



Topic: **Authority Board Agenda Item 7-1**

2018 Sept 17

Subject: **Landowner/Community Meeting**

Requested Action:

No action requested. Information item.

Detailed Description/Background:

Staff to give a report on the Landowner/Community meeting that was held at the Maxwell Project Officer on September 5, 2018.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

None.

Staff Contact:

Kevin Spesert

Attachments:

Attachment A – Meeting Presentation



Project Participants

Authority
15 agencies within Sacramento Valley
+ Bureau of Reclamation (non-voting)
+ Dept. Water Resources (non-voting)

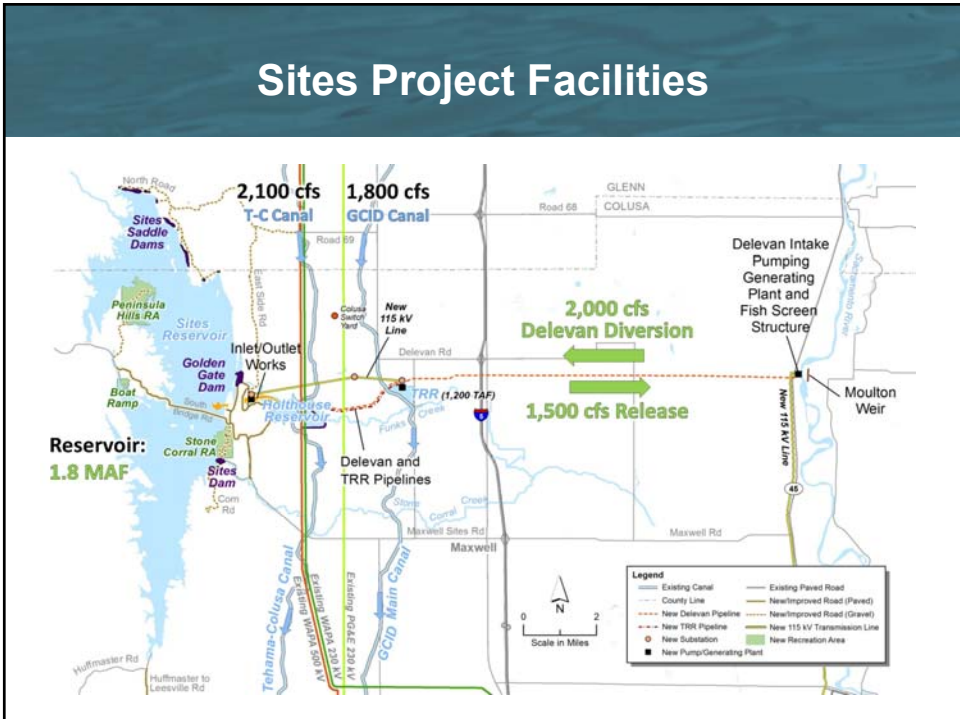
Reservoir Committee (24 participants)
14 Sacramento Valley
2 Bay Area
3 San Joaquin Valley
6 Southern California

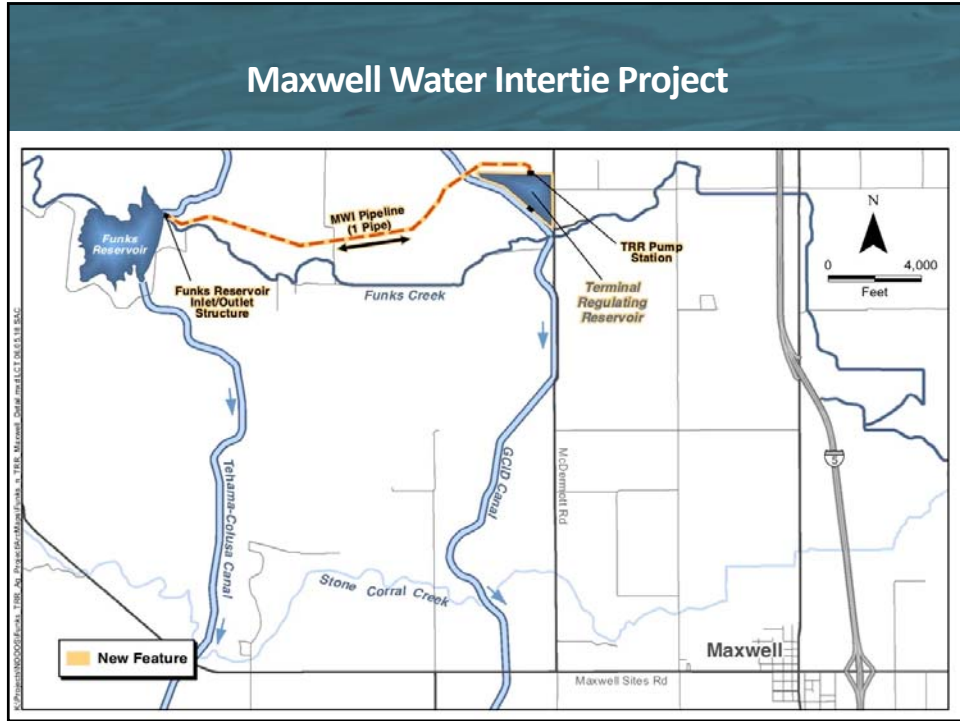
Subregions
County Boundaries
Northern
Central
Sacramento Valley
Southern
Bay Area
American
50 Miles

