dedicated environmental storage
- Broad statewide involvement

Sites Reservoir

Project Storage (1.5 million AF)

Metropolitan Share

Storage – 311,700 AF (22.6%)

North-of-Delta
Participants
~ 257,000 AF (18%)

South-of-Delta
Participants
~ 788,000 AF (57%)

Bureau of
Reclamation
~ 91,000 AF (7%)

State of
California
~ 244,000 AF (18%)

Deadpool (non active) ~ 120,000 AF

Sites Reservoir Project Yield Estimate

Annual Reservoir Release Estimate

- Average – 207,000 to 260,000 AF/yr. all participants (50,000 AF/yr. MWD's share)
- Dry/Critical – 348,000 to 427,000 AF/yr.

State/Federal ¹
~ 66,380 AF/yr.

Water Users ¹
~ 167,620 AF/yr.

¹. Federal share subject to appropriation; User share subject to Board authorization;
State share subject to final approval by California Water Commission

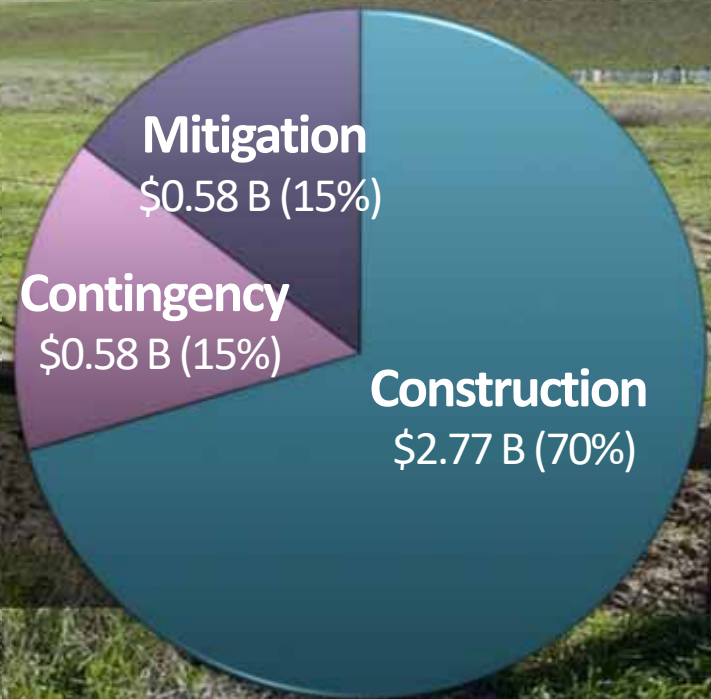
Sites Reservoir

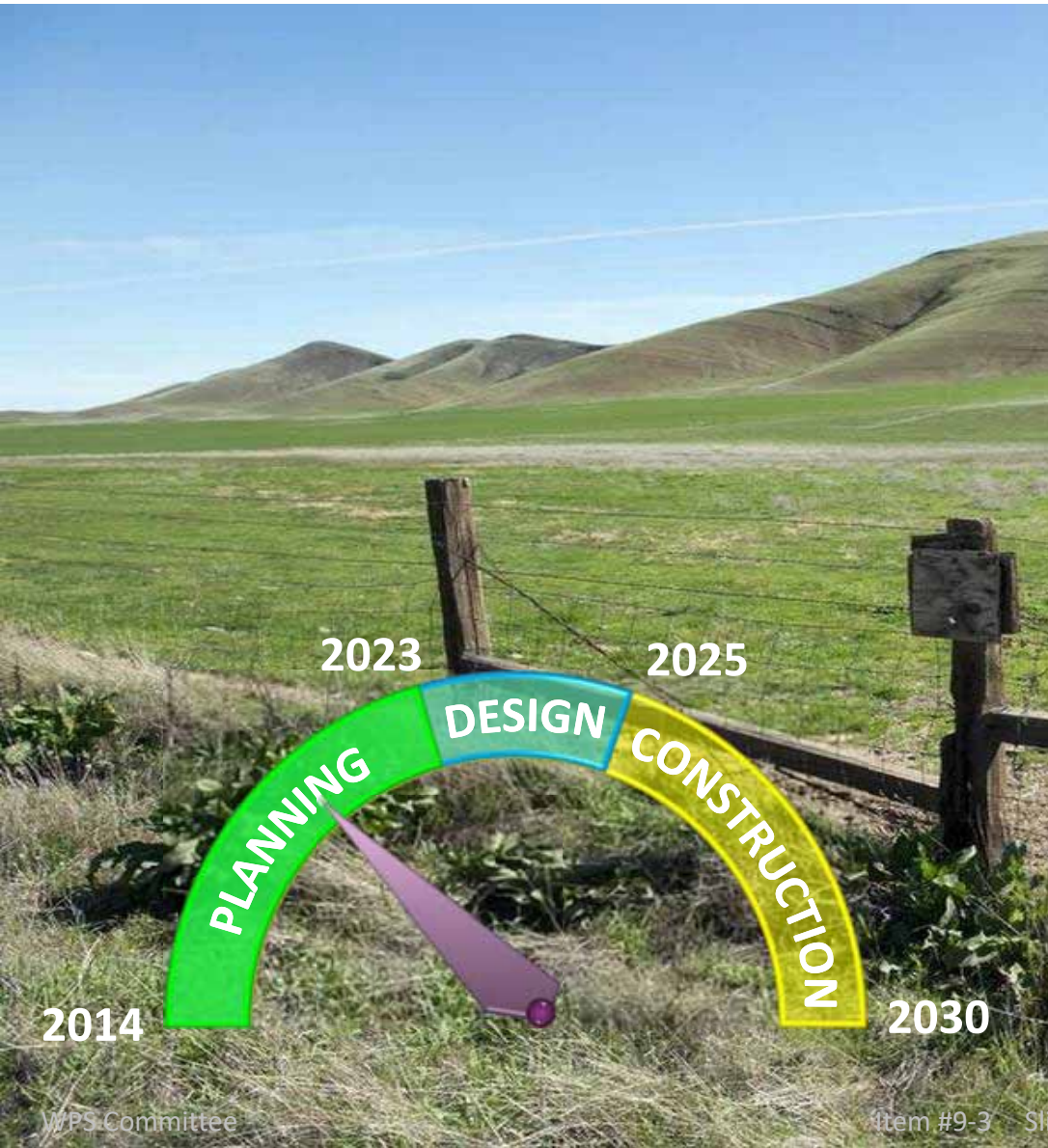
Project Cost Estimate

Cost Estimate (2021\$)¹

- Total Project Cost Estimate ~ \$3.93 billion
- Reservoir Release Estimate ~ \$700-900/acre-ft.

1. Construction costs are based on a Class 4 cost estimate;





Key Progress

✓ Technical Analyses

- Initial water supply modeling & operations
- Initial engineering design & cost estimates
- Value Planning project improvements

✓ Regulatory/Environmental

- Revised Draft Environmental Impact Report/Statement
- Regulatory agency consultation & initial permit application development

✓ State/Federal Funding

- \$836 million State Proposition 1 grant
- \$104 million federal WIIN Act grant
- \$449 million US Dept. of Agriculture loan
- \$600 million federal WIFIA loan (application)

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Key Benefits – Overall

- Improves ability in meeting future climate change challenges
- Mitigates for decreased snowpack and increased rainfall
- Dedicates portion of new storage for environmental use only
- Important collaborative approach among northern & southern California water agencies

