

**PROPOSITION 1 WATER STORAGE INVESTMENT PROGRAM CONTRACT FOR
ADMINISTRATION OF PUBLIC RECREATION, FLOOD CONTROL, AND EMERGENCY
RESPONSE BENEFITS**

SITES RESERVOIR PROJECT

This Contract for Administration of Public Recreation, Flood Control Benefits, and Emergency Response (Contract) is made and entered into by and between the California State Department of Water Resources (DWR) and the Sites Project Authority (Sites Authority) (each individually referred to herein as a Party and together, the Parties) for the Sites Reservoir Project (Project).

RECITALS

- A.** In November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Wat. Code, §§ 79700-79798) to provide funding for more reliable water supplies, the restoration of important species and habitat, and a more resilient and sustainably managed water infrastructure.
- B.** Chapter 8 of Proposition 1 (Wat. Code, §§ 79750-79760) dedicated \$2.7 billion for investments in water storage projects that improve the operation of the state water system and provide a net improvement in ecosystem and water quality conditions. The California Water Commission (CWC) administers the Water Storage Investment Program (WSIP) to fund the public benefits associated with these projects. Through a rigorous selection process, the CWC made seven maximum conditional eligibility determinations (MCEDs), one for each WSIP project. The MCED represents the maximum amount of state funding a WSIP project was eligible for at the time of the determination, based on the CWC's estimate of public benefits to be provided by each WSIP project. Public benefits provided by WSIP projects may include flood control, ecosystem benefits, water quality improvements, emergency response, and recreation.
- C.** Each WSIP project must enter into a contract with each public agency that administers the public benefits, after that agency makes a finding that the public benefits of the project for which that agency is responsible meet the relevant requirements of Water Code section 79750 *et seq.*
- D.** The CWC is the funding grantor of WSIP projects. The CWC awards final funding after all requirements for allocation of funds enumerated in Water Code section 79755 are complete for the project.
- E.** The Department of Water Resources is responsible for making a finding that the public

recreation, flood control, and emergency response benefits of a project meet all requirements of Water Code section 79750 *et seq.*, and for entering into a contract with each project proponent to administer the public recreation, flood control, and emergency response benefits. (Wat. Code, § 79755; Cal. Code Regs., tit. 23, § 6013, subd. (c)(2).)

- F. The Sites Authority is a California Joint Powers Authority, operating under and by virtue of Government Code section 6500, *et seq.*, and formed to design, construct, own, operate and maintain the Project, under the direction of the Reservoir Management Board and the Authority Board.
- G. The Sites Reservoir Project (Project) has classification as a surface storage project identified in section 2.2.5, page 45 of the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000. The Sites Reservoir would have a storage volume of approximately 1.47 million acre-feet (MAF) and surface area of approximately 13,300 acres. Sites Reservoir would provide new opportunities for surface water recreation, such as boating, fishing, and swimming. In addition, new facilities would be developed to support other recreation activities like camping, hiking, picnicking, and sightseeing. Annual new recreation visitation estimates for the project are 187,000 users per year.

The Project's proposed recreation areas are Stone Corral Recreation Area, Peninsula Hills Recreation Area, and a Day Use Boat Launch Ramp:

- **Stone Corral Recreation Area** – The Stone Corral Recreation Area would be located on the east side of the reservoir, north of the existing Maxwell-Sites Road and the proposed Sites Dam. The proposed area is to have 50 campsites; 10 picnic sites; 10 vault toilets; 1 kiosk; a 2-lane boat ramp with parking area, and a 35-acre overlook/interpretive area with parking. The maximum proposed size of the Stone Corral Recreation Area is 235 acres.
- **Peninsula Hills Recreation Area** – The Peninsula Hills Recreation Area would occupy approximately 516 acres on the northwest side of Sites Reservoir. The proposed area is to have 100 campsites; 1 group campsite (up to 24 people); 10 picnic sites; hiking trails; 10 vault toilets; 1 kiosk; equestrian trails and a horse trailer parking area; vista point/sightseeing; and additional parking areas.
- **Day Use Boat Launch Ramp** –The Authority is also evaluating the installation of a separate boat launch facility approximately 2 miles south of this recreation area, with access to the reservoir south of Sites-Lodoga Road.

These recreation areas could potentially be developed and commissioned in a phased approach to match recreational interest at Sites Reservoir. The Stone Corral Recreation Area and the west-side boat ramp would be constructed initially, followed by the remainder of Peninsula Hills Recreation Area, based on recreation demand and user needs .

The Project would provide incidental flood storage to capture flood flows from Funks Creek, Stone Corral Creek and ephemeral stream courses that would flow into the proposed reservoir and provide flood damage reduction benefits to the Colusa County town of Maxwell and surrounding agricultural areas.

Additionally, the Project would provide emergency response water to Participants

through agreements with the California Department of Water Resources (DWR) and other Project partners. Delivering up to 208,800-acre feet of captured water creating a new water supply for use during Drought Emergency Years. The actual amount of water delivered, and the recipients will be dependent on the nature of the emergency.

- H. The Parties recognize that the purpose of the Project is to provide both public and non-public benefits. (Wat. Code § 79753, subd. (a); Cal. Code Regs., tit. 23, § 6001, subd. (a)(53).) This Contract only covers the public recreation, flood control, and emergency response benefits. Sites Authority controls the operation of the Project.
- I. The CWC deemed the Project feasible as required by Water Code section 79755, subdivision (a)(5)(B) on December 15, 2021.
- J. Pursuant to Water Code section 79755, subdivision (a)(3), DWR finds the following public recreation and flood control benefits resulting from the Project meets all the requirements of Water Code section 79750 *et seq.*: Recreation - Sites Reservoir would provide new opportunities for surface water recreation, such as boating, fishing, and swimming. In addition, new facilities would be developed to support other recreation activities like camping, hiking, picnicking, and sightseeing. Annual new recreation visitation estimates for the Project are 187,000 users per year. Flood Control – Provide incidental flood storage to capture flood flows from Funks Creek, Stone Corral Creek and ephemeral stream courses that would flow into the reservoir and provide flood damage reduction benefits to the Colusa County town of Maxwell and surrounding agricultural areas. Emergency Response – Water delivery of up to 208,800 acre-feet used during Drought Emergency Years.
- K. The purpose of this Contract is to ensure that public contribution of funds pursuant to Chapter 8 of Proposition 1 for the Project achieves the public recreation, flood control, and emergency response benefits verified by DWR and described herein. (Wat. Code, § 79755.) These public recreation, flood control, and emergency response benefits will be achieved by the Sites Authority implementing agreed-upon Program Implementation Actions, as described in this Contract, and carrying out the Adaptive Management Plan as described in Exhibit B, Exhibit C, and Exhibit D, incorporated by reference as though set forth in full herein.

SECTION 1 ABBREVIATIONS AND DEFINITIONS

Unless the context otherwise requires, the terms defined in this section shall for all purposes of this Contract have the meanings hereinafter specified:

- A. **Adaptive management** – shall have the same meaning as Water Code section 85052.
- B. **Adaptive Management Plan** – identifies how monitoring will be used to adaptively manage a project’s public recreation, flood control, and emergency response benefit through a collaborative meet and confer process and contains the elements required by California Code of Regulations, title 23, section- 6014, subdivision (a)(2).
- C. **Adaptive management threshold (threshold)** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(80).
- D. **Adaptive management trigger (trigger)** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(84).
- E. **AFY** – Acre-feet per year.
- F. **Annual Summary Report** – annually required report prepared by the Sites Authority, which documents the progress and status of each public benefit, as described in Section 4.3.1.1.
- G. **Benefits & Obligations Contract** – the Sites Reservoir Benefits & Obligations Contract that sets forth the rights and obligations of public agencies who are participating in the Project.
- H. **Best available science** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(9). The use of high-value information and data, specific to the decision being made and the time frame available for making that decision, to inform and assist management and policy decisions.
- I. **CAPB** - Contract for Administration of Public Benefits
- J. **Contract** – Contract for Administration of Public Benefits (CAPB), specifically recreation, flood control, and emergency response benefits.
- K. **CWC** – California Water Commission.
- L. **Decision-Making Body** – a group of individuals to be established by the Sites Authority and DWR to coordinate adaptive management for public recreation, flood control, and emergency response benefit.
- M. **Declared Drought Emergencies** - are formally declared drought emergencies by either the Governor or local public agencies.
- N. **Delta** – Sacramento-San Joaquin River Delta.
- O. **Drought Year Series** - defined as three consecutive years of Dry or Critical years with the third year a Critical year as defined in the State Water Resources Control Board’s Decision 1641 Sacramento Valley Water Year Index.
- P. **Drought Emergency Year** – defined as the last year of a Drought Year Series where in that year a State or local drought emergency is declared.
- Q. **DWR** – California Department of Water Resources.
- R. **Emergency Drought Supply** - defined as stored water released from Sites Reservoir during a Drought Emergency Year and a Declared Drought Emergency. If a local emergency is declared or the State declaration only covers a subset of the State, only

- emergency water delivered to these areas “count” towards the cumulative total.
- S. **Feasible** – shall have the same meaning as California Public Resources Code section 21061.1, with the exception of the use in Recital I, above.
 - T. **Funding Agreement** – California Water Commission Funding Agreement.
 - U. **Intermediate Target Volume** – The cumulative volumes of water delivered that result in the Target Volume being achieved by the end of the CAPB term. CALSIM3 modeling identifies the forecasted number of Drought Year Series during the CAPB term. The Target Volume is divided by the forecasted number of Drought Year Series during the CAPB term. The result of this calculation is the initial Intermediate Target Volume. Subsequent Intermediate Target Volumes add to the initial Intermediate Target Volume such that the Target Volume is achieved at the end of the CAPB Term. Example: Target Volume is 90,000 AF. Modeling shows 3 Drought Emergency Years during a CAPB term. Intermediate Target Volumes are: for first Drought Emergency Year -30,000AF; second Drought Emergency Year – 60,000 AF and third Drought Emergency Year (or end of CAPB term) – 90,000 AF. Meeting Intermediate Target Volumes is subject to Adaptive Management.
 - V. **Limiting factor** – A factor which prevents the Project from achieving conditions above Adaptive Management triggers.
 - W. **M&I Participants** - public agencies signatory to the Benefits & Obligations Contract that provide municipal and industrial water supply in their service areas.
 - X. **Meet and confer process** – the process outlined in Exhibit B (Adaptive Management Plan) by which the Decision-Making Body collaboratively identifies limiting factors and recommends adaptive management actions.
 - Y. **mg/L** – milligrams per Liter.
 - Z. **Performance threshold** – quantity of public recreation, flood control, and emergency response benefit expected to be achieved by implementation of with-Project actions compared to without-Project actions, based on best available science at the time of Contract execution.
 - AA. **Project Year** – Refers to a full year of Project operations capable of delivering water. For example, “Project Year 10” refers to ten years after the Project becomes operational and capable of delivering water.
 - BB. **Project** – Sites Reservoir Project.
 - CC. **Program Implementation Actions** – foundational actions the Sites Authority must execute for derivation of the anticipated public recreation, flood control, and emergency response benefit.
 - DD. **Public emergency response benefit** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(63) and Water Code section 79753, subdivision (a)(2).
 - EE. **Public flood control benefit** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(63) and Water Code section 79753, subdivision (a)(4).
 - FF. **Public recreation benefit** – shall have the same meaning as California Code of Regulations, title 23, section 6001, subdivision (a)(63) and Water Code section 79753, subdivision (a)(5).
 - GG. **Sites Authority** - Sites Project Authority.
 - HH. **Review Report** –Adaptive Management Plan Review Report.
 - II. **State** – State of California.

- JJ. **Target Volume** – The volume of drought emergency water the Sites Authority must deliver to M&I Participants during the CAPB term, subject to Adaptive Management.
- KK. **WSIP** – Water Storage Investment Program.

SECTION 2 ROLES AND RESPONSIBILITIES

2.1 Department of Water Resources

DWR has authority as the administering agency for public recreation, flood control, and emergency response benefits under WSIP. DWR is responsible for executing a contract with WSIP project proponents providing public recreation, flood control, and emergency response benefits under WSIP to ensure that the public contribution of funds pursuant Water Code section 79755 achieves the public recreation, flood control, and emergency response benefits identified for the project. (Wat. Code, § 79755, subd. (a)(3).) DWR will: i) provide ongoing technical expertise and guidance toward the administration, implementation, and management of the public recreation, flood control, and emergency response benefit; ii) participate in public recreation, flood control, and emergency response benefits metric tracking, evaluation, and accounting; iii) obtain, manage, and report to the CWC information associated with the public recreation, flood control, and emergency response benefits, pursuant to California Code of Regulations title 23, section 6014, subdivision (a)(2)(A)(4); and iv) inform the CWC of the public recreation, flood control, and emergency response benefit provided, any adaptive management actions triggered, any benefit changes, or other information deemed appropriate by DWR.

2.2 Sites Project Authority

The Sites Authority has oversight authority for the Project and is responsible for implementation of Program Implementation Actions necessary for the realization of the public recreation, flood control, and emergency response benefit described in this Contract, including monitoring for the public recreation, flood control, and emergency response benefit, and reporting to DWR and the CWC pursuant to California Code of Regulations, title 23, section 6014, subdivisions (a)(2)(A)(3) and (a)(2)(A)(4), respectively. The Sites Authority may delegate elements of Project reporting or execution of the adaptive management plan. However, any delegation does not relieve the Sites Authority of its responsibility to ensure that the terms and conditions identified in the Contract are met.

SECTION 3 TERM

This Contract shall become effective upon the execution of a Funding Agreement between the CWC and the Sites Authority. The Contract obligations for each respective public benefit shall cease as described below. The Contract shall terminate after the Contract obligation for all public benefits has ceased, unless otherwise terminated or amended as provided in the Contract, as follows:

For public recreation benefits, the Contract obligation relative to these benefits shall cease 75 years after the initial facilities being deemed by the Sites Authority as in operation.

For flood control public benefits, the Contract obligation relative to these benefits shall cease 75 years after the date that DWR's Division of Safety of Dams (DSOD) determines the jurisdictional dams forming part of the Project to be operational.

For emergency response public benefits, the Contract obligation relative to these benefits shall cease 35 years after the date the first filling of Sites Reservoir or the cumulative total of drought emergency deliveries to reach a total of 208,800 acre-feet, whichever occurs earlier.

The Parties agree that the use of Project facilities and Sites Water to achieve the public recreation, flood control, and emergency response benefits provided under this Contract shall not confer any appropriative, public trust, or other right to water or such benefits on any person, entity, or public agency. Nothing in this Contract shall act as a forfeiture, diminution or impairment of any rights the Sites Authority holds including but not limited to Sites Water after expiration of the term of this Contract.

SECTION 4 PUBLIC RECREATION, FLOOD CONTROL, AND EMERGENCY RESPONSE BENEFIT

4.1 DESCRIPTION OF THE RECREATION, FLOOD CONTROL, EMERGENCY RESPONSE BENEFITS

Pursuant to California Code of Regulations, title 23, section 6012, subdivision (g), DWR has confirmed the following benefits associated with the Project: Recreation - Sites Reservoir would provide new opportunities for surface water recreation, such as boating, fishing, and swimming. In addition, new facilities would be developed to support other recreation activities like camping, hiking, picnicking, and sightseeing. Annual new recreation visitation estimates for the proposed project are 187,000 users per year. Flood Control – Provide incidental flood storage to capture flood flows from Funks Creek, Stone Corral Creek and ephemeral stream courses that would flow into the reservoir and provide flood damage reduction benefits to the Colusa County town of Maxwell and surrounding agricultural areas. Emergency Response – Water delivery (actual or available) of up to 208,800 acre-feet during Drought Emergency Years.

4.1.1 Recreation

The Sites Authority will provide new opportunities for surface water recreation, such as boating, fishing, and swimming. In addition, new facilities would be developed to support other recreation

activities like camping, hiking, picnicking, and sightseeing. Annual new recreation visitation estimates for the project are 187,000 users per year.

The Project's proposed recreation areas are Stone Corral Recreation Area, Peninsula Hills Recreation Area and a Day Use Boat Launch Ramp:

- **Stone Corral Recreation Area** – The Stone Corral Recreation Area would be located on the east side of the reservoir, north of the existing Maxwell-Sites Road and the proposed Sites Dam. The proposed area is to have 50 campsites; 10 picnic sites; 10 vault toilets; 1 kiosk; a 2-lane boat ramp with parking area, and a 35-acre overlook/interpretive area with parking. The maximum proposed size of the Stone Corral Recreation Area is 235 acres.
- **Peninsula Hills Recreation Area** – The Peninsula Hills Recreation Area would occupy approximately 516 acres on the northwest side of Sites Reservoir. The proposed area is to have 100 campsites; 1 group campsite (up to 24 people); 10 picnic sites; hiking trails; 10 vault toilets; 1 kiosk; equestrian trails and a horse trailer parking area; vista point/sightseeing; and additional parking areas.
- **Day Use Boat Launch Ramp** – The boat launch facility would be approximately 2 miles south of the Peninsula Hills Recreation Area, with access to the reservoir south of Sites-Lodoga Road.

These recreation areas could potentially be developed and commissioned in a phased approach to match recreational interest at Sites Reservoir. The Stone Corral Recreation Area and the west-side boat ramp would be constructed initially, followed by the remainder of Peninsula Hills Recreation Area, if warranted. Other conditions may limit recreation to varying degrees; those that trigger adaptive management will be subject to the meet and confer process described in the Adaptive Management Plan (Exhibit B).

