

Water Storage Investment Program Quarterly Report

The Quarterly Report is intended to document applicants' progress toward complying with regulation section 6013 and receiving final WSIP funding, including any changes in the magnitude of public benefits that could affect cost allocation. Applicants must provide a summary level update of the project status for the requirements and milestones listed below. The template may be modified as necessary to effectively communicate information. If minimal activities occurred during a reporting period, the report can be condensed.

- Note any issues or concerns that have, will, or could affect milestones or requirements.
- Identify key issues, including legal issues such as lawsuits or injunctions related to the project, that need to be resolved.
- Discuss how the actual schedule is progressing in comparison to the schedule provided in the Initial Report or the last reported schedule.
- Update the project schedule as needed.
- Note any milestones or accomplishments that occurred since submittal of the prior Quarterly Report.

Project Information

Project Name:

Harvest Water

Applicant Name:

Sacramento Regional County Sanitation District (Regional San)

Date:

January 29, 2021

Reporting Period:

Q4 2020

General Update and Key Issues

Please provide a general update and describe any key issues that occurred during this reporting period. You may attach additional documents or pages if more space is needed:

The following activities took place over the course of Q4 2020.

- The Program team continued to execute the landowner outreach plan for recycled water customers and Eco Plan partnerships. Through follow-up interviews with future recycled water customers, the Program team gathered data to complete hydraulic modeling and preliminary pipe routing to further inform environmental permitting needs moving forward.
- The Program team began specific outreach for Eco Plan participation with interested parties in the Program area.
- The Program team continued work on the development of the draft Ecological Plan in support of the public benefit targets, including identifying targeted parcels to support crane habitat, vernal pool complexes, and wetlands/riparian forests, as well as potential incentives for program participation.
- Regional San continued providing advertisements and articles in the bi-monthly printed Sacramento County Farm Bureau (SCFB) newsletter, as well as the SCFB electronic news blasts during Q4 2020.
- On 10/14/20, the Regional San Board of Directors approved a resolution to initiate proceedings with LAFCo.

- The Program team continued to coordinate with the Sacramento LAFCo Executive Director and submitted administrative drafts of the Plan for Service report and Municipal Services Review report to support annexation of the Program area into the Regional San service area for recycled water service only. The Program team continued outreach meetings with adjacent agencies and anticipates proceeding through the LAFCo process in Q1 2021.
- The Program team continued work on the development of the Groundwater Accounting and Conjunctive Use Project and continued engagement with the Sacramento Central Groundwater Authority (SCGA) including attending monthly meetings.
- The Program team has conducted additional groundwater modeling to evaluate how Program participation (both recycled water service and ecological program) affects groundwater restoration and the timeline for benefits accrual in the Program area.
- On 11/23/20, the Program team met with CWC staff via video conference to provide an update on the Program's Eco Plan development and proposed metrics.
- The Program team continues to coordinate benefits contracting with state agencies for public benefits. The Program team met CDFW staff via video conference 9/2/20 and 11/4/20 to continue to refine and discuss the benefit targets and primary and secondary metrics and adaptive management strategies. Additional meetings with CDFW and the SWRCB are anticipated in Q1 2021.
- The CEQA consultant is near completion with all CEQA documents. As shown in the attached schedule, three primary CEQA documents are anticipated to be completed between now and March 2021, ahead of the WSIP deadlines. CEQA work for the recycled water distribution system was completed in Q3. The two remaining CEQA documents are complete and the Regional San Board is scheduled to consider approval at the January and March Board meetings.
- Environmental permitting work continues to make significant progress. The permitting team has submitted material to USACE and is preparing the Lake and Streambed Alteration Agreement notification package for CDFW. The team is also coordinating with the South Sacramento Conservation Agency to approve biologists for field surveys and implementing applicable avoidance and minimization measures.
- The Program team finalized the basis of design reports (BODRs) for the pumping station and initial pipeline projects. In addition, work began on the development of the on-site connections BODR .
- The hydraulic model was used to confirm required pipeline alignments and pipe sizes to meet program objectives and refine anticipated project costs.
- The team released the Request for Proposals for the Harvest Water Pumping Station Project designer.
- The team also drafted the RFP for design of the first portion of the pipeline segment known as the "Elk Grove Transmission Main and Franklin-Eschinger Pipeline Project".

Items Required Prior to Scheduling a Final Award Hearing

The following items must be provided prior to scheduling a hearing. As applicable, please describe the status, estimated completion date, and percent complete of:

1. Contracts for non-public cost share:

Status: N/A - complete. There is no cost share for non-public benefits of Harvest Water. At this time, Regional San is the only entity that will fund the non-public cost-share.

