



Sites Project: Frequently Asked Questions for Landowners

June 2017

The following questions and answers were developed after a series of meetings with landowners within the Sites Project footprint. The Project is in the preliminary stages of design and environmental review, and some of the following information may change over time. Answers to questions will be updated as new information becomes available.

Project Organization and Administration

1. How is the Sites Project Authority organized?

The Sites Project Authority (Authority) was formed on August 26, 2010 when seven regional entities, including several local water agencies and Counties, executed a [Joint Exercise of Powers Agreement](#) in compliance with state laws. The primary purpose of the Authority, as stated in the agreement, is to pursue the development and construction of the Sites Reservoir Project, which has long been viewed as an ideal location for additional offstream storage to provide direct and real benefits for native salmon runs in the Sacramento River, the Sacramento-San Joaquin Delta (Delta) ecosystem, and water supply. A twelve-member Board of Directors representing Sacramento Valley government and water agencies governs the Authority. The Board of Directors is the lead agency working with regional stakeholders and water agencies statewide to advance the construction of the Sites Project. In January 2017, the Authority assumed lead agency responsibilities for ensuring compliance with the California Environmental Quality Act and the Authority is working with the U.S. Bureau of Reclamation who remains the federal lead agency for ensuring compliance with the National Environmental Policy Act.

2. What is a Joint Powers Authority?

A Joint Powers Authority (JPA) is an entity comprised of two or more public agencies permitted by law to jointly exercise any power common to all of them. JPAs are permitted when a project or activity falls outside the boundaries of existing public authorities. In California, JPAs are permitted under Section 6502 of the State Government Code. The Authority's mission is to design, acquire, construct, manage, govern, and operate the Sites Project to provide local, regional, and statewide public benefits and improve California's water system.

3. How is the Sites Project going to be funded?

The Authority and participating water agencies throughout the state are currently funding the planning and development phase of the Sites Project. However, up to 50



percent of the cost to construct Sites may be paid for by California’s Proposition 1 Water Bond funding. In addition, federal law¹ could enable the federal government to participate in up to 25 percent of the construction costs. If the Project receives either state Proposition 1 and/or federal (WIIN Act) funding, these public dollars will be used to acquire long-term flow-related benefits, primarily for the environment. Since it is unlikely the state and federal government would make such a large investment, more than 30 water agencies from across California have signed on to provide funding for their share of the construction and operation costs of Sites Project in exchange for a proportionate percentage of the annual water supplies.

Land Acquisition

The Authority has not yet developed comprehensive land acquisition policies and procedures. However, the following information is guided by the Authority’s policy decisions established on August 30, 2016, as well as state and federal property acquisition laws that may be instructive to landowners during the Project’s preliminary design and environmental review phase.

4. What laws govern the public acquisition process?

The state and federal constitutions and California’s Relocation Assistance Act authorize the purchase of private property for public use and assure protection of the rights of citizens and property owners.

Under federal law, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, or “The Uniform Act,” provides for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by federal and federally assisted programs and establishes uniform and equitable land acquisition policies for federal and federally assisted programs. The “Uniform Act” includes this relocation assistance objective: Ensure that persons displaced as a direct result of federal or federally assisted projects are treated fairly, consistently and equitably so that such persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole.

5. How is fair market value determined?

Fair market value is the price a property would sell for on the open market, and as agreed upon between a willing buyer and willing seller. Fair market values are determined by market analysis, professionally-prepared property appraisals, and a reasonable estimate of what the property would sell for under current conditions.

¹ In Dec 2016, the President signed into law the Water infrastructure Investment for the Nation (WIIN) Act.



6. What are the tax consequences to land owners for property acquisition?

According to the Internal Revenue Service (IRS), the sale of property to a governmental entity for public purposes comes under the definition of an “involuntary conversion.” In these cases, it is not necessary to pay income tax or capital gains tax if the money received is used to buy a similar property within a limited period of time. In every case, however, a property owner should check with their local IRS office and tax professional.

In addition, Section 2(d) of Article XIII.A of the California Constitution and Section 68, Rule 462.5 of the Revenue and Taxation Code generally provide that property tax relief shall be granted to any real property owner who acquires comparable replacement property after having been displaced by governmental acquisition or eminent domain proceedings. You must see your County Tax Assessor for a final determination of how the rule applies to your situation.

7. If the proposed acquisition from a landowner results in a remnant parcel, will the Project offer to acquire the remnant?

When only a part of your property is needed, reasonable effort is made to ensure that property owners do not suffer a financial loss. The total payment would be for the agreed-upon purchased property plus loss in value to your remaining property. In addition, if the acquisition of part of your property leaves you with a parcel of real property, which due to its size, shape or condition has little or no utility or value, landowners could be offered the opportunity to sell the remaining property, if desired.