4.1.2 Flood Control

The Sites Authority will provide incidental flood storage in Sites Reservoir to capture flood flows from Funks Creek, Stone Corral Creek and ephemeral stream courses that would flow into the proposed reservoir and provide flood damage reduction benefits to the Colusa County town of Maxwell and surrounding agricultural areas. Other conditions may limit flood control to varying degrees; those that trigger adaptive management will be subject to the meet and confer process described in the Adaptive Management Plan (Exhibit C).

4.1.3 Emergency Response

The Target Volume under this CAPB shall be 208,800 thousand-acre feet during the term of the CAPB. The Sites Authority will have stored water available for delivery up to the Target Volume, to be used during Drought Emergency Years.

Drought emergency supply delivered during a Drought Emergency Year will be documented for compliance with the Target Volume.

Other conditions may limit the water storage withdrawal by varying degrees; those that trigger Adaptive Management will be subject to the meet and confer process described in the Adaptive Management Plan (Exhibit D).

4.2 ADAPTIVE MANAGEMENT

The Parties agree that the Sites Authority shall manage the public recreation, flood control, and emergency response benefit (as represented by the Program Implementation Actions) according to principles of adaptive management. A specific Adaptive Management Plan for the public recreation, flood control, and emergency response benefit is attached hereto as Exhibit B, Exhibit C, and Exhibit D. The Sites Authority must comply with all provisions of the Adaptive Management Plans.

4.3 REPORTING

4.3.1 Reporting to the Department of Water Resources

4.3.1.1 Annual Summary Reports

The Sites Authority shall provide an Annual Summary Report to DWR by July 31 following the effective date of this Contract as set forth above in Section 3. Each Annual Summary Report thereafter shall be provided by July 31. The Annual Summary Report shall document progress and current status of the public recreation, flood control, and emergency response benefit provided, including a description of any benefit changes since the last report.

4.3.1.2 Adaptive Management Review Reports

Adaptive management actions shall be reported based on the schedule established for the recreation, flood control, and emergency response benefit in the Adaptive Management Plans, including an Adaptive Management Review Report ("Review Report") as described in Section 1.4 of the Adaptive Management Plan. All reports shall be submitted to the DWR designated WSIP Manager. Reports shall include all components described in Section 1.4 of the Adaptive Management Plan.

4.4 Reporting to the California Water Commission

The Sites Authority shall provide a copy of the Annual Summary Report described in Section 4.3.1 to the CWC at the same time any such report is submitted to DWR.

4.5 REQUIREMENT TO SHARE DATA

In addition to data required by the Annual Summary Report and the Review Report, DWR may make additional specific data requests reasonably related to the administration of the Contract. The Sites Authority shall provide data responsive to DWR's request on a reasonable timeline agreed to by both Parties. If the Sites Authority relies on data acquired by a third party and such data are not collected on behalf of the Sites Authority, the Sites Authority shall identify the third party which holds the data relied upon to DWR. Data that could be requested include, but are not limited to, reports, modeling, and datasets.

4.6 ASSURANCES

The Parties have determined that the following provide required assurances under California Code of Regulations, title 23, section 6014, subdivision (a)(2)(A)(5):

- (1) The Sites Authority will maintain and operate the Project through the term of this Contract;
- (2) The Sites Authority will maintain permits required to deliver recreation, flood control, and emergency response benefits throughout the term of this Contract;
- (3) The Sites Authority will include language in the Benefits & Obligations Contract

for M&I participants to conform to the requirements of this Contract.

SECTION 5 PUBLIC BENEFIT DISPUTE PROCESS

5.1 DISPUTES OVER PUBLIC BENEFITS NOT RESOLVED BY ADAPTIVE MANAGEMENT

DWR shall review the five-year Review Report described in Section 1.4 of the Adaptive Management Plan. If DWR concludes, based on the Review Report and the best available science, that the Program Implementation Action metrics are below the associated Adaptive Management Trigger as described in the Adaptive Management Plan, the Decision-Making Body shall convene as described in Section 1.5 of the Adaptive Management Plan. If the Decision-Making Body cannot agree on the appropriate course of action as described in Section 1.5 of the Adaptive Management Plan, DWR may initiate the public benefit dispute process described in this section. DWR may only initiate the public benefit dispute process when:

- The Parties disagree on appropriate adaptive management actions within the Project's control and DWR has determined that not adjusting adaptive management actions will result in an insufficient public benefit; or
- The Parties disagree on whether the public benefit should be adjusted; or
- The Parties disagree on whether achieving the public benefit continues to be feasible; or
- DWR determines the public benefit is not being delivered due to the Sites Authority's failure to implement the Program Implementation Actions as described herein, and no reasonable excuse exists for such failure.

5.2 DEPARTMENT OF WATER RESOURCES INITIATION OF PUBLIC BENEFIT DISPUTE PROCESS

If DWR elects to initiate the public benefit dispute process, DWR shall provide written notice to the Sites Authority. The written notice shall:

- (1) State the disputed issues which prompted the Meet and Confer process described in Section 1.5 of the Adaptive Management Plan or identify other significant noncompliance with this Contract that requires resolution through the Meet and Confer process;
- (2) Document the alternatives considered during the Adaptive Management Decision-Making Body's meet and confer process described in Section 1.5 of the Adaptive Management Plan; and
- (3) State whether resolution was achieved, in whole or in part and state the specific relief, including the timeline, agreed to as part of any resolution;
- (4) Identify all outstanding issues that remain unresolved; and
- (5) Propose a solution to the remaining unresolved issues.

DWR may also request additional relevant information from the Sites Authority which may inform DWR's understanding of the dispute.

5.3 SITES PROJECT AUTHORITY RESPONSE

Within 60 days of DWR's written notification to the Sites Authority as described in CAPB Section 5.2, the Sites Authority shall provide a written response to DWR. The response shall identify the issues, propose a solution to the dispute, and respond to DWR's requests for additional relevant information.

5.4 MEETINGS

Throughout the public benefit dispute process, either Party may request a meeting with the other Party at any time.

5.5 AGREEMENT ON SOLUTION; PROCESSING AMENDMENTS AS NECESSARY

If, during the public benefit dispute process, the Parties mutually agree on a solution and the solution requires an amendment to the Contract, including the Adaptive Management Plan, the Parties shall process an amendment as described in CAPB Section 8.6 and the Funding Agreement paragraph 20.

5.6 FAILURE TO AGREE ON SOLUTION; DEPARTMENT OF WATER RESOURCES FINDING OF INSUFFICIENT PUBLIC BENEFIT

Should the Parties not mutually agree on a solution to the public benefit dispute, DWR shall submit a finding of insufficient public benefit or other significant noncompliance with this Contract to the CWC for its consideration and action pursuant to Funding Agreement paragraph 15A. With its finding of insufficient public benefit, DWR shall provide the CWC an explanation regarding the cause of the insufficient public benefit, remedial actions taken to date by the Sites Authority, including any mitigating circumstances, and its determination of whether the insufficient public benefit is the fault of the Sites Authority.

The Sites Authority may also provide any information it believes is pertinent to the CWC. Should a decision by the CWC result in a change to the Project's public recreation, flood control, and emergency response benefit, the Parties shall process an amendment pursuant to Section 8.6 that appropriately reflects the ongoing obligations of the Sites Authority.

SECTION 6 DISPUTE RESOLUTION

6.1 CONTINUING RESPONSIBILITIES

Both Parties shall continue with their responsibilities under this Contract during any dispute.

6.2 DISPUTES

If the Parties fail to resolve a dispute covered by CAPB Section 5, DWR shall notify the CWC of the dispute. The Parties shall follow the procedure set forth in CAPB Section 5.

6.3 OTHER DISPUTES

For any other disputes not covered by CAPB Section 5, the Parties shall attempt to negotiate a resolution to any dispute and process any amendment necessary to this Contract to implement the terms of any such resolution.

SECTION 7 SPECIFIC PERFORMANCE

In the event of a default by the Sites Authority as determined by the CWC under Funding Agreement paragraph *TBD*, before the term of this Contract is complete then, in addition to any and all other remedies available at law or in equity, DWR may seek specific performance of Project Implementation Actions as specified in Section 2.1.1 of the Adaptive Management Plan and Adaptive Management Actions (Sections 2.1.5, 3.1.5, and 4.1.6) and that are reasonable and feasible and within the Sites Authority's control. DWR may not seek specific performance for the benefit responses. The Sites Authority reserves any and all rights, defenses, potential

causes of action, claims, and remedies regarding any request or pursuit of specific performance under this paragraph. If after completing the aforementioned dispute resolution process, a court determines that there has been a default of any of the Project Implementation Actions or Adaptive Management Actions identified in this paragraph, the Parties acknowledge that specific performance pursuant to this paragraph is an appropriate remedy because the benefits to DWR from the Project, as described in Section 4, are unique and damages would not adequately compensate DWR for the loss of such benefits.

SECTION 8 GENERAL TERMS AND CONDITIONS

8.1. GOVERNING LAW

This Contract is governed by and shall be interpreted in accordance with the laws of the State of California.

8.2 SUPERSEDING PREVIOUS AGREEMENTS

This Contract supersedes all prior discussions, negotiations, understandings, or agreements of the Parties relating to the Contract or the Project.

8.3 PROGRAM ACCESS

The Sites Authority shall ensure that, for the purposes of administering the Project's public recreation, flood control, and emergency response benefit under WSIP, DWR and DWR's employees and agents have safe and suitable access to the Sites Authority-owned and/or controlled Project site locations at all reasonable times during the Term of this Contract for the purpose of verifying and monitoring the public recreation, flood control, and emergency response benefit. DWR shall not unreasonably interfere with the Sites Authority use and enjoyment of its property. DWR shall notify the Sites Authority at least five (5) business days prior to entering Authority property. (Cal. Code Regs., tit. 23, § 6014, subd. (a)(2)(A)(6).)

8.4 INDEMNIFY AND HOLD HARMLESS

The Sites Authority shall indemnify and hold and save DWR, its officers, agents, and employees free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Contract, including, but not limited to any claims or damages arising from planning, design, construction, maintenance, monitoring, verification, and/or operation of this Project, except to the extent resulting from the negligence or willful misconduct of DWR, its officers, employees, and agents

8.5 NO WAIVER

Enforcement of the terms of this Contract by DWR shall be at the discretion of DWR, and any forbearance by the DWR to exercise its rights under this Contract shall not be deemed or construed to be a waiver by DWR of such term or of any rights of DWR under this Contract.

8.6 AMENDMENTS

This Contract, including the Adaptive Management Plan, may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any

way contrary to applicable law. No amendment shall be valid unless made in writing and signed by the Parties and acknowledged by the CWC. Only people who are duly authorized to sign an amendment on behalf of either Party may do so. No oral understanding or agreement not incorporated in this Contract is binding on either of the Parties. Requests by either Party for amendments must be in writing, stating the amendment request and the reason for the request. DWR and the Sites Authority have no obligation to agree to an amendment. All amendments agreed to by the Parties shall be submitted to the CWC pursuant to Funding Agreement paragraph 20. If the Parties mutually agree to an amendment that substantially reduces, eliminates, or substantially repurposes the public benefit, the Parties shall notify the Commission pursuant to Funding Agreement paragraph 15B.

8.7 SUCCESSORS AND ASSIGNS

This Contract and all provisions shall apply to and bind the successors and assigns of the Parties. No assignment or transfer of this Contract or any part thereof shall be valid unless and until it is approved by DWR and made subject to such reasonable terms and conditions as DWR may impose.

8.8 SEVERABILITY

Should any portion of this Contract be determined to be void or unenforceable, such shall be severed from the whole, and the Contract shall continue as modified.

8.9 INDEPENDENT CONTRACTOR

The Sites Authority, and the agents and employees of the Sites Authority, in the performance of this Contract, shall act in an independent capacity and not as officers or employees or agents of DWR. The Sites Authority acknowledges and promises that DWR is not acting as an employer to any individuals furnishing services or working on the Project pursuant to this Contract.

8.10 PROGRAM REPRESENTATIVES

All inquiries may be directed at the Program Representatives:

[Name]
WSIP Manager
California Department of Water
Resources
[Mailing Address]
[E-mail address]

Alicia Forsythe
Environmental Planning and Permitting
Manager
Sites Project Authority
P.O. Box 517
Maxwell, CA 95955
aforsythe@sitesproject.org

Parties shall inform each other in writing of any changes to Program Representatives.

8.11 COUNTERPARTS; ELECTRONIC EXECUTION

This Contract may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures may be delivered by facsimile transmission or by e-mail in a portable document format (e.g.

“pdf,” “tif,” “jpg” or “DocuSign”) or other electronic format and the signatures on such copies shall be deemed to be effective and valid as original signatures.

SECTION 9 EXHIBITS

Each exhibit referenced in this Contract and listed below is incorporated by reference as though set forth in full herein.

Exhibit A – Department of Water Resources Findings Regarding the Public Recreation and Flood Control Benefit for the Project

Exhibit B – Recreation Adaptive Management Plan for Sites Reservoir Project

Exhibit C – Flood Control Adaptive Management Plan for Sites Reservoir Project

Exhibit D – Emergency Response Adaptive Management Plan for Sites Reservoir Project

IN WITNESS WHEREOF, this Contract is made and entered into in the State of California by the Sites Project Authority and the Department of Water Resources, each of which hereby agrees to the terms and conditions of this Contract.

California Department of Water Resources

By:

Signature: _____
Printed name:
Title: Director, California Department of Water Resources
Date: _____

Sites Project Authority

By:

Signature: _____
Printed name: Jerry Brown
Title: Executive Director
Date: _____

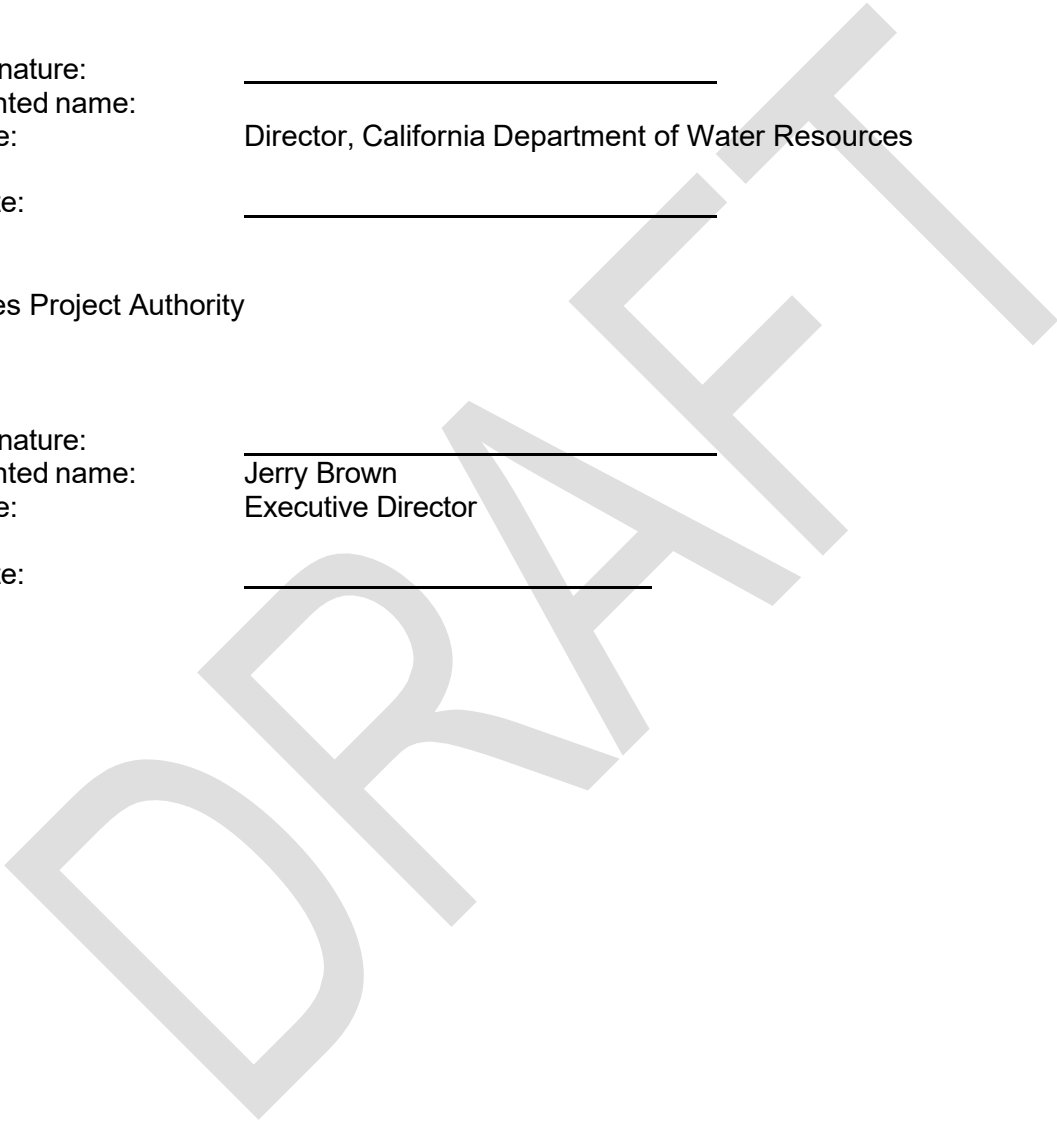


EXHIBIT A

**DEPARTMENT OF WATER RESOURCES FINDINGS REGARDING PUBLIC RECREATION,
FLOOD CONTROL, AND EMERGENCY RESPONSE BENEFIT FOR THE SITES RESERVOIR
PROJECT**

DRAFT

EXHIBIT B

**RECREATION ADAPTIVE MANAGEMENT PLAN
SITES RESERVOIR PROJECT**

DRAFT

**PROPOSITION 1 WATER STORAGE INVESTMENT PROGRAM
CONTRACT FOR ADMINISTRATION OF PUBLIC RECREATION AND FLOOD
CONTROL BENEFITS**

**SITES RESERVOIR PROJECT
EXHIBIT B
RECREATION ADAPTIVE MANAGEMENT PLAN**

EXHIBIT B

RECREATION ADAPTIVE MANAGEMENT PLAN SITES RESERVOIR PROJECT

1.1 PROJECT OVERVIEW

The Sites Reservoir Project (Project) is a new 1.5 million acre-foot off-stream reservoir located approximately 10 miles west of the town of Maxwell, California. The Project will utilize existing and new conveyance facilities to divert water from the Sacramento River and two local creeks for storage in Sites Reservoir and for releases. The Project will provide public benefits including environmental water supply, recreation, and regional flood control benefits as well as water storage and water supply benefits. Sites Reservoir would provide new opportunities for surface water recreation, such as boating, fishing, and swimming. In addition, new facilities would be developed to support other recreation activities like camping, hiking, picnicking, and sightseeing. Annual new recreation visitation estimates for the Project are 187,000 Visitor Days per year.