Estimated Completion Date: N/A

Percent Complete: N/A

2. Contracts for administration of public benefits:

Status: Continued coordination with SWRCB and CDFW. Additional meetings anticipated in Q1 2021 with CDFW regarding Ecological Plan and ecological benefit targets, metrics, and monitoring and with SWRCB regarding water quality benefit targets.

Estimated Completion Date: Q3 2021

Percent Complete: 0%

3. Completed feasibility studies:

Status: Complete - Final feasibility study submitted was deemed complete by CWC staff on 7/20/19.

Estimated Completion Date: July 2019

Percent Complete: 100%

4. Final environmental documentation:

Status: Programmatic and Main Transmission Line Final EIR - 100%

Three primary CEQA documents tiering from the Programmatic EIR are anticipated to be completed between now and June 2021.

1. Laterals & On-farm Connections Project-Level environmental documentation - 100%
2. Ecological Program and Wintertime Application environmental documentation - 99%
3. Groundwater Conjunctive Use environmental documentation - 99%

Estimated Completion Date: March 2021

Percent Complete: 99%

5. All required federal, state, and local approvals, certifications, and agreements:

Status: See attached list of environmental permits and status.

Estimated Completion Date: Q4 2021

Percent Complete: see attached

Items Required to Execute a Funding Agreement

Please provide an update, as applicable, on the following documents, which are needed to execute a funding agreement for the project:

- Applicant's audited financial statements
- Final project costs, schedule, and scope of work
- Evidence of bilateral communications
- Limited waiver of sovereign immunity (see regulations section 6013(f)(8))

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

No significant change has occurred from previous reporting period.

- Audited Financial Statements: Regional San's Comprehensive Annual Financial Report for 2020 Fiscal Year is available on our website. These reports are prepared annually and an independent auditor audits Regional San's financial statements each year. A current audited financial statement will be provided prior to the execution of a funding agreement.
- Final Project Costs, Schedule, and Scope : The Program team is actively reviewing and refining the Program budget, schedule, and scope as additional information is obtained from BODR efforts, field data and modeling scenarios . The system is anticipated to be operational at the end of 2024 for recycled water delivery. Schedule attached.
- Evidence of Bilateral Communications: N/A - no anticipated impacts to owners or operators of facilities.

- Limited Waiver of Sovereign Immunity: N/A - no known tribal lands in project area.

Status Update

Provide a status update for the following, as applicable:

- Labor Compliance
- Urban Water Management Plans
- Agricultural Water Management Plans
- Groundwater Management or Groundwater Sustainability Plans
- Potential effect of other conditionally eligible projects on the applicant's public benefits

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

No significant change has occurred from previous reporting period.

- Labor Compliance: Anticipated to be addressed in construction contracts (2022).
- Urban Water Management Plans: N/A - Regional San is not an urban water supplier.
- Agricultural Water Management Plans: N/A - currently groundwater. Recycled water is exempt from Agricultural Water Management Plans.
- Groundwater Management or /Groundwater Sustainability Plans: The Sacramento Central Groundwater Authority (SCGA) is the Groundwater Sustainability Agency in the Harvest Water area. SCGA will be submitting its Groundwater Sustainability Plan by January 31, 2022. Regional San is a member of the SCGA Board of Directors and is actively coordinating with the agency.
- Other WSIP Applicant's Projects: N/A - there are no expected consequences from other WSIP applicant's projects on Regional San's public benefits for this project

