



Water Storage Investment Program

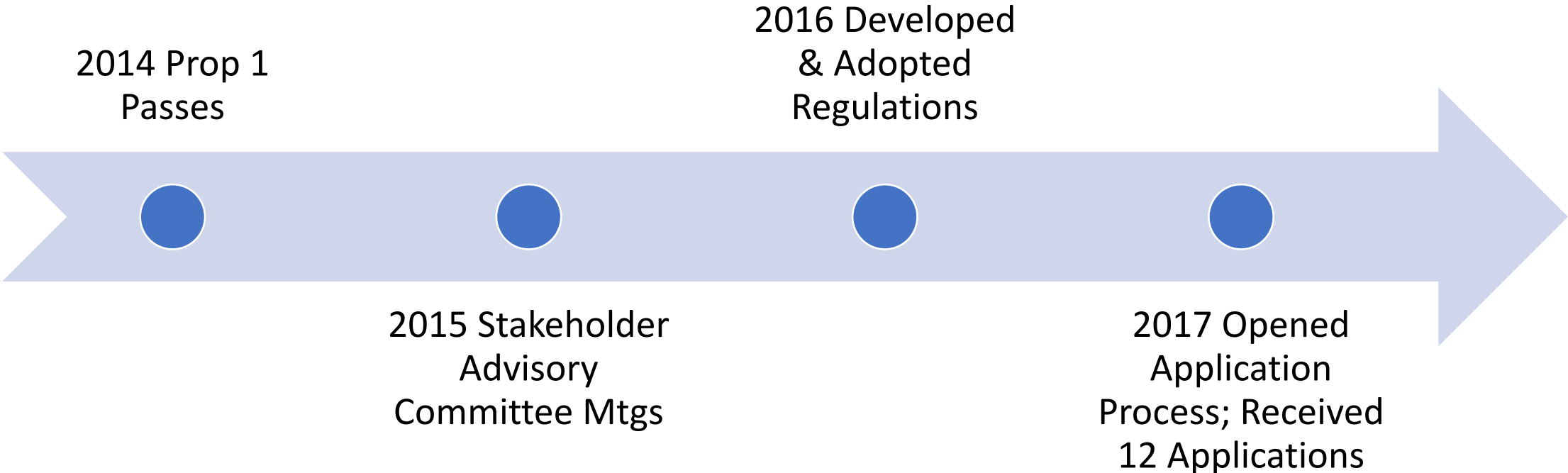
Harvest Water Program – Final Award Hearing

California 
WATER COMMISSION June 2023

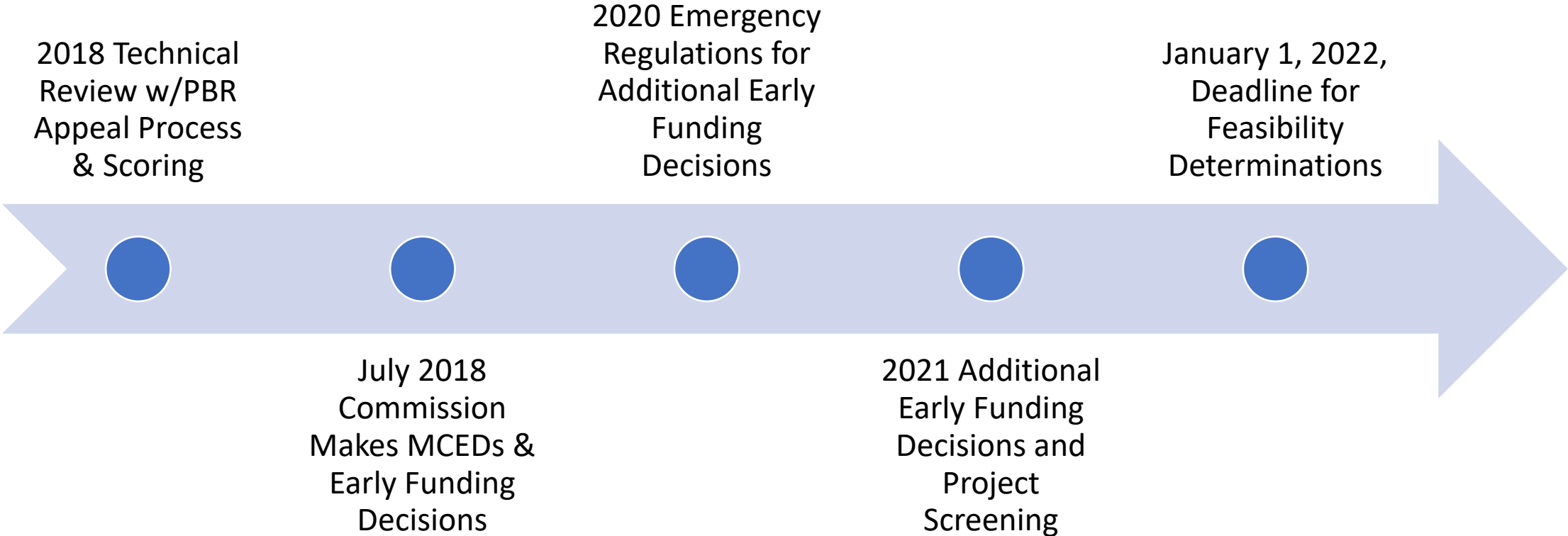
Agenda

- Water Storage Investment Program Timeline Overview
- Requirements for Final Award Hearing
- Documentation received for Harvest Water Program
- Staff Analysis and Recommendation
- Commission Decision and Next Steps