1.1.1 Facility Description

The Project includes the development of two primary recreation areas and a day-use boat ramp. The recreation areas would also require a network of new roads, and upgrades to existing roads, for maintenance and local access. These facilities will provide the following recreational opportunities.

- Day Use Areas
 - Picnic opportunities, including individual picnic and group picnic opportunities
- Boat Ramps
 - Boating and boat launching opportunities for motorized and non-motorized boating uses
- Overnight Camping
 - Drive-in camping, including RV camping, tent camping, and group camping
 - Walk-in tent camping
 - Alternative camping opportunities such as park model or cabin camping that provide supported camping (i.e., equipment and services provided at site)
- Recreational Trails
 - Hiking, mountain biking, and equestrian trail opportunities that provide access to shoreline areas around Sites Reservoir and/or less developed areas outside the developed recreation facilities

Each of the recreation areas, types of facilities, and recreational opportunities to be provided at these areas are described below.

1.1.2 Stone Corral Creek Recreation Area

The Stone Corral Creek Recreation Area is located on the eastern shore of Sites Reservoir, north of the existing Maxwell Sites Road and the proposed Sites Dam location (Figure 1). Access would occur via the realigned Maxwell Sites Road near the eastern end of the bridge

across the reservoir. The recreation area would be constructed in its entirety as part of the initial development of the recreational facilities. In total, the recreation area would encompass up to 235 acres and would include the following facilities:

- Entrance station including visitor contact building, vehicle control gates, visitor information kiosk, temporary parking for visitors, parking for on-site management staff;
- Boat launch facility with a concrete launch ramp (2 lanes), parking for vehicles with trailers, and vault toilet facilities;
- Picnic facilities for up to 10 picnic sites, 1 group picnic site, parking areas, and vault toilet facilities;
- Campground with up to 50 drive-in campsites providing RV camping with hookups (water and electric), tent camping, and vault toilet buildings;
- Recreational hiking trails providing access to an overlook with interpretive information on the natural, cultural, and tribal cultural resources in the vicinity;
- Sanitary RV Dump Station; and
- Visitor and Interpretation Center.

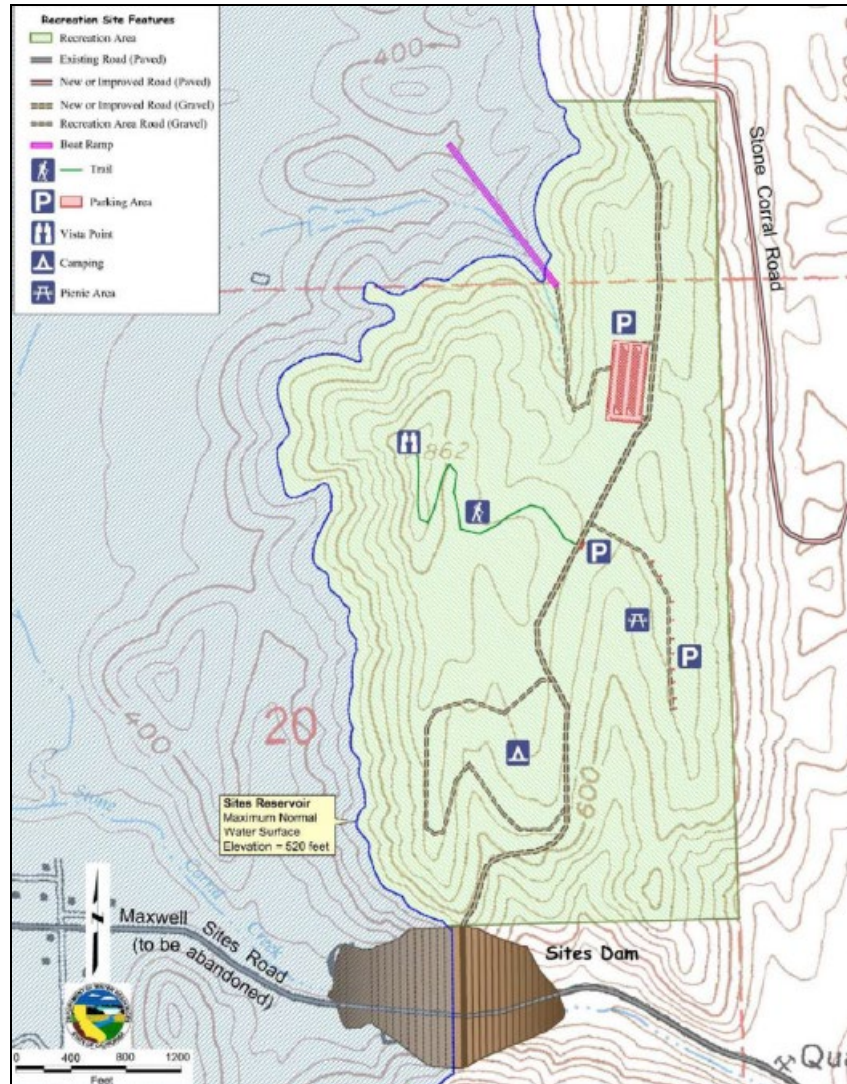


Figure 1. Conceptual layout of the Stone Corral Creek Recreation Area.

1.1.3 Peninsula Hills Recreation Area

The Peninsula Hills Recreation Area would be on the northwestern shore of Sites Reservoir, to the north of the existing Sites Lodoga Road and across the reservoir from the Stone Corral Creek Recreation Area (Figure 2). Access would be provided by the existing Sites Lodoga Road west of the reservoir. This recreation area would encompass up to 373 acres and would include the following facilities: car and recreational vehicle camping facilities (up to 200 sites), group camping areas, day-use/picnic facilities (up to 10 sites) with parking at each site, and recreational trails, as well as supporting facilities (i.e., information kiosk, access to electricity and potable water, and restroom facilities). This is the largest recreation area with the highest capacity for camping, picnicking, and trail facilities. The Sites Authority proposes to build this recreation area in a three-phased development approach as follows.

For the Phase 1 development, the Sites Authority would construct the following recreation facilities with the camping and picnic facility development focused in the shoreline or shoreline

adjacent areas of the recreation area.

- Entrance station including visitor contact building, vehicle control gates, visitor information kiosk, temporary parking for visitors, parking for on-site management staff;
- Picnic facilities with up to 5 picnic sites, 1 group picnic site, parking areas, and vault toilet facilities;
- Camping areas with up to 75 campsites with a blend of RV camping with hookups (water and electric), drive-in tent camping, and hike-in tent camping; group camping area; and vault toilet buildings; and,
- Full build-out of the recreational trail system providing access to areas throughout the recreation area connecting the initial camping and day-use facility build-out with other areas on the interior and periphery of the recreation area, including overlook areas and areas providing different trail/recreation settings (i.e., developed and undeveloped areas).

For the Phase 2 development, the Sites Authority would construct the following recreation facilities in available and suitable areas outside the initial Phase 1 development.

- Picnic facilities with up to 5 picnic sites, 1 group picnic site, parking areas, and vault toilet facilities;
- Camping areas with up to 75 campsites with a blend of RV camping with hookups (water and electric), drive-in tent camping, and hike-in tent camping; group camping area; and vault toilet buildings; and,
- Additional support facilities for the recreational trail system constructed in Phase 1 (e.g., new or expanded trailhead parking areas, connector trails, way finding, etc.).

Within the Phase 3 development area (full build out), the Sites Authority would construct the following recreation facilities in remaining available and suitable areas.

- Picnic facilities for up to 5 picnic sites, 1 group picnic site, parking areas, and vault toilet facilities;
- Camping areas with up to 50 drive-in campsites with a blend of RV camping with hookups (water and electric), tent camping, and hike-in tent camping; group camping area; and vault toilet buildings throughout; and,
- Additional support facilities for the recreational trail system constructed in Phase 1 (e.g., new or expanded trailhead parking areas, connector trails, way finding, etc.).

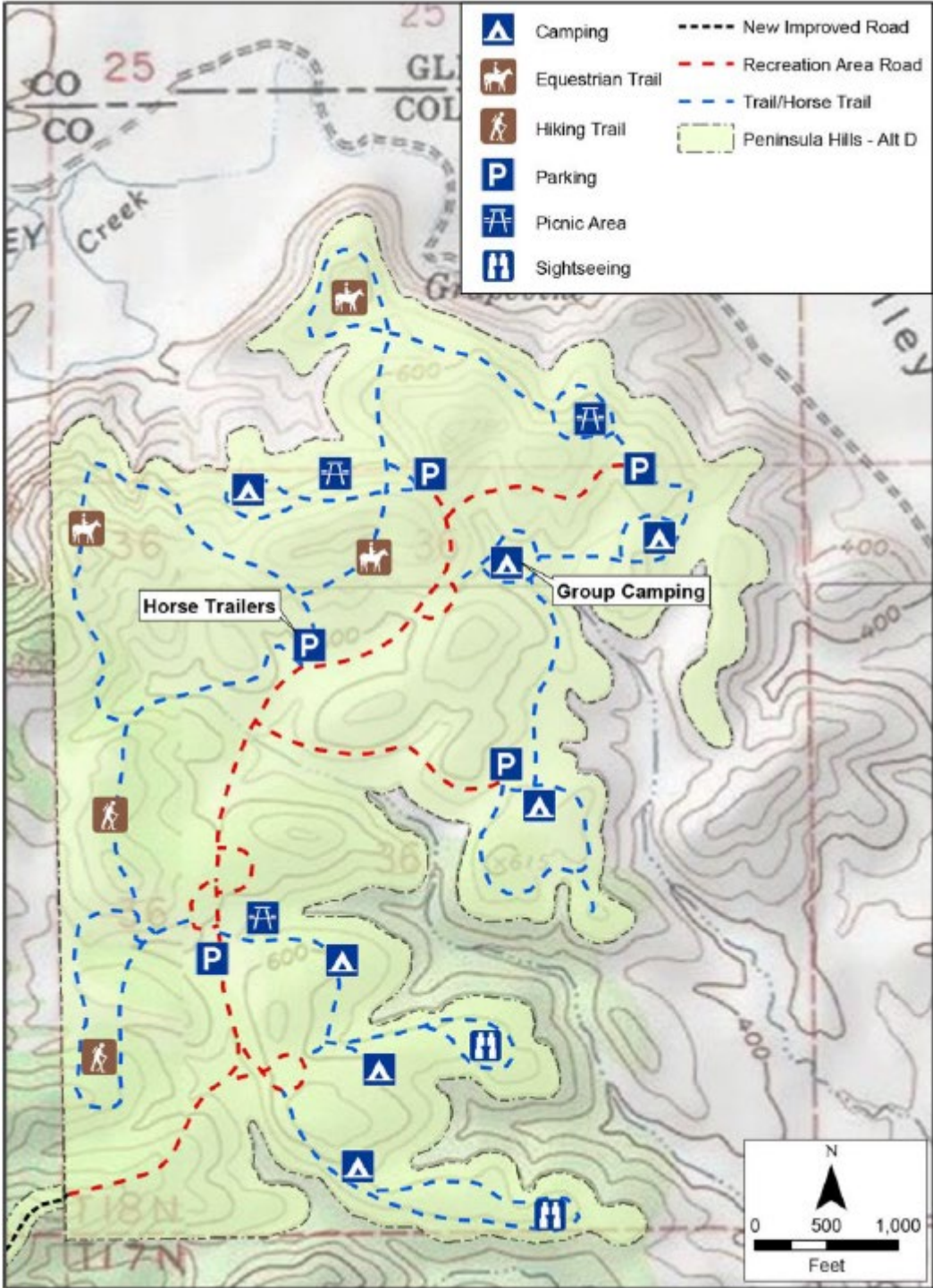


Figure 2. Conceptual layout of the Peninsula Hills Recreation Area (3 phases of development).

1.1.4 Day-Use Boat Ramp and Parking Area

The day-use boat ramp would be on the western side of Sites Reservoir where the existing Sites Lodoga Road intersect with the proposed inundation area for the reservoir (Figure 3). The facility would be constructed in its entirety as part of the initial development of the recreational facilities. The facility would encompass up to 10 acres and include the following facilities:

- Entrance station including visitor contact building, vehicle control gates, visitor information kiosk, temporary parking for visitors, parking for on-site management staff;
- Concrete boat launch ramp (4 lanes) with floating boat dock;
- Parking area for vehicles with trailers and single vehicle spaces;
- Vault toilet building; and,
- Potable water facilities.

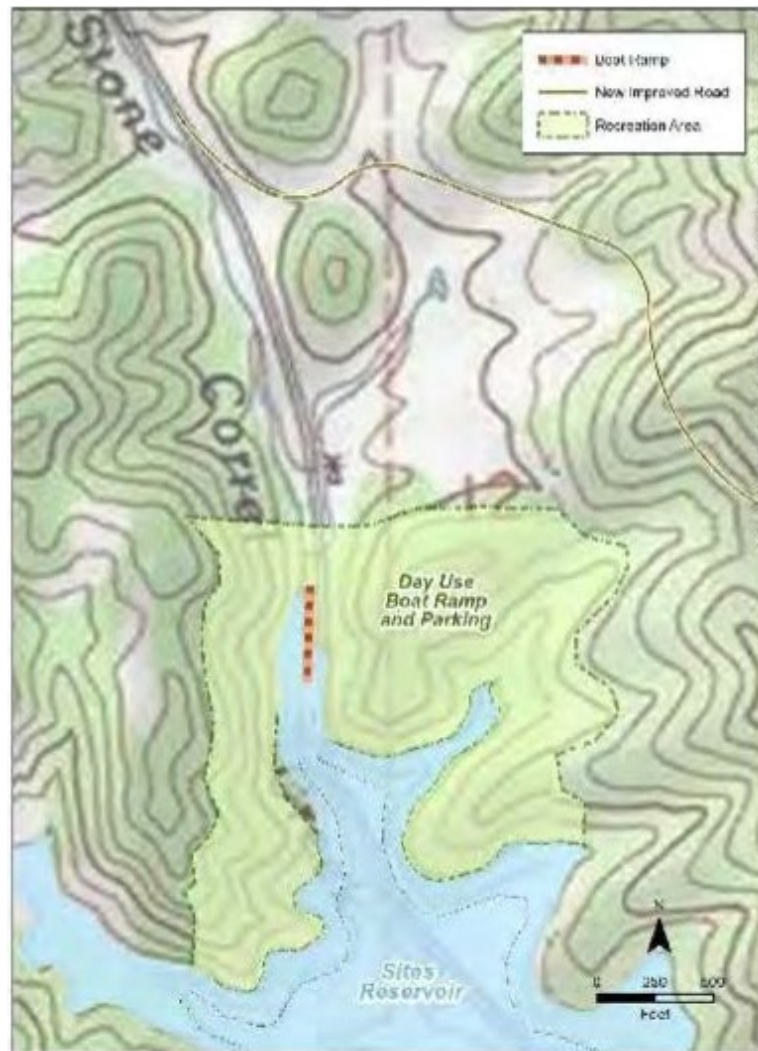


Figure 3. Conceptual layout of the Day-use Boat Ramp facility.

1.1.5 RECREATION IMPLEMENTATION PROGRAMS

1.1.5.1 Recreation Facility Development Program

This section discusses the schedule for development of the proposed recreation areas/facilities.

Facility Development Schedule

The Sites Authority intends to construct the Stone Corral Creek Recreation Area and Day-Use Boat Ramp and Parking Area at generally the same time, with both facilities being fully constructed and opened for public use 14 years after the execution of the Funding Agreement.

The Peninsula Hills Recreation Area will be constructed in a three-phased development approach as described in AMP Section 1.1.3. The initial, Phase 1, construction of the Peninsula Hills Recreation Area will be initiated when the Stone Corral Creek Recreation Area reaches 90% occupancy for all campsites on Friday and Saturdays, excluding the holiday weekends and campsite use has seen a sustained trend of 2 consecutive non-declining threshold-exceedance years, or 3 threshold-exceedance years out of 5 consecutive years (with consideration for dry water years, wildfires, closures, etc.). Subsequent phases of development of the Peninsula Hills Recreation Area will be initiated when the then-existing Peninsula Hills Recreation Area reaches 90% occupancy for all campsites on Friday and Saturdays, excluding the holiday weekends and campsite use has seen a sustained trend of 2 consecutive non-declining threshold-exceedance years, or 3 threshold-exceedance years out of 5 consecutive years (with consideration for dry water years, wildfires, closures, etc.). The specific monitoring criteria for implementation of the phased buildout at the Peninsula Hills Recreation Area will be developed by the Sites Authority when the first phase of the recreation area is constructed. Expansion of picnic areas and boat ramp parking can proceed independently of campsite expansion; however, if campsite expansion is initiated, then picnic areas and boat ramp parking expansion would also occur.