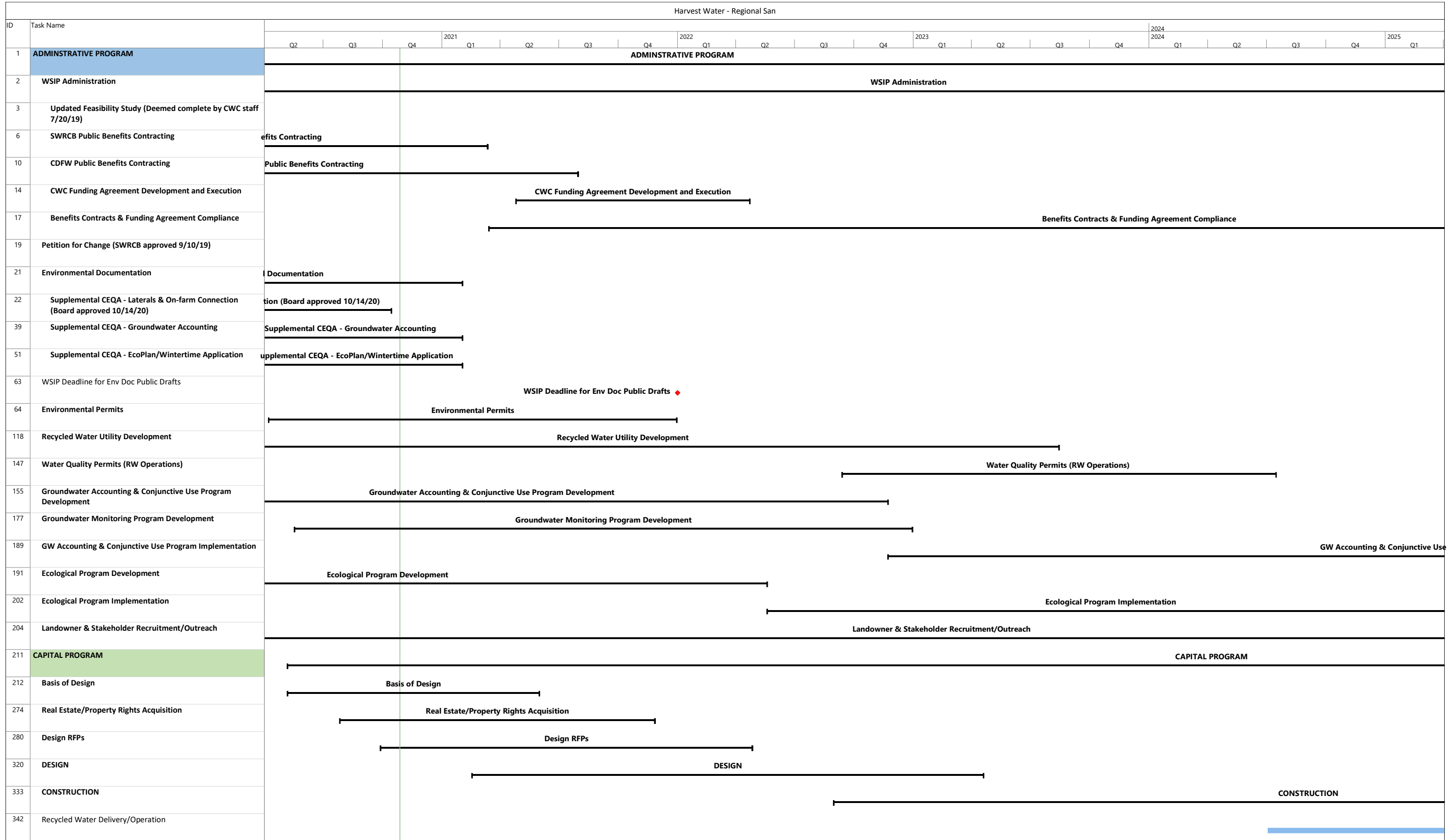
Regional San – Harvest Water: List of Permits for WSIP Quarterly Reporting

Permitting Agency	Permit	Estimated Completion Date ³	Percent Complete %
Environmental			
CVRWQCB	401 Water Quality Certification (required for 404 Permit)	Q2 2021	0%
U.S. Army Corps of Engineers	Clean Water Act, Section 404 Permit for any fill of wetlands or waters of the US ¹	Q4 2021	65%
CDFW	Lake and Streambed Alteration Agreement (for pipeline crossings of creeks)	Q3 2021	60%
U.S. Fish and Wildlife (USFWS)	Section 7 Consultation/Biological Opinions (for effects on Federally listed species) ^{1,2}	Q3 2021	25% ^{1,2}
California Department of Fish and Wildlife (CDFW)	Incidental Take Permit from California Department of Fish and Game (for effects on State-listed species) ¹	Q3 2021	25% ¹
California Office of Historic Preservation	Section 106 Consultation (supports CWA 404 Permit)	Q3 2021	10% ²
Operational (not required prior to funding agreement)			
State Water Resources Control Board (SWRCB)	Wastewater Change Petition for a change in the point of discharge, place of use, or purpose of use of treated water	Q3 2019	100%
Central Valley Regional Water Quality Control Board (CVRWQCB)	Water Reclamation Requirements for Recycled Water Use (Statewide Recycled Water Permit, Order WQ 2016-0068-DWQ) (for operation of the recycled water distribution system)	TBD (2023)	0%

¹Note: The South Sacramento Habitat Conservation Plan (HCP) has been adopted. The HCP will be leveraged by Regional San to streamline biological-related permitting, including Section 7 consultation and Incidental Take permits.

²Note: Required only if a Federal nexus is established for the Program.

³ Note: Best estimate of timing with currently known information.



Project: Harvest Water Date: Wed 10/28/20	Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Baseline Milestone		Manual Progress	
	Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline		Baseline Summary			
	Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Baseline		Progress			