

## Water Storage Investment Program Quarterly Report Template

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

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

<b>Project Name:</b>	Sites Reservoir Project		
<b>Applicant Name:</b>	Sites Project Authority		
<b>Date:</b>	April 30, 2019	<b>Reporting Period:</b>	1st Quarter, 2019

**Please describe any key issues that occurred during this reporting period. You may attach additional documents or pages if more space is needed.**

- For the period starting January 1 through March 31, 2019, no significant issues occurred and there were no variances from the schedule provided previously.
- On February 28, 2019 Congressmen John Garamendi (D-CA) introduced the Sites Reservoir Project Act (H.R. 1435) to provide federal support for the construction of Sites Reservoir and related water infrastructure in Colusa and Glenn Counties. (Link: <https://www.congress.gov/bill/116th-congress/house-bill/1435/all-info?r=46>). The Act would direct the Bureau of Reclamation to complete a necessary feasibility study for the project, and, if deemed feasible, to request authorization for additional funding and technical support.

**Prior to scheduling a hearing, the following items must be provided:**

Description	Status	Estimated Completion Date	Percent Complete %
Contracts for non-public cost share	<p>Currently, there are two types of participants: local agencies in the Sacramento Valley, San Joaquin Valley, Bay Area, and Southern California and Reclamation.</p> <p><u>Local Agencies:</u> Funding is occurring in phases that tie to key project development milestones. For 2019, new agreements were executed. In addition, the Authority is continuing to respond to requests to participate by other organizations.</p>	March 31, 2019	100%

**Prior to scheduling a hearing, the following items must be provided:**

Description	Status	Estimated Completion Date	Percent Complete %
	<p><u>Reclamation:</u> The Authority is working with Reclamation to update the 2015 cost-share agreement for planning and preconstruction activities. This agreement is contemplated to extend through 2021; at which point a new agreement would likely be needed for construction activities.</p>	June 2019	50%
Contracts for administration of public benefits	Participated in an informational meeting with Water Commission staff, CA DWR, CA DFW, and SWRCB on February 15, 2019 to understand each agency's process to administer their respective public benefits.	Dec 2021	0%
Completed feasibility studies	Consistent with the WSIP Application, the Authority plans to use the feasibility report being prepared by Reclamation as the basis for determining the project's feasibility as a locally-sponsored storage project having federal participation. Work is progressing to revise the draft report, which was included in the WSIP application. A final report is expected to be available by May 2019. The Authority then plans to further advance the engineering before requesting the Water Commission consider the project's feasibility.	Dec 2020	80%
Final environmental documentation	Work to develop responses to comments has resumed. An updated schedule is being developed for the preparation of the Final EIR/EIS addressing the needs of federal agencies (including Reclamation, USACE, USFWS, NMFS), California state agencies and the Authority.	Dec 2020	15%
All required federal, state, and local approvals, certifications, and agreements	<p><u>Federal:</u> The Authority and Reclamation staff continue to meet with federal regulatory agencies (including NMFS, USFWS and the USACE) and to make progress towards the development of the Biological Assessment and permit applications. To be consistent with the presidential memorandum, the Authority and Reclamation are also preparing a Biological Assessment for the Sites Reservoir Project, which is scheduled to be provided to NMFS and USFWS in the fall of 2019.</p> <p>The Authority (and Reclamation) is preparing the required CEQA/NEPA and permit applications for all field investigations and surveys needed to complete all feasibility studies, preliminary engineering and permit applications. These analyses should be available for public review by mid-year and include the results of coordination with NMFS and USFWS.</p> <p><u>State:</u> The Authority had a productive meeting on January 9<sup>th</sup> with Division of Safety of Dams to discuss their review and approval process for each of the dams (main, saddle, and regulating) that will be under their jurisdiction. In addition, CA DFW has been invited to participate in meetings with federal resource agencies to specifically advance the design criteria that should be used for the proposed new point of diversion (aka Delevan inlet/outlet) and to develop appropriate operational criteria.</p>	Dec 2021	10%

### Funding Agreement

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

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

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

Applicant's audited financial statements

An audit for fiscal year 2018 is planned to begin in May 2019 and a final audit for fiscal year 2019 is forecast to be complete by July 2020.

Final project costs, schedule, and scope of work

Acting upon the Sites Authority approved 2019 budget which includes descriptions of major activities, anticipated products and schedules, the Authority executed task orders for project integration, project controls, communications, real estate, and geotechnical engineering. The Authority has also executed new contracts for environmental analysis and permitting activities and operations simulation modeling. All contracts with task orders for 2019 activities are in place as of April 1.

Evidence of bilateral communications

The Authority, Reclamation and the Department of Water Resources have participated in several productive meetings to further define the processes that will be used to cooperatively operate the Sites Project to serve the needs of California in a manner that is complementary with the operation of both the Central Valley Project and the State Water Project. Tentative agreement is expected by mid-2019, which will then serve as the basis to develop the agreements and compliance requirements that are currently planned to be completed by June 2020.

Limited waiver of sovereign immunity (see regulations section 6013(f)(8))      Not Applicable

### Status Update

Provide a status update for the following, as applicable:

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

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

Labor Compliance    No change since last reporting period.

Urban Water Management Plans      Not applicable

Agricultural Water Management Plans    Not applicable

Groundwater Management or Groundwater Sustainability Plans      No change since last reporting period.

Potential effect of other conditionally eligible projects on the applicant's public benefits    No change since last reporting period.