Planning and Implementation Process for Continued Buildout of Recreational Facilities

Construction of new major facilities or improvements as part of the continued buildout of Project recreational facilities generally require a topographic site survey, design, engineering and permitting work and frequently results in a new site footprint. Such projects typically require multiple years to implement. Minor recreation improvements, such as the installation or replacement of signs, food lockers or picnic tables, do not need to go through this process and require minimal construction and time to complete. Thus, the construction of new major facilities or improvements as part of the continued buildout of Project recreational facilities generally involves a three-step planning and implementation process. Steps in this process include: 1) preparation of a site plan; 2) preparation of a site development and construction plan; and 3) contracting and construction for each facility. These steps described below are typical and variances may occur because of the complexity or simplicity of the new facility work. Notably, environmental analysis and permitting work does not fit clearly into any of the three planning and implementation steps below; and, in practice, can often span the first and second steps of the process. As described in AMP Section 1.1.5.2, in general environmental compliance and permitting has been completed for full recreation buildout. However, future site plan changes or changed environmental conditions may necessitate reanalysis and further assessment, as applicable, under the specific regulatory and legal requirements.

The Sites Authority will develop subsequent phases of the Peninsula Hills Recreation Area when the specific thresholds identified above are met. The development of subsequent phases of the Peninsula Hills Recreation Area will generally follow the steps below.

- Step 1 - Site Planning – The Sites Authority will conduct the planning and design in consultation with the local community and relevant agencies with jurisdiction over recreation regulations (e.g., Colusa County, Colusa County Sheriff, Maxwell Fire Protection District, consultation with State of California Division of Boating and Waterways (DBW) on boat launch projects). Planning consists of an overall design narrative, a site concept plan, and an environmental analysis/decision. The design narrative typically includes a) management objectives; b) design criteria, including criteria on type and color of materials and accessibility; c) existing physical conditions; d) any rehabilitation and new construction; e) anticipated management problems that design may minimize; f) site capacity, durability, and protection; and g) user safety. The site concept plan presents a preliminary graphic illustration of proposed facilities and utilities in relationship to existing site features, facilities and utilities.

Step 2 – Site Development and Construction Plan – In this step, the Sites Authority will develop a site development plan that adapts the site concept plan to a detailed topographic survey that better represents actual, existing site conditions. This plan also identifies the site design details (e.g., picnic tables, fire rings, restroom buildings, signage, and road surface materials). The goal of this step is to develop: 1) design drawings for the proposed recreation developments; and 2) implementation schedule. This step also involves the development of a construction plan. When new construction or expansion is specified in this Recreation Adaptive Management Plan, the site capacities are estimates only and will be refined based on topographic conditions, local community input, resource constraints, design and accessibility standards and guidelines, and relevant regulations.

- Step 3 – Contracting and Construction - This step involves contracting, planning and coordination in preparation of construction activities.

1.1.5.2 Recreation Operations and Maintenance (O&M) Program

This section describes the Sites Authority's recreation facility O&M responsibilities to be used at Project recreation sites and use areas, public shoreline access, visitor health and safety management, and recreation fees.

Proposed Operating Season

In general, the Sites Authority will strive to keep the high use-recreation facilities open year-round. During non-peak periods (i.e., outside of the Memorial Day through Labor Day holiday weekend period), the Sites Authority may close portions of the recreation areas or facilities during periods of reduced recreational use. However, at least one of each type of facilities (i.e., campground, boat ramp, picnic site, and recreational trails) will remain open and available for public use year-round.

Routine Maintenance and Operation Responsibilities

This section describes the Sites Authority's responsibilities for protecting public health, safety,

RECREATION ADAPTIVE MANAGEMENT PLAN

SITES PROJECT AUTHORITY

PAGE 26

and the environment and for ensuring delivery of quality recreation services at the Project recreation areas. The Sites Authority is responsible for operating and maintaining all Project recreational facilities. This can be accomplished either directly by the Sites Authority or by a vendor/contractor under contract to the Sites Authority.

Operations and maintenance of all Project recreational facilities include conducting routine maintenance activities to keep permanent assets in an acceptable condition and compliant with their original standards, which typically include repairs, painting, replacement of minor parts and minor structural components. Routine maintenance, or reconditioning, neither materially adds to the value of the property nor appreciably prolongs its life. Routine maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than those originally intended. The work serves only to keep the facility in an ordinary, safe, efficient operating condition. Examples of routine maintenance activities include, but are not limited to interior painting, repair of broken windows, light bulb and plumbing fixture replacement, cleaning, unplugging drains, greasing, servicing, inspecting, oiling, adjusting, tightening, aligning and sweeping.

The Sites Authority shall prepare a routine maintenance plan for each recreation area within one year of completion of construction of the recreation area (or completion of construction of a phase of the Peninsula Hills Recreation Area). The Sites Authority shall then implement the routine maintenance plan, including updating the routine maintenance plan as conditions warrant, to keep permanent assets in an acceptable condition and compliant with their original standards.

Operations will include fire safety and public safety patrol and response and certain citation ordinance authority delegated by the County to the Sites Authority.

Major Rehabilitation Activities

This section identifies rehabilitation and replacement of Project recreation facilities. Rehabilitation includes reconditioning or replacing a fixed asset or any of its components in order to restore the functionality or life of the asset. Replacement is the substitution or exchange of a fixed asset or component with one having essentially the same capacity and purpose. The decision to replace or rehabilitate a fixed asset or component is usually reached when replacement is more cost effective or more environmentally sound. Replacement of an asset or component usually occurs when it nears or has exceeded its useful life.

The Sites Authority shall be responsible for the full cost for major rehabilitation or replacement of the proposed recreation facilities (once built) listed in this Recreation Adaptive Management Plan. The Sites Authority shall be responsible for performing all needed rehabilitation activities through the provision of necessary personnel, equipment, materials, and management. The Sites Authority shall be responsible for replacing/rehabilitate the recreation features once built at their recreation facilities.

As part of the routine maintenance plan described above, the Sites Authority shall also identify the schedule for rehabilitation and replacement of key components of each recreation area within one year of completion of construction of the recreation area (or completion of construction of a phase of the Peninsula Hills Recreation Area). The Sites Authority shall then implement the rehabilitation and replacement of facilities on the schedule described in the routine maintenance plan, including updating the routine maintenance plan as conditions

warrant, to restore the functionality or life of the asset.

Environmental Review and Permitting

The Sites Authority has completed a Final Environmental Impact Report in compliance with the California Environmental Quality Act (State Clearinghouse #2001112009) and adopted the Sites Reservoir Project, including the Project's recreation facilities as described in this Plan in November 2023. The Sites Authority has also obtained the key permits necessary to construct and operate the recreation facilities as described in this Plan. However, considering that some recreational facilities may not be constructed for a number of years, prior to construction of any recreational facility, the Sites Authority will review the activity to determine if compliance with the California Environmental Quality Act or other applicable law has been covered and is completed or if changes in the Project or in environmental conditions necessitate additional compliance efforts and document its decision in writing. If such compliance is necessary, the Sites Authority will not undertake construction until the Authority has obtained the necessary permits and approvals.

Prior to any new, rehabilitated, and reconstructed Project recreation facilities, the Sites Authority will review the activity to determine if compliance with the California Environmental Quality Act or other applicable law is necessary and document its decision in writing. If such compliance is necessary, the Sites Authority will not undertake the construction of any new, or rehabilitate and/or reconstruct and existing Project recreation facilities until the Sites Authority has obtained the necessary permits and approvals.

Accessibility Standards

All new, rehabilitated, and reconstructed Project recreation facilities will meet applicable standards in place at the time of design and construction including any applicable Americans with Disabilities Act or Architectural Barriers Act guidelines and any other applicable accessibility guidelines at the time of design.

Public Shoreline Access

As part of the Recreation O&M Program, the Sites Authority will provide safe public access to project shorelines and waters in and around Sites Reservoir. This access will be accommodated through adequate maintenance of parking areas and roads, day-use boat ramps, signs, trails and trailheads, and boating access sites.

Law Enforcement

The Sites Authority will coordinate with local law enforcement to provide and maintain a safe environment for public use of the recreational facilities. The Sites Authority intends to provide storage/support facilities for law enforcement needs at each recreation area as well as helicopter landing pads for emergency purposes at the Stone Corral Creek and Peninsula Hills Recreation Areas.

Visitor Health and Safety Management

The Sites Authority will coordinate with local agencies to provide adequate visitor public health and safety on Project lands and waters. A key component will be to provide appropriate and consistent signage at Project recreation facilities and areas to inform the public of potential

safety concerns, hazards or precautions associated with land-based and water-based recreational uses.

Recreation Fees

The Sites Authority anticipates having recreation fees associated with overnight camping, day-use parking activities, and boat launch activities. Each of the recreation areas will have an entrance station where fees will be collected either via direct interaction with visitors as they enter a recreation area, at voluntary payment at fee tubes, and/or via a website-based reservation and payment system.

1.1.6 RECREATION MONITORING PROGRAM

Upon completion of construction of each recreation area (or each phase of the Peninsula Hills Recreation Area), the Sites Authority shall develop a monitoring program for the specific recreation area. The monitoring program shall have two elements, a physical or facility occupancy element and social monitoring element. In general, the physical/facility occupancy element provides levels of use at camping, picnics, and parking facilities at varying intervals. The social monitoring element provides key social information on user patterns, experiences, and preferences at all the recreation facilities.

1.1.6.1 Facility Occupancy Element / Visitor Day Monitoring

For this element, the indicator of importance is the occupancy rates at developed facilities, which are divided into two categories – campground and day-use facilities. Campgrounds will be monitored for campsite occupancy. The day-use facilities (picnic sites, boat ramp sites, etc.) will be monitored for parking area occupancy and, where applicable, picnic site occupancy.

Each year, the Sites Authority will calculate the occupancy for all campgrounds by using the camping reservation system records and first-come/first-serve records from the fee tubes (where applicable). Campsite occupancy will be grouped separately by type of camping, including family campgrounds (drive-in tent and RV sites), group campgrounds, and hike-in campgrounds. Visitor Days will be determined by multiplying the number of individuals at the campsite by the number of days stayed, with the day of arrival and day of departure being allocated as 0.5 day. For example, a campsite occupied by 4 individuals for 5 days would result in 16 Visitor Days as follows:

4 individuals x 3 full days = 12 Visitor Days
 PLUS
 4 individuals x 2 half days at 0.5 a half day = 4 Visitor Days
 EQUALS a total of 16 Visitor Days

The Sites Authority will collect recreation occupancy at the day-use facilities by using the entrance records, first-come/first-serve records from the fee tubes (where applicable), or remote technology such as vehicle counters, and using an observation survey by on-site staff as follows:

- For the purposes of determining Visitor Days – The Sites Authority will collect recreation occupancy at the day-use facilities by using the entrance station records and first-come/first-serve records from the fee tubes (where applicable). At both the entrance station and on any first-come/first-serve records from the fee tubes, attendees will be asked to report the number of individuals in their party. Each individual will be determined as 1 Visitor Day. For times of year when the entrance station may not be staffed or when for other reasons, remote counting may be most appropriate, the Sites Authority will collect recreation occupancy by remote counting, such as deploying traffic counters.
- For the purposes of determining occupancy for further site development – The Sites Authority will collect recreation occupancy at the day-use facilities using an observation survey by on-site staff. During each observation survey, the Sites Authority will record

the number of observed “at-one-time” occupied parking spaces and occupied picnic sites, where applicable.

A facility’s occupancy rate is expressed as a percentage from 0-to-100 and is calculated by dividing the number of occupied sites by the number of available sites at the facility only when a facility is open and excluding host sites. Overflow use is not included in the occupancy calculation of a recreation facility.

1.1.6.2 Social Monitoring Element

To address the social indicators, the Sites Authority will conduct a recreation visitor survey at regular intervals. Social indicators measure the interaction between recreation users and user acceptability levels with recreational facilities and management over time. These indicators will be measured using a focused recreation visitor survey performed 5 years after the site is opened to the public and then every 5 years or more frequently as needed or desired by the Sites Authority.

Critical social indicators to be monitored include perceived crowding of land and reservoir water surface areas and conflict between user groups. In addition, the periodic visitor survey also provides insight into the visitor’s characteristics/patterns, satisfaction with existing conditions, and preferences for improvements or changes to the recreational opportunities.

The Sites Authority shall develop a social monitoring approach for each survey (every 5 years) based on the best survey information and techniques available at the time.

SECTION 2 ADAPTIVE MANAGEMENT PLAN APPROACH

This Adaptive Management Plan outlines a monitoring plan, including project implementation milestones and Performance Thresholds (defined in Section 4.2) that will be used to evaluate the Project's success in carrying out the Project Implementation Actions specified in the Sites Reservoir Project Contract for Administration of Public Recreation Benefits. The Adaptive Management Plan identifies how monitoring will be used to adaptively manage the Project's Public Recreation Benefit through a Meet and Confer Process and Adaptive Management Actions provided that any Adaptive Management Actions required to be taken by the Authority shall be reasonable and feasible. The intent of the Adaptive Management Plan is to increase the likelihood of achieving and maintaining the desired Public Recreation Benefit notwithstanding uncertainties beyond the scope of the Sites Authority's control and responsibility, which can include, but are not limited to, California hydrology, future regulatory conditions, changing water operations outside of the Project's influence, changes in land use, and climate change. Adaptive management of the Project will be implemented on a five-year review cycle. A five-year review cycle provides a regular opportunity to evaluate data from the previous years of Project implementation, maintenance, and monitoring, and allows for incorporation of new technologies and lessons learned into subsequent implementation, monitoring, maintenance, and performance tracking.

This Adaptive Management Plan is structured according to definitions and requirements outlined in the statute and the California Code of Regulations. California Water Code section 85052 defines adaptive management: "Adaptive management" means a framework and flexible decision-making process for ongoing knowledge acquisition, monitoring, and evaluation leading to continuous improvement in management planning and implementation of a project to achieve specified objectives."¹

The California Code of Regulations, title 23, section 6014, subdivision (a)(2)(A) states, "The contract between an administering agency and applicant shall contain:

An Adaptive Management Plan for the public benefits funded under WSIP. The adaptive management plan shall contain:

- a. Public benefit monitoring metrics;
- b. Monitoring locations, frequencies, and timing;
- c. Metric evaluation methodology and associated threshold or trigger levels based on best available science that initiate Adaptive Management Actions;
- d. Decision making process including the administering agency role and the Adaptive Management Actions that would be taken when a Trigger is reached;
- e. Funding sources and financial commitments to implement the Adaptive Management Plan;

¹ Section 6001, subdivision (a)(1) of the WSIP Regulations provides that the definition of "adaptive management" for WSIP "has the same meaning as provided in Water Code section 85052."

- f. Other items deemed necessary on a case-by-case basis by administering agencies entering into the Contract.”

2.1 ROLES AND RESPONSIBILITIES

Roles and responsibilities for each party are identical to those contained in Section 2 of the Contract.

2.2 Adaptive Management Expectations

Sites Authority is obligated to deliver the Project Implementation Actions identified to be within the Sites Authority’s control to qualify under the WSIP and included in the Contract incorporating this Adaptive Management Plan, in order to achieve the anticipated Public Recreation Benefit.

2.3 Recreation Adaptive Management Plan Review and Revision Program

Recreation and resource conditions can be expected to change over time. It is likely that unanticipated recreation needs, changes in visitor preferences and attitudes, new recreation technologies, or other resource issues will arise over the course of time. As a result, this Recreation Adaptive Management Plan may be updated and/or revised. The frequency with which the Recreation Adaptive Management Plan is revised or updated will depend on significant changes to existing conditions, monitoring results, and management responses made over time. The Sites Authority will determine the frequency of Recreation Adaptive Management Plan updates in consultation with applicable agencies.

This Recreation Adaptive Management Plan may be modified periodically in accordance with the Contract without amending the Contract.

Project Implementation Actions: Defined as foundational actions the Sites Authority must execute for realization of the Public Recreation Benefit. Ramping of Project Implementation Actions are established with defined Project Implementation Milestones. However, once Performance Thresholds metrics are achieved, they shall be maintained for the duration of the Contract. In the case of the Project’s Public Recreation Benefit, the Project Implementation Actions directly result in the Public Recreation Benefit. The Sites Authority and DWR expect reasonable Adaptive Management Actions for the Public Recreation Benefit to be limited to changes to Project Implementation Actions. Consequently, the Adaptive Management Plan only addresses the Project Implementation Actions.

Recreation Benefit: The Recreation Benefit as defined in California Code of Regulations, Title 23, Section 6001, Subdivision (a)(67) has the same meaning as Water Code Section 79753(a)(5): a public benefit that provides recreation activities typically associated with water bodies (such as rivers, streams, lakes, wetlands, and the ocean) and wildlife refuges that are accessible to the public. Recreational benefits must be directly affected by the proposed project and be open to the public, and may provide interpretive, educational, health, or intrinsic value. For the purposes of this Program, recreation facilities built and open to the public will be considered a public benefit under this category. Based on current best available science, the Project Implementation Actions are anticipated to result in achievement of the Recreation Benefit Performance Thresholds identified for the Project.

As part of the communication structure for implementation of this Adaptive Management Plan, a Decision-Making Body formed by representatives of the Sites Authority and DWR will be

established to coordinate adaptive management for the Public Recreation Benefit. It is the responsibility of the Parties to each identify its own representative(s) for participation in the Decision-Making Body. Other partners, resources, and expertise may be involved as needed and at the discretion of the Decision-Making Body.

