

# **AGENDA**

## **PANOCHÉ WATER DISTRICT**

### **SPECIAL BOARD OF DIRECTORS MEETING**

**April 26, 2022 – 9:30 a.m.**

**CONSISTENT WITH RESOLUTION NO. 805-22 PROCLAIMING A LOCAL EMERGENCY AND  
AUTHORIZING REMOTE TELECONFERENCE BOARD MEETINGS THROUGH APRIL 28, 2022,  
PURSUANT TO AB 361, THE OPEN SESSION OF THIS MEETING MAY BE JOINED  
FROM YOUR COMPUTER, TABLET OR SMARTPHONE THROUGH THE FOLLOWING MEANS:**

**<https://meet.goto.com/409331813>**

**AND PLEASE DIAL**

**Conference call in number: (844) 783-6236      Passcode: 209 364 6136**

**PRESIDENT’S ANNOUNCEMENT:** Pursuant to Government Code Section 54952.3, let it be known that Board Members receive no compensation or stipend for simultaneous or serial order meetings of the Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

- 1. CALL TO ORDER**
- 2. REVIEW OF AGENDA:** The Board will consider corrections to the Agenda.
- 3. ROLL CALL:** A quorum will be confirmed and the Board will consider appointment of an acting Officer(s) in the event the President, Vice-President, and/or Secretary is absent from the meeting.
- 4. POTENTIAL CONFLICTS OF INTEREST:** Any Board member who has a potential conflict of interest may now identify the Agenda Item and recuse themselves from discussing and voting on the matter. [Government Code Section 87105]
- 5. PUBLIC COMMENT:** The Board of Directors welcomes participation in Board meetings. The public may address matters under the jurisdiction of the Board that have not been posted in the Agenda. The public will be given the opportunity to address the Board on any item in the Agenda at this time or before the Board’s consideration of that item. If members of the public desire to address the Board relative to a particular Agenda item at the time it is to be considered, they should so notify the President of the Board at this time. Please note, California Law prohibits the Board from taking action on any matter during a regular meeting that is not on the posted Agenda unless the Board determines that it is an emergency or one of the other situations specified in Government Code Section 54954.2. During a special meeting, the Board may not take action on any matter that is not on the posted Agenda. The President may limit the total amount of time allocated for public comment on particular issues to 3 minutes for each individual speaker.

### **ACTION ITEMS**

6. The Board to review and consider a Resolution determining that during the Governor’s proclaimed state of emergency due to the COVID-19 pandemic, meeting in person would present imminent risk to the health or safety of attendees (Azhderian – Tab 2);
7. The Board to review and consider authorizing execution of the San Luis & Delta-Mendota Water Authority B.F. Sisk Dam Raise and Reservoir Expansion Project Activity Agreement (Azhderian/Arroyave – Tab 3);
8. **PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION:** Conference with Legal Counsel.
  - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):  
  
Number of Cases: Ten
9. **REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**
10. **CLOSED SESSION**
  - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):  
  
Number of Cases: Four
  - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Pursuant to Section 54956.9(d)(1):  
  
Names of Cases:
    - i. Stephen W. Sloan vs. Panoche Water District  
Fresno County Superior Court Case No. 18CECG00511
    - ii. Imani Percoats & Chris Bettencourt vs. Panoche Water District  
Fresno County Superior Court Case No. 18CECG01651
    - iii. Greenhouse Ranch v. Panoche Water District, et al.  
Merced County Superior Court Case No. 21CV-01348
    - iv. Center for Biological Diversity, et al. v. United States, et al.  
US District Court, E.D. Cal, Case No. 1:20-CV-00760 DAD-EPG
    - v. North Coast Rivers Alliance, et al. v. Kenneth Salazar, et al.  
US District Court, E.D. Cal., Case No. 1:16-cv-00307-DAD-SKO
    - vi. Firebaugh Canal Water District & Central California Water District v. United States, et al.  
US District Court, E.D. Cal., Case 1:88-cv-00634-LJO-SKO

**C. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Section 54957.6:

Agency Designated Representative: Ara Azhderian, General Manager

Employee Organization: International Brotherhood of Electrical Workers Local 1245

**11. REPORT FROM CLOSED SESSION****12. CVP OPERATIONS & WATER SUPPLY UPDATE****13. FUTURE MEETING DATES**

A. The Board to Set Special Meeting Date(s): *None requested.*

B. Next Regular Meeting Date: May 10, 2022

**14. ADJOURNMENT**

- ❖ Items on the Agenda may be taken in any order.
- ❖ Action may be taken on any item listed on the Agenda.
- ❖ Writings relating to open session: Agenda items that are distributed to members of the Board of Directors will be available for inspection at the District office, excluding writings that are not public records or are exempt from disclosure under the California Public Records Acts.

Americans with Disabilities Act of 1990: Under this Act, a qualifying person may request that the District provide a disability-related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes alternative formats for the agendas and agenda packets used for any public meetings of the District. Requests for assistance shall be made in person, in written form, or via telephone by calling (209) 364-6136. Requests must be received at least 18 hours prior to a scheduled public meeting.

Investment Information Disclaimer: This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq., and has not been prepared with a view to informing an investment decision in any of the District's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the District's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the District on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.



## **PANOCHÉ WATER DISTRICT RESOLUTION NO. 806-22**

### **A RESOLUTION OF THE BOARD OF DIRECTORS PROCLAIMING A LOCAL EMERGENCY, RATIFYING GOVERNOR NEWSOM'S MARCH 4, 2020, PROCLAMATION OF A STATE OF EMERGENCY, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF PANOCHÉ WATER DISTRICT THROUGH MAY 25, 2022 PURSUANT TO BROWN ACT PROVISIONS**

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WHEREAS, the Panoche Water District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Panoche Water District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, on March 4<sup>th</sup>, 2020, Governor Newsom proclaimed a State of Emergency due to the COVID-19 pandemic and such proclamation has not as of the date of this Resolution been lifted; and

WHEREAS, due to what may be the sensitivity of some members of the public as well as to members of the Board and District staff, the contagious nature of COVID-19, including variants of the virus, and current guidance from federal, state, and local agencies that social distancing reduces the transmission of the virus, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board of Directors does hereby find that the current status of the COVID-19 pandemic has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the Proclamation of a State of Emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of Panoche Water District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, District notices and agendas shall provide a reasonable means for members of the public to meaningful participate in public meetings of the District; and

**NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:**

1. The Board of Directors of the Panoche Water District hereby finds and determines the above Recitals are true and correct and are incorporated herein by this reference.
2. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person would present a significant risk to the health and safety of those participating in person.
3. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance on March 4, 2020.
4. The General Manager, or his designee, and legislative bodies of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
5. This Resolution shall take effect on April 26, 2022, and shall be effective until the earlier of (i) May 26, 2022, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without strictly complying with certain provisions of the Brown Act due to the ongoing COVID-19 pandemic and resulting State of Emergency.

PASSED AND ADOPTED this 26<sup>th</sup> day of April 2022, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

Ayes:  
Nays:  
Abstain:  
Absent:

BACK

\_\_\_\_\_  
John Bennett, President

Attest: \_\_\_\_\_  
Mike Stearns, Secretary

**CERTIFICATE OF SECRETARY  
OF  
PANOCHÉ WATER DISTRICT,  
A California Water District**

I, Mike Stearns, do hereby certify that I am the duly authorized and appointed Secretary of the Panoche Water District, a California Water District (the "District"); that the foregoing is a true and correct copy of that certain resolution duly and unanimously adopted and approved by the Board of Directors of the District on the 26<sup>th</sup> day of March 2022; and that said resolution has not been modified or rescinded and remains in full force and effect as the date hereof:

**IN WITNESS WHEREOF**, I have executed this Certificate on this \_\_\_\_\_ day of April 2022.

\_\_\_\_\_  
Mike Stearns, Secretary



# B.F. Sisk Activity Agreement (BFSAA)

- Intended to be the governance agreement for the BF Sisk Expansion planning, environmental regulatory compliance, permitting, and design phase (“planning phase”) - ~5 years;
- Execution of the BFSAA is an administrative and organizational action that will not result in a direct physical change in the environment or a reasonably foreseeable indirect change to the environment, and thus is not a project as defined by CEQA Guidelines section 15378(b)(5).
- The BFSAA remains in effect until rescinded or terminated. It is envisioned to be amended or replaced if participants choose to proceed to the construction phase.

# B.F. Sisk Activity Agreement (BFSAA)

- The BFSAA will be informally governed, at least initially, and does provide for the formation of a Steering Committee if more formal governance is desired.
- Annual budgets will require support from each participant. The SLDMWA will account for funds separately, will invoice on its regular schedule, and will true-up budgeted amounts to actual on an annual basis.
- The BFSAA provides for potential amendment for borrowing to support the planning phase, if necessary and agreed upon by all participants.

# B.F. Sisk Activity Agreement (BFSAA)

- The initial planning budget of \$1M was established by the SLDMWA and funded through its FYE-2023 Leg Ops budget. This amount is considered a loan to be repaid by the BFSAA participants.
- Panoche's share will be dependent upon the number of SLDMWA participants and their CVP contract quantities:
  - Low end estimate = \$53,000/yr. or ~\$1.00/AF or \$1.40/AC on average;
  - High end estimate = \$60,000/yr. or ~\$1.10/AF or \$1.60/AC on average.
- Actual costs will vary depending upon project needs, annual expenditures, and potential changes in participation.

# B.F. Sisk Activity Agreement (BFSAA)

- The B.F. Sisk EIR/EIS objectives include:
  - Increasing long-term reliability and quantity of yearly allocations to South-of-Delta contractors dependent on San Luis Reservoir.
  - Increasing the certainty of access to supplies stored by South-of-Delta contractors in San Luis Reservoir in subsequent water years.
- Project opportunities include improved operational flexibility and water supply reliability.
- Alternatives evaluated include:
  - No Project/No Action Alternative – The baseline includes the Safety of Dams seismic upgrade project;
  - Non-Structural Alternative – Proposes to change the CVP annual allocation process to reserve up-to 310,000 AF from wetter years for allocation in drier years
  - Dam Raise Alternative – Proposes to raise the dam an additional 10 ft to store an additional 130,000 AF. This alternative considers 3 sub-alternatives:
    - CVP-Only Storage
    - CVP-SWP Split Storage
    - Investor Directed Storage

# B.F. Sisk Activity Agreement (BFSA)

- The B.F. Sisk Expansion potential outcomes:
  - CVP-Only Storage
    - Reclamation would allocate water annually under its current allocation method.
      - Potential supply benefit up-to 4,200 AF fifty percent of the time
      - Potential cost allocated to PWD through CVP rates ~\$ 32,600,000
  - CVP (45%) -SWP (55%) Split Storage
    - Reclamation would allocate water annually under its current allocation method.
      - Potential supply benefit up-to 1,900 AF fifty percent of the time
      - Potential cost allocated to PWD through CVP rates ~\$ 14,670,000
  - Investor Directed Storage
    - Water could be stored by participant when available for use in years when needed absent the risk of “spill” but subject to evaporation loss.
      - Potential supply benefit up-to 7,150 AF when needed
      - Potential cost allocated to PWD through bond repayment ~\$ 55,000,000

# Other Major CVP Projects

- B.F. Sisk Safety of Dams Seismic Upgrade Project
- Delta-Mendota Canal Subsidence Correction Project
  - Delta-Mendota – California Aqueduct Intertie Expansion Project
- San Luis Transmission Project
- Voluntary Agreements

# B.F. Sisk Safety of Dams Seismic Upgrade Project

- The 382 foot-high earthfill dam was built between 1963 and 1967.
- In 2003, a Comprehensive Facility Review identified seismic risks that exceeded Reclamation's Public Protection Guidelines.
- The upgrade includes addition of shear keys and downstream stability berms and raises the dam crest by 12 feet to provide seismic stability for the embankment during a large earthquake.
- The ROD for the upgrade was signed in December 2019.
- The estimated capital cost of the upgrade is \$1.1 billion.

