

Topic: **Sites Reservoir Project**

Subject: **Monthly Status Report**

Report Period: **2021 June**

Monthly Status Summary:

The development of the Sites Project continues to make progress in the critical areas including the following activities:

Agricultural District Structuring Options Informational Session – Participants interested in learning more about track 3 for securing revenue to support bank financing, formation of improvement district, attended a workshop where six options were evaluated. The group felt that three of six options were most feasible for the participants in attendance. The project team is taking this feedback and will formulate a specific proposal for consideration as part of the plan of finance which is to be considered by the Reservoir Committee (RC) and Authority Board (AB) in September.

Outreach to Interested Groups – Presentations providing an update on the project developments since value planning were conducted with the State Water Contractors, the California Water Commission and the Colusa County Board of Supervisors. If any participants know of any groups or associations that have an interest in a project updated, please let Kevin Spesert know, and arrangements will be made.

Interested New Participants – Several agencies have reached out to the project team informally in the past six months to express interest in becoming project participants. Their interest is being explored and will be brought to the board as necessary. In particular, California American Water is studying possible service of wetter year water from Sites participants to the groundwater basins in its service areas within the Sacramento area. They have requested to meet with north of delta Ag participants to explore their interest in making arrangements for the sale of approx. 10TAF from Sites in certain conditions. Cal Am is targeting these participants because i) these participants are more likely to have the capability to sell their wetter year water because of the higher reliability in base supplies in these years, ii) this would keep this water use within the Sac Valley and keep the participation mix in balance with overall targets. If additional participants beyond NOD Ag are needed, you will be contacted by the project team. Any agreements reached between participants and Cal Am would be communicated to the entire RC and AB but may involve direct contracting between the participant and Cal Am which would not require RC or AB consideration.

Environmental Planning and Permitting and Water Rights Activity:

- Began internal review of first 4 chapters of the administrative draft Biological Assessment.

- Continued coordination with the U.S. Army Corps of Engineers on the Clean Water Act 404 permit application efforts and continued coordination with the 404 permitting working group.
- Initiated discussion with legal counsel on potential changes to federal navigable water rule under Biden Administration.
- Continued coordination with the State Water Resources Control Board for preparation of the Clean Water Act Section 401 permit application. Added Regional Water Quality Control Board water quality certification staff to monthly meetings.
- Continued discussions with California Department of Fish and Wildlife (CDFW) on take permit conditions, mitigation and 2021 meetings and workshops.
- Continued working with Reclamation on the Biological Assessment and approach to species analysis.
- Continued mitigation planning and coordination with the mitigation and adaptive management small working group.
- Continued monthly coordination meetings with SWRCB staff.
- Continued development of water right application and water availability analysis.
- Continued to discuss and refine the Project's Place of Use with Participants.