2.4 ADAPTIVE MANAGEMENT THRESHOLDS AND TRIGGERS

California Code of Regulations, title 23, Section 6001, subdivision (a) provides definitions for the terms “threshold” and “trigger” in the context of adaptive management. “Threshold” means a numerical value for a specific metric that is a boundary between acceptable and unacceptable situations or conditions, or a specific metric that must be exceeded for a certain reaction, result, or condition to occur. “Trigger” means an event, situation, or measurement that initiates or requires an Adaptive Management Action. Each monitoring metric is associated with an Adaptive Management Threshold and Trigger. These are pre-determined decision points specific to each Project Implementation Action. Project status for the Public Recreation Benefit’s Project Implementation Action will be assessed as described below:

Performance Thresholds are established as the full extent of Project Implementation Actions and the quantity of Public Recreation Benefit expected to be achieved by implementation of with-project actions (Project Implementation Actions) compared to without-project actions (baseline), based on Best Available Science at the time of Contract execution. Performance Threshold values indicate expected or better conditions above baseline conditions. The Project Implementation Action has Performance Thresholds associated with Contract commitments. Implementation milestones are also established for the Project Implementation Action, to serve as interim Performance Thresholds that the Project should achieve over a specified amount of time.

Adaptive Management Triggers are events, situations, and or values determined to be below Performance Thresholds, assessed on a five-year review cycle. Adaptive Management Triggers are evaluated based on monitoring metrics associated with Project Implementation Actions and determined by the evaluation of monitoring metrics compared to the associated Performance Threshold. Adaptive Management Trigger indicates when a Public Recreation Benefit is experiencing a potential challenge, is not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.

2.5 DECISION-MAKING PROCESS

Project performance will be evaluated on its success in achieving Performance Thresholds for the Project Implementation Actions. The Performance Threshold of the Project Implementation Actions is considered as the annual average for the metric identified. If the measured value of the metric meets the criteria of the Adaptive Management Trigger, then decision-making processes and Adaptive Management Actions will be initiated as described below.

When a ramp up period is required for Project Implementation Actions, Project performance will be evaluated on the Project’s success in achieving implementation milestones. The purpose of implementation milestones is to show progress during the ramp up period towards achieving Performance Thresholds.

2.5.1 Adaptive Management Trigger Decision-Making Processes

The Sites Authority will report to DWR as identified in Section 1.6.

If, after review of the Annual Summary Report or Review Report, along with any other relevant monitoring data, DWR concludes that Project Implementation Actions are occurring and Project Implementation Action metrics are below the associated Adaptive Management Triggers, or DWR concludes it was not feasible to meet Performance Thresholds in the reporting period in question, DWR will confirm this status with Sites Authority in writing, and Sites Authority will continue to implement its monitoring plan.

If, after reviewing the Annual Summary Report or Adaptive Management Review Report along with any other relevant monitoring data, DWR concludes that Project Implementation Action metrics are below the associated Adaptive Management Trigger and, if relevant, current Adaptive Management Actions being taken are not sufficient to achieve Performance Thresholds, DWR will initiate the Meet and Confer Process. Through the Meet and Confer Process, the Decision-Making Body will identify the limiting factor(s) to achieving conditions above the Adaptive Management Triggers.

Should Sites Authority refuse to meet and confer, DWR will independently investigate the limiting factor(s).

Through the Meet and Confer Process or DWR's independent investigation:

1. If the Decision-Making Body determines that the Project Implementation Action Adaptive Management Trigger occurs and that Adaptive Management Actions are warranted, the Decision-Making Body will recommend reasonable and feasible Adaptive Management Actions from the possible Adaptive Management Actions for the Public Recreation Benefit identified in Section 2 and will also recommend a timeline for the Sites Authority to implement any modifications identified.
 - a. If the Sites Authority successfully implements the recommended Adaptive Management Actions, then the monitoring plan will continue with annual evaluation of metrics compared to Performance Thresholds and Adaptive Management Triggers. After a subsequent five-year review cycle of the annual metric assessment showing achievement of Performance Thresholds, the Sites Authority can resume monitoring with a five-year adaptive management review.
 - b. If the Decision-Making Body cannot agree on limiting factors or recommended actions to achieve Performance Thresholds at or above Adaptive Management Triggers, DWR may initiate the Public Benefit Dispute Process.
 - c. If the Sites Authority does not implement the recommended actions according to the recommended timeline or fails to achieve levels above Adaptive Management Triggers because of failure to implement Project Implementation Actions, DWR may initiate the Public Benefit Dispute Process.

2.5.2 Force Majeure: Events Not Covered by Adaptive Management Trigger Decision Making Processes

The foregoing Adaptive Management Trigger Decision-Making Process addresses foreseeable events and changing circumstances that interfere with the Project's implementation of Project Implementation Actions. In the event that a catastrophic disruption occurs that renders one or more Project Implementation Actions impossible (e.g., due to destruction of essential

infrastructure), the Sites Authority will notify DWR in writing of the impossibility and propose a timeline to resume Project Implementation Actions. Alternatively, the Sites Authority may inform DWR that the delivery of affected Public Recreation Benefit is no longer possible. After the Project has stabilized any health or human safety-related impacts of the unforeseen circumstance, the Decision-Making Body will meet and confer and decide on one of the following:

The Decision-Making Body may mutually agree that the Public Recreation Benefit continues to be possible. The Decision-Making Body will determine whether an adjustment to the Adaptive Management Plan for the Public Recreation Benefit in question is needed. Accordingly, DWR will process an amendment and inform the CWC of any benefit changes. See CAPB Section 7.6.

Should the Decision-Making Body not agree on whether an adjustment to the Adaptive Management Plan is needed, DWR may initiate the Public Benefit Dispute Process. See CAPB Section 5.

The Decision-Making Body may mutually agree that the Public Recreation Benefit is no longer possible due to the catastrophic disruption addressed by this section and may mutually agree to terminate the Project Implementation Actions specific to any Public Recreation Benefits that are no longer possible. Accordingly, DWR will process an amendment and inform the CWC of the changes. See CAPB Section 7.6. If the Decision-Making Body mutually agrees to terminate the requirements specific to a Public Recreation Benefit, the Parties shall also notify the Commission pursuant to the Funding Agreement.

Should the Decision-Making Body not agree on whether the Public Recreation Benefit continues to be possible, DWR may initiate the Public Benefit Dispute Process. See CAPB Section 5.

After completing the process set forth above in paragraph 1.5.2, if the Parties continue to have a dispute and a party brings an action, neither paragraph 1.5.2 nor anything else in this Adaptive Management Plan or the Contract constitutes a contrary agreement under California Civil Code section 1511(2) that could eliminate or change a statutory defense to performance under California Civil Code section 1511(2).

2.6 PROJECT REPORTING

Pursuant to California Code of Regulations, Title 23, section 6014, subdivision (a)(2)(A)(3), the Sites Authority will provide to DWR an Annual Summary Report that includes:

- Summary of Project Implementation Actions
- Discussion of challenges and/or success in achieving Project Implementation Actions including identification of any failure to achieve a Project Implementation Action
- Summary of monitoring methods
- Monitoring data
- Discussion of management activities
- Other relevant information

The Sites Authority will provide DWR an Adaptive Management Review Report (Review Report) every five years, or annually should an Adaptive Management Trigger occur. The Review Report shall include:

- Items listed above for the Annual Summary Report
- Description of data evaluation methodology
- Results of metric analyses
- Evaluation of Performance Thresholds
- Discussion of any Adaptive Management Triggers that occurred, limiting factors that may have contributed to Adaptive Management Triggers occurring, and Adaptive Management Actions taken to meet Performance Thresholds
- Discussion of challenges and/or success in achieving Public Recreation Benefit Performance Thresholds

Reports can be provided to DWR through electronic transmittal. Review and response by DWR to the Project shall be completed within 60 days of submission of the Annual Report, and within 90 days of submission of the Review Report.

2.7 Funding Adaptive Management Plan Implementation

Pursuant to California Code of Regulations, Title 23, section 6014, subdivision (a)(2)(A)(1)(e), this Adaptive Management Plan contains Public Recreation Benefit monitoring metrics; monitoring locations, frequencies, and timing; metric evaluation methodology and associated Thresholds and Trigger levels, based on Best Available Science, that initiate Adaptive Management Actions; decision making processes; funding sources and financial commitments to implement this Adaptive Management Plan; and any other items deemed necessary pursuant to the Contract. The Sites Authority may elect to participate in collaborative partnerships regarding the implementation of monitoring and/or Adaptive Management Actions to achieve Public Recreation Benefits. However, should any monitoring undertaken through collaborative partnerships cease, it is the Sites Authority's sole responsibility to implement necessary monitoring for this Adaptive Management Plan.

SECTION 3 ADAPTIVE MANAGEMENT OF PROJECT IMPLEMENTATION ACTIONS

3.1 PROJECT IMPLEMENTATION ACTION

Construction of up to four new recreation facilities, Stone Corral Creek Recreation Area, day-use boat ramp, and/or Peninsula Hills Recreation Area, to support recreation activities like camping, hiking, picnicking, sightseeing, boating, fishing, and swimming. Annual new recreation visitation estimates for the Project of 187,000 Visitor Days per year.

3.1.1 MONITORING METRICS AND PERFORMANCE THRESHOLDS

Monitoring metrics and Performance Thresholds are described as follows:

3.1.1.1 Metric 1: Percentage of completion of construction for recreation facilities.

Implementation milestones: Achieve 100% completion of construction of the Day-use Boat Ramp Recreation Area and the Stone Corral Creek Recreation Area within fourteen years after executing the Funding Agreement.

- Year 10 after Funding Agreement execution, the Sites Authority shall complete final design for the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area.
- Year 12 after Funding Agreement execution, the Sites Authority shall issue construction contracts for the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area.
- Year 14 after Funding Agreement execution, the Sites Authority shall complete construction of the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area.

Performance Threshold: 100% of the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area facilities constructed by the end of Year 14 following execution of the Funding Agreement.

Section 1.1.5.1 includes a buildout process, schedule for and describe the associated Triggers for the Peninsula Hills Recreation Area.

3.1.1.2 Metric 2: Continued average recreation visitation.

Implementation milestones: Reach an average of 187,000 Visitor Days per year in the Project recreation facilities 6 years after (1) opening the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area for public use, whichever is later, and (2) beginning water operations at Sites Reservoir, whichever is later.

- By the end of Year 3 after (1) opening the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area for public use, whichever is later, and (2) beginning water operations at Sites Reservoir, whichever is later, the Sites Authority shall reach an average of 93,500 Visitor Days (50% of 187,000).
- By the end of Year 6 after (1) opening the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area for public use, whichever is later, and (2) beginning water operations at Sites Reservoir, whichever is later, the Sites Authority shall reach an average of 187,000 Visitor Days.

Performance Threshold: The Sites Authority will reach an average of 187,000 Visitor Days per year in the Project recreation facilities, based on a five-year running average starting Year 6 after (1) opening the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area for public use, whichever is later, and (2) beginning water operations at Sites Reservoir, whichever is later, and maintained for the Term of the Contract.

This Threshold is intended to recognize that the Sites Authority may complete construction of the day-use boat ramp recreation area and the Stone Corral Creek Recreation Area and open one or both of them for public use earlier than beginning water operations at Sites Reservoir. If the recreation areas are completed earlier and are opened for public use prior to beginning water operations at Sites Reservoir, visitation would be expected to be low while the Reservoir is empty and overall Project construction may be on-going.

Other conditions may limit recreation visitation to varying degrees but any resulting triggers that occur due to these limitations would be subject to the Meet and Confer Process described in Section 1.5.2.

3.1.2 Monitoring Methodology

Metric 1: Percentage of completion of construction for recreation facilities.

The Sites Authority will report the percentage of construction completed for the day-use boat ramp and Stone Corral Creek Recreation Area.

Timing and frequency: Reporting of recreation construction activities, including planning and design activities, every year following execution of the Funding Agreement until construction of the day-use boat ramp and Stone Corral Creek Recreation Area are complete.

Metric 2: Annual recreation visitation.

The Sites Authority will report on the yearly recreation visitation numbers.

Timing and frequency: Annual reporting of total visitation to occur no later than the end of the first quarter of each calendar year (March 30) for the preceding calendar year, starting Year 1 after completion of the construction of the day-use boat ramp and the Stone Corral Creek Recreation Area, whichever is later.

3.1.3 Reporting Components

Consistent with items identified in the CAPB Section 4.3 and Section 1.5.2 of this document, the Sites Authority will provide the Annual Summary Report and Adaptive Management Review Report to DWR.

3.1.4 Adaptive Management Triggers

Trigger for Implementation milestones:

For monitoring Metric 1, adaptive management is triggered when any implementation milestones are not achieved by the associated year.

For monitoring Metric 2, adaptive management is triggered when the Performance Threshold is not achieved.

3.1.5 Adaptive Management Actions

If a Trigger occurs, decision-making shall follow the process described in Section 5. All the potential Adaptive Management Actions that the Sites Authority could take regarding recreation visitation in the Project area are aimed at confirming the Project meets the Performing Threshold. These actions may include the following:

- If NOT meeting Metric 1, Percentage of Completion of Construction for Recreation Facilities, then the Sites Authority will work with DWR to complete any or all of the following:
 - Assess Conditions Beyond Sites Authority's Control – Assess if conditions beyond the Sites Authority's control (e.g., wildfire, material availability) have contributed to construction delays and evaluate impacts, if any, to facility construction schedule. If actions beyond the Sites Authority's control have contributed to construction delays, work with DWR to adjust the implementation milestone schedule to account for such delays while working to continue to achieve the Performance Threshold.
 - Prepare and Implement corrective plan – Assess opportunities and challenges with completion of construction and prepare and implement a corrective plan. The assessment of opportunities and challenges shall be documented in the corrective plan along with actions and measures to address the challenges and a plan to achieve the next implementation milestone on schedule. The corrective plan shall be reviewed by an independent reviewer and the Sites Authority shall consider and address all comments from the independent reviewer. The corrective plan shall be prepared in coordination with DWR.
- If NOT meeting Metric 2, Continued Average Recreation Visitation, then the Sites Authority will work with DWR to complete any or all of the following:
 - Assess Conditions Beyond Sites Authority's Control – Assess setting or other conditions beyond the Sites Authority's control (e.g., drought/low water elevation, wildfire/air quality/smoke impacts) and evaluate impacts, if any, to recreational facility visitation.
 - Develop and Implement Marketing Plan – Develop and implement a reasonable and feasible marketing plan, such as, but not limited to, advertisements in key market areas or other marketing ideas such as free or reduced fee days, with the goal of increasing visitation.
 - Develop and Implement Event Plan – Develop and implement an annual event plan, such as, but not limited to, nature weekends with biologist hosted hikes, dark sky weekends with astronomer-hosted discussions, and trail running workshops and races, with the goal of increasing visitation.
 - Survey and Implement Non-Facility Adjustments – Survey to evaluate management of the recreation facilities to determine if barriers to visitation exist. Such barriers could include but may not be limited to such things as difficult reservation system, excessive fees charged, excessive restrictions on uses, safety concerns, excessive closures or limited seasons, camp host considerations, and pet restrictions or use. The Sites Authority will assess the results of the survey to determine if barriers to visitation exist and prepare a plan on how best to address such barriers. Facility O&M considerations are not considered barriers to visitation as the facilities should be operated and maintained as outlined in this Plan.

**PROPOSITION 1 WATER STORAGE INVESTMENT PROGRAM CONTRACT
FOR ADMINISTRATION OF PUBLIC RECREATION AND FLOOD CONTROL
BENEFITS**

**SITES RESERVOIR PROJECT EXHIBIT C
FLOOD CONTROL ADAPTIVE MANAGEMENT PLAN**

DRAFT

EXHIBIT C

FLOOD CONTROL MANAGEMENT PLAN SITES RESERVOIR PROJECT

1.0 PROJECT OVERVIEW

The Sites Reservoir Project (Project) is a new 1.5 million acre-foot off-stream reservoir located approximately 10 miles west of the town of Maxwell, California. The Project will utilize existing and new conveyance facilities to divert water from the Sacramento River and two local creeks for storage in Sites Reservoir and for releases. In addition to water storage, the Project will provide public benefits including environmental water supply, recreation opportunities, and regional Flood Control benefits. The Flood Control Benefits will be provided by constructing Golden Gate Dam, Sites Dam, and several saddle dams/dikes and implementing flood management operations that will regulate flows from Funks and Stone Corral creeks to reduce the 1/100 annual exceedance probability (AEP) floodplain extents downstream of Sites Reservoir and decrease economic losses due to flood damages to structures in the town of Maxwell and adjacent agricultural lands. The Sites Project Authority (Sites Authority) will implement and maintain Project facilities in accordance with the California Department of Water Resources Division of Safety of Dams regulations, develop a Flood Management Plan, and implement flood management operations that would regulate flows from Funks and Stone Corral creeks.

1.1 FACILITY DESCRIPTION

The Project includes development of the Golden Gate Dam, Sites Dam, and ten saddle dams/dikes. Water from Funks Creek and Stone Corral Creek would be impounded in the reservoir inundation area by the construction of Golden Gate Dam and Sites Dam, respectively. A series of saddle dams and dikes along the eastern and northern rims of the reservoir would close off topographic saddles in the surrounding ridges to form Sites Reservoir.

