



**Water Storage Investment Program: Harvest Water Program State Agency Draft Contracts for the Administration of Public Benefits**

**Introduction**

Applicants within the Water Storage Investment Program (WSIP) are advancing their projects to meet Proposition 1 requirements before returning to the Commission for final award hearings. One requirement for final funding is the execution of the Contracts for the Administration of Public Benefits (CAPBs). The WSIP pays for the public benefits, which are governed by the CAPBs. The contracts are negotiated between the WSIP applicant and the administering agency responsible for overseeing the benefits associated with the project: California Department of Fish and Wildlife (CDFW) is responsible for administering ecosystem improvement benefits; State Water Resources Control Board (SWRCB) is responsible for administering water quality improvement benefits; and Department of Water Resources is responsible for administering recreation, flood control, and emergency response benefits. The WSIP regulations allow the administering agencies to present a draft of project specific CAPBs at a Commission meeting before the Commission's final award hearing for that project. The administering agencies may consider public comment and Commission comment before they execute the public benefit contracts.

The Sacramento Regional County Sanitation District, project proponent for the Harvest Water Program, is negotiating CAPBs with CDFW and SWRCB for ecosystem and water quality benefits, respectively. At this meeting, CDFW and SWRCB will provide their draft contracts and discuss the contents of these contracts, including the public benefits they cover, reporting requirements, and adaptive management. The public and Commissioners will have an opportunity to offer comments on the draft CAPBs. CDFW and SWRCB retain discretion regarding the impact of any comments received.

**Background**

Through the WSIP, the Commission will invest nearly \$2.6 billion in the public benefits of water storage projects, consistent with the requirements of Proposition 1 (the Water Quality, Supply, and Infrastructure Improvement Act of 2014), Chapter 8. In July 2018, the Commission made Maximum Conditional Eligibility Determinations (MCEDs), decisions that set the amount of Proposition 1 funding potentially available to a given project. The seven WSIP applicants are working to complete the Proposition 1 requirements, which include obtaining permits and completed environmental documents, contracts for the administration of public benefits, and contracts for non-public benefit cost share, before returning to the Commission for a final award hearing.

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This agenda item implements Goal Four of the Commission's Strategic Plan, which calls on the Commission to carry out its statutory responsibilities for the WSIP.

**Meeting Overview**

At the March meeting, staff from CDFW and SWRCB will present their draft contracts for the administration of public benefits for the Harvest Water Program.

This is an informational item.

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