Key Benefits MWD Service Area

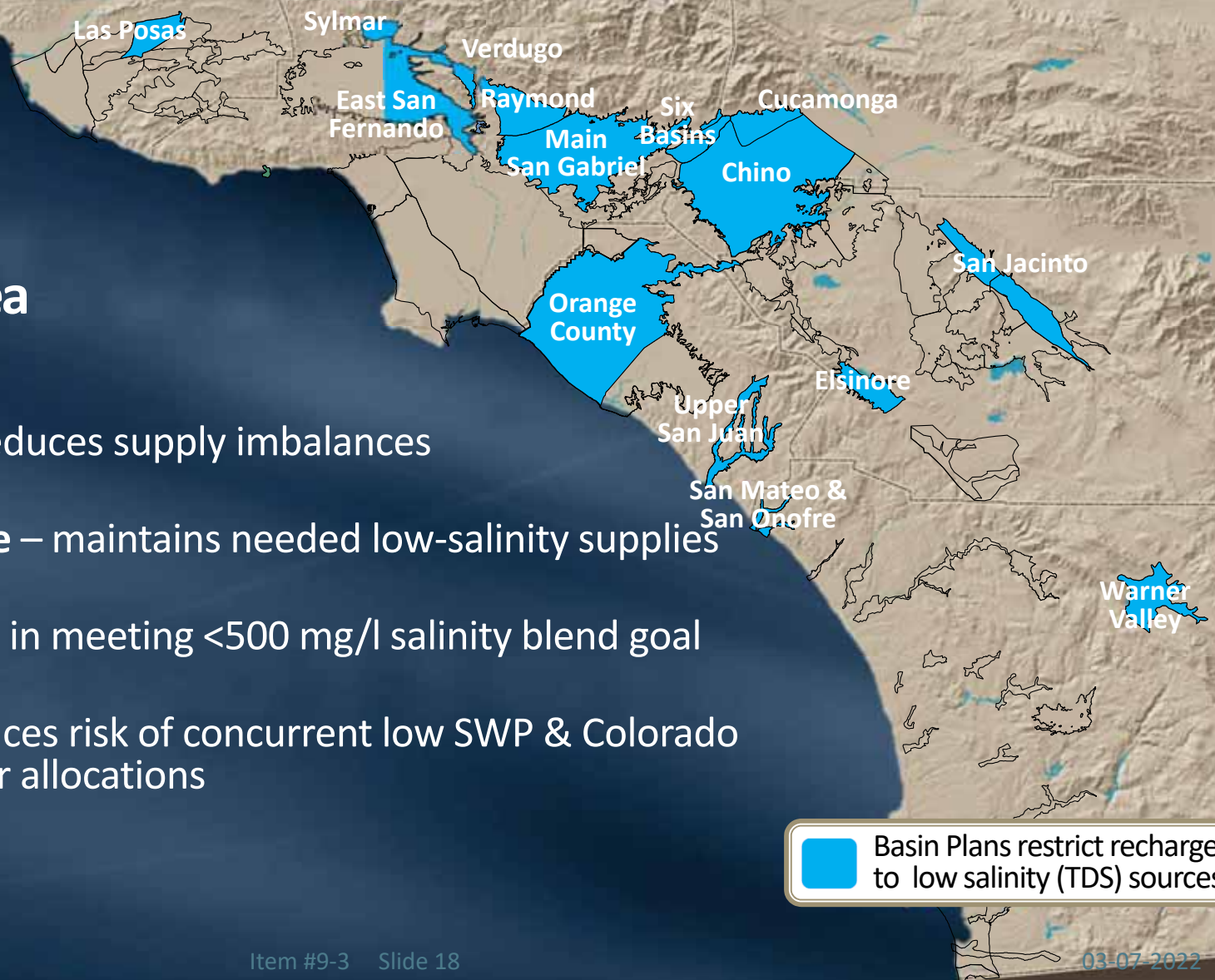
- SWP Reliant Areas** – reduces supply imbalances
- Groundwater Recharge** – maintains needed low-salinity supplies
- Water Quality** – assists in meeting <500 mg/l salinity blend goal
- Perfect Drought** – reduces risk of concurrent low SWP & Colorado River allocations