1.2 DSOD OVERSIGHT

Project facilities related to the storage and release of water and meets the definition of a “dam” or “critical appurtenant structure” as defined by the California Water Code Division 3 Part 1, will fall under the jurisdiction of the California Department of Water Resources Division of Safety of Dams (DSOD). The Sites Authority is required to develop and submit construction application package(s) to DSOD for review and approval prior to commencing construction of Project jurisdictional facilities. Throughout the construction phase, the Sites Authority will keep DSOD informed of the status of construction work and provide access for DSOD inspections to support issuance of a certificate of approval to impound water. Upon completion of construction, the Sites Authority will notify DSOD to schedule a final inspection. If the Project jurisdictional facilities pass final inspection, DSOD will issue a Certificate of Approval upon finding the dams and reservoir are safe to impound water.

The California Water Code also provides DSOD with the regulatory authority to supervise inspection and maintenance of dams and reservoirs as necessary to safeguard life and property from dam failure or uncontrolled release. This is carried out, in part, through periodic dam inspections conducted by DSOD of all dams under state jurisdiction. The Sites Project jurisdictional facilities are expected to require annual maintenance inspections by DSOD. Following inspection, DSOD prepares a report containing all of its factual observations, conclusions, recommendations, and any other pertinent information. DSOD makes an overall conclusion in the inspection report in that the dam is judged to be one of the following: (1) safe for continued use; (2) safe for continued use with some qualifying statement; (3) safe for continued use at a restricted level; or (4) unsafe to store water with some qualifying statement of reason.

1.3 FLOOD MANAGEMENT PLAN

The Sites Authority will develop, adopt and implement a Flood Management Plan. The Flood Management Plan will contain the following items:

- Project description – an overview of the purpose, physical components, and authorization.
- Watershed characteristics – a summary of the physical, hydrometeorological, and socio-economic properties of the basin.
- Data collection and communication networks – a detailed description of the hydrometeorological and water quality gaging and reporting infrastructure and processes.
- Hydrologic forecasts – a summary of the flood forecasting requirements and methods associated with project operational goals and objectives.
- Water management plan – a detailed set of instructions for operating the facility under flood and emergency conditions while recognizing that maximizing water supply is the priority; a synopsis of the effects of the plan including design event routings and regulated frequency information; and listing of the responsibilities, organization, and coordination of the agencies involved in flood risk management in the watershed.

The Flood Management Plan is anticipated to consist of an initial operations scenario for the Project that is based on a traditional flood management approach for off stream reservoirs. Recognizing that technology and approach to flood management will continue to improve into the future, it is anticipated that the Flood Management Plan may be revised in the future to consider a more robust set of operations based on a forecast informed reservoir operation (FIRO) approach or other.

A Flood Management Plan cannot be adopted until project facility designs are completed, ensuring proposed facilities and operations can meet the required level of service described within the Flood Management Plan. The Sites Authority will adopt a Flood Management Plan within 6 years from the Funding Agreement date of execution. The Sites Authority will review the Flood Management Plan every 5 years to determine if changes are needed to improve implementation. This may include coordination, as needed, with emergency response organizations in the Project vicinity (such as local law enforcement and emergency response personnel), with Colusa, Glenn, and Yolo counties, and with other Sacramento Valley agencies responsible for flood management (such as the Army Corps of Engineers, the California Department of Water Resources, and the Bureau of Reclamation).

1.4 IMPLEMENTATION CONSIDERATIONS

It is important to note that some of the materials developed relative to the design, operations, and maintenance of the Sites Project may be limited in distribution for safety and security reasons. The Sites Authority will work with DWR throughout the term of the Contract to determine how best to ensure transparency in implementation of the Contract and this Adaptive Management Plan while maintaining the security of sensitive Project information. This Contract and this Adaptive Management Plan should be viewed as providing summary information for public release where detailed information is determined to not be appropriate. Recognizing that safety and security considerations can change over time, the details of information reported under this Contract may also change over time.

SECTION 2 ADAPTIVE MANAGEMENT PLAN APPROACH

This Adaptive Management Plan outlines a monitoring plan, including project implementation milestones and Performance Thresholds (defined in Section 4.2) which demonstrate the Project's success in carrying out the Project Implementation Actions specified in the Sites Reservoir Project Contract for Administration of Flood Control Benefits. The Adaptive Management Plan identifies how monitoring will be used to adaptively manage the Project's Flood Control Benefits through a Meet and Confer Process and Adaptive Management Actions, provided that any Adaptive Management Actions required to be taken by the Sites Authority shall be reasonable and feasible. The intent of the Adaptive Management Plan is to increase the likelihood of achieving and maintaining the desired Flood Control Benefits, while recognizing that Flood Control Benefits are subject to various uncertainties beyond the scope of the Sites Authority control and responsibility, which can include, but are not limited to, natural disasters, California hydrology, future regulatory conditions, changing water operations outside of the Project's influence, changes in land use, and climate change. Adaptive management of the Project will be implemented on a five-year review cycle. A five-year review cycle provides a regular opportunity to evaluate data from the previous years of project implementation, maintenance, and monitoring, and allows for incorporation of new technologies and lessons learned into subsequent implementation, monitoring, maintenance, and performance tracking.

This Adaptive Management Plan is structured according to definitions and requirements outlined in the statute and the California Code of Regulations (CCR). California Water Code Section 85052 defines adaptive management as “a framework and flexible decision-making process for ongoing knowledge acquisition, monitoring, and evaluation leading to continuous improvement in management planning and implementation of a project to achieve specified objectives.”²

The CCR, Title 23, Waters, Water Storage Investment Program (WSIP), Section 6014, Subdivision (a)(2)(A) states, “[t]he contract between an administering agency and applicant shall contain:

(1) An Adaptive Management Plan for the public benefits funded under the [WSIP] Program. The adaptive management plan shall contain:

- a. Public benefit monitoring metrics;
- b. Monitoring locations, frequencies, and timing;
- c. Metric evaluation methodology and associated threshold or trigger levels based on best available science that initiate Adaptive Management Actions;
- d. Decision making process including the administering agency role and the Adaptive Management Actions that would be taken when a Trigger is reached;
- e. Funding sources and financial commitments to implement the Adaptive Management Plan;
- f. Other items deemed necessary on a case-by-case basis by administering agencies entering into the Contract.”

2.1 ROLES AND RESPONSIBILITIES

² Section 6001, Subdivision (a)(1) of the WSIP Regulations provides that the definition of “adaptive management” for WSIP “has the same meaning as provided in Water Code section 85052.”

Roles and responsibilities for each party are identical to those contained in Section 2 of the Contract.

2.2 ADAPTIVE MANAGEMENT EXPECTATIONS

The Sites Authority is obligated to deliver the Project Implementation Actions identified in this Contract and implement this Adaptive Management Plan. This Adaptive Management Plan acknowledges that while the Flood Control Benefit Responses (i.e., targeted flood control improvement outcomes) identified are derived by physical changes resulting from Project Implementation Actions, they may also be influenced by additional factors that are beyond the Project's control. However, the WSIP intends to achieve flood control benefits from physical changes in or resulting from Project operations, as such, failure to achieve a Flood Control Benefit Response will trigger Adaptive Management Actions, if those actions will lead to achievement of the Flood Control Benefit Response. Adaptive Management Actions must be reasonable and feasible and will not include providing additional flood impact reductions beyond what is specified in this Contract. However, Adaptive Management Actions may include a reevaluation of flood management operations.

2.3 FLOOD MANAGEMENT ADAPTIVE MANAGEMENT PLAN REVIEW AND REVISION PROGRAM

Project Implementation Actions: Defined as foundational actions the Sites Authority must execute for realization of the Flood Control Benefits. Ramping of Project Implementation Actions may be established with defined project implementation milestones. However, once Performance Threshold (defined in Section 2.4) metrics are achieved, they should be maintained for the duration of the Contract.

Flood Control Benefit: The Flood Control Benefit as defined in California Code of Regulations, Title 23, Section 6001, Subdivision (a)(33) has the same meaning as Water Code Section 79753(a)(3): a public benefit that reduces or prevents the extent or magnitude of the expected detrimental effects of flooding as a result of new, expanded, or reoperated storage projects. Based on current best available science, the Project Implementation Actions are anticipated to result in achievement of the Flood Control Benefit Response Performance Thresholds identified for the Project.

As part of the communication structure for the implementation of this Adaptive Management Plan, a Decision-Making Body formed by representatives of the Sites Authority and DWR will be established to coordinate on adaptive management for the Flood Control Benefits. It is the responsibility of the Parties to each identify its own representative(s) for participation in the Decision-Making Body. Other partners, resources, and expertise may be involved as needed and at the discretion of the Decision-Making Body.

2.4 ADAPTIVE MANAGEMENT THRESHOLDS AND TRIGGERS

California Code of Regulations, Title 23, Section 6001, Subdivision (a) provides definitions for the terms "threshold" and "trigger" in the context of adaptive management. "Threshold" means a specific metric that is a boundary between acceptable and unacceptable situations or conditions, or a specific metric that must be exceeded for a certain reaction, result, or condition to occur. "Trigger" means an event, situation, or measurement that initiates or requires a management action. Each monitoring metric is associated with an Adaptive Management Threshold and Trigger. These are pre-determined decision points specific to each Project Implementation Action. Project status for Flood Control Benefit's Project Implementation Action

will be assessed as described below:

Performance Thresholds are established as the full extent of Project Implementation Actions and the quantity of Flood Control Benefit expected to be achieved by implementation of with-project actions (Project Implementation Actions) compared to without-project actions (future baseline) or pre-project conditions (pre-project baseline), based on best available science at the time of Contract execution. Performance Threshold values indicate expected or better conditions above baseline conditions. Project Implementation Actions will have specified Performance Thresholds associated with Contract commitments. If a ramp-up period is expected, implementation milestones may be established for Project Implementation Actions, as appropriate, to serve as interim Performance Thresholds that the Project should achieve over a specified amount of time.

Adaptive Management Triggers are events, situations, and/or values determined to be below Performance Thresholds, assessed on a five-year review cycle. Adaptive Management Triggers are evaluated based on monitoring metrics associated with Project Implementation Actions and Flood Control Benefit Responses and are determined by the evaluation of monitoring metrics compared to the associated Performance Threshold. Adaptive Management Trigger indicates when Flood Control Benefits are experiencing a potential challenge, it is not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.

Performance Thresholds and Adaptive Management Triggers are prescribed in two phases, where each phase has its own set of thresholds and associated triggers identified.

Phase 1 occurs during the Project's initial ramp-up period (if applicable). A ramp-up period may apply if the Sites Authority needs time to initiate and/or implement Project Implementation Actions, such as developing water storage volume, etc. During Phase 1, implementation milestones are established for Project Implementation Actions as interim Performance Thresholds to show progress during the ramp-up period. Implementation milestones will have associated Adaptive Management Triggers.

Phase 2 occurs after the ramp-up period has ended, if applicable, and/or once the Sites Authority is able to achieve the full contractual benefit. During Phase 2, adaptive management will occur around the Performance Threshold and its associated trigger. If the Project does not require an initial ramp-up period for Project Implementation Actions, then adaptive management will apply to only Phase 2.

2.5 DECISION-MAKING PROCESS

Project performance will be evaluated on its success in achieving Performance Thresholds identified for the Project Implementation Actions. If an Adaptive Management Trigger occurs, then decision-making processes and Adaptive Management Actions will be initiated as described below.

When a ramp-up period is required for Project Implementation Actions, Project performance will be evaluated during the ramp-up period on its success in achieving the benefit-specific implementation milestones. The purpose of implementation milestones is to show progress during the ramp-up period towards achieving Performance Thresholds.

2.5.1 Adaptive Management Trigger Decision-Making Processes

Should a Project Implementation Action or Flood Control Benefit Adaptive Management Trigger occur, the Project will identify limiting factors and implement any appropriate Adaptive Management Actions from the potential actions delineated in Section 3. The Project may also identify reasons why Adaptive Management Actions are not reasonable or feasible or may not result in the achievement of Performance Thresholds (e.g., extreme flood event exceeding the 1/100 AEP or infrastructure repairs) and will propose a plan in the Annual Report to meet Performance Thresholds in the next Adaptive Management Review Report period. The Sites Authority will report to DWR as identified in CAPB Section 4.4.

If, after review of the Annual Summary Report or Adaptive Management Review Report, along with any other relevant monitoring data, DWR concludes that Project Implementation Actions are occurring and Project Implementation Action metrics are below the associated Adaptive Management Triggers, or DWR concludes it was not feasible to meet Performance Thresholds in the reporting period in question, DWR will confirm this status with the Sites Authority in writing, and the Sites Authority will continue to implement its monitoring plan.

If, after review of the Annual Summary Report or Adaptive Management Review Report, along with other relevant monitoring data, DWR concludes that Project Implementation Action metrics are below the associated Adaptive Management Trigger and, if relevant, current Adaptive Management Actions being taken are not sufficient to achieve Performance Thresholds, DWR will initiate the Meet and Confer Process. Through the Meet and Confer Process, the Decision-Making Body will identify the limiting factor(s) to achieving conditions below the Adaptive Management Triggers.

Should the Sites Authority refuse to meet and confer, DWR will independently investigate the limiting factor(s).

Through the Meet and Confer Process or DWR's independent investigation:

2. If the Decision-Making Body determines that the Project Implementation Action Adaptive Management Trigger occurs and that Adaptive Management Actions are warranted, the Decision-Making Body will recommend reasonable and feasible Adaptive Management Actions from the possible Adaptive Management Actions for Flood Control Benefits identified in Section 3 and will also recommend a timeline for the Sites Authority to implement any modifications identified.
 - a. If the Sites Authority successfully implements the recommended Adaptive Management Actions, then the monitoring plan will continue with annual evaluation of metrics compared to Performance Thresholds and Adaptive Management Triggers. After a subsequent five-year review cycle of the annual metric assessment showing achievement of Performance Thresholds, the Sites Authority can resume monitoring with a five-year adaptive management review.
 - b. If the Decision-Making Body cannot agree on limiting factors or recommended actions to achieve Performance Thresholds at or below Adaptive Management Triggers, DWR may initiate the Benefit Dispute Process.
 - c. If the Sites Project Authority does not implement the recommended actions according to the recommended timeline or fails to achieve levels above Adaptive

Management Triggers because of failure to implement Project Implementation Actions, DWR may initiate the Benefit Dispute Process.

2.5.2 Force Majeure: Events Not Covered by Adaptive Management Trigger Decision Making Processes

The foregoing Adaptive Management Trigger Decision-Making Process addresses foreseeable events and changing circumstances that interfere with the Project's implementation of Project Implementation Actions. In the event that a catastrophic disruption occurs that renders one or more Project Implementation Actions impossible (e.g., due to destruction of essential infrastructure), the Sites Authority will notify DWR in writing of the impossibility and propose a timeline to resume Project Implementation Actions. Alternatively, the Sites Authority may inform DWR that the delivery of Flood Control Benefits is no longer possible. After the Project has stabilized any health or human safety-related impacts of the unforeseen circumstance, the Decision-Making Body will meet and confer and decide on one of the following:

1. The Decision-Making Body may mutually agree that the Flood Control Benefits continue to be possible. The Decision-Making Body will determine whether an adjustment to the Adaptive Management Plan for the Flood Control Benefits is needed; an adjustment to the Flood Control Benefit Response Performance Threshold is needed; or an alternative Public Flood Control Benefit can be achieved. Accordingly, DWR will process an amendment and inform the California Water Commission (CWC) of any benefit changes.
 - a. Should the Decision-Making Body not agree on whether an adjustment to the Adaptive Management Plan is needed, DWR may initiate the Benefit Dispute Process.
2. The Decision-Making Body may mutually agree that the Flood Control Benefits are no longer possible due to the catastrophic disruption addressed by this section and may mutually agree to terminate the Project Implementation Actions specific to any Flood Control Benefits that are no longer possible. Accordingly, DWR will process an amendment and inform the CWC of the changes. If the Decision-Making Body mutually agrees to terminate the requirements specific to Flood Control Benefits, the Parties shall also notify the CWC pursuant to the Funding Agreement.
 - a. Should the Decision-Making Body not agree on whether the Flood Control Benefits continues to be possible, DWR may initiate the Benefit Dispute Process.

After completing the process set forth above in this paragraph 0, if the Parties continue to have a dispute and a party brings an action, neither this paragraph 0 nor anything else in this Adaptive Management Plan or the Contract constitutes a contrary agreement under California Civil Code section 1511(2) that could eliminate or change a statutory defense to performance under California Civil Code section 1511(2).

2.6 PROJECT REPORTING

Pursuant to California Code of Regulations, Title 23, Section 6014, Subdivision (a)(2)(A)(3), the Sites Authority will provide to DWR an Annual Summary Report that includes:

- Summary of Project Implementation Actions
- Discussion of challenges and/or success in achieving Project Implementation Actions including identification of any failure to achieve a Project Implementation Action
- Summary of monitoring methods
- Monitoring data

- Discussion of management activities
- Other relevant information

The Sites Authority will provide DWR an Adaptive Management Review Report (Review Report) every five years, or annually should an Adaptive Management Trigger occur. The Review Report shall include:

- Items listed above for the Annual Summary Report
- Description of data evaluation methodology
- Results of metric analyses
- Evaluation of Performance Thresholds
- Discussion of any Adaptive Management Triggers that occurred, limiting factors that may have contributed to Adaptive Management Triggers occurring, and Adaptive Management Actions taken to meet Performance Thresholds
- Discussion of challenges and/or success in achieving Flood Control Benefit Performance Thresholds

Reports can be provided to DWR through electronic transmittal. Review and response by DWR to the Project shall be completed within 60 days of submission of the Annual Report, and within 90 days of submission of the Review Report.