Project Operations

8. How will water rights be managed and how will water in Sites Reservoir be allocated?

The Authority intends to obtain and hold the water rights and is currently in the process of developing a water rights strategy. Decisions regarding water allocations will not be made until after the Proposition 1, Water Storage Investment Program (WSIP) funding determination has been made.

Sites would require water supplies from one or more of the following water rights categories:

- State of California Water Rights for “Colusa Reservoir”
- Sacramento River Settlement Contract Water



9. Who will own and operate the Project post-construction?

The Authority will be the owner of the Project, with participation by federal and state entities to operate the Sites Reservoir. Further, it is the Authority's intent that should the state or federal government also elect to invest in the Project's construction in exchange for acquiring flow-related environmental benefits, the appropriate state and/or federal resource agency would become a participant, having the same or equivalent status as the water agencies who are participating and funding the share of the Project's costs that will be used to improve their water supplies (i.e. the benefits will be based on the beneficiary pays principle).

10. Will Sites water stay in Northern California, or will it be exported to the Central Valley and Southern California?

A large portion of Sites Project water will remain in Northern California. Some portion of the water would be exported as environmental flows to support public benefits (e.g. for national wildlife refuges), and to Project participants south of the Delta who provide funding for construction. The amount of exports will only be determined after the Proposition 1 WSIP funding decisions have been made by the California Water Commission (CWC). Currently, Sacramento Valley members have "Class 1" water, meaning it will be available regardless of the level of investment by the State of California. The remainder, or "Class 2" water, which includes many of the members who joined later, and who are from other parts of the state, will not be decided until after the CWC makes its funding determinations. The potential for federal participation per the WIIN Act would be treated in a similar manner and decided after the federal government has agreed to invest and become a participant.

Project Design – Dams and Safety

11. How many dams will be built as part of the Project and how will they be designed?

Four alternatives are being considered for the Sites Project, and no final decisions have been made. Alternative A, a smaller reservoir, requires six saddle dams and two main dams (Sites Dam and Golden Gate Dam). Alternatives B, C, and D (the local alternative), which is the 1,800,000 acre-foot reservoir, would require up to nine saddle dams, and the Sites Dam and Golden Gate Dam would be larger than they are under Alternative A. All dams will be designed in accordance existing state and federal standards in order to obtain the necessary permits to build the dams and then operate the Project.



12. How high will the dams be and how deep will the reservoir be?

The dam heights vary depending on the Alternative:

- Sites Dam ranges from 250-290'
- Golden Gate Dam ranges from 260-310'
- Saddle dams range from 5-50'

When full, the reservoir would be approximately 210 feet to 250 feet deep.

13. Is an emergency spillway needed for the Sites Project?

No emergency or back-up spillway is needed for the Sites Project. Sites is an offstream reservoir having a comparatively small upstream watershed, so no year-round flowing river is entering the reservoir upstream of the dams. Essentially, the water needed to fill the reservoir will be pumped up from two irrigation canals and pipeline connecting to the Sacramento River. Both state and federal dam safety rules require the reservoir be designed to contain the probable maximum flood (about 20 inches of rain in a 3 day period), which is much greater than the 200-year flood event without overtopping. Should such an event occur when the pipeline from the reservoir cannot be used to release flows to the Sacramento River or Colusa Basin Drain, a signal or side-channel spillway is planned, but no emergency or back-up spillway is needed.

Project Design – Environmental

14. How will the Project address the mercury mines located in the proposed Project area?

There is no historical record of any mercury mines located in the Sites watershed (i.e. Antelope Valley). There were mercury issues in water in the Sacramento River due to runoff from old mines, but Sites would not change the concentrations of those constituents substantially because the mercury, which is heavier than water, is typically found within the sediment. Since the Sacramento River diversions are screened to be protective of fish, these screens also prevent river-run sediments from being diverted.

Project Design – South Bridge

15. Will the Project include a bridge over the reservoir?

All Alternatives for Sites include a South Bridge to provide vehicle access and allow for travel between Maxwell and areas west of the proposed reservoir, including the towns of Lodoga and Stonyford, as well as East Park Reservoir and the Mendocino National Forest. During a recent series of public meetings, the Authority received at least one comment that suggested additional studies be conducted. The Authority is currently



evaluating this comment along with other comments received to date to decide how best to proceed.

16. How will the bridge be designed?

The proposed South Bridge would be a two-lane concrete bridge. The bridge would be 35.5 feet wide and approximately 1.6 miles long and will require additional input from Colusa County.