Current Participation

Sacramento Valley		Beyond the Sacramento Valley	
Organization	Acre-ft.	Organization	Acre-ft.
Glenn County	-	Antelope Valley-East Kern WA	2,000.
Maxwell Irrigation District	-	Coachella Valley Water District	26,500.
Tehama-Colusa Canal Authority	-	Desert Water Agency	6,500.
PCWA & City of Roseville	-	Metropolitan Water District	50,000.
Sacramento Co WA & City of Sacramento	-	Pacific Resources MWC	20,000.
Colusa County	10,000.	San Bernardino Valley Muni WD	30,000.
Colusa County Water District	32,111.	San Geronio Pass Water Agency	14,000.
Glenn-Colusa Irrigation District	20,000.	Santa Clara Valley Water District	24,000.
Orland-Artois Water District	20,000.	Santa Clarita Water Agency	5,000.
Tehama-Colusa 4	-	Wheeler Ridge-Maricopa WSD	20,000.
Reclamation District 108	20,000.	<u>Zone 7 Water Agency</u>	<u>20,000.</u>
Western Canal Water District	3,500.		
<u>Westside Water District</u>	<u>25,000.</u>		
Cortina Water District (TC-4)	300.	Total acre-ft:	365,911.
Davis Water District (TC-4)	2,000.	Authority:	15 Agencies
Dunnigan Water District (TC-4)	5,000.	Non-Voting (US Bureau of Reclamation & Department of Water Resources)	
LaGrande Water District (TC-4)	1,000.	Combined:	34 participants
City of American Canyon	4,000.		
Carter MWC	1,000.		
Garden Highway MWC	4,000.		

2018 Aug 24 Subject to change 3





Maxwell Water Intertie Project

USDA Rural Development

- Community Facilities Direct Loan Program
- Long-Term loan program to support the financing of the Maxwell Water Intertie project

Project Goals

- Improve the transfer of water between the Tehama-Colusa Canal and Glenn-Colusa Irrigation District Canal systems
- Convey water in both directions between the two canals and provide a regulating pool within the facilities operated by the Tehama-Colusa Canal Authority for Glenn-Colusa Irrigation District use
- Improve water management facilities and activities for use by some participating water agencies for agriculture to benefit to rural communities

Maxwell Water Intertie Project

Project Development:

- Authority would construct, own and operate the facilities
- Submitted a loan application.
 - a. conceptual level engineering design,
 - b. Financial Feasibility Study
 - c. Draft Environmental Assessment
- The draft Environmental Assessment is out for public review
Public comment period ends September 15, 2018
- Next Steps:
 - a. USDA review.
 - b. Conditional loan approval decision later this fall

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Maxwell Water Intertie Project

Proposed Action

- Granting of a conditional obligation for a USDA Community Facilities Direct Loan

USDA's approval of the loan is not a approval to construct
- Conditions before funds become available:
 - a. Complete engineering
 - b. Complete environmental analysis,
 - c. Acquire permits to construct and operate
 - d. Finalize participation and secure financing
 - e. Satisfy other conditions as required by USDA
 - f. Acquire property & construct facilities

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What Makes Sites Different?