2.7 FUNDING ADAPTIVE MANAGEMENT PLAN IMPLEMENTATION

Pursuant to California Code of Regulations, Title 23, Section 6014, Subdivision (a)(2)(A)(1)(e), this Adaptive Management Plan contains Flood Control Benefits monitoring metrics; monitoring locations, frequencies, and timing; metric evaluation methodology and associated thresholds and trigger levels, based on Best Available Science, that initiate Adaptive Management Actions; decision making processes; funding sources and financial commitments to implement this Adaptive Management Plan; and any other items deemed necessary to the Contract. The Sites Authority may elect to participate in collaborative partnerships regarding the implementation of monitoring and/or Adaptive Management Actions of Flood Control Benefits. However, should any monitoring undertaken through collaborative partnerships cease, it is the Sites Authority's responsibility to either implement necessary monitoring or identify and implement other monitoring partnerships for this Adaptive Management Plan.

SECTION 3 ADAPTIVE MANAGEMENT OF PROJECT IMPLEMENTATION ACTIONS

3.1 PROJECT IMPLEMENTATION ACTION

Construction of Golden Gate Dam, Sites Dam, saddle dams/dikes, and maintenance of the Project facilities in a “safe for continued use” status as determined in the Project’s DSOD annual inspection reports. Development and implementation of a Flood Management Plan as described in Section 1.3 of this Adaptive Management Plan.

3.1.1 MONITORING METRICS AND PERFORMANCE THRESHOLDS

Monitoring metrics and Performance Thresholds are described as follows:

3.1.2 *Metric 1: Sites Authority Develop and Adopt a Flood Management Plan*

Implementation Milestones: The Sites Authority will develop, adopt and implement a Flood Management Plan. The Flood Management Plan will need to consider final facility design components. Thus, the triggers are as follows:

- The Sites Authority will develop a draft Flood Management Plan within 3 years from the Funding Agreement date of execution.
- The Sites Authority will adopt a Flood Management Plan within 6 years from the Funding Agreement date of execution.

Performance Threshold: The Sites Authority will adopt a Flood Management Plan within 6 years from the Funding Agreement date of execution.

3.1.3 *Metric 2: Maintain Annual “Safe for Continued Use” Judgement as Part of DSOD Annual Inspection and Maintenance Reporting*

Performance Threshold: DSOD annual inspection reports find the Sites Project facilities to be “safe for continued use”.

3.2 Monitoring Methodology

3.2.1 *Metric 1: Periodic Review of Effectiveness of Flood Management Plan*

The Sites Authority will report on the progress of development and adoption of the Flood Management Plan. The Sites Authority will report on the outcomes of the five-year reviews, including any revisions to the Plan.

Timing and frequency: Annual reporting on the progress of development and adoption of the Flood Management Plan starting in Year 2 following the execution of the Funding Agreement until the plan is adopted by the Sites Authority. Reporting on outcomes of the five-year reviews within 90 days of completion of the review.

3.2.2 *Metric 2: Maintain Annual “Safe for Continued Use” Judgement as Part of DSOD Annual Inspection and Maintenance Reporting*

The Sites Authority will report on the findings of the Project’s annual DSOD inspection.

Timing and frequency: Annually, within 90 days of the Sites Authority’s receipt of the DSOD annual inspection report.

3.3 Reporting Components

Consistent with items identified in the Contract Section 4.3 and Section 2.6 of this document, the Sites Authority will provide the Annual Summary Report and Adaptive Management Review Report to DWR.

3.4 Adaptive Management Triggers

Trigger for Implementation milestones:

For Monitoring Metric 1, adaptive management is triggered if the Sites Authority fails to adopt a Flood Management Plan within 6 years from the Funding Agreement date of execution or if the Sites Authority fails to conduct the five-year review of the Flood Management Plan.

For Monitoring Metric 2, adaptive management is triggered if DSOD, based on its annual inspection process, makes an “unsafe to store water” judgement.

3.5 Adaptive Management Actions

If a Trigger occurs, decision-making shall follow the process described in Section 5. All the potential Adaptive Management Actions that the Sites Authority could take are aimed at implementing flood management operations that will regulate flows from Funks and Stone Corral creeks to reduce the 1/100 AEP floodplain extents downstream of Sites Reservoir and decrease economic losses due to flood damages to structures in the town of Maxwell and adjacent agricultural lands. These actions may include the following:

- If the Sites Authority fails to meet Metric 1, then the Sites Authority will develop a schedule to conduct the periodic Review of Effectiveness of the Flood Management Plan. The schedule will be submitted to DWR for comment and approval within one month of the metric being triggered.
- If the Sites Authority fails to meet Metric 2, then the Sites Authority will work with DSOD to:
 - Develop a plan to address the “unsafe to store water” judgement.
 - This plan may require additional analyses, special inspections, repairs, modified operations or updates to Project features, and the Plan shall include steps and milestone schedule for the completion of such activities.
 - Sites Authority will work with DSOD to prioritize planned activities.
 - Once the Sites Authority has a plan that DSOD has reviewed and accepted, the Sites Authority will submit the plan to DWR.
 - If the Sites Authority is unable to devise a plan to address an “Unsafe to store water” conclusion from DSOD, the Meet and Confer process is initiated as explained in Section 2.6.

REFERENCES

https://water.ca.gov/-/media/DWR-Website/Web-Pages/Library/Files/Public-Forms/3_instructions.pdf

https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/All-Programs/Division-of-Safety-of-Dams/Files/Publications/DSOD-Inspection-and-Reevaluation-Protocols_a_y19.pdf

DRAFT

**PROPOSITION 1 WATER STORAGE INVESTMENT PROGRAM CONTRACT
FOR ADMINISTRATION OF PUBLIC RECREATION, FLOOD CONTROL,
EMERGENCY RESPONSE BENEFITS**

**SITES RESERVOIR PROJECT
EXHIBIT D
EMERGENCY RESPONSE ADAPTIVE MANAGEMENT PLAN**

DRAFT

EXHIBIT D

EMERGENCY RESPONSE MANAGEMENT PLAN SITES RESERVOIR PROJECT

1.1 PROJECT OVERVIEW

The Sites Reservoir Project (Project) will be a new 1.47 million acre-foot off-stream reservoir located approximately 10 miles west of the town of Maxwell, California. The Project will utilize existing and new conveyance facilities to divert water from the Sacramento River and two local creeks for storage in Sites Reservoir and for releases. In addition to water storage, the Project will provide public benefits including environmental water supply, recreation opportunities, regional Flood Control benefits, and emergency response during drought emergencies. The emergency response benefit is water diverted under the Sites water right and to be stored in Sites Reservoir for use by M&I Participants (Appendix A or Table XX).

There are two ways that the Project can accomplish the Drought Emergency Supply public benefit:

- a. M&I Participant Use - To the extent a M&I Participant experiences drought emergency conditions within its service area, that M&I Participant may use its stored Sites water to meet health and safety needs. This use can be triggered by the Project's Drought Emergency Response Operations Plan. Sites water represents a new supply that would not exist, absent construction of Sites Reservoir and M&I Participant investment in the Project.
- b. Drought Emergency Response Program (DERP) - In addition, supplemental supplies may be provided from water stored in the Sites Reservoir. Under a Drought Emergency Response Program (DERP), M&I Participants experiencing emergency conditions may receive water from other willing Sites Participants that are not experiencing emergency conditions. These transfers would occur entirely within the Sites Reservoir through routine water accounting, without the need for complex conveyance arrangements. The transferred water would then be conveyed to the affected M&I Participant's service area using existing delivery mechanisms for Sites water. The Benefits & Obligations Contract executed by each Sites participant would authorize and govern these intra-Sites water transfers.

1.2 FACILITY DESCRIPTION

The Project includes development of the Golden Gate Dam, Sites Dam, and ten saddle dams/dikes. A series of saddle dams and dikes along the eastern and northern rims of the reservoir would close off topographic saddles in the surrounding ridges to form Sites Reservoir.

1.3 DROUGHT EMERGENCY RESPONSE IMPLEMENTATION ACTIONS

1.3.1 DROUGHT EMERGENCY RESPONSE OPERATIONS PLAN

The Sites Authority will develop, adopt, and implement a Drought Emergency Response Plan to be included in the Reservoir Operations Plan. The plan will include:

- **Drought Operations Plan** – Detailed instructions for special considerations to be taken into account for operating the facility under drought emergency conditions; synopsis of effects including design event routings and regulated frequency; and responsibilities, organization, and coordination of agencies involved in drought management.
- **Commitment Conditions** – These commitments terminate 35 years after the lake reaches initial reservoir filling or upon achieving the Target Volume of Sites water delivered during Drought Emergency Years, whichever occurs first.
- **Intermediate Target Volumes** – To achieve the Target Volume, cumulative storage and delivery milestones will be established for each forecasted Drought Emergency Year during the CAPB term. CALSIM3 modeling forecasts the number of drought years; the Target Volume is divided by this number to set the initial Intermediate Target Volume. Subsequent volumes build cumulatively toward the Target Volume.

Example:

- Target Volume: 90,000 AF (hypothetical)
- Forecast: 3 Drought Emergency Years
- Intermediate Targets:
 - Year 1: 30,000 AF
 - Year 2: 60,000 AF
 - Year 3 (end of term): 90,000 AFMeeting these targets is subject to Adaptive Management.
- **Participant Use** – The Drought Emergency Supply is the total amount of water delivered during a Drought Emergency Year. Water quantity available will be documented in compliance with the Target Volume.
 - The Benefits & Obligations Contract and Drought Emergency Operations Plan will include
 - Operations to prioritize and maximize diversions of Sites water into storage and allocate water to Participants as provided in the Benefits & Obligations Contract.
 - A term recognizing that a portion of the State’s investment is intended to achieve a drought emergency public benefit, establishing that Participants intend to operate to achieve the Target Volume during the CAPB term, subject to Adaptive Management.

The plan will be based on CALSIM3 hydrology and forecast how often a Drought Emergency Year is triggered during the CAPB term. Future revisions may incorporate advanced approaches such as Forecast-Informed Reservoir Operations (FIRO).

The Sites Authority will incorporate the plan into the Reservoir Operations Plan within 7 years of the Proposition 1 Funding Agreement execution and review it every 5 years for improvements, in coordination with all Sites Participants.

1.3.2 DROUGHT EMERGENCY RESPONSE PROGRAM (DERP)

As part of the Drought Emergency Response Operations Plan, the Sites Authority will develop, adopt and implement the Drought Emergency Response Program (DERP). The DERP shall be referenced in the Benefits & Obligations Contract. The DERP will contain the following items:

- Ensure there are terms in the approved Benefits & Obligations Contract that provides for the financial transactions necessary to facilitate the payback of water or payment for any Sites water, as needed, that is made available for drought emergency purposes between Sites Participants.
- During a Drought Emergency Year, or before, the Sites Authority would activate the DERP as described in the Benefits & Obligations Contract:
 - Would establish a voluntary program under which Sites Participants dedicate a portion of their Sites-stored water for potential transfer to M&I Participants. Transfers would be available in the Drought Emergency Year. The Sites Authority shall activate the DERP after the second year of the Drought Emergency Year Series and after any local or Governor declared emergency.
 - Within 90 days of the DERP being activated, the Sites Authority shall convene the Sites Participants and facilitate voluntary transfers, exchanges and sales of Sites water to and among M&I Participants.
 - During a Drought Emergency Year, the Sites Authority will promptly facilitate any necessary contractual actions to formalize transfers of Sites water made available for these purposes
 - The Sites Authority would ensure the delivery of Emergency Drought Supply from the Project in a manner and on a schedule best suited to meet the needs of the affected M&I Participants.

1.4 IMPLEMENTATION CONSIDERATIONS

It is important to note that some of the materials developed relative to the design, operations, and maintenance of the Sites Project may be limited in distribution for safety and security reasons. The Sites Authority will work with DWR throughout the term of the Contract to determine how best to ensure transparency in implementation of the Contract and this Adaptive Management Plan while maintaining the security of sensitive Project information. This Contract and this Adaptive Management Plan should be viewed as providing summary information for public release where detailed information is determined to not be appropriate. Recognizing that safety and security considerations can change over time, the details of information reported under this Contract may also change over time.

SECTION 2 ADAPTIVE MANAGEMENT PLAN APPROACH

This Adaptive Management Plan outlines a monitoring plan, including project implementation milestones and Performance Thresholds (defined in Section 3) which demonstrate the Project's success in carrying out the Project Implementation Actions specified in the Sites Reservoir Project Contract for Administration of Emergency Response Benefits. The Adaptive Management Plan identifies how monitoring will be used to adaptively manage the Project's Drought Emergency Response Benefits through a Meet and Confer Process and Adaptive Management Actions, provided that any Adaptive Management Actions required to be taken by the Sites Authority shall be reasonable and feasible. The intent of the Adaptive Management Plan is to increase the likelihood of achieving and maintaining the desired Drought Emergency Response Benefits, while recognizing that Drought Emergency Response Benefits are subject to various uncertainties beyond the scope of the Sites Authority control and responsibility, which can include, but are not limited to, natural disasters, California hydrology, future regulatory conditions, changing water operations outside of the Project's influence, changes in land use, and climate change. Adaptive management of the Project will be implemented on a five-year review cycle. A five-year review cycle provides a regular opportunity to evaluate data from the previous years of project implementation, maintenance, and monitoring, and allows for incorporation of new technologies and lessons learned into subsequent implementation, monitoring, maintenance, and performance tracking.

This Adaptive Management Plan is structured according to definitions and requirements outlined in the statute and the California Code of Regulations (CCR). California Water Code Section 85052 defines adaptive management as "a framework and flexible decision-making process for ongoing knowledge acquisition, monitoring, and evaluation leading to continuous improvement in management planning and implementation of a project to achieve specified objectives."³

The CCR, Title 23, Waters, Water Storage Investment Program (WSIP), Section 6014, Subdivision (a)(2)(A) states, "[t]he contract between an administering agency and applicant shall contain:

(1) An Adaptive Management Plan for the public benefits funded under the [WSIP] Program. The adaptive management plan shall contain:

- d. Public benefit monitoring metrics;
- e. Monitoring locations, frequencies, and timing;
- f. Metric evaluation methodology and associated threshold or trigger levels based on best available science that initiate Adaptive Management Actions;
- g. Decision making process including the administering agency role and the Adaptive Management Actions that would be taken when a Trigger is reached;
- h. Funding sources and financial commitments to implement the Adaptive Management Plan;
- i. Other items deemed necessary on a case-by-case basis by administering agencies entering into the Contract."

³ Section 6001, Subdivision (a)(1) of the WSIP Regulations provides that the definition of "adaptive management" for WSIP "has the same meaning as provided in Water Code section 85052."

2.1 ROLES AND RESPONSIBILITIES

Roles and responsibilities for each party are identical to those contained in Section 2 of the Contract for the Administration of Public Emergency Response Benefits.

2.2 ADAPTIVE MANAGEMENT EXPECTATIONS

The Sites Authority is obligated to deliver the Project Implementation Actions identified in this Contract and implement this Adaptive Management Plan. This Adaptive Management Plan acknowledges that while the Emergency Response Benefit Responses identified are derived by physical changes resulting from Project Implementation Actions, they may also be influenced by additional factors that are beyond the Project's control. However, WSIP intends to achieve emergency response benefits from physical changes in or resulting from Project operations, as such, failure to achieve an Emergency Response Benefit will trigger Adaptive Management Actions, if those actions lead to achievement of the Emergency Response Benefit. Adaptive Management Actions must be reasonable and feasible and will not include providing additional emergency response benefits beyond what is specified in this Contract. However, Adaptive Management Actions may include a reevaluation of the Drought Emergency Response Program.

2.3 EMERGENCY RESPONSE ADAPTIVE MANAGEMENT PLAN REVIEW AND REVISION PROGRAM

Project Implementation Actions: Defined as foundational actions the Sites Authority must execute for realization of the Emergency Response Benefits. Ramping of Project Implementation Actions may be established with defined project implementation milestones. However, once Performance Threshold (defined in Section 2.4) metrics are achieved, they should be maintained for the duration of the Contract.

Emergency Response Benefit: The Emergency Response Benefit as defined in California Code of Regulations, Title 23, Section 6001, Subdivision (a)(29) has the same meaning as Water Code Section 79753(a)(4): a public benefit that provides an amount of water storage or supply for emergency response purposes that are outside of normal facility operations or average water supply for all other purposes (i.e., water supply is reduced for the expected (average) amount of water used for emergency purposes). For the purposes of this Program, emergency response water supplied for human health and safety purposes during declared emergencies will be considered a public benefit under this category. Based on current best available science, the Project Implementation Actions are anticipated to result in achievement of the Drought Emergency Response Benefit Response Performance Thresholds identified for the Project.

As part of the communication structure for the implementation of this Adaptive Management Plan, a Decision-Making Body formed by representatives of the Sites Authority and DWR will be established to coordinate adaptive management for the Drought Emergency Response Benefits. It is the responsibility of the Parties to each identify its own representative(s) for participation in the Decision-Making Body. Other partners, resources, and expertise may be involved as needed and at the discretion of the Decision-Making Body.

2.4 ADAPTIVE MANAGEMENT THRESHOLDS AND TRIGGERS

California Code of Regulations, Title 23, Section 6001, Subdivision (a) provides definitions for

the terms “threshold” and “trigger” in the context of adaptive management. “Threshold” means a specific metric that is a boundary between acceptable and unacceptable situations or conditions, or a specific metric that must be exceeded for a certain reaction, result, or condition to occur. “Trigger” means an event, situation, or measurement that initiates or requires a management action. Each monitoring metric is associated with an Adaptive Management Threshold and Trigger. These are pre-determined decision points specific to each Project Implementation Action and Emergency Response Benefit Response. Project status for Emergency Response Benefits Project Implementation Action and Emergency Response Benefit Response will be assessed as described below:

Performance Thresholds are established as the full extent of Project Implementation Actions and the quantity of Emergency Response Benefit anticipated to be achieved by implementation of with-project actions (Project Implementation Actions) compared to without-project actions (future baseline) or pre-project conditions (pre-project baseline), based on best available science at the time of Contract execution. Performance Threshold values indicate expected or better conditions above baseline conditions. Project Implementation Actions will have specified Performance Thresholds associated with Contract commitments. If a ramp-up period is expected, implementation milestones may be established for Project Implementation Actions, as appropriate, to serve as interim Performance Thresholds that the Project should achieve over a specified amount of time.