Key Benefits

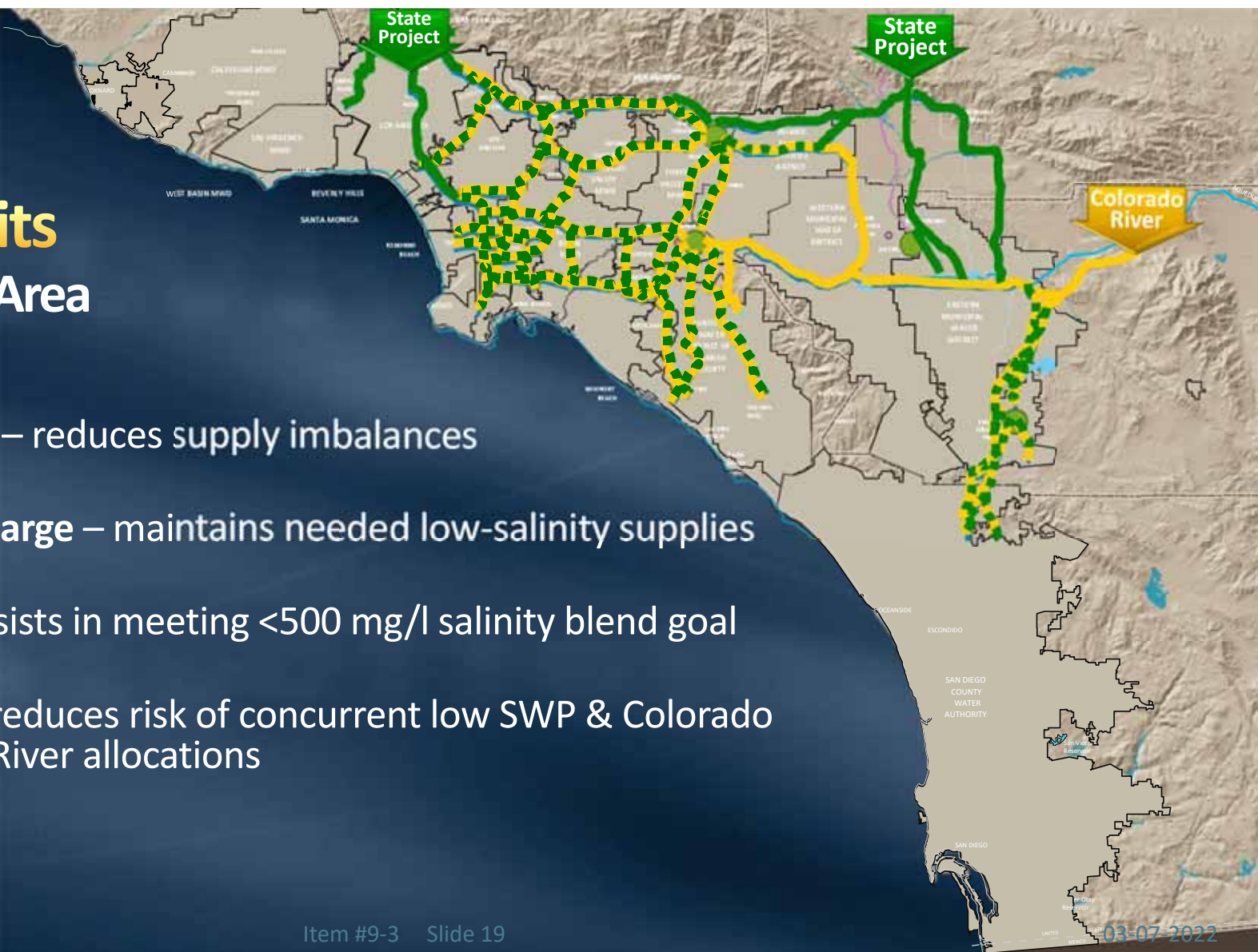
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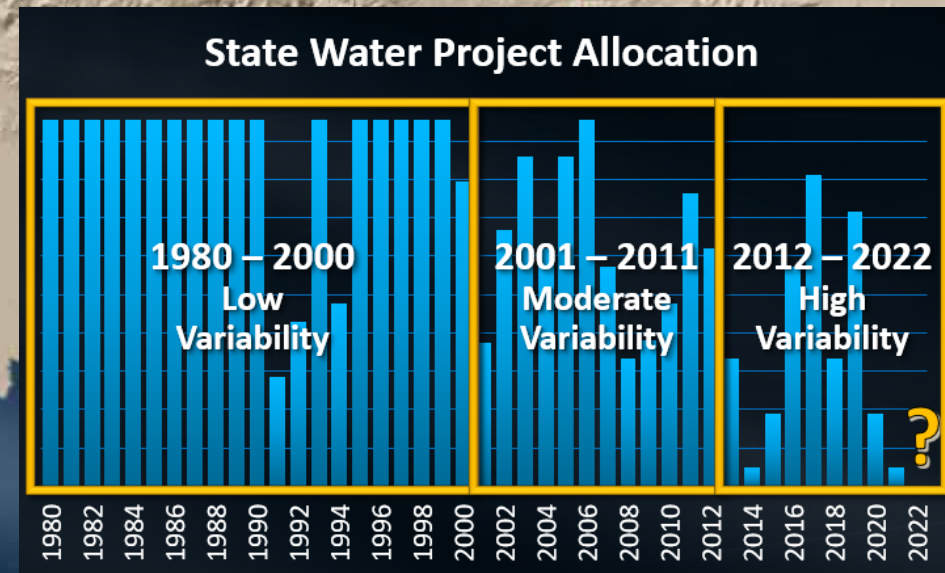
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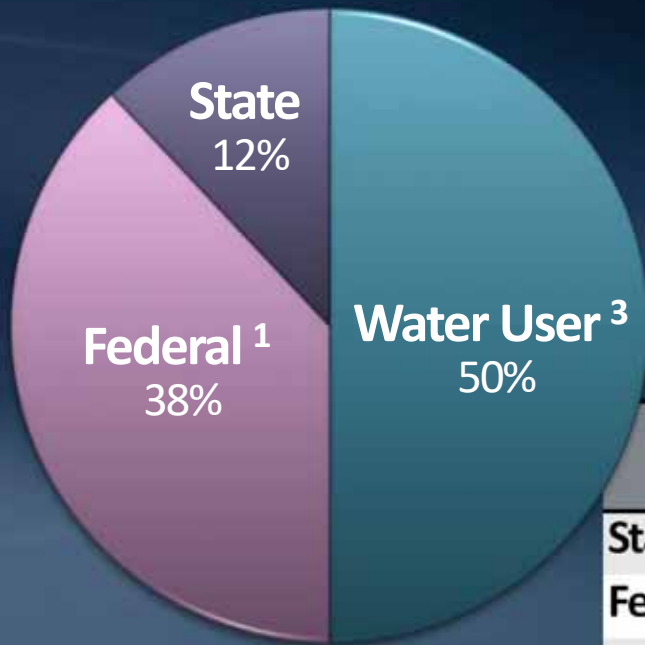
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The slide features a background image of a large, circular conference room with a long table and many people seated around it. The room has a circular ceiling light fixture and a large map on the wall. The title "Metropolitan Board Funding Considerations" is overlaid in yellow and white text.