Features

- Offstream
- Cooperative operations
- **Locally-led**
- Dual governance
- Beneficiary Pays
- 40% managed by resource agencies
- Hydropower

Benefits

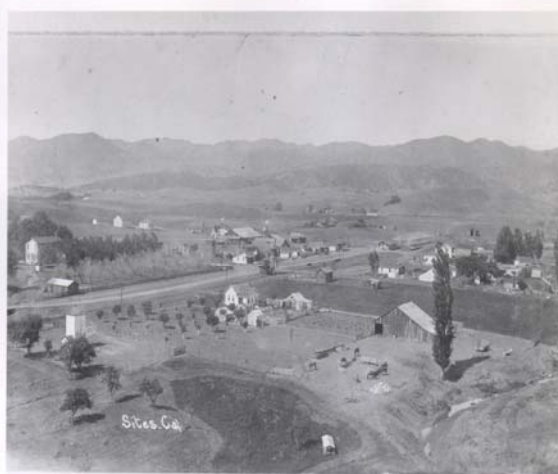
- Minimal in-river impacts
- Easier to permit (in theory)
- Increases effectiveness of existing storage
- Aligns with Sacramento Valley's values**
- Local management control**
- Fosters statewide collaboration & partnerships
- 60% Water Supply
- 40% Environment – **A New Tool**
- Adds flexibility
- Adaptable to current conditions and priorities
- Water could be sold to fund restoration projects
- Integrates with renewable energy

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Sites History Project



John Sites, founder of town of Sites



Sites, Colusa Co., Calif. Post office established February 11, 1887--James A. McDonald postmaster. 1910

Sites History Project



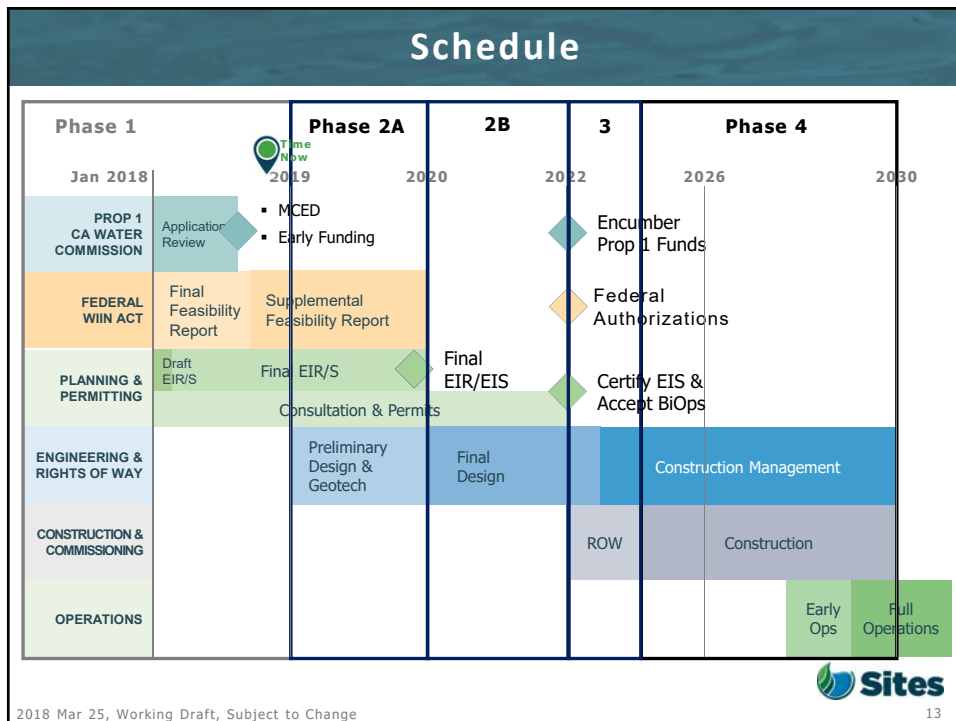
Triangulation Station South of Stone Corral
 USGS Field Party October 1904



Dry land farming, Sites

More information and historical photos will be available on the Sites Project website soon!