Adaptive Management Triggers are events, situations, and/or values determined to be below Performance Thresholds, assessed on a five-year review cycle. Adaptive Management Triggers are evaluated based on monitoring metrics associated with Project Implementation Actions, Benefit Implementation Actions, and Drought Emergency Response Benefit Responses, and are determined by the evaluation of monitoring metrics compared to the associated Performance Threshold. Adaptive Management Trigger indicates when Drought Emergency Response Benefits are experiencing a potential challenge, are not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.

Performance Thresholds and Adaptive Management Triggers are prescribed in two phases, where each phase has its own set of thresholds and associated triggers identified.

Phase 1 occurs during the Project’s initial ramp-up period (if applicable). A ramp-up period may apply if the Sites Authority needs time to initiate and/or implement Project Implementation Actions or Benefit Implementation Actions, such as developing water storage volume, etc. During Phase 1, implementation milestones are established for Project and Benefit Implementation Actions as interim Performance Thresholds to show progress during the ramp-up period. Implementation milestones will have associated Adaptive Management Triggers.

Phase 2 occurs after the ramp-up period has ended, if applicable, and/or once the Sites Authority is able to achieve the full contractual benefit. During Phase 2, adaptive management will occur around the Performance Threshold and its associated trigger. If the Project does not require an initial ramp-up period for Project or Benefit Implementation Actions, then adaptive management will apply to only Phase 2.

2.5 DECISION-MAKING PROCESS

Project performance will be evaluated on its success in achieving Performance Thresholds identified for the Project Implementation Actions, Benefit Implementation Actions and Drought

Emergency Response Benefit Response. If an Adaptive Management Trigger occurs, then decision-making processes and Adaptive Management Actions will be initiated as described below.

When a ramp-up period is required for Project Implementation Actions and Benefit Implementation Actions, Project performance will be evaluated during the ramp-up period on its success in achieving the benefit-specific implementation milestones. The purpose of implementation milestones is to show progress during the ramp-up period towards achieving Performance Thresholds.

2.5.1 Adaptive Management Trigger Decision-Making Processes

Should a Project Implementation Action, Benefit Implementation Action, or Drought Emergency Response Benefit Adaptive Management Trigger occur, the Project will identify limiting factors and implement any appropriate Adaptive Management Actions from the potential actions delineated in Section 3. The Project may also identify reasons why Adaptive Management Actions are not reasonable or feasible or may not result in the achievement of Performance Thresholds (e.g.,) and will propose a plan in the Annual Report to meet Performance Thresholds in the next Adaptive Management Review Report period. The Sites Authority will report to DWR as identified in Section 4.3.

If, after review of the Annual Summary Report or Review Report, along with any other relevant monitoring data, DWR concludes that Project Implementation Actions and Benefit Implementation Actions are occurring and Project Implementation Action, Benefit Implementation Action, and Drought Emergency Response Benefit Response metrics are below the associated Adaptive Management Triggers, or DWR concludes it was not feasible to meet Performance Thresholds in the reporting period in question, DWR will confirm this status with the Sites Authority in writing, and the Sites Authority will continue to implement its monitoring plan.

If, after review of the Annual Summary Report or Adaptive Management Review Report, along with other relevant monitoring data, DWR concludes that Project Implementation Action, Benefit Implementation Action, or Emergency Response Benefit Response metrics meet the associated Adaptive Management Trigger and, if relevant, current Adaptive Management Actions being taken are not sufficient to achieve Performance Thresholds, DWR will initiate the Meet and Confer Process. Through the Meet and Confer Process, the Decision-Making Body will identify the limiting factor(s) to achieving conditions below the Adaptive Management Triggers. Should the Sites Authority refuse to meet and confer, DWR will independently investigate the limiting factor(s).

Through the Meet and Confer Process or DWR's independent investigation:

1. If the Decision-Making Body determines that the Project Implementation Action Adaptive Management Trigger or a Benefit Implementation Action Adaptive Management Trigger has occurred and that Adaptive Management Actions are warranted, the Decision-Making Body will recommend reasonable and feasible Adaptive Management Actions from the possible Adaptive Management Actions for Drought Emergency Response Benefits identified in Section 3 and will also recommend a timeline for the Sites Authority to implement any modifications identified.

- j. If the Sites Authority successfully implements the recommended Adaptive Management Actions, then the monitoring plan will continue with annual evaluation of metrics compared to Performance Thresholds and Adaptive Management Triggers. After a subsequent five-year review cycle of the annual metric assessment showing achievement of Performance Thresholds, the Sites Authority can resume monitoring with a five-year adaptive management review.
- k. If the Decision-Making Body cannot agree on limiting factors or recommended actions to achieve Performance Thresholds at or below Adaptive Management Triggers, DWR may initiate the Benefit Dispute Process.
- l. If the Sites Project Authority does not implement the recommended actions according to the recommended timeline or fails to achieve levels above Adaptive Management Triggers because of failure to implement Project Implementation Actions, DWR may initiate the Benefit Dispute Process.

2.5.2 Force Majeure: Events Not Covered by Adaptive Management Trigger Decision Making Processes

The foregoing Adaptive Management Trigger Decision-Making Process addresses foreseeable events and changing circumstances that interfere with the Project's implementation of Project Implementation Actions or Benefit Implementation Actions. In the event that a catastrophic disruption occurs that renders one or more Project Implementation Actions impossible (e.g., due to destruction of essential infrastructure), the Sites Authority will notify DWR in writing of the impossibility and propose a timeline to resume Project Implementation Actions. Alternatively, the Sites Authority may inform DWR that the delivery of Drought Emergency Response Benefits is no longer possible. After the Project has stabilized any health or human safety-related impacts of the unforeseen circumstance, the Decision-Making Body will meet and confer and decide on one of the following:

- 1. The Decision-Making Body may mutually agree that the Drought Emergency Response Benefits continues to be possible. The Decision-Making Body will determine whether an adjustment to the Adaptive Management Plan for the Drought Emergency Response Benefits is needed; an adjustment to the Drought Emergency Response Benefit Response Performance Threshold is needed; or an alternative Public Drought Emergency Response Benefit can be achieved. Accordingly, DWR will process an amendment and inform the California Water Commission (CWC) of any benefit changes.
 - a. Should the Decision-Making Body not agree on whether an adjustment to the Adaptive Management Plan is needed, DWR may initiate the Benefit Dispute Process.
- 2. The Decision-Making Body may mutually agree that the Drought Emergency Response Benefits are no longer possible due to the catastrophic disruption addressed by this section and may mutually agree to terminate the Project Implementation Actions specific to any Drought Emergency Response Benefits that are no longer possible. Accordingly, DWR will process an amendment and inform the CWC of the changes. If the Decision-Making Body mutually agrees to terminate the requirements specific to Drought Emergency Response Benefits, the Parties shall also notify the CWC pursuant to the Funding Agreement.

- a. Should the Decision-Making Body not agree on whether the Drought Emergency Response Benefits continues to be possible, DWR may initiate the Benefit Dispute Process.

After completing the process set forth above in this paragraph 0, if the Parties continue to have a dispute and a party brings an action, neither this paragraph 0 nor anything else in this Adaptive Management Plan or the Contract constitutes a contrary agreement under California Civil Code section 1511(2) that could eliminate or change a statutory defense to performance under California Civil Code section 1511(2).

2.6 PROJECT REPORTING

Pursuant to California Code of Regulations, Title 23, Section 6014, Subdivision (a)(2)(A)(3), the Sites Authority will provide to DWR an Annual Summary Report that includes:

- Summary of Project Implementation Actions
- Discussion of challenges and/or success in achieving Project Implementation Actions and Benefit Implementation Actions
- Summary of monitoring methods
- Monitoring data
- Discussion of management activities
- Other relevant information

The Sites Authority will provide DWR an Adaptive Management Review Report (Review Report) every five years, or annually should an Adaptive Management Trigger occur. The Review Report shall include:

- Items listed above for the Annual Summary Report
- Description of data evaluation methodology
- Results of metric analyses
- Evaluation of Performance Thresholds
- Discussion of any Adaptive Management Triggers that occurred, limiting factors that may have contributed to Adaptive Management Triggers occurring, and Adaptive Management Actions taken to meet Performance Thresholds
- Discussion of challenges and/or success in achieving Drought Emergency Response Benefit Performance Thresholds.

Reports can be provided to DWR through electronic transmittal. Review and response by DWR to the Project shall be completed within 60 days of submission of the Annual Report, and within 90 days of submission of the Review Report.

2.7 FUNDING ADAPTIVE MANAGEMENT PLAN IMPLEMENTATION

Pursuant to California Code of Regulations, Title 23, Section 6014, Subdivision (a)(2)(A)(1)(e), this Adaptive Management Plan contains Drought Emergency Response Benefits monitoring metrics; monitoring locations, frequencies, and timing; metric evaluation methodology and associated thresholds and trigger levels, based on Best Available Science, that initiate Adaptive Management Actions; decision making processes; funding sources and financial commitments to implement this Adaptive Management Plan; and any other items deemed necessary to the

Contract. The Sites Authority may elect to participate in collaborative partnerships regarding the implementation of monitoring and/or Adaptive Management Actions of Drought Emergency Response Benefits. However, should any monitoring undertaken through collaborative partnerships cease, it is the Sites Authority's responsibility to either implement necessary monitoring or identify and implement other monitoring partnerships for this Adaptive Management Plan.

SECTION 3 ADAPTIVE MANAGEMENT OF PROJECT IMPLEMENTATION ACTIONS

3.1 PROJECT IMPLEMENTATION ACTION

The Sites Authority will develop, adopt and implement a Drought Emergency Response Operations Plan.

3.2 MONITORING METRICS AND PERFORMANCE THRESHOLDS

Monitoring metrics and Performance Thresholds for meeting Drought Emergency Response Benefits are described as follows:

3.2.1 Metric 1: Drought Emergency Response Operations Plan Modifications

Implementation Milestones: The Sites Authority will develop, adopt and implement a Drought Emergency Response Operations Plan to be incorporated into the Reservoir Operations Plan. The Drought Emergency Response Operations Plan will need to consider hydrological conditions, system-wide and Sites facilities operations constraints, Sites Participants anticipated use of their Capacity Interest and Share, and an examination of drought conditions throughout the State. Thus, the triggers are as follows:

- The Sites Authority will incorporate a Drought Emergency Response Operations Plan into the Reservoir Operations Plan within 7 years from the Funding Agreement date of execution.

Performance Threshold: The Sites Authority will incorporate a Drought Emergency Response Operations Plan into the Reservoir Operations Plan within 7 years from the Funding Agreement date of execution. Drought Emergency Response Operations Plan will be reevaluated every 5 years after implementation based on best available science and the most current forecast informed reservoir operation (FIRO) approach.

3.2.2 Metric 2: M&I Participants Benefits & Obligations Contracts

Implementation Milestones: Adopt a Drought Emergency Response Operations Plan.

Performance Threshold: Ensure all Participant Benefits & Obligations Contracts conform to the Drought Emergency Response Operations Plan within 6 months of incorporating the Drought Emergency Response Operations Plan into the Reservoir Operations Plan.

3.2.3 Metric 3: M&I Participant Use

Implementation Milestones: The Emergency Drought Supply is the total amount of water delivered during a Drought Emergency Year. Water quantities delivered as measured during a Drought Emergency Year will be considered available for Emergency Drought Supply and will be documented for compliance with the Target Volume.

Performance Threshold: Deliver or store water for Emergency Drought Supply during a Drought Emergency Year as needed to meet Sites Participants demands that meets or exceed Intermediate Target Volumes. If the intermediate Emergency Drought Supply volumes are less than 75% of the Intermediate Target Volumes, then adaptive Management will be invoked and may require additional action if water is available in storage to M&I Sites Participants and not

delivered during these instances, after considering the operating conditions applicable to each Participant.

3.2.4 Metric 4: Drought Emergency Response Program (DERP)

Implementation Milestones: Implement the DERP as specified in Section 1.3.2.

Performance Threshold: If the DERP is not adopted in accordance with section 1.3.2 Adaptive Management will be invoked and may require additional actions to meet the Drought Emergency Response Benefit.

3.3 Monitoring Methodology

3.3.1 Metric 1: Periodic Review of Effectiveness of Drought Emergency Operations Plan

The Sites Authority will report on the progress of development and adoption of the Drought Emergency Operations Plan. The Sites Authority will report on the outcomes of the five-year reviews, including any revisions to the Plan.

Timing and frequency: Annual reporting on the progress of development and adoption of the Drought Emergency Operations Plan starting in Year 2 following the execution of the Funding Agreement until the plan is adopted by the Sites Authority. Reporting on outcomes of the five-year reviews within 90 days of completion of the review.

3.3.2 Metric 2: Maintain Annual “Participants Benefits & Obligations Contracts”

The Sites Authority will report on any significant changes to the Participant Benefits & Obligations Contracts pertinent to the ability of the Sites Authority to comply with this Agreement.

Timing and frequency: Annually.

3.3.3 Metric 3: M&I Participant Use

The Sites Authority will report on the amount of Drought Emergency Supply stored and/or delivered in Drought emergency Years.

Timing and frequency: Annually.

3.3.4 Metric 4: Drought Emergency Response Program (DERP)

The Sites Authority will report on the progress of development and adoption of DERP development. The Sites Authority will report on the outcomes of the implementation of the DERP during a Drought Emergency Year, including any revisions to the DERP resulting from implementation.

Timing and frequency: Annual reporting on the progress of development and adoption of the DERP starting in Year 2 following the execution of the Funding Agreement until the DERP is adopted by the Sites Authority.

3.4 Reporting Components

Consistent with items identified in the Contract Section 4.3 and Section 2.6 of this document, the Sites Authority will provide the Annual Summary Report and Adaptive Management Review Report to DWR.

3.5 Adaptive Management Triggers

Trigger for Implementation milestones:

For Monitoring Metric 1, adaptive management is triggered if the Sites Authority fails to incorporate a Drought Emergency Operations Plan into the Projects Operations Plan within 7 years of the Funding Agreement date of execution or if the Sites Authority fails to conduct the five-year review of the Drought Emergency Operations Plan.

For Monitoring Metric 2, adaptive management is triggered if the Sites Authority fails to verify conformance of the Benefits & Obligations Contracts with the Drought Emergency Response Plan terms within 6 months of incorporating the Drought Emergency Operations Plan into the Reservoir Operations Plan.

For Monitoring Metric 3, adaptive management is triggered if the Sites Authority fails to meet 75% of the Intermediate Target Volume. There are two situations where Adaptive Management may not apply as follows.

- Frequency of Drought Emergency Years is not under the control of Authority. If there are less frequent Drought Emergency Years than modeled during the term of the CAPB, the Authority will only be responsible for meeting the Intermediate Target Volumes associated with the actual number of events that have occurred.
- M&I Participants do not have enough stored water to meet Intermediate Target Volumes. If in any Drought Emergency Year M&I Participants collectively deliver less than 75% of the Intermediate Target Volume and stored water is available for delivery, Adaptive Management Actions are required.

For Monitoring Metric 4, adaptive management is triggered if the Sites Authority fails to implement or fails to report on the progress of development of the Drought Emergency Response Program or fails to implement the Drought Emergency Response Program during a declared drought event.

3.6 Adaptive Management Actions

If an Adaptive Management Trigger occurs, decision-making shall follow the process described in Section 3. All the potential Adaptive Management Actions that the Sites Authority could take are aimed at implementing drought emergency response operations that will meet Intermediate Target Volumes and the final Target Volume. These actions may include the following:

- If the Sites Authority fails to meet Metric 1, then the Sites Authority will develop a schedule to conduct the periodic Review of Effectiveness of the Drought Emergency Response Operations Plan. The schedule will be submitted to DWR for comment and approval within one month of the metric being triggered.
- If the Sites Authority fails to meet Metric 2, then the Sites Authority will work with DWR to:

- Develop a plan to address a timeline for Benefits & Obligations Contract modifications.
- Once the Sites Authority has a plan that DWR has reviewed and accepted, the Sites Authority will implement the plan.
- If the Sites Authority is unable to devise a plan to address contract implementation, the Meet and Confer process is initiated as explained in Section 5.

If the Sites Authority fails to meet Metric 3, then the Authority will develop a schedule to conduct the periodic Review of the Drought Emergency Response Operations Plan to identify needed changes (not requiring Benefits & Obligations Contract revisions), if needed, to meet the Intermediate Target Volumes. The schedule will be submitted to DWR within one month of the metric being triggered. The following actions will be considered:

- Cumulatively manage storage during future droughts to ensure that at least the Intermediate Target Volume will be made available in the next Drought Emergency Year. This may be accomplished by withholding deliveries during the second year of an anticipated Drought Year Series.
 - Divert additional stored water in early years of a Drought Year Series and encourage Participants to manage their storage accounts in a manner that ensures additional availability during Drought Emergency Years.
 - Recruit additional Sites Participants to dedicate water supplies toward Drought Emergency Years such as through the DERP.
- If the Sites Authority fails to meet Metric 4, then the Sites Authority will develop a schedule for implementation of the DERP during a Drought Emergency Year. The schedule will be submitted to DWR within one month of the metric being triggered.