Metropolitan Board Funding Considerations

- 2017
 - \$1.5 million cost-share for 2017-18 Sites Reservoir workplan
- 2019
 - \$4,212,500 cost-share for 2019-20 Sites Reservoir workplan
- 2020
 - \$5 million cost-share for 2020-21 Sites Reservoir workplan
- 2022 (proposed)
 - \$20 million cost-share for 2022-24 Sites Reservoir workplan

2022-24 Workplan 3-Year Budget¹



Source	2022	2023	2024	Total
State (Prop 1 Grant)	\$ 18,300,000	--	--	\$ 18,300,000
Federal (WIIN Act) ²	\$ 10,000,000	\$ 20,000,000	\$ 20,000,000	\$ 50,000,000
Water Users ³	\$ 17,267,000	\$ 23,972,000	\$ 27,324,000	\$ 68,563,000
Carryover Funds	\$ 6,000,000			\$ 6,000,000
TOTAL³	\$ 51,567,000	\$ 43,972,000	\$ 47,324,000	\$ 142,863,000
MWD Share⁴	\$ 5,000,000	\$ 7,000,000	\$ 8,000,000	\$20,000,000

1. 2022-24 Workplan, also referred to as the Amendment 3 Workplan, is for the period of Jan. 1, 2022, through Dec. 31, 2024.