# B.F. Sisk Safety of Dams Seismic Upgrade Project

- Under Safety of Dams, 15% of the upgrade cost is reimbursable.
- The federal share will be 45% of the 15%.
- Repayment of the reimbursable CVP cost will be in accordance with the WIIN Act.
- The total CVP reimbursable share could be \$ 74,250,000.
- PWD's reimbursable share could be \$2,420,500 over 5 years.
  - ~\$12.80 per acre
  - ~\$8.80 per acre-foot



# Delta-Mendota Canal Subsidence Correction Project

- The USGS, Reclamation, and SLDMWA have been monitoring DMC subsidence for years.
- Reclamation and SLDMWA have entered into a Financial Assistance Agreement to perform planning, environmental regulatory compliance, permitting, and design work (“planning phase”) over the next ~5 years on a 50/50 cost share basis.
- A DMC Subsidence Correction Project Value Planning Study, an Appraisal Level Cost Estimate, and a Feasibility Study of Alternatives have been completed and a Professional Services Agreement entered in to prepare a Reclamation compliant Feasibility Report.

# Delta-Mendota Canal Subsidence Correction Project

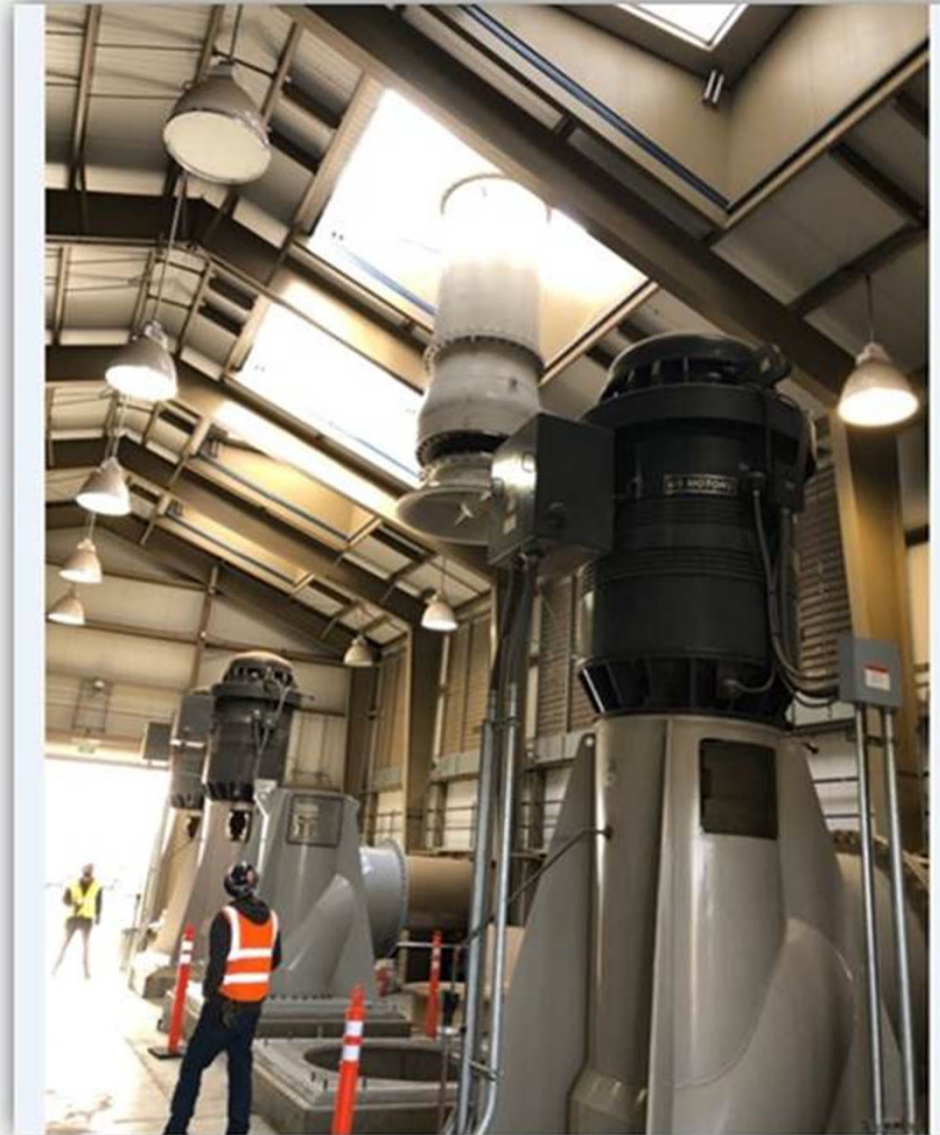
- A Feasibility Study was authorized in February 2022, and is expected to cost ~\$2.40M.
- Work leading up to the Feasibility Study has cost ~\$3.277M.
- SLDMWA has received a DWR grant for \$3.3M to help fund the work.
- It is anticipated the balance of the planning effort will cost ~\$6.0M.
- PWD's contributions to date have been through the SLDMWA's annual budgets.
- Construction is expected to begin in 3-5 years at an expected cost of \$700M with an anticipated cost share of 1/3 federal, 1/3 state, and 1/3 local.
- PWD's share of construction could be \$7.6M.

## Delta-Mendota – California Aqueduct Intertie Expansion Project

- The DCI connects the Delta-Mendota Canal and California Aqueduct at a location generally west of the City of Tracy.
- It addresses DMC conveyance conditions that restrict use of the Jones Pumping Plant to less than its design capacity, potentially restoring as much as 35,000 AF of average annual deliveries SOD.
- As originally constructed, the DCI could pump about 450 CFS up to the Aqueduct and pass gravity flow about 900 CFS down to the DMC.
- The purpose of the expansion project is to install two new pumps to increase capacity by about 150 CFS to about 600 CFS.

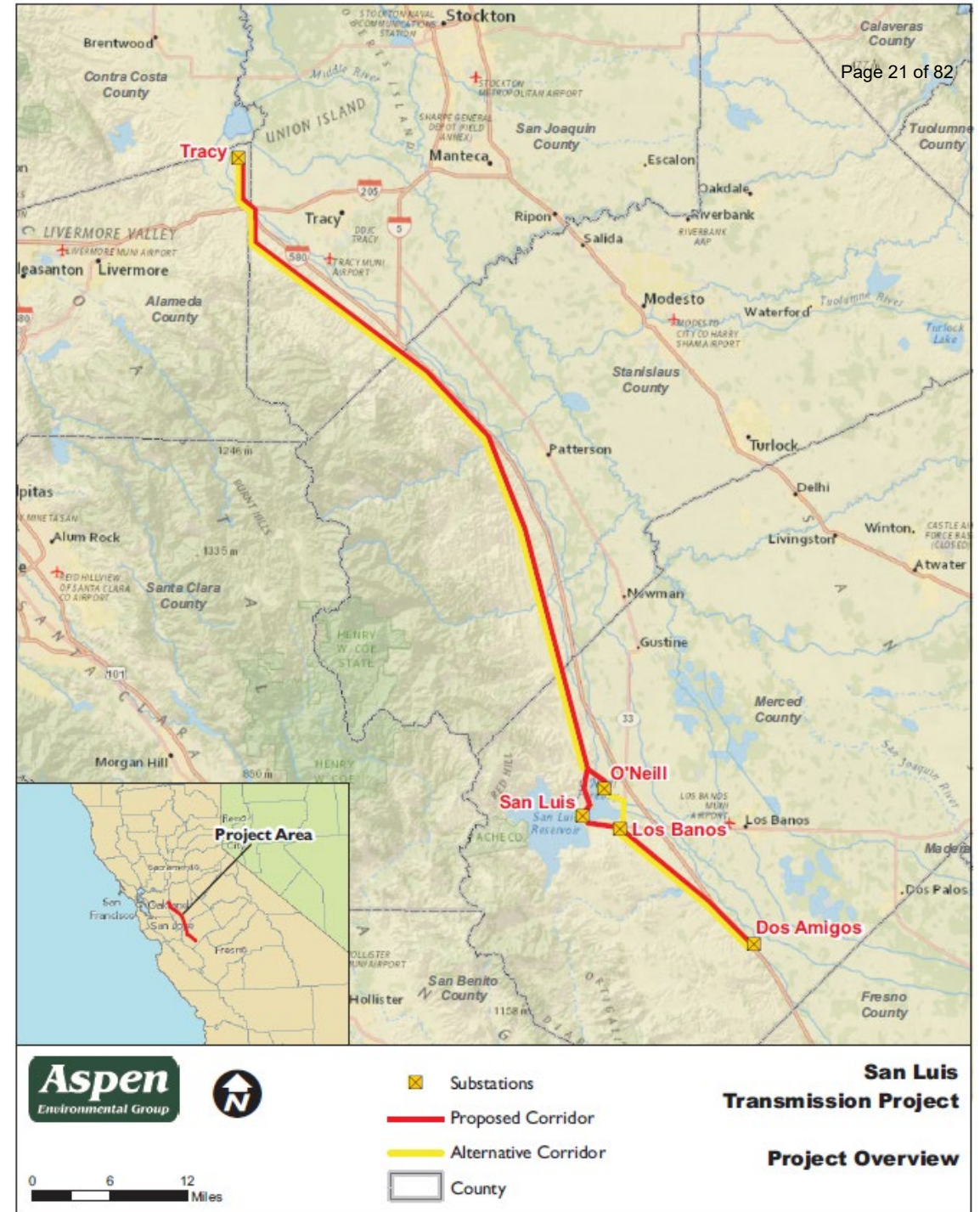
# Delta-Mendota – California Aqueduct Intertie Expansion Project

- Installation of 2 new pumps is expected to be complete by July 2022.
- Project cost is estimated at \$5M.
- Project cost will be recovered through Reclamation's O&M pursuant to its rate-setting policy and the WIIN Act.
- PWD's share could be about \$163K or ~\$0.44/AF, on average.



# San Luis Transmission Project

- The SLTP is a new 600 MW, 230 KV, bi-directional transmission project about 85 miles in length connecting the Western Area Power Administration's Tracy Substation, near the Jones Pumping Plant, to the San Luis Unit facilities located at the San Luis, O'Neill, and Dos Amigos substations.
- The aim of the projects is to avoid the CAISO Transmission Access Charge (TAC), which add millions annually to the CVP's O&M cost.
- The project could also provide additional revenue by selling excess transmission capacity.