Project Design – Road Connections

17. How will the Project address road access to the impacted properties post-construction?

Sites Reservoir would inundate portions of Maxwell-Sites Road and Sites-Lodoga Road. These roads are within Colusa County’s jurisdiction. Approximately 6 miles of Huffmaster Road and Peterson Road (gravel roads) would be inundated. Therefore, this project would reroute existing roads or provide alternate access. The proposed primary route from Maxwell to Lodoga would be a paved two-lane road and would include the new bridge.

All Project alternatives address options to provide access to the southern end of the reservoir.

18. Who will maintain and control the roads and who assumes liability?

Public roads will remain within the jurisdiction of Colusa County. Private roads that are required for operation and maintenance will be within the jurisdiction of the Authority.

19. How are decisions made for including, or excluding, roadway connections for the Project?

The Authority will be responsible for making final decisions based on landowner impacts, essential services, and public access. These decisions will include input from applicable landowners, essential services providers, and other stakeholders. Currently, the Project’s impacts to roadways and access are being evaluated as part of the environmental review process. Mitigation measures for addressing roadway impacts will be developed and vetted with landowners and the community before a Final Environmental Impact Report/Environmental Impact Statement is released.

Project Design – Recreation Areas/Public Access

20. How many recreation areas will be included in the Project?

The four action alternatives would provide new opportunities for surface water recreation at Sites Reservoir (e.g., camping, horseback riding, boating and fishing).



Alternative A, B, and C include three new recreation areas, and Alternative D includes two new recreation areas. New recreation areas would be implemented in a phased approach to meet the local demand for recreation.

21. What type of recreation uses will be allowed for the Project?

Surface water recreation at Sites Reservoir (e.g., boating and fishing) would be allowed, as well as on-shore recreation (e.g. equestrian). New facilities would be developed on the shore of the reservoir to support other recreation activities (e.g., camping, hiking, picnicking, sightseeing).

Project Design – Electricity

22. How will power for the Project Pumps be provided?

Power for the pumps will be provided from existing Pacific Gas & Electric or Western Area Power Administration transmission lines. Proposed powerline routes are being evaluated as part of the environmental review process, which will include an opportunity for public comment before any decisions are made by the Authority.

23. Will the Project require new high voltage power lines?

New transmission lines will be required. A new substation will be constructed in the general vicinity of the existing Funks Reservoir and transmission lines would be provided to the Sites and Terminal Regulating Reservoir Pumping/Generating Plants. Two alignments have been considered for providing power (115 kV) to the Delevan Intake Pumping/Generating Plant. One is an east-west alignment from the Terminal Regulating Reservoir to the Sacramento River and the alternative is a north-west transmission line from Colusa to the Delevan Intake Pumping/Generating Plant. The powerline routes are being evaluated as part of the environmental review process, which will include an opportunity for public comment before any decisions are made by the Authority.

Project Design – Historical Impacts

24. What will the process be for relocating the Sites Cemetery?

Special consideration will be given to moving the Sites Cemetery. The Authority is working with landowners, communities, and Tribes to develop relocation and mitigation plans to offset impacts. The Project's potential impacts on historic and cultural sites are being fully evaluated as part of the environmental review process, which will include an opportunity for public comment before any decisions are made by the Authority.



25. How will Native American cultural sites in the Project area be addressed?

At least one cultural site is located within the Sites Project footprint, and will need to be addressed. The Authority is working with landowners, communities, and Tribes to develop relocation and mitigation plans to offset impacts. The Project's potential impacts on historic and cultural sites are being fully evaluated as part of the environmental review process, which will include an opportunity for public comment before any decisions are made by the Authority.

Question/Answer Parking Lot

Answers to the following questions are not available at this early stage of preliminary planning and environmental review. Additional information will be shared as soon as it is available.

1. What happens when fair market value for land acquired in the project area is not sufficient to allow a landowner to purchase a replacement property?
2. Will offer amounts made to the Property Owners be public information?
3. How will income-generating leases / agreements (such as cell-towers) be addressed during the property acquisition process?
4. Will there be opportunities for property exchange within the Project / local area?
5. Are early acquisitions an option?
6. Can landowners receive water from the Project in lieu of money for property acquisition?
7. Who will receive the revenue generated from electricity produced by the Project?
8. Will cattle be allowed to graze along the shores of the reservoir?
9. If grazing is not allowed, will a fence be built around the reservoir? Who would be responsible for building and maintaining the fence?
10. Who will operate and maintain the recreation areas?
11. How will electrical power be provided to remaining landowners post-construction?
12. Will residents below the dams be required to have flood insurance post-construction?



13. How will the dams be affected in the case of an earthquake?
14. Will there be areas of the Project set aside for wildlife and habitat preservation? Will there be public access to those areas?
15. How will public access, if any, be provided in a manner that avoids interference with the adjacent Private Property Landowners?
16. How will the Project address the salt deposits in the proposed Project area?

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