UPDATE ON SOUTH COUNTY AG PROGRAM
& WSIP FUNDING AWARD

Presentation to WateReuse
Central Valley/Sierra Foothills Chapter
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Terrie Mitchell
Manager, Legislative & Regulatory Affairs
Background on Prop. 1 and WSIP

• Regional San extensively engaged in 2009 and 2014 Water Bonds – Prop. 1 provided $7.5 Billion

• Project Earmarks vs Broad Program Funding

• Chapter 8 provided $2.7 billion for water storage projects (surface and groundwater)

• California Water Commission (CWC) tasked with developing WSIP regulations, application process, review and ranking and final award of funding
• WSIP can fund only the Public Benefits of a water storage project (ecosystem, water quality, recreation, flood control, and emergency response)

• Projects must also benefit Delta ecosystem or its tributaries

• Funding available - Up to 50% of the public benefits (however, ecosystem benefits must be 50% public benefits)

• Conjunctive use projects can receive up to 100% of the public benefits
WSIP Regulations and Application Process

• 12 month process to develop WSIP program regulations and technical reference
  – (Regs – 41 pages, TR – 448 pages)

• Regional San engaged in regulation development
  – in-lieu recharge, GW dependent ecosystems, RW/SW/GW nexus, conjunctive use, connectivity to other restoration efforts

• Regulations adopted February 2017

• Applications due August 2017
WSIP Application Process

• Aggressive timeline and rigorous process to prepare application (6 months)
• Required public benefits to be quantified and monetized
• Had to “re-do” groundwater & surface water modeling to incorporate 2030 and 2070 climate change and operational scenarios
• Relationships….Relationships!!!
  – Numerous agency meetings (CWC, DFW, SWRCB, DWR)
  – Numerous meetings to gain & maintain stakeholder support and advocacy throughout process
Project Supported by Multiple Partners
So What is the Project Scope and What Are The Public Benefits?

- Deliver up to 50,000 AFY of recycled water (includes in-lieu recharge and wintertime irrigation)
- Irrigate up to 16,000 acres of ag and habitat lands
- Produce Public Benefits
  - Groundwater Restoration
  - Ecosystem
  - Water Quality
  - Potential recreation and fire response benefits
Groundwater Restoration Benefits

Provides Multiple Public Benefits through Conjunctive Use

- Restores groundwater levels up to 35 feet within 15 years
- Improves stream flows in the Cosumnes River
- Increases groundwater storage by ~ 245,000 AF in 10 years
- Provides ~30,000 AFY for conjunctive use during droughts
Increase in Groundwater Storage

Difference between Project 2030 versus Baseline 2030

Folsom Dam picture courtesy of Freshwaters Illustrated
Percentage of Time with Groundwater Elevations within 25' of the Surface

Baseline

Scenario: Percentage of Time with Groundwater Within 25 ft of Ground Surface

Areas with soils suitable for riparian forests

Time within 25' of Ground Surface (%)
- 0 - 10
- 10 - 20
- 20 - 30
- 30 - 40
- 40 - 50
- 50 - 60
- 60 - 70
- 70 - 80
- 80 - 90
- 90 - 100

Source: THC 2011

2030 Water Table Baseline - 20 feet below surface or greater

2030 Water Table With Project - 20 feet below surface or greater
Additional 3,500 acres of *sandhill crane* habitat, which could support up to 700 additional individuals

Additional 500 acres of *vernal pool* habitat, which supports many listed species

Longer migration window for fall-run *Chinook salmon* as a result of increased flow volume in the Cosumnes River

Improved groundwater conditions and strategic water delivery can improve up to approximately 5,000 acres of *wetlands and riparian forests* by 2030
Water Quality Benefits
$47.7 Million

• Reduce salt loading to Sacramento River by 95 tons per day

• Four of eight Delta Waterways are included on State’s 303(d) list for electrical conductivity

• Equivalent benefit would require costly reverse osmosis treatment for salt removal
Other Non-Monetized Public Benefits

- Improves Climate Change Resiliency
- Improves Habitat Connectivity
- Preserves Working Farmlands
- Improves Groundwater Dependent Ecosystem Science
- Aids in Emergency Fire Response
- Increases Recreation
- Helps accomplish objectives of Prop. 1 and SGMA
Summary WSIP Scoring

- Three separate CWC hearings and appeal processes

- Scoring based on:
  - Public Benefit Ratio (final PBR 1.05 – score of 13)
  - Resiliency (score - 22)
  - Relative Environmental Value (received highest score - 27)
  - Implementation Risk (received highest score - 15)
  - Total Score of 77
## Summary of Water Storage Investment Program Final Application Scores

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Public Benefit Ratio &amp; Non-Monetized Benefit Score</th>
<th>Relative Environmental Value Score</th>
<th>Resiliency Score</th>
<th>Implementation Risk Score</th>
<th>Total Expected Return for Public Investment Score</th>
<th>Commission-Approved Eligible Amount, $ Million May 2018</th>
<th>Applicant Request, $ Million May 2018</th>
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<tbody>
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<td>South County Ag Program</td>
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*Note: * indicates Commission adjusted component score.
Projected Design & Capital Costs (in 2015 dollars)

Planning and Design Costs - $75,306,630
- Ecological Planning - $29,045,000
- Facilities & GW Banking - $46,261,630

Construction Costs - $207,886,000
- Facilities Cost - $173,500,000
- GW Monitoring Wells - $150,000
- Ecological Program - $34,236,000

Total Planning, Design & Capital Costs - $283,192,630

Total WSIP Funding - $280,500,000
Key Milestones Achieved to Date

• Completed and approved USBR Feasibility Study
• Authorized under Title XVI and is included in list of eligible projects
• Completed 10% Facility Design Report
• Final and certified Environmental Impact Report (CEQA)
• Identified as a high-priority project in the Region’s IRWMP
• Petition for Change Submitted
Key Next Steps to Achieve Public Benefits

• Enter into Agreements with end users
• Design & Construct Conveyance and Distribution Facilities
  – Including on-site facilities for end users
• Develop & Implement Ecosystem Improvements
• Implement Groundwater Accounting Program & Integrate with SGMA
  – 70% to GW recharge & 30% for extraction during critically dry years
• Develop & Implement Conjunctive Use Program
• Establish Monitoring & Reporting Program
Evaluation & Adaptive Management

5 Year Progress Review and Adaptive Management Cycle

- Implementation
- Program Review
- Identify Lessons Learned, Propose New Actions
- Monitor and Maintenance
- Data Collection and Analysis
- Track and Evaluate Progress
Next Steps in WSIP Process

• Complete draft supplemental environmental documents by Jan 1, 2022
• Secure all major permits
• Complete contracts with DWR, SWRCB, DFW
• Secure funding agreement with CWC

✓ Reimbursement will not occur until all environmental docs completed, permits secured and contracts with agencies signed
Summary of South County AG Program’s Multiple Benefits

After