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Update on Project Activities

July

- Proposition 1 funding decision: the most of any applicant

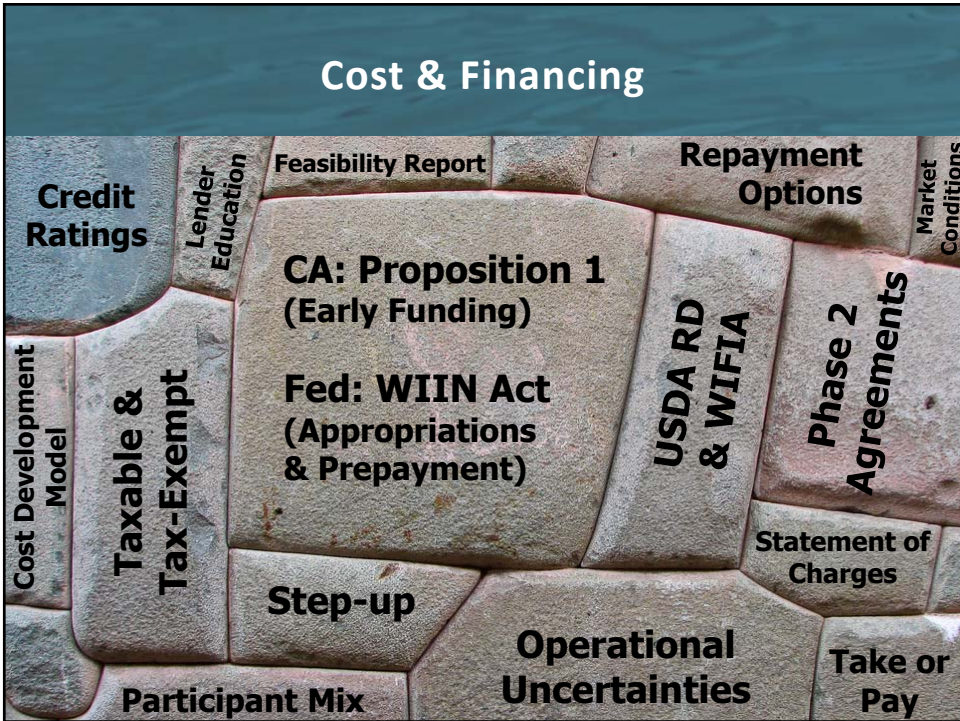
August

- Federal Feasibility Study
- Maxwell Water Intertie Project

September and Beyond

- Federal funding decisions
- Participation agreements
- Temporary Entry Permits
- Field surveys
- Permitting
- Final environmental review
- Preliminary Engineering

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PHASE 3-4 FINANCIAL MODELING (Base Case with 3 repayment methods)

PRELIMINARY RESULTS: CURRENT COST ESTIMATE of \$6,464 million (future \$)

	40 Years, 10 years Capitalized Interest		40 Years, 10 years Interest Only		40 Years, Amortize Immediately		
	\$	\$/AF	\$	\$/AF	\$	\$/AF	
		335,000 AF		335,000 AF		335,000 AF	←
Annual Debt Service							
in 2018 Dollars	288,625,644	862	201,214,097	601	186,558,738	557	Fixed payment
in 2032 Dollars	436,572,184	1,303	304,354,376	909	282,186,829	842	
Annual O&M *							
in 2018 Dollars	27,804,780	83	27,804,780	83	27,804,780	83	Escalates over time
in 2032 Dollars	36,687,817	110	36,687,817	110	36,687,817	110	
Annual Revenue							
in 2018 Dollars	23,303,899	70	16,278,961	49	15,957,573	48	Variable over time
in 2032 Dollars	29,913,463	89	22,679,581	68	22,234,607	66	
Total Cost							
in 2018 Dollars	293,126,526	875	212,739,917	635	198,405,945	592	
in 2032 Dollars	443,346,538	1,323	318,362,612	950	296,640,040	885	
	For first 10 years, repay lender's costs		For first 10 years, lender's costs + interest		Repay interest and principle from start		

* Annual O&M is for delivery at Holthouse. Delivery to Sacramento River adds \$17(\$22) per AF respectively for 2018 \$ (2032 \$)

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WATER FOR THE ENVIRONMENT, FAMILIES, FARMS AND BUSINESSES