# San Luis Transmission Project

- The SLDMWA authorized issuance of revenue bonds to fund the SLTP in October 2021.
- The SLDMWA entered into a Letter of Intent with a solar developer to facilitate financing, construction, and marketing of the SLTP.
- The combination of avoided TAC and potential transmission revenue could result in a return-on-investment in about 15 years.
- The estimated project cost, including financing, is up-to \$985M.
- PWD's share of the cost could be up-to \$32,100,000 over 35 years:
  - ~\$24.14 per acre
  - ~\$16.68 per acre-foot

# Voluntary Agreements

- Reclamation, DWR, the State Water Resources Control Board, state and federal fish and wildlife agencies, environmental organizations, and public water agencies have been negotiating Voluntary Agreements (VA's) as an alternative to the SWRCB proposed "unimpaired" flow objectives for the Delta watershed.
- The VA's aim to implement a comprehensive approach to fish and wildlife enhancement through improved habitat and flow.
- The VA's would require authorizing legislation, environmental review, and other approval processes to implement – 3-5 years.
- The VA's could result in additional water cost – ~\$10/AF.





### B.F. Sisk Activity Agreement Summary

- SLDMWA has been working with Reclamation for several years now on B.F. Sisk Dam. Two main projects are being considered:
  - Safety of Dams Modification Project – ~12 ft raise, no increase in storage, 15% reimbursable, estimated completion date 2029, estimated cost +\$1B.
  - Reservoir Expansion Project – an additional ~10 ft raise and estimated 130,000 af of new storage, reimbursable – funding source currently unknown, cost shares currently unknown, construction cost currently unknown, completion date currently unknown.
- Why an Activity Agreement now?
  - Certain SLDMWA members want to hire a Project Manager to manage and accelerate movement of the project.
  - Funding is needed to complete planning, environmental regulatory compliance, permitting, and design activities (“planning phase”). Major elements of the project include:
    - developing final participation and operations plans,
    - raising the dam,
    - raising/modifying Highway 152,
    - raising the inlet/outlet tower and spillway, and
    - moving/modifying recreational areas.
  - SLDMWA has set an initial budget amount of \$1,000,000, to be funded by the BFSAA participants, likely to be expended over the next 1-2 years. The planning phase is expected to last about 5 years. Part of this funding will reimburse non-participating SLDMWA members for costs incurred since Mar 1, 2022.
- Key Terms
  - This BFSAA is intended to address the current planning phase. It is anticipated the BFSAA will be amended or replaced if the project shifts to construction and operation.
  - Participants may form a separate governance body, like the GBD steering committee.
  - The Agreement contemplates amendment if incurring debt becomes part of the current planning phase.
  - Participation cost share will be the percentage of each participant’s respective contract quantity.
  - Participation percentages can change due to execution of a cost share agreement, or the addition/withdrawal of a participant.
  - Participants may withdraw at anytime effective 15 days after written notice. Withdrawing participants are responsible for cost incurred up to their withdrawal. Remaining participants may avoid assuming a greater proportion of the project due to a member’s withdrawal if the other remaining participants agree to assume the entire share or the share is assigned to another participant.
  - A decision to join the BFSAA is open until May 9, 2022. After, new participants will require unanimous consent of the BFSAA participants and approval by the SLDMWA Board.



**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY**  
**B.F. SISK DAM RAISE AND RESERVOIR EXPANSION PROJECT**  
**ACTIVITY AGREEMENT**

This **B.F. SISK DAM RAISE AND RESERVOIR EXPANSION PROJECT ACTIVITY AGREEMENT** (“**Activity Agreement**”) is entered into and made effective as of this \_\_\_\_ day of 2022 (“**Effective Date**”), by and among the San Luis & Delta-Mendota Water Authority, a joint powers agency of the State of California (“**Authority**”), and its members who execute this Agreement, who are hereinafter referred to jointly by the plural term “**Activity Agreement Members**.” Capitalized terms used in this Activity Agreement shall have the meanings set forth in Section 2 below.

**1. RECITALS**

A. The parties to this Activity Agreement, together with certain other local agencies, have entered into an amended and restated Joint Exercise of Powers Agreement-San Luis & Delta-Mendota Water Authority dated as of January 1, 1992 (the “**JPA**” or “**JPA Agreement**”), by and among the parties indicated therein, establishing the Authority for the purpose of exercising the common powers of the Activity Agreement Members, including those powers described in this Activity Agreement.

B. The Activity Agreement Members are each empowered, among other powers, to provide water service to lands within their boundaries; to operate and maintain works and facilities for the development, distribution, and use of water for irrigation and for any drainage or reclamation works connected therewith or incidental thereto and/or to operate and maintain works and facilities for the development, distribution and use of water for municipal and industrial use; to contract with the United States, the State, and other public agencies and, effective January 1, 1995, with mutual water companies, for such purposes; to control the quality of water accepted into their respective systems; to exercise powers related to the construction, operation, or maintenance of water storage and delivery facilities; and to adopt rules and regulations necessary to the exercise of such powers.

C. The Activity Agreement Members have each entered into contracts with the United States for water from the Central Valley Project (“**CVP**”) and receive water conveyed through the Delta-Mendota Canal, the San Luis Canal, and/or the Pacheco Pumping Plant and Tunnel.

D. For several years to come, because of hydrologic conditions and/or regulatory constraints, the operation of the CVP by the United State Bureau of Reclamation (“**Reclamation**”) will likely result in shortages of supply, which would result in less water being made available to the members of the Authority than required to meet the demands of their customers.

E. The Authority has authorized execution of a series of cost-share agreements with federal parties regarding collaboration on the planning, preliminary design, and environmental compliance for the B.F. Sisk Dam Raise and Reservoir Expansion Project (“**Reservoir Expansion Project**” or “**Project**”), to seek potential storage benefits of the Project for Authority member agencies.

F. Authority member agencies, including the Activity Agreement Members, have paid the costs associated with planning to date.

G. The Authority, together with Reclamation, has considered the feasibility of the Reservoir Expansion Project to, among other things, increase long-term reliability and quantity of yearly allocations to south-of-Delta CVP contractors dependent on San Luis Reservoir, increase the certainty of access to supplies stored by south-of-Delta CVP contractors in San Luis Reservoir in subsequent water years, and provide additional surface water access during drought periods, while maintaining benefits from the existing San Luis Reservoir.

H. The planning to date for the Project included, but was not limited to, planning for the construction of an expanded San Luis Reservoir with a total additional capacity of 130,000 acre-feet, and related modification to Highway 152.

I. The Authority anticipates the need to hire a Project Management Consultant to manage this effort and to execute a cost share agreement with Reclamation for Reservoir Expansion Project Planning (“**Cost Share Agreement**”) in the near future, for the purpose of providing cost-sharing to complete planning, permitting, and design activities related to the Project. For design activities, the separate project components are the Sisk Dam Raise, Recreation Sites, Tower, Highway 152, bridge, and spillway. The Cost Share Agreement will specify the components on which Reclamation will take the design lead and on which the Authority will take the lead. Subsequent amendments would be expected for construction related activities.

J. Individual Authority member agencies desire to provide cost-sharing, including through the Authority’s execution of the anticipated Cost Share Agreement on their behalf.

K. Each of the parties to this Activity Agreement desires to participate in the benefits and incur the obligations associated with project management and the anticipated Cost Share Agreement, through the joint exercise of their common powers under this Activity Agreement.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the true and correct facts recited above, and of the covenants, terms, and conditions set forth herein, the Activity Agreement Members and the Authority agree as follows:

### **2. DEFINITIONS**

2.1. “**Activity Agreement**” or “**Agreement**” shall mean this B.F. Sisk Dam Raise and Reservoir Expansion Project Activity Agreement.

2.2. “**Activity Agreement Expenses**” shall mean all expenses directly incurred by the Authority pursuant to this Activity Agreement and any agreements executed in conjunction with this Activity Agreement, together with a share of Authority Operating Costs allocable to Members of this Activity Agreement and allocable to any Non-Member Participating Parties through Memoranda of Understanding executed in conjunction with this Activity Agreement.

2.3. “**Activity Agreement Member**” shall mean a member of the Authority who is signatory to this Activity Agreement. The Activity Agreement Members are listed on Exhibit “A” attached hereto.

2.4. “**Activity Participants**” shall mean the Activity Agreement Members and the Non-Member Participating Parties, as defined below.

2.5. “**Administration Agreements**” shall mean those certain agreements between the Authority and Activity Agreement Members for the undertaking of activities and sharing of costs and benefits pursuant to Sections 22 and 23 of the JPA.

2.6. “**Authority**” shall mean the San Luis & Delta-Mendota Water Authority.

2.7. “**Authority Operating Costs**” shall mean the Authority’s rent and other occupancy charges, acquisition costs of office furniture and equipment, including telephone, telecopy, photocopy, cost of cars and other vehicles, insurance premiums, salaries and wages of employees including payments in connection with retirement programs and other benefit programs, fees of

creditors, lawyers, engineers and other consultants, travel, telephone, telecopy, and photocopy expenses, and any other general administrative expenses.

2.8. **“Board of Directors”** shall mean the Board of Directors of the San Luis & Delta-Mendota Water Authority.

2.9. **“Cost Share Agreement”** shall mean the Cost Share Agreement for the B.F. Sisk Dam Raise and Reservoir Expansion Project planning entered into by the Authority on behalf of the Activity Agreement Members.

2.10. **“Fiscal Year”** shall mean the Authority’s March 1 – February 28/29 fiscal year.

2.11. **“JPA”** or **“JPA Agreement”** shall mean that certain Joint Exercise of Powers Agreement effective January 1, 1992, establishing the Authority, as has been and may be amended or restated over time.

2.12. **“Memorandum of Understanding”** or **“MOU”** shall mean an agreement in the form approved by the Activity Agreement Members and Authority Board of Directors between the Authority and a local agency, city, county, or mutual water company that is not a member of the Authority but which desires to participate in this Activity Agreement as a Non-Member Participating Party; **“Memoranda of Agreement”** or **“MOUs”** shall refer collectively to all such Memoranda of Understanding.

2.13. **“Non-Member Participating Party”** shall mean a local agency, city, county, or mutual water company that is not a member of the Authority but which by execution of an MOU agrees to undertake the same obligations and is accorded the same benefits as a member of the Authority that has executed this Activity Agreement. The Non-Member Participating Parties are listed on Exhibit “A” attached hereto.

2.14. **“Participation Percentage”** shall mean each Activity Participant’s allocated share of Activity Agreement Expenses determined as described in Section 10 of this Agreement and set forth on Exhibit “B” as updated from time to time.

2.15. **“Reservoir Expansion Project”** or **“Project”** shall mean the proposed project pertaining to the planning, design, permitting, and other preconstruction activities associated with the B.F. Sisk Dam Raise and Reservoir Expansion Project.

### **3. PURPOSE OF AGREEMENT**

3.1. The purpose of this Activity Agreement is to allow, through the joint exercise of some or all of the common powers of the Activity Agreement Members described in the Recitals above, as appropriate, the Activity Agreement Members to participate through the Authority in the benefits and obligations associated with project management and the anticipated Cost Share Agreement under the terms set forth herein. The Activity Agreement Members anticipate that amendments or additional agreements may be required to progress the Project past planning and design and into construction and operation.