2. Subject to federal appropriation

3. Subject to individual participating agency Board approval

4. Assumes participation by Metropolitan based a 311,700 acre-ft of storage (also defined as an average yield of 50,000 AF/year)



Reservoir overlook – Governor Brown (2018)

2022-24 Workplan Focus & Key Deliverables

- Environmental
 - Final EIR/EIS & Record of Decision
- Permits/Agreements
 - Water rights permit
 - Environmental permits
 - Local agency agreements
- Project Operations
 - Final coordinated operations agreement with DWR/USBR
- Engineering
 - Advance 30% design & geotechnical investigations
- Develop mitigation & land acquisition master plan

1. 2022-24 Workplan, also referred to as the Amendment 3 Workplan

Broad Statewide Involvement



Bay Area

- Santa Clara Valley WD
- Zone 7 Water Agency

San Joaquin Valley

- Rosedale-Rio Bravo WSD
- Wheeler Ridge - Maricopa

Southern California

- Antelope Valley - East Kern WA
- Coachella Valley WD
- Desert Water Agency
- Irvine Ranch Water District
- Metropolitan Water District
- San Bernardino Valley MWD
- San Geronio Pass Water Agency
- Santa Clarita Valley Water Agency

State/Federal

- California Dept. of Water Resources
- U.S. Bureau of Reclamation

Sacramento Valley

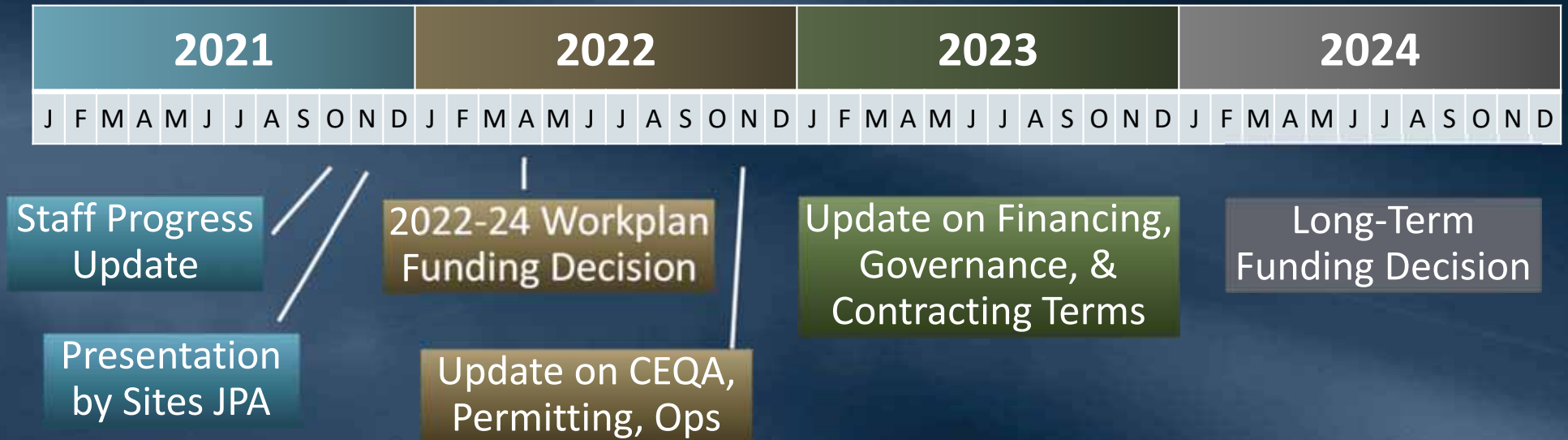
- Carter Municipal Water Co.
- City of American Canyon
- Colusa County
- Colusa County Water District
- Cortina Water District
- Davis Water District
- Dunnigan Water District
- Glenn County
- Glenn-Colusa Irrigation District
- La Grande Water District
- Reclamation District 108
- Rosedale-Rio Bravo WSD
- City of Roseville
- Sacramento County WA
- City of Sacramento
- Tehama Colusa Canal Authority
- Westside Water District
- Western Canal Water District



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Metropolitan Board Proposed Timeline ¹



1. Subject to change



Next Steps

- April 2022 Board letter on funding 2022-24 Workplan
- Final environmental documents by Oct 2022
- Decision on project implementation in 2024

