

# UPDATE ON SOUTH COUNTY AG PROGRAM & WSIP FUNDING AWARD

Presentation to WateReuse Central Valley/Sierra Foothills Chapter October 18, 2018

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 Program Overview**

- 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

#### GW Elevation with Project — Comparison to Baseline —



### **Increase in Groundwater Storage**

Difference between Project 2030 versus Baseline 2030



#### Percentage of Time with Groundwater Elevations within 25' of the Surface





#### 2030 Water Table Baseline - 20 feet below surface or greater

#### 2030 Water Table With Project - 20 feet below surface or greater



## Ecosystem Benefits – In the Delta! \$246.30 Million





Additional 3,500 acres of <u>sandhill crane</u> habitat, which could support up to 700 additional individuals

Additional 500 acres of <u>vernal pool</u> habitat, which supports many listed species



Longer migration window for fall-run <u>Chinook salmon</u> 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 <u>wetlands</u> <u>and riparian forests</u> 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 WSIP Applicant Scores and Eligible Funding

Table.pdf - Google Chrome	)						
Secure https://	cwc ca goy/Docun	nents/2018/WSIP/	FinalScoresTable (	odf			
			California				
			WATER CO	MMISSION			
	Su	mmary of Water S	Storage Investmen	t Program Final Ap	plication Scores		
					Total	Commission-	
	Public Benefit				Expected Return	Approved	
	Ratio & Non-	Relative			for Public	Eligible	Applicant
Developet	_Monetized	Environmental	Resiliency	Implementation	Investment	Amount,	Request,
Project	Benefit Score	Value Score	Score	Risk Score	Score (Maximum 100)	\$ Million	\$ Million
(alphabetical order)	(Iviaximum 55)	(Maximum 27)	(Waximum 25)	(Waximum 15)	(Waximum 100)	IVIAY 2010	Ividy 2010
Program	23	24	13*	10	70	\$206.90	\$206.90
Kern Fan						+200.00	720000
Groundwater							
Storage Project	12	13	14*	15*	54	\$85.66	\$85.70
Los Vaqueros							
Reservoir Expansion							
Project	23	17	22	14	76	\$459.00	\$459.00
Pacheco Reservoir	27		22			4404 55	4494.55
Expansion Project	27	21	23	11	82	\$484.55	\$484.55
Sites Project	13	15	21	12	61	\$1,008.28	\$910.62
Brogram	12*	77	77*	15	77	\$280 52	\$280 E0
Temperance Elat	12	21	22	15		\$200.55	\$200.50
Reservoir Project	33	10	19	11*	73	\$171.33	\$171.33
neservon rroject		10	1.5		,,,	¥171.55	y1/1.00
Willow Springs						1	

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



#### **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