Timeline Overview



Timeline Overview



Timeline Overview

- 2021 and 2022 inflationary adjustments made to all WSIP projects
- Draft Contracts for the Administration of Public Benefits for Harvest Water Program publicly reviewed and discussed at March 2023 Commission Meeting

Requirements for Final Award Hearing

- Contracts for non-public benefit cost share
- Contracts for the administration of public benefits
- Completed environmental documentation for project
- Required approvals, certifications, agreements obtained
- Feasibility studies complete
- Request for final award hearing that includes description of changes to project since MCED was made in 2018

Documentation Received for HWP

- Contracts for non-public benefit cost share
 - Regional San Board Resolution
- Contracts for the administration of public benefits (CAPBs)
 - Ecosystem Benefit Contract with California Department of Fish and Wildlife
 - Water Quality Contract with State Water Board

Documentation Received for HWP

- Completed environmental documentation for project
 - Draft and Final Program Environmental Impact Report
 - Initial Study and approval documents for Lateral Pipelines and On-Farm Connections
 - Addenda to EIR for Groundwater Accounting, Ecological Plan, Wintertime Application, On-Farm Connections, Vehicle Turnouts
 - Notice of Determination for EIR
 - Environmental Assessment/FONSI prepared by Bureau of Reclamation

Documentation Received for HWP

- Required approvals, certifications, agreements obtained
 - State Water Board wastewater change petition
 - Local Agency Formation Commission Certificate of Completion
 - CDFW Lake and Streambed Alteration Agreement
 - South Sacramento Conservation Agency Aquatic Resource Impact Application
 - South Sacramento Habitat Conservation Plan
 - Regional Water Board 401 Water Quality Certification
 - National Historic Preservation Act Compliance and Tribal Consultation

Documentation Received for HWP

- Feasibility studies complete and Finding of Feasibility
 - Complete feasibility and Commission determination made in 2021
- Request for final award hearing that includes description of changes to project since 2018 MCED
 - Regional San submitted request to Commission May 25, 2023

Staff Analysis

- Harvest Water Program benefit value adjustments
 - Inflation changes
 - California Consumer Price Index increase 29.1 percent (Cosumnes River flow, Sandhill Crane, Water Quality)
 - Benefits based on alternative cost of land and mitigation credits USDA Land Values increase 42 percent (Sandhill Crane, Passive Riparian and Wetland Habitat, Active Wetland Habitat, Active Riparian Habitat and Vernal Pool Complex)
 - North of Delta (NOD) water value adjustment
 - Cosumnes River Flow and Sandhill Crane benefit
 - Changes in physical benefits and realization of benefits in CAPBs
 - Delays in benefit accrual for some benefits
 - Changes to physical benefits

Staff Analysis

Public Benefit	2018 Estimate (2015 dollars)	Regional San Estimate	Staff Analysis	Notes
Sandhill Crane	\$61.2M	\$155.9M	\$107.8M	Water and land value increase; ramp up time delay
Cosumnes River flow	\$79.3M	\$79.8M	\$79.8M	Water value increase; ramp up time delay
Passive wetland & riparian habitat	\$53.7M	\$37.8M	\$26.0M	Land value inflation; reduction of physical benefit
Active wetland habitat	\$19.9M	\$41.0M	\$40.4M	Land value inflation; ramp up time delay
Active riparian habitat	\$21.7M	\$31.3M	\$22.0M	Land value inflation; ramp up delay; reduction in physical benefit
Vernal Pool Complex	\$10.5M	\$14.6M	\$14.3M	Land value inflation; ramp up delay
Water Quality	\$47.7M	\$360.4M	\$55.3M	Inflation increase to water; ramp up delay
Totals	\$294.0M	\$720.8M	\$345.7M	

Staff Analysis

CEQA evaluation and Water Commission role as responsible agency

- Commission is responsible agency under CEQA
- Staff reviewed and considered Harvest Water Program CEQA documents
- Staff not recommending any further mitigation measures
- As responsible agency, Commission makes findings for significant impacts identified
- Files Notice of Determination with State Clearinghouse

Staff Analysis and Recommendation

- Overall value of public benefits exceeds MCED
- Staff recommends funding Regional San full (remaining) amount of MCED: \$277,475,337, for total expenditures from WSIP of \$291,841,209
- Staff recommends adopting CEQA findings and directing Executive Officer to file Notice of Determination with State Clearinghouse

Commission Decision and Next Steps

1. Staff Recommendation
 2. Fund less than staff recommendation
 3. Make no funding decision
- Next steps if award made for Harvest Water Program
 - Staff will submit findings required by Water Code section 79755(b) to the Legislature
 - Staff will work with Regional San to execute a funding agreement
 - Staff will provide updates to Commission during regular meetings
 - Regional San will provide Commission annual reports as required by CAPB and will be posted on Commission website

An aerial photograph of a large, calm water reservoir situated in a lush green valley. The water is a deep blue, reflecting the clear sky. The surrounding landscape consists of rolling green hills and fields. In the distance, several high-voltage power lines are visible against the horizon. The overall scene is peaceful and scenic, highlighting the importance of water storage in such regions.

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