3.2. The parties acknowledge and agree that the Authority's role in this Activity Agreement is to: 1) provide the umbrella joint powers agreement pursuant to which the parties may exercise their common powers and to provide coordinated services at the expense of the Activity Agreement Members; 2) negotiate, implement, and administer the anticipated Cost Share Agreement in coordination with the Activity Agreement Members; 3) provide administrative services for implementation of the Cost Share Agreement, including, but not limited to, providing notices, billing, and accounting services to the Activity Agreement Members during the term hereof; and 4) undertake such additional activities and responsibilities, including project management and supervision of project management as may be requested and funded by the Activity Agreement Members.

### **4. ORGANIZATION**

The business of this Activity Agreement shall be conducted by the Authority at large and therefore be governed by the Board of Directors of the Authority. However, it is recognized that at some time in the future the Activity Agreement Members may wish to form a separate body specifically for the purpose of directing the business of the Activity Agreement. Within eighteen (18) months of the Effective Date, the Activity Agreement Members will evaluate whether to facilitate the formation of an Activity Agreement steering committee. If the Activity Agreement Members unanimously agree, upon that agreement, the Board of Directors of the Authority will consider establishing the organizational structure proposed by the Activity Agreement Members, which will be described in an amendment to this Activity Agreement, and that organizational structure may then serve as the governing body for this Activity Agreement.

**5. ROLE OF AUTHORITY; POWERS RESERVED TO BOARD OF DIRECTORS AND LIMITATIONS THEREON**

5.1. Role of the Authority. The role of the Authority under this Activity Agreement will be to provide, through Authority staff or contracts with consultants, coordinated services to assist the Activity Participants in conducting the activities contemplated by this Agreement. The Authority will provide only those services supported with funding from the Activity Participants, grant funding, or other means that will not impose costs on members of the Authority that are not Activity Agreement Members, in accordance with budgets recommended by staff, and approved by the Activity Participants and the Board of Directors, as more specifically provided under the terms of this Agreement.

5.2. Powers Reserved to Board of Directors and Limitations Thereon.

a) The Board of Directors shall have ultimate approval authority over all Activity Agreement annual budgets based upon the recommendation of staff and approval of the Activity Participants; provided, the Board of Directors may only alter an Activity Agreement annual budget in a manner consistent with the Activity Participants' recommendation.

b) The Board of Directors shall have the right, upon recommendation of or in consultation with staff, and the approval of Activity Participants, to approve all amendments to this Activity Agreement, including any amendment terminating the Activity Agreement, and to approve the MOU with each entity seeking to become a Non-Member Participating Party; provided, that no amendment of this Activity Agreement shall be required to add new Activity Agreement Members prior to May 9, 2022.

c) The Board of Directors shall have the right, upon the recommendation of or in consultation with staff, and the approval of Activity Participants, in the form of formal Board action, to authorize execution of all agreements relating to the Reservoir Expansion Project.

d) The Board of Directors shall have the right, upon the recommendation of or in consultation with staff, and the approval of Activity Participants, to act on any claims and to make decisions concerning the prosecution of, defense of, or other participation in actions or proceedings at law brought against the Authority arising from this Activity Agreement; provided if that action is taken at the request of the Activity Participants then the costs for such action shall be borne by the Activity Participants.



e) The Board of Directors delegates to staff the power to conduct the activities described in this Activity Agreement pursuant to the terms of this Activity Agreement and MOUs, without the required approval of the Board of Directors except as specifically provided in this Section 5.2. This delegation shall specifically include, but not be limited to, the power to enter into contracts within approved Activity Agreement budgets.

## **6. APPROVAL BY AN ACTIVITY PARTICIPANT OR ACTIVITY PARTICIPANTS**

6.1. When the terms of this Activity Agreement or applicable law require the approval of an Activity Participant, written documentation of such approval, whether by Resolution, motion, or other form of authorization, must be provided to the Authority and to each of the other Activity Participants.

a) For actions requiring the approval of only the particular Activity Participant, approval by such Activity Participant is required.

b) When approval of the Activity Participants is required for a particular action, unanimous approval of the Activity Participants will be required relative to the following actions:

6.1.b.1. Admitting a new Activity Agreement Members following the expiration of the date in Section 5.2.b and Section 15.1;

6.1.b.2. Admitting a Non-Member Participating Party at any time;

6.1.b.3. Establishing or modifying the Participant Percentage applicable to the Activity Participants; and

6.1.b.4. Amendment of this Activity Agreement.

c) For all other actions that require approval of the Activity Participants, including approval of an annual budget, the approval of a majority of the Activity Participants will constitute approval of the action.

## **7. BUDGETARY RESPONSIBILITIES**

To the extent that the Authority prepares budgets for this Activity Agreement, the Authority shall coordinate with Activity Participants in the development of any such budgets for the activities authorized by this Activity Agreement, annually or more frequently as needed, for presentation to the Board of Directors of the Authority in accordance with Section 22 of the JPA Agreement. The Authority staff will not present to the Board of Directors a budget for this Activity Agreement unless and until supported by each of the Activity Participants. Budgeted amounts for this Activity

Agreement will be collected through the invoicing process described in Section 10 of this Activity Agreement, and, provided each of the Activity Participants is in agreement, formal amendment of such budgets through Board of Directors of the Authority approval is not required for adjustments of expenditure for activities authorized by this Activity Agreement.

7.1. Initial Budget. To initially fund the budget for this Activity Agreement, the Activity Participants agree to contribute a total of \$1,000,000 according to the Participation Percentages referenced in Section 10 below and described in Exhibit “B” to this Activity Agreement. This initial budget amount will be used, among other purposes, to reimburse the Authority for costs paid to support the Reservoir Expansion Project from March 1, 2022 onward using funds from the Authority’s Fiscal Year 2023 Leg/Ops budget.

7.2. Subsequent Invoicing.

a) The Authority shall invoice each of the Activity Agreement Members for all Activity Agreement Expenses in their respective Participation Percentages on the same schedule as it utilizes for collecting membership dues to implement the Authority budget for each March 1 through February 28/29 fiscal year, generally twice yearly in mid-March and August of each year. Payments are due thirty (30) days following the receipt of the Authority’s invoice.

b) The Authority shall promptly invoice each of the Activity Agreement Members for any additional expenses (e.g. under the anticipated Cost Sharing Agreement), with payments due thirty (30) days following the receipt of the Authority’s invoice.

7.3. Budget to Actual Adjustments. The Authority shall true up budgeted amounts collected from the Activity Participants, grant funding, or other means to actual expenditures annually following the end of each fiscal year. Any over-payments between budgeted and actual expenditures, taking into account any year-end carryover reserve, shall be credited or refunded to each Activity Participant for the period through February 28, 2023, and for each year thereafter, based upon its Participation Percentage. Each Activity Participant shall be billed for any under-payment following the true-up, with payment due thirty (30) days after the invoice is received.

7.4. Funding of Any Future Debt Obligations. To the extent the Authority incurs debt obligations to meet its financial obligations under the anticipated Cost Sharing Agreement, the Activity Agreement Members hereby agree to pay to the Authority their respective shares of costs incurred by the Authority via (1) direct payment (cash) in accordance with any adopted repayment

schedule, or (2) payment of debt service consistent with any adopted repayment schedule. The Activity Agreement Members agree that amendment of this Activity Agreement may be required before any such debt obligations are incurred to finance future planning and design of the Project.

## **8. ACCOUNTABILITY, REPORTS, AND AUDITS**

8.1. Full books and accounts for this Activity Agreement shall be maintained by the Authority in accordance with practices established by, or consistent with, those utilized by the Controller of the State of California for public entities. The books and records shall be open to inspection by the Activity Participants at all reasonable times, and by bondholders and lenders as and to the extent provided by resolution or indenture.

8.2. There shall be strict accountability of all funds deposited on behalf of the Activity Agreement with the Authority. The Treasurer of the Authority, directly or acting through its Accounting Department, shall provide regular reports of Activity Agreement accounts. Funds of the Activity Agreement shall be subject to audit by the official auditor of the Authority. An Activity Participant may request an independent audit of the Activity Agreement funds; such audit shall be conducted at the expense of the requesting Activity Participant.

## **9. ACTIVITY AGREEMENT EXPENSES AND ALLOCATION OF OPERATING COSTS**

9.1. The Authority and the Activity Participants agree that all Activity Agreement Expenses incurred by the Authority under this Activity Agreement are the costs of the Activity Participants, and not of the Authority, and shall be paid by the Activity Participants. Activity Agreement Members and Non-Member Participating Agencies, if any, shall be primarily responsible for determining, among themselves, a fair and equitable apportionment of Activity Agreement Expenses at all stages of the Project and throughout the term of this Activity Agreement.

9.2. The Activity Participants further agree that the Board of Directors is authorized to allocate a share of Authority Operating Costs, which includes a portion of costs addressed by the Administration Agreements, as part of the Activity Agreement Expenses to cover the cost to the Authority of administering this Activity Agreement.

## **10. PARTICIPATION PERCENTAGES**

10.1. Initial Participation Percentages. Beginning with costs incurred by the Authority on or after March 1, 2022, each Activity Agreement Member agrees to reimburse the Authority for that member's share of the actual costs due by the Authority under the anticipated Cost Sharing

Agreement, plus that member's share of any Activity Agreement Expenses (e.g. project management costs, Authority staff time costs, etc.). Each Activity Agreement Member's share will be based on the following formula:

[Activity Agreement Member's CVP Contract Total]

**Divided by**

[Contract Total of all Activity Agreement Members' CVP Contracts]

For example, if there are four (4) Activity Agreement Members, three of which hold CVP contracts for 20,000 acre-feet, and one of which hold CVP contractors for 40,000 acre-feet, the respective participation percentages would be 20%, 20%, 20%, and 40%.

10.2. Changing Participation Percentages. The Participation Percentages will be reconsidered and may be revised in each of the following circumstances:

- a) Execution of Cost Share Agreement;
- b) Addition of Activity Participant(s); and
- c) Withdrawal of Activity Participant(s). Upon the withdrawal of one or more

Activity Participants pursuant to Section 14, the remaining Activity Participants agree that each of them will be allocated a proportionate share of all Activity Agreement Expenses and any associated interests in the Reservoir Expansion Project. Any Activity Participant may be relieved of its obligation to assume the additional proportionate share created by the withdrawal of an Activity Participant if (1) the remaining Activity Participants agree to proportionately assume the withdrawing Activity Participant's share of obligations and benefits, or (2) the Activity Participant is able to assign its proportionate share to another Activity Participant. Any such assignment will occur in accordance with Article 16.3 below.

In addition to the circumstances listed above, the Participation Percentages may be revised at other times if the Activity Participants unanimously agree to a revision.

10.3. Ongoing Documentation of Participation Percentages. The Participation Percentages of each Activity Participant shall be dated and attached as Exhibit "B" to this Activity Agreement, effective upon the date approved by all Parties, without any further amendment of this Agreement being required. Any further amendments to Exhibit "B" may be made using the

procedure included in this Section 10 without any further separate amendment of this Activity Agreement being required.

**11. SOURCE OF PAYMENTS**

Each Activity Participant agrees that it will timely take actions necessary to provide sufficient money to meet its obligations hereunder. Each Activity Participant hereby confirms that the Authority and other Activity Participants are third party beneficiaries of such Activity Participant's obligations under this Agreement and may take such actions in law or in equity as may be desirable to enforce payments hereunder.

**12. INDEMNIFICATION OF AUTHORITY MEMBERS WHO DO NOT PARTICIPATE IN THIS ACTIVITY AGREEMENT**

The Activity Participants shall hold the Authority and each of its members who are not Activity Participants, free and harmless from and indemnify each of them against any and all costs, losses, damages, claims, and liabilities arising actions or inactions taken under this Activity Agreement or the MOUs. This indemnification obligation includes the obligation of the Activity Participants to defend the Authority, and all members of the Authority that are not participants in this Activity Agreement, at the sole expense of the Activity Participants, in any action or proceeding brought against the Authority or any of its members not participating in this Activity Agreement, to recover any such costs, losses, damages, claims, or liabilities arising from this Activity Agreement, as well as the obligation to pay for any and all costs of litigation incurred by the Authority as a result of entering into this Activity Agreement. Such costs may include, but are not limited to, attorneys' fees and costs incurred by the Authority pursuant to approved budgets to defend its provision of services under this Activity Agreement.

**13. TERM**

This Activity Agreement shall take effect on May 9, 2022 ("**Effective Date**"), assuming execution by at least two (2) Authority members prior to that date, and shall remain in full force and effect until this Activity Agreement is rescinded or terminated by the Authority and the Activity Agreement Members, with approval by the Non-Member Participating Parties, if any.

**14. WITHDRAWAL FROM FURTHER PARTICIPATION**

14.1. An Activity Participant may withdraw from this Activity Agreement at any time by providing written notice to the Authority and the other Activity Participants. The withdrawal shall be effective fifteen (15) days after sending the written notice. A withdrawing Activity Participant

shall be responsible for its share of the costs incurred through the effective date of its withdrawal and shall not be entitled to a return of any money paid pursuant to Section 10. However, if a withdrawing Activity Participant withdraws prior to execution of the anticipated Cost Share Agreement, the withdrawing Activity Participant shall have no obligation to pay any future share of the Authority's cost under the anticipated Cost Share Agreement or any additional Activity Agreement Expenses.

14.2. If the Authority withdraws from the anticipated Cost Share Agreement and, Reclamation returns to the Authority any money paid, the Authority shall use its best efforts to ensure that money is refunded proportionately to the Activity Agreement Members that initially contributed it.

## **15. INITIAL MEMBERSHIP/ADMISSION OF NEW MEMBERS**

15.1. Authority Members. Members of the Authority may become Members of this Activity Agreement without Board action through May 9, 2022. After May 9, 2022, admission of new Members shall require amendment of this Activity Agreement and approval by the Board of Directors and the Activity Agreement Members. Such approval of new Members will include terms, if necessary, to ensure the Activity Participants do not bear undue financial obligations, e.g., payment of a proportionate share of the costs previously paid and opportunity costs by Activity Agreement Members under this Activity Agreement.

15.2. Non-Authority Members. A local agency, city, county, or mutual water company that is not a member of the Authority may become a Non-Member Participating Party (and Activity Participant) at any time following the Effective Date, if the existing Activity Agreement Members unanimously approve the admission of the Non-Member Participating Party. Such admission will occur through execution of a MOU and action by the Board of Directors. Such MOU, as appropriate, will include terms, if necessary, to ensure that existing Activity Participants do not bear undue financial obligations, e.g., payment of an equal share of the costs previously paid and opportunity costs by Activity Participants under this Activity Agreement.

15.3. Documentation. The admission of any Activity Participant pursuant to this section shall be documented by that new Activity Agreement Member signing this Activity Agreement or that new Non-Member Participating Party entering into a MOU with the Authority, subject to this Activity Agreement. Upon admission of a new Activity Participant, the parties shall agree to the

participation percentage of such new Activity Participant, to be documented in the above-referenced amendment or MOU and Exhibit “B” to this Activity Agreement.

## **16. MISCELLANEOUS**

16.1. California Environmental Quality Act. The physical, operational, and financial details of the Reservoir Expansion Project have been analyzed by the Authority as lead agency pursuant to the California Environmental Quality Act (“CEQA”) in the Final Environmental Impact Statement/Final Environmental Impact Report (“EIR”). The Authority has not yet certified the EIR or approved the Reservoir Expansion Project, but plans to do so in the near future. The Authority plans to concurrently consider adoption of CEQA Findings of Fact, Mitigation Measures, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations. The Authority and/or Activity Participants and other public agencies may be responsible agencies under CEQA for actions related to the Reservoir Expansion Project; however, the actions contemplated by this Activity Agreement have no potential for physical effects on the environment. Each potential improvement, project, and/or activity subject to this Activity Agreement or other related agreements, have been or will be fully evaluated in compliance with CEQA, as applicable. This Activity Agreement does not, and is not intended to, bind any party to a definite course of action or limit in any manner the discretion of the Authority and/or Activity Participants, or any other public agency, as applicable, in connection with consideration of agreements relating to the Reservoir Expansion Project, including without limitation, all required environmental review, all required public notice and proceedings, consideration of comments received, and the Authority’s and/or Activity Participants’ or other public agencies’ evaluation of mitigation measures and alternatives including the “no project” alternative.

16.2. Amendments. This Agreement may be amended in writing by the Authority and the Activity Agreement Members, with approval from the Non-Member Participating Parties, if any.

16.3. Assignment; Binding on Successors. Except as otherwise provided in this Activity Agreement, the rights and duties of the Activity Participants may not be assigned or delegated without the written consent of the Authority and other Activity Participants. Any attempt to assign or delegate such rights or duties in contravention of this Activity Agreement shall be null and void. Any approved assignment or delegation shall be (1) consistent with the terms of any contracts, resolutions, indemnities, and other obligations of the Authority then in effect, and (2) limited to an

assignment to an existing Activity Participant. This Activity Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Activity Participants.

16.4. Counterparts. This Activity Agreement may be executed by the Authority and the Activity Agreement Members in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

16.5. Choice of Law. This Activity Agreement shall be governed by the laws of the State of California.

16.6. Severability. If one or more clauses, sentences, paragraphs or provisions of this Activity Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Activity Agreement Members and the Authority that the remainder of the Activity Agreement shall not be affected thereby.

16.7. Headings. The titles of sections of this Activity Agreement are for convenience only and no presumption or implication of the intent of the parties as to the construction of this Activity Agreement shall be drawn therefrom.

16.8. Reasonable Cooperation. Activity Participants will reasonably cooperate with each other and the Authority to perform the obligations under this Activity Agreement and to carry out the purpose and intent of this Activity Agreement.

IN WITNESS WHEREOF, the Members and the Authority have executed this Activity Agreement as of the date appearing next to their respective signature lines:

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**ACTIVITY AGREEMENT MEMBERS**

Agency Name: \_\_\_\_\_

Agency Name: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Agency Name: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Agency Name: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A****B.F. SISK DAM RAISE AND RESERVOIR EXPANSION PROJECT ACTIVITY  
AGREEMENT MEMBERS AND NON-MEMBER PARTICIPATING PARTIES**

<b>Agency Name</b>	<b>Participation Status</b> <b>(AA Member or Non-Member Participating Party)</b>

**EXHIBIT B**  
**ALLOCATION OF EXPENSES AMONG ACTIVITY PARTICIPANTS**

<b>Activity Participants</b>	<b>Allocation (%)</b>





# Sisk Dam/San Luis Reservoir

## Overview

B.F. Sisk Dam and San Luis Reservoir, located on the west side of California's Central Valley about 12 miles west of Los Banos, are an integral part of the federal Central Valley Project (CVP) and California State Water Project (SWP). The dam, built between 1963 and 1967, is a 382-foot-high earthfill embankment over 3.5-miles long that impounds San Luis Reservoir, the largest offstream reservoir in the United States. The reservoir has a total capacity of more than 2 million acre-feet, which provides supplemental irrigation water and municipal and industrial water for the federal CVP and SWP. B.F. Sisk Dam, also known as San Luis Dam, is owned by the Bureau of Reclamation and operated by the California Department of Water Resources (DWR). Reservoir storage space is allotted 55% state and 45% federal.



*"What this project also symbolizes is the state working with the federal government; the local community working with the state. This program is unique," stated President Kennedy while keynoting the San Luis Reservoir dedication on August 18, 1962.*

## Safety of Dams Upgrade Project

Reclamation started the Safety of Dams Program in 1978 to ensure Reclamation dams do not present unreasonable risk to people, property, and the environment. The program focuses on evaluating and implementing actions to resolve safety concerns at Reclamation dams.

As part of the Safety of Dams Program, Reclamation delivered a B. F. Sisk Dam Safety of Dams Modification

Report to Congress in August 2020. The billion-dollar effort is Reclamation's largest project under the 1978 Safety of Dams Act, and when complete, will modernize the structure to reduce risks due to seismic events.

The dam safety project will add stability berms and other dam safety features to the existing 3.5-mile-long earthen dam. Increasing the dam crest by 12 feet will reduce downstream public safety concerns by reducing the likelihood of overtopping if slumping were to occur during a large earthquake.

Exploratory blasting at the facility occurred during 2020 in preparation for construction on the multi-year project to begin spring 2022. DWR is a cost-share partner in the project.



*B.F. Sisk Dam is 3.5-miles long; it impounds San Luis Reservoir that provides water to communities, farmland, and Pacific Flyway wetlands south-of-the-Delta.*

## Dam Raise and Reservoir Expansion Project for Water Storage

While implementing safety of dam modifications at B.F. Sisk Dam, Reclamation is partnering with San Luis & Delta-Mendota Water Authority to investigate raising the dam an additional 10 feet to create an extra 130,000 acrefeet of storage in San Luis Reservoir. The additional space would be used to store water that could be delivered to south-of-Delta water contractors and wildlife refuges. This water would meet existing contractual obligations and not serve any new demands.



*Raising B.F. Sisk Dam and expanding San Luis Reservoir would create an additional 130,000 acre-feet of needed water storage south-of-the-Delta—enough water supply for two million people, over one million acres of farmland, and 200,000 acres of Pacific Flyway wetlands.*

A Final Feasibility Report for the project was transmitted to Congress in December 2020. Reclamation anticipates signing a Record of Decision for the project in 2021 after completing other environmental compliance requirements.



*Additional water storage in San Luis Reservoir would benefit wetlands such as Grasslands Wildlife Management Area.*



### Moving Water In and Out of San Luis Reservoir

San Luis Reservoir provides additional flexibility to the federal and state water delivery systems; it allows for storage of excess winter and spring flows diverted from the Delta until the water is needed later in the year by CVP and SWP south-of-Delta contractors.



*Aerial view displays San Luis Reservoir's O'Neill Forebay.*

San Luis Reservoir stores water that has traveled south from the Delta to the reservoir's forebay — the O'Neill Forebay. The water is then pumped uphill into San Luis Reservoir from the forebay, which is fed by CVP's Delta-Mendota Canal and the California Aqueduct. Water is released back into the forebay to continue downstream as needed for CVP and SWP water users.



# **B.F. Sisk Dam Raise and Reservoir Expansion Project Draft Environmental Impact Report/Supplemental Environmental Impact Statement**

**Draft**



Estimated Lead Agency  
Total Costs Associated  
with Developing and  
Producing this EIR/SEIS is  
\$1,348,000

**August 2020**

BACK

# Executive Summary

## ES.1 Purpose of this Environmental Impact Report/Supplemental Environmental Impact Statement

The San Luis & Delta-Mendota Water Authority (SLDMWA) and the United States Department of the Interior, Bureau of Reclamation (Reclamation) are completing the B.F. Sisk Dam Raise and Reservoir Expansion Project Feasibility Study to evaluate alternatives to increase operational flexibility and improve water supply reliability for South-of-Delta Central Valley Project (CVP) and State Water Project (SWP). SLDMWA and Reclamation are also completing this joint Environmental Impact Report/Supplemental Environmental Impact Statement (EIR/SEIS) to evaluate the environmental impacts of these alternatives under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA). SLDMWA is the Lead Agency pursuant to CEQA and Reclamation is the Lead Agency pursuant to NEPA. This report refers to SLDMWA and Reclamation jointly as the Lead Agencies. California Department of Transportation (Caltrans) is serving as a responsible agency pursuant to CEQA and as a cooperating agency pursuant to NEPA.

The EIR/SEIS evaluates increasing storage capacity in San Luis Reservoir to provide greater operational flexibility and water supply reliability for South-of-Delta CVP and SWP water contractors. As an alternative to increasing storage capacity, this EIR/SEIS also evaluates reserving a portion of the CVP share of San Luis Reservoir to provide dry year reliability for South-of-Delta CVP contractors. Increased capacity and reserved supply within San Luis Reservoir would only be used to help meet existing demands and would not serve any new demands in the South-of-Delta CVP and SWP service areas. Reclamation is evaluating this project as a connected action to the B. F. Sisk Dam Safety of Dams (SOD) Modification Project to create additional project benefits by increasing storage within San Luis Reservoir. Reclamation and California Department of Water Resources (DWR) evaluated environmental impacts of the B.F. Sisk Dam SOD Modification Project in 2019 and the EIS/EIR is available here:

[https://www.usbr.gov/mp/nepa/nepa\\_project\\_details.php?Project\\_ID=34281](https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=34281). As a connected action this EIR/SEIS uses the baseline evaluation presented in the B.F. Sisk Dam SOD Modification Project EIS/EIR and considers the incremental impacts of action alternatives presented herein.

## ES.2 Project Background and History

B.F. Sisk Dam was constructed to create the offstream San Luis Reservoir, which provides supplemental storage capacity for the CVP and SWP. Currently, San Luis Reservoir provides 2,027,840 acre-feet of water storage for the CVP and SWP. The water stored in the reservoir is managed for federal (approximately 45%) and state (approximately 55%) uses as part of the CVP and SWP, respectively. Typically, during the winter and early spring, water conveyed from the Sacramento-San Joaquin River Delta (Delta) by the Delta-Mendota Canal (DMC) (a CVP facility)



**B.F. Sisk Dam Raise and Reservoir Expansion Project****Draft Environmental Impact Report/Supplemental Environmental Impact Statement**

and California Aqueduct (a SWP facility) is lifted from O'Neill Forebay into San Luis Reservoir for storage using the pump-turbines in Gianelli Pumping-Generating Plant. Later in the year, when CVP and SWP demand increases, water is released from San Luis Reservoir through O'Neill Forebay and conveyed via the DMC or the San Luis Canal (a joint-use CVP and SWP facility) and California Aqueduct for use by water contractors (Reclamation 2019). As water is released back through Gianelli Pumping-Generating Plant, the plant generates hydropower, which is used to offset the energy demand of the project operations. Water is also diverted from the west side of San Luis Reservoir at the Pacheco Pumping Plant to supply water to two CVP contractors, the Santa Clara Valley Water District (Valley Water), and the San Benito County Water District (Reclamation 2019). In addition to storing and supplying water, San Luis Reservoir provides recreation opportunities.

The B.F. Sisk Dam SOD Modification Project is a federal project that has the potential to influence water supply conditions in San Luis Reservoir. In 2006, Reclamation completed a risk analysis of B.F. Sisk Dam that concluded there is justification to take action to reduce risk to the downstream public from a potential severe earthquake (Reclamation 2006). Consequently, Reclamation, in coordination with the California Department of Water Resources (DWR), completed the B.F. Sisk Dam SOD Modification Project EIS/EIR in December 2019<sup>1</sup>. The Crest Raise Alternative, one of the alternatives evaluated in the study that would reduce the dam safety risk, was selected to be implemented. Raising the crest elevation 12 feet would increase the distance between the water surface and the dam crest (freeboard) to prevent reservoir overtopping and failure in the event of dam deformation from a seismic event.

## **ES.3 Project Purpose and Need/Project Objectives**

### **ES.3.1 Project Purpose and Need**

As a potential funding source for the Proposed Action under the Water Infrastructure Improvements for the Nation (WIIN) Act, and in accordance with the amended Safety of Dams Act, Reclamation's preliminary purpose and need is to evaluate the feasibility report and determine if SLDMWA's request to increase water storage supply provides an additional benefit in conjunction with the current B.F. Sisk Dam SOD Modification Project, is consistent with Reclamation Law, can support a Secretary of Interior's finding of feasibility, has federal benefits pursuant to the WIIN Act, and can be accomplished without negatively impacting the B.F. Sisk Dam SOD Modification Project.

### **ES.3.2 Project Objectives**

Hydrologic variability and regulatory requirements in the Delta continue to restrict the amount of water that Reclamation and DWR can pump. These limitations cause water supply reliability concerns for CVP and SWP contractors that receive water supplies through Delta conveyance. Regulatory changes, project operations, and overall growth in surface water demand are expected to increase reliance on San Luis Reservoir supplies in the future. These conditions all contribute to a need for actions to improve water supply reliability and operational flexibility south of the Delta.

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<sup>1</sup> The B.F. Sisk Dam SOD Modification Project Final EIS/EIR is available for review at the following hyperlink:  
[https://www.usbr.gov/mp/nepa/nepa\\_project\\_details.php?Project\\_ID=34281](https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=34281)

## Executive Summary

SLDMWA has developed additional objectives to optimize the water supply benefits of San Luis Reservoir while reducing additional risks to South-of-Delta contractors by:

- Increasing long-term reliability and quantity of yearly allocations to South-of-Delta contractors dependent on San Luis Reservoir.
- Increasing the certainty of access to supplies stored by South-of-Delta contractors in San Luis Reservoir in subsequent water years.

### **ES.3.3 Project Opportunities**

#### ***ES.3.1.1 Operational Flexibility***

Operational flexibility allows water agencies to manage water supplies efficiently by increasing supply and storage management options. Implementing the B. F. Sisk Dam Raise and Reservoir Expansion Project would provide increased storage options to CVP contractors to store non-Project water.

#### ***ES.3.1.2 Water Supply Reliability***

In years when CVP contractors choose to conserve portions of their allocation for use in a subsequent dry year, those contractors can choose to leave that unused supply in San Luis Reservoir as carried-over water. The contractors, in storing this carried-over supply in San Luis Reservoir, take on a risk of potentially losing it if San Luis Reservoir fills the next year and that supply is “spilled” (converted to CVP supplies for following year’s allocation). The CVP contractors also store their supplemental supply (non-Project water) such as transfer water or conserved water into a subsequent year. The contractors also risk losing this water if San Luis Reservoir fills. Implementing the B.F. Sisk Dam Raise and Reservoir Expansion Project could increase storage capacity and reduce the likelihood of carried-over supply and other water being lost to CVP contractors. Additionally, Reclamation could also capture more project water if excess flows become available.

## **ES.4 Study Area**

The study area for this EIR/SEIS (Figure ES-1) includes San Luis Reservoir where construction impacts under the action alternatives would occur. The study area also includes the Delta, all South-of-Delta CVP and SWP contractors’ service areas and related water infrastructure including the California Aqueduct, DMC, and San Luis Canal due to the operational impacts of the action alternatives.

## **ES.5 Alternatives Evaluated in this EIR/SEIS**

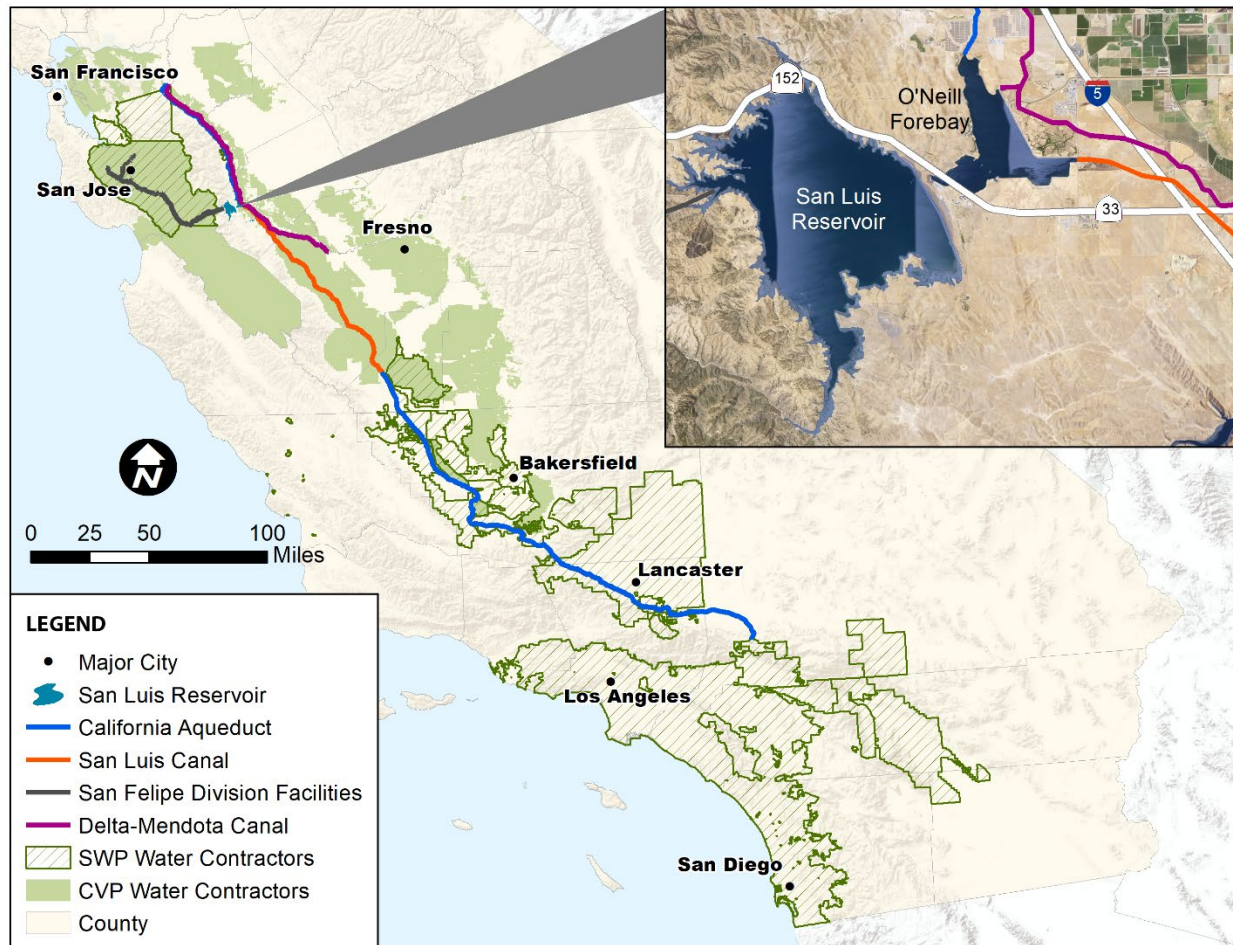
### **ES.5.1 Alternative 1: No Project/No Action Alternative**

Both CEQA Guidelines (Section 15126.6) and NEPA regulations (40 Code of Federal Regulations 1502.14(d)) require the evaluation of a No Project Alternative or No Action, which presents the reasonably foreseeable future condition in the absence of the proposed project. Additionally, CEQA Guidelines (Section 15125(a)(1)) also require a comparison to a baseline reflecting existing conditions. This EIR uses the baseline evaluation presented in the B.F. Sisk Dam SOD Modification Project EIS/EIR (Reclamation 2019), which remains a current and accurate representation of existing conditions. In this EIR/SEIS Alternative 1, the No Project/No Action Alternative, reflects

## B.F. Sisk Dam Raise and Reservoir Expansion Project

## Draft Environmental Impact Report/Supplemental Environmental Impact Statement

the implementation of the crest raise actions evaluated in the B.F. Sisk Dam SOD Modification Project EIS/EIR. The Crest raise action includes increasing the dam crest by 12 feet to reduce safety concerns for the downstream public by reducing the likelihood of overtopping if slumping were to occur during a seismic event (Reclamation 2019). The No Project/No Action Alternative was analyzed consistent with existing regulatory requirements, including the Reinitiation of Consultation on the Coordinated Long-Term Operations of CVP and SWP (ROC on LTO) Record of Decision (ROD) and the 2018 Addendum to the Coordinated Operation Agreement CVP/SWP and implementation of the B.F. Sisk Dam SOD Modification Project.



**Figure ES-1. B.F. Sisk Dam Raise and Reservoir Expansion Project Study Area**

### ES.5.2 Alternative 2: Non-Structural Alternative

Under Alternative 2, the Non-Structural Alternative, operational measures would be used to contribute to the purpose and need/project objective. Under the Non-Structural Alternative, Reclamation would change its annual allocation process to reserve up to 310 thousand acre-feet (TAF) of stored CVP supply in San Luis Reservoir at the end of wetter<sup>2</sup> years. This water would be

<sup>2</sup> Wetter years under Alternative 2 are defined as years with South-of-Delta CVP allocations of 55% or higher. These allocations usually correlate with Wet or Above Normal year types.

## Executive Summary

reserved in San Luis Reservoir for allocation in subsequent drier years to South-of-Delta CVP contractors. In these drier years, the 310 TAF in reserved supply would be allocated to South-of-Delta CVP water contractors, consistent with the CVP's current allocation of water supply stored in San Luis Reservoir. Under this new operational configuration allocated water supply not used by CVP contractors would not be carried over for use in a subsequent year. The Non-Structural Alternative would not require any additional construction or maintenance actions.

Alternative 2 is an action connected to the approved B.F. Sisk Dam SOD Modification Project included under Alternative 1. Therefore, the analysis of effects completed for Alternative 2 in this EIR/SEIS considers the additional operational impacts of implementing Alternative 2.

**ES.5.3 Alternative 3: Dam Raise Alternative (Proposed Action)**

Alternative 3, the Dam Raise Alternative, would place additional fill material on the dam embankment to raise the dam crest an additional 10 feet above the 12-foot embankment raise under development by the B.F. Sisk Dam SOD Modification Project. The 10-foot embankment raise would support an increase in reservoir storage capacity of 130 TAF. Under this alternative, there are three sub-alternatives that evaluate different operational configurations of this expanded storage capacity.

Alternative 3 is an action connected to the approved B.F. Sisk Dam SOD Modification Project included under Alternative 1. The analysis of effects completed for Alternative 3 in this EIR/SEIS considers the incremental impacts of raising the dam an additional 10 feet above the B.F. Sisk Dam SOD Modification Project.

**ES.6 Impact Summary**

This section summarizes environmental impacts identified for the No Project/No Action Alternative and action alternatives. These environmental impacts and mitigation measures are listed in Table ES-1 and described in further detail in Chapter 4 of the EIR/SEIS. Areas of controversy and issues to be resolved (CEQA Guidelines Section 15123) are discussed in Chapter 6 of the EIR/SEIS.

Table ES-1 consolidates and discloses the significance determinations made pursuant to CEQA throughout this EIR/SEIS. NEPA requires an environmental document to consider the context and intensity of effects caused by, or result from, a project. These factors pursuant to NEPA have been considered for determining significance in this document. The impacts listed in Table ES-1 are NEPA impacts as well as CEQA impacts, but they are judged for significance only under CEQA.

**ES.6.1 Alternative 1 – No Project/ No Action Alternative**

Alternative 1 would complete construction actions previously analyzed in the B. F. Sisk Dam SOD Modification Project. These impacts were analyzed in the B.F. Sisk Dam SOD Modification Project Final EIS/EIR, jointly prepared by Reclamation and DWR in August 2019 (Reclamation and DWR 2019). The construction has the potential to result in significant effects on air quality, greenhouse

## B.F. Sisk Dam Raise and Reservoir Expansion Project

## Draft Environmental Impact Report/Supplemental Environmental Impact Statement

gas (GHG) emissions, visual resources, noise and vibration, recreation, and cultural resources. The following potentially significant impacts have been identified:

- (1) Impacts on air quality due to construction actions under Alternative 1 would generate nitrogen oxides (NO<sub>x</sub>) emissions that exceed significance thresholds. Implementation of mitigation measures required under the B.F. Sisk Dam SOD Modification Project, including use of Tier 4 construction equipment, reduction of exhaust emissions from on-road trucks, and implementing best available mitigation measures for the construction phase would reduce impacts to less than significant.
- (2) Construction activities would generate maximum project and annual emissions of GHGs that exceed significance thresholds resulting in a significant impact. Implementation of a mitigation measure required under the B.F. Sisk Dam SOD Modification Project that requires purchasing carbon offsets prior to the start of construction would reduce impacts to less than significant.
- (3) The scenic vistas and the scenic character of the areas around San Luis Reservoir would be impacted by construction equipment required under Alternative 1. Construction lighting to support nighttime work would add a more substantial visual distraction, resulting in a significant impact. Implementation of a mitigation measure required under the B.F. Sisk Dam SOD Modification Project, to reduce light and glare would reduce visual impacts to a less than significant level.
- (4) Noise levels at sensitive receptors would exceed significance criterion due to construction activities, including blasting under Alternative 1. In addition, construction-related traffic along Basalt Road would increase by a large percentage. Implementation of mitigation measures, required under the B.F. Sisk Dam SOD Modification Project, including development of a Noise Control Plan, blasting plan, and performing a preconstruction noise survey would reduce noise impacts but would not be sufficient to reduce these impacts to less than significant. Noise impacts would be significant and unavoidable under Alternative 1.
- (5) The temporary closure of boat launches, trails (including American with Disabilities Act (ADA) compliant trails), and other recreation facilities (including ADA and Regulatory Compliance (RC) compliant campsites, fish cleaning stations, public storage rooms, public showers) at San Luis Reservoir, which would reduce recreation opportunities during construction resulting in a significant impact to recreation. Implementation of Mitigation Measure REC-1 required under B.F. Sisk Dam SOD Modification Project would reduce the severity of this impact to less than significant.
- (6) There would be direct and indirect impacts to known historic properties, historical resources, and other cultural resources under Alternative 1. Implementation of a mitigation measure required under the B.F. Sisk Dam SOD Modification Project that would include execution of a formal agreement document to govern National Historic Preservation Act (NHPA) Section 106 compliance and resolve adverse effects to cultural resources would reduce impacts to a less than significant level.

**ES.6.2 Alternative 2 – Non-Structural Alternative**

Alternative 2 would be implemented as a connected action to Alternative 1 and would require only operational modifications, consistent with all environmental requirements pertaining to Delta operations, including the 2019 Biological Opinions for CVP and SWP operations as well as any future biological opinions or requirements. To provide dry year water supply reliability, Reclamation would reserve water during wetter years for delivery in dry years. This would reduce available space

## Executive Summary

in San Luis Reservoir during wetter years and result in a reduction to Delta exports during these years type. No construction or maintenance actions are required. The operational changes have the potential to impact resources. Resources of concern under Alternative 2 are water quality, water supply, and aquatics. The following impacts have been identified:

- (1) Under Alternative 2, average annual South-of-Delta CVP agricultural deliveries are expected to decrease resulting in a significant impact to water supply. The reduction in water supply deliveries would not be able to be replaced reliably from other sources, such as groundwater pumping, water transfers, or new surface storage. As such, water supply impacts for South-of-Delta CVP water contractors remain significant and unavoidable.
- (2) Operational changes proposed under Alternative 2 would result in increases to Old and Middle River flows which are expected to be beneficial to fish as a result of more retained water within the rivers, and somewhat reduced entrainment risk due to less flow moving towards the conveyance facilities. Overall impacts to aquatic resources under Alternative 2 would be less than significant.

**ES.6.3 Alternative 3 – Dam Raise Alternative**

Alternative 3 would be implemented as a connected action to Alternative 1 and would complete major construction actions at San Luis Reservoir to raise the B.F. Sisk Dam embankment an additional 10 feet above the 12-foot dam raise analyzed and approved in connection with the B.F. Sisk Dam SOD Modification Project to increase storage capacity in the reservoir. The construction has the potential to result in significant effects on water quality, paleontological resources, air quality, GHG emissions, visual resources, noise, traffic conditions, hazards, terrestrial resources, and cultural resources. The following potentially significant impacts have been identified:

- (1) Impacts on water quality due to construction actions under Alternative 3 would be similar to those identified under the B.F. Sisk Dam SOD Modification Project. Construction actions would generate impacts on surface water quality resulting both from the disturbance of soils in construction and staging areas and the associated potential for increases in erosion, along with subsurface construction activity in San Luis Reservoir and potential for increases in turbidity from reservoir floor disturbance. Environmental commitments identified in the B.F. Sisk Dam SOD Modification Project include erosion control actions.
- (2) Construction-related earth moving activities could encounter previously undetected paleontological resources in areas of poor surface visibility around San Luis Reservoir where detection may have been impeded, and in areas that have not been subject to prior investigation. Mitigation Measure GEO-1 required under the Proposed Action, includes monitoring of earth moving activities by a qualified paleontologist, would reduce these potential impacts to a less than significant level.
- (3) Construction activities would also result in air quality and greenhouse gas emissions with the potential to exceed significance thresholds. Implementation of Mitigation Measures AQ-1, AQ-2, AQ-3, and AQ-4, required under the Proposed Action, include use of renewable diesel or biodiesel powered construction equipment and the purchase of carbon offsets, and would reduce greenhouse gas emissions to a less than significant level. Short-term construction related air quality impacts would be significant and unavoidable.
- (4) Modifications to the study area's visual setting during the construction of Alternative 3 through the introduction of construction equipment and the disturbance of areas where construction is underway could impact visual resource experiences for visitors to the San Luis Recreation Area



## B.F. Sisk Dam Raise and Reservoir Expansion Project

## Draft Environmental Impact Report/Supplemental Environmental Impact Statement

and viewers passing by the reservoir on nearby State Route (SR) 152. These impacts on visual setting would be mitigated, through implementation of Mitigation Measures VIS-1 and VIS-2, required under the Proposed Project, to less than significant levels through the shielding of construction lighting used during nighttime construction, the strategic use of locations out of sight of major nearby viewing points including SR 152 for spoils storage and disposal, and design requirements for new infrastructure in the viewshed to minimize any new visual contrast or distraction they could generate.

