

Water Storage Investment Program Quarterly Report

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

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

Project Information

Project Name:

Temperance Flat Reservoir Project

Applicant Name:

Temperance Flat Reservoir Authority

Date:

July 31, 2020

Reporting Period:

April 1, 2020 - June 30, 2020

General Update and Key Issues

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

The Temperance Flat Reservoir Authority (TFRA) held two Board of Directors meetings during the second quarter of 2020 (May 27, 2020 and June 24, 2020). The April TFRA Board meeting was canceled due to the concerns of COVID-19 and the inability to identify a suitable location or fashion that could accommodate Social Distancing. The COVID-19 Pandemic has hindered discussions and progress of the TFRA as members have had to expend a considerable amount of attention to address COVID-19 impacts within their own jurisdictions.

The TFRA worked in the second quarter to coordinate with the other WSIP applicants to submit a letter to the California Water Commission (CWC) seeking flexibility in some of the WSIP project requirements taking into consideration the recent setbacks faced during the COVID-19 Pandemic. TFRA Staff also met with CWC Staff to update them on the progress of the Temperance Flat project.

TFRA continued to work with the Bureau of Reclamation on the Reclamation Feasibility Report and the request for a deferral status. TFRA was informed that the Deferral Report was in draft form and was being reviewed by Reclamation Management. TFRA anticipates a draft Deferral Report by the end of July for review.

Items Required Prior to Scheduling a Final Award Hearing

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

1. Contracts for non-public cost share:

Status: The TFRA continues to work to pursue the participation of potential investors in the Temperance Flat Reservoir Project. Due to the impacts of the COVID-19 Pandemic the TFRA has not had the ability to reach out to agencies to solicit investor interest. In addition, local water users are currently assessing their portfolio of water management solutions as they grasp with the implementation of the Sustainable Groundwater Management Act. At this time, TFRA is evaluating its ability to achieve the prescribed schedule and has established the need to meet with the CWC staff in the near future.

Estimated Completion Date: January 1, 2022

Percent Complete: 10%

2. Contracts for administration of public benefits:

Status: TFRA Staff was unable to meet with the Department of Water Resources (DWR) or the California Department of Fish and Wildlife to continue discussions on public benefits during the first quarter of 2020.

Estimated Completion Date: After Final CEQA document is complete

Percent Complete: 4%

3. Completed feasibility studies:

Status: In March 2020, the TFRA requested that the Bureau of Reclamation put the USJRBSI Feasibility Study in a "Deferral" status so that the TFRA can establish a workplan to provide the necessary information, including an Operational Plan for the Temperance Flat Reservoir, which will allow the Feasibility Study to proceed to finalization. The Bureau of Reclamation is anticipated to deliver a Draft Deferral Report to TFRA by the end of July for review. At this time, TFRA is evaluating its ability to achieve the prescribed schedule and has established the need to meet with the CWC staff in the near future.

Estimated Completion Date: Late 2021

Percent Complete: 80%

4. Final environmental documentation:

Status: TFRA Staff has met with CWC Staff to discuss the status of the TFRA Environmental Documentation and the aggressive schedule to achieve compliance with the WSIP regulations. At this time, TFRA is evaluating its ability to achieve the prescribed schedule and has established the need to meet with the CWC staff in the near future.

Estimated Completion Date: Draft EIR in late 2021

Percent Complete: Approx. 50% due to NEPA status

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

Status: The TFRA will be the lead agency in seeking all federal, state, and local approvals, along with all certifications and agreements. TFRA was unable to make any progress on this element during this

reporting period.

Estimated Completion Date: After January 1, 2022

Percent Complete: 2%

Items Required to Execute a Funding Agreement

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

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

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

There has been no change in these items since the last report.

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.

There has been no change in these items since the last report