



Update on California Proposition 1 Water Storage Investment Program and Letter of Intent to Work with Inland Empire Utilities Agency on the Chino Basin Program

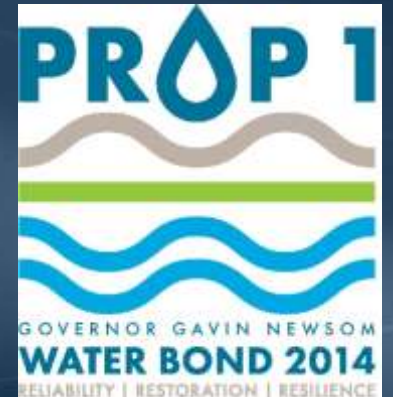
Water Planning and Stewardship Committee

Item 9-2

June 7, 2021

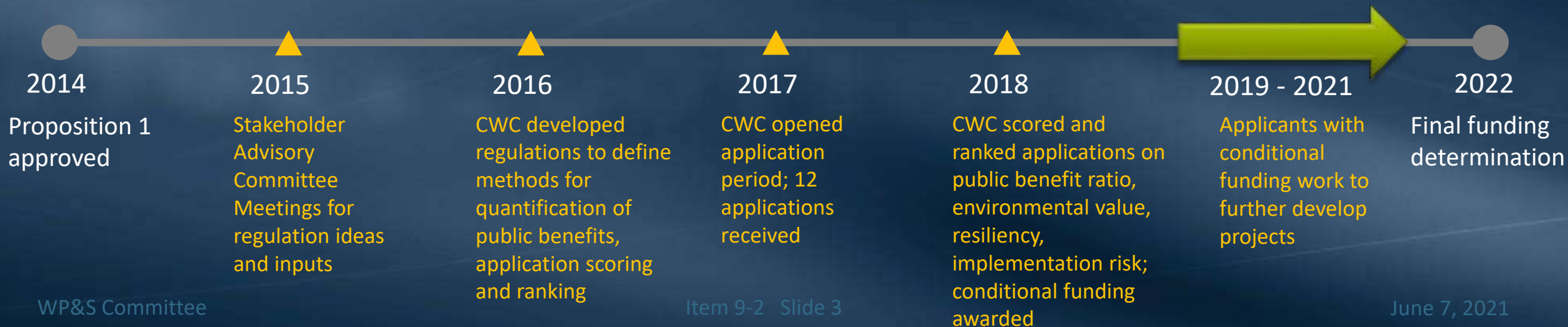
Proposition 1 Background

- Proposition 1 approved November 2014
 - State water bond for water system investments
 - Total \$7.5 billion in funding, \$2.7 billion specifically for water storage projects
- California Water Commission (CWC) uses the Water Storage Investment Program (WSIP) to allocate the \$2.7 billion
 - Provides funding for projects based on their public benefit



Proposition 1 WSIP Application Process

- Proposition 1 defined public benefits as:



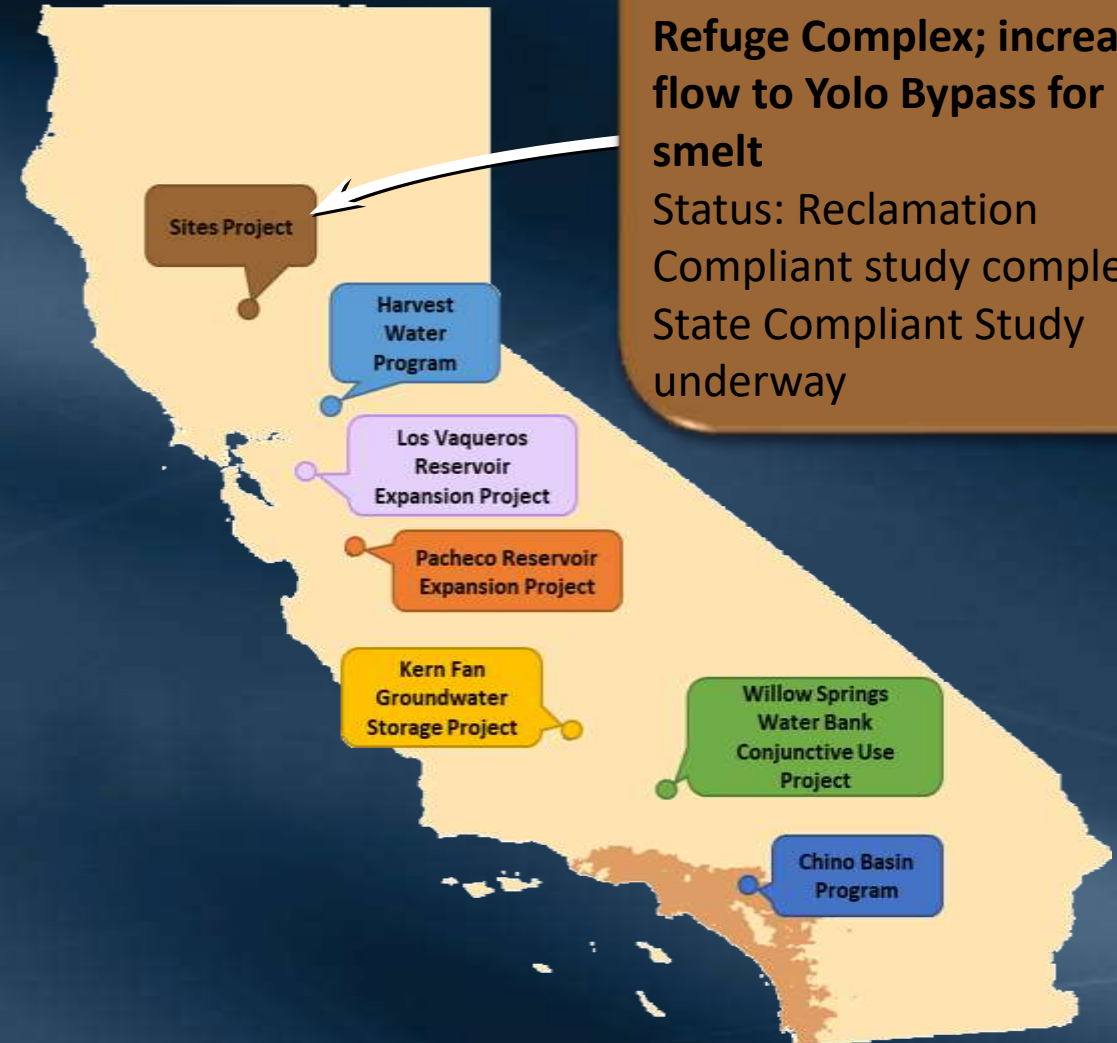
Proposition 1 WSIP Update

- In July 2018, the CWC chose eight projects for conditional funding
 - One project has since withdrawn
- Projects would increase water storage capacity by 4.3 million acre-feet



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Additional delivery to Sacramento National Wildlife Refuge Complex; increased flow to Yolo Bypass for Delta smelt
Status: Reclamation Compliant study completed; State Compliant Study underway

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Increase flows for Fall-Run Chinook salmon, wetland and riparian habitat enhancements, active management of Vernal Pool habitat
Status: Final feasibility study complete; Primary CEQA documents underway

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Physical improvements to Rock Slough Fish Screen Facility; increased delivery to south of Delta wildlife refuges
Status: Final Federal feasibility study complete; Ongoing coordination with CWC and local agencies

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Releases to Pacheco Creek for steelhead habitat; increased delivery to south of Delta refuge in below normal water years
Status: Alternative analysis technical memos are being finalized; Draft EIR underway

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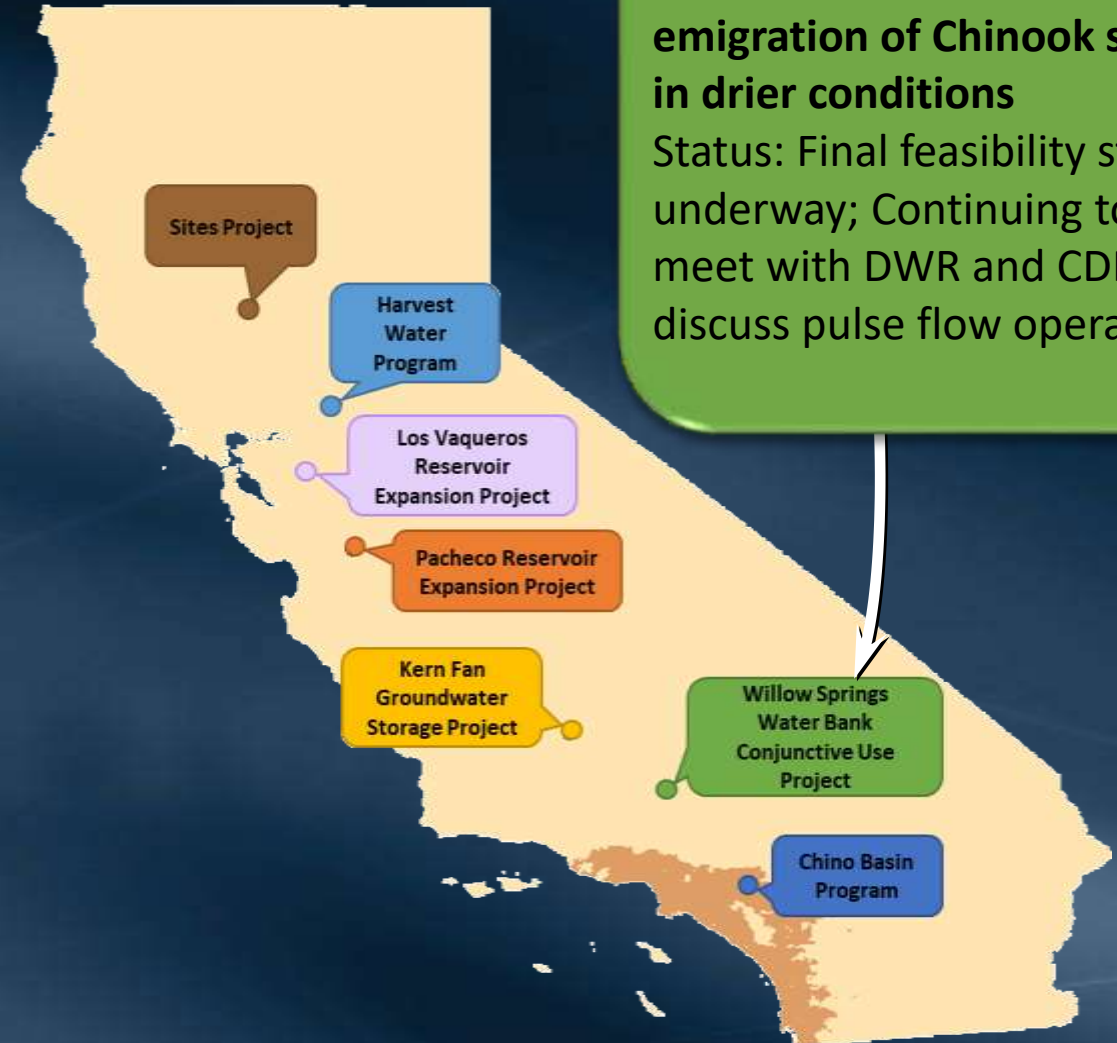
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Incidental wetland habitat;
Pulse flow releases from
Lake Oroville to aid spring
and winter-run Chinook
salmon emigration when dry
Status: Notice of
Determination for EIR
completed; technical
memorandums underway

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Pulse flow releases from Lake Oroville to aid emigration of Chinook smolts in drier conditions
Status: Final feasibility study underway; Continuing to meet with DWR and CDFW to discuss pulse flow operations

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Pulse flow releases from Lake Oroville to aid Chinook smolt and surrounding ecosystem during drier conditions

Status: Final feasibility report underway; Continuing to meet with DWR and CDFW to discuss pulse flow operations

WSIP Pulse Flow Project Framework



1. California Dept. of Fish & Wildlife aims to provide pulse flows to Feather River

2. To balance water used for pulse flow, DWR would reduce SWP allocations to a State Water Contractor

3. To compensate for reduced SWP allocations, water would be delivered from the WSIP groundwater project to the State Water Contractor

The Chino Basin Program (CBP)

- Water exchange program proposed by IEUA
- Contains treatment, storage, and distribution components
- IEUA would construct an advanced water treatment facility to treat up to 15,000 AFY of wastewater
 - Treated water would be stored in Chino Basin
- Under a call year, SWP contractor would exchange an equivalent amount of SWP supplies for Chino Basin groundwater
- CBP has been developing under a tenet of “No Harm”

CBP – How Would It Work?

New AWTF to treat
up to 15,000 AFY



Treated water is
stored in Chino Basin

State Calls for Exchange
(Up to 50 TAFY)

Up to 50 TAF equivalent
exchange of SWP supplies
and Chino Basin supplies

Stored groundwater from
Chino Basin would be
provided to MWD

- Exchange would be up to 375 TAF over 25 years
- State could request up to three consecutive years, if sufficient stored groundwater available
- After 25-year program term, stored water would be used for local supply

CBP Funding

- Estimated CBP capital cost is \$650 million
 - Costs include infrastructure, treatment, system connection to a SWP contractor, injection and recovery wells, etc.
- State is funding \$212 million through WSIP conditional award
- IEUA would fund the remaining \$438 million
- Metropolitan would not provide funding, but would act as a facilitating SWP Contractor to enable the exchange of water supply

Program Benefits

State and Public

- Environmental benefits for Chinook salmon and surrounding ecosystem
- Additional flows in Feather River could alleviate significant ecosystem impacts during dry and critical years



Program Benefits

State and Public

IEUA/Chino Basin

- New AWTF will allow IEUA to meet advanced water treatment requirements
- Treated water would reduce salinity and improve overall water quality in the Chino Basin
- Chino Basin is increasing managed storage capacity up to 1 MAF, which can be more effectively used with proposed program facilities



Program Benefits

State and Public

IEUA/Chino Basin

MWD/Regional

- Improves regional reliability & system flexibility within MWD's service area
- Provides option for additional supplies in a SWP exclusive area of MWD's system
- Includes emergency use provision for up to 50 TAF
- Sets precedent of assigning monetary value to environmentally beneficial water supplies

Next Steps

- CBP will work towards developing a WSIP Delta Operations agreement with DWR
 - Create a term sheet for local operations and groundwater exchange
- IEUA will continue developing the Final Feasibility Report
 - WSIP deadline of January 1, 2022 to secure final funding
- Metropolitan provided a letter of intent to continue collaborating with IEUA as its potential facilitating SWP contractor to further develop the CBP
 - Under tenet of “No Harm” no adverse affects to any parties or participants of the program