- (5) Noise generated under Alternative 3 would result in a temporary construction-related significant and unavoidable impact, by temporarily increasing the noise level on local roads.
- (6) The use of area roadways by trucks and construction workers accessing the construction areas at San Luis Reservoir could cause temporary impacts to traffic safety on those roadways. This impact would be mitigated with implementation of Mitigation Measure TR-1, required under the Proposed Project, to a less than significant level with the installation of signage along impacted roadways warning motorists of slow-moving construction traffic and lane closures, and the use of traffic controls like flaggers or temporary traffic signals where construction equipment will be entering roadways. For the section of SR 152 where it crosses over Cottonwood Creek, the lane closures during construction and the added construction-related trips would result in a significant unavoidable impact on level of service (LOS) during construction and result in a significant unavoidable short-term impact on traffic flow.
- (7) Roadway improvements and the use of mechanical construction equipment would have a significant impact on hazards within the study area and State Responsibility Area, but with implementation of Mitigation Measures HAZ-1 and TR-1 required under the Proposed Project, this impact would be less than significant.
- (7) Construction activities have the potential for significant impacts on sensitive terrestrial habitats including wetland and riparian vegetation communities, terrestrial wildlife, nesting birds, and special status plant species. Mitigation Measures TERR-1 through TERR-16, required under the Proposed Project including preconstruction surveys, establishment of buffers, construction monitoring, and compensatory mitigation where impacts could not be avoided, which would substantially reduce these potential impacts to a less than significant level.
- (8) Impacts to known historic properties, historical resources, and other cultural resources associated with Alternative 3 would be significant. CEQA Mitigation Measures CR-1, CR-2, and CR-3, required under the Proposed Project, which include avoidance of known resources, training of construction personnel on the cultural sensitivity of the area, monitoring for the inadvertent discovery of new resources by qualified personnel, and continued coordination with culturally associated Native American tribes, would be implemented to avoid or reduce significant impacts. Under Section 106 of the NHPA, adverse effects to historic properties would be resolved (i.e., avoided, minimized, or mitigated) through the completion of the Section 106 process and the execution of an amendment to the agreement document developed for Alternative 1.
- (9) Significant recreation impacts due to increased surface inundation would occur under Alternative 3. Mitigation Measures REC-1 and REC-2, required under the Proposed Project, include expansion of boat launches at the San Luis Creek Use Areas and movement of portions of the Lone Oak Trail upslope, which would reduce recreation impacts to a less than significant level.

## **ES.7 Environmentally Superior Alternative**

CEQA Guidelines require an EIR to identify an environmentally superior alternative. However, the environmentally superior alternative does not need to be adopted as the preferred alternative for implementation. The identification of the preferred alternative is independent of the identification of the environmentally superior alternative, although the identification of both will be based on the information presented in this draft EIR/SEIS.

This draft EIR/SEIS provides a substantive portion of the environmental information for SLDMWA to determine the environmentally superior alternative. In this draft EIR/SEIS, SLDMWA has identified the subalternatives under Alternative 3 that provide additional refuge water supply benefits as the environmentally superior alternative. SLDMWA will consider feedback during the public review phase of the draft EIR/SEIS on the environmental benefits and impacts of each alternative when developing the final EIR/SEIS and ROD.

Reclamation has not yet identified an environmentally preferable alternative for the Project. Pursuant to 40 CFR 1505.2(b), Reclamation will decide on the environmentally preferable alternative based on analysis in the EIR/SEIS, consultation and coordination with interdisciplinary team members, and public input.





— BUREAU OF —  
RECLAMATION

**CONTROLLED**

# **B.F. Sisk Dam Safety of Dams Modification Report**

**Central Valley Project, San Luis Unit, West San Joaquin Division  
California–Great Basin, Region 10**



[BACK](#)

## **Mission Statements**

The Department of the Interior (DOI) conserves and manages the Nation's natural resources and cultural heritage for the benefit and enjoyment of the American people, provides scientific and other information about natural resources and natural hazards to address societal challenges and create opportunities for the American people, and honors the Nation's trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated island communities to help them prosper.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

# **B.F. Sisk Dam Safety of Dams Modification Report**

**Central Valley Project, San Luis Unit, West San Joaquin Division  
California–Great Basin Region, Interior Region 10**

*prepared by*

**Dam Safety and Infrastructure**

Cover Photo: B.F. Sisk Dam and San Luis Reservoir. (Reclamation)

## Summary

This report presents the findings of studies the Bureau of Reclamation (Reclamation) conducted at B.F. Sisk Dam from 2003 to 2019. Structural corrective action to reduce the potential for dam failure and the associated risks to public safety is needed. The report explains Reclamation's methodology and evaluates the technical, economic, environmental, and other pertinent information that led to the recommended corrective action (the preferred alternative).

B.F. Sisk Dam (formerly San Luis Dam) is a large embankment dam that impounds San Luis Reservoir, an offstream storage facility located on San Luis Creek and Cottonwood Creek approximately 12 miles west of Los Banos, California. The dam was built from 1963 through 1967 and is a principal feature of the Federal Central Valley Project (CVP). It is also a joint-use facility with the State of California, operated as part of the California State Water Project (SWP). Storage capacity and use of the joint-use facility are shared between Reclamation and State of California Department of Water Resources (DWR).

In 2003, a Comprehensive Facility Review of B.F. Sisk Dam identified seismic risks that exceeded Reclamation's Public Protection Guidelines. Over the next sixteen years, Reclamation and DWR conducted field investigations and analyses to better understand the risks and determine what, if any, action should be taken to reduce the risks. The fundamental conclusion of all safety of dams investigations taken together is that modification is justified and necessary to address the risks posed by potential failure of the dam because of seismic shaking. Modification of the dam will bolster the structural integrity of the dam and protect the population and property downstream.

Reclamation's preferred alternative includes the addition of shear keys and downstream stability berms and raises the dam crest by 12 feet to provide seismic stability for the embankment during a large earthquake. Reclamation selected the preferred alternative after consulting with independent experts and considering cost, constructability, efficiency, and risk reduction. This alternative reduces risk significantly below Public Protection Guidelines and provides the most confidence of any alternative in the estimate of risk reduction. This alternative also provides confidence in the final product and the lowest future maintenance costs by using state-of-the-practice design and construction techniques employed throughout the dam safety industry. In addition, the preferred alternative preserves all the benefits that B.F. Sisk Dam and San Luis Reservoir currently provide, such as water for irrigation and municipal use. No benefits will be lost during or as a result of construction of the preferred alternative.

An Environmental Impact Statement/Environmental Impact Report (EIS/EIR) was completed to determine potential environmental impacts of the preferred alternative, and mitigation measures associated with those impacts will be incorporated into the project. Major findings from the EIS/EIR were included in the Record of Decision (ROD), which meets the requirements of the National Environmental Policy Act. The ROD for the project was signed in December 2019.

The estimated capital cost of the preferred alternative is \$1.1 billion, which includes the costs for facility studies and reviews, environmental and cultural evaluations and mitigation, design, contract procurement, construction and construction oversight, and preparation of this modification report. Repayment of reimbursable cost will be in accordance with Reclamation law.

Since the inception of the project, Reclamation has undertaken a public involvement program to inform the public and receive comments about dam safety issues and proposed solutions at B.F. Sisk Dam. Reclamation's project partners and the project beneficiaries have participated and offered input since the

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B.F. Sisk Dam

Safety of Dams Modification Report

Corrective Action Study began in 2006. The modifications recommended in this report will ensure that B.F. Sisk Dam and San Luis Reservoir can continue to serve the public safely and productively.

To ensure public safety and maintain the current level of project benefits, Reclamation concludes the following:

- The identified risks at B.F. Sisk Dam must be reduced in a cost effective, technically viable manner that mitigates environmental impacts and maintains project benefits.
- B.F. Sisk Dam may be modified, as proposed herein, under the authority of the Safety of Dams Act.
- Construction of the preferred alternative should proceed as soon as practical to address the seismic risks at B.F. Sisk Dam, which present high risks to the downstream public.

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## MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer

DATE: February 10, 2022

RE: Award of Contract, Authorization to Execute Professional Services Agreement for DMC Subsidence Correction Project Feasibility Study, and Expenditure of up to \$2.4 Million Using Funds from Various Fiscal Years and the Financial Assistance Agreement

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### BACKGROUND

Ground subsidence has impacted the structural integrity of the Delta-Mendota Canal (DMC) and has resulted in lost conveyance capacity. The San Luis & Delta-Mendota Water Authority (Water Authority) and the U.S. Bureau of Reclamation (Reclamation) have been working together closely to study the deficiencies of the canal and associated facilities with the ultimate goal of restoring the original design capacity of the DMC. To date, a DMC Subsidence Correction Project Value Planning study, an Appraisal Level Cost Estimate, and a Feasibility Study of Alternatives have been completed.

In September 2021, the Board authorized the Water Authority to enter into a \$5.677M Financial Assistance Agreement with Reclamation to fund preliminary studies for the DMC Subsidence Correction Project that included the following tasks:

1. Geotechnical Investigations
2. Cultural Resources Records Search
3. Feasibility Report
4. Environmental Compliance
5. USBR DEC Review
6. Cooperative Agreement Management

On November 19, 2021, the Water Authority formally solicited proposals from qualified consulting firms to provide professional and technical services for: the completion of a Feasibility Study (Study), including Cultural Resources Support Services, Environmental Compliance through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document, and the preparation of a Feasibility Report. The Feasibility Report will describe the results of the completed Feasibility Study and identify the recommended plan in compliance with Reclamation Directives and Standards (D&S) CMP 09-02 Water and Related Resources Feasibility

Studies. The subject contract will complete tasks 2, 3, and 4 of the Financial Assistance Agreement noted above.

The Authority's \$2.84M cost share (50/50) requirement in the Financial Assistance Agreement was budgeted through multiple fiscal years and is summarized in Table 1 below:

Table 1: SLDMWA Financial Assistance Agreement Cost Share Breakdown

FY21 EO&M	\$ 540,100.00
FY22 EO&M	\$ 500,000.00
FY22 RO&M (In-Kind Services)	\$ 226,535.75
FY23 Funding	\$ 1,571,904.25
Total SLDMWA Funding:	\$ 2,838,540.00

The Financial Assistance Agreement includes a cost of \$2,470,500 for the completion of tasks 2, 3, and 4 that are associated with the Feasibility Study.

#### **ISSUE FOR DECISION**

Whether the Board of Directors should authorize awarding the contract to CDM Smith, Inc. and authorize Executive Director or Chief Operating Officer to execute a Professional Services Agreement for the DMC Subsidence Correction Project Feasibility Study, and Expenditure of up to \$2.4 Million using funds from various fiscal years and the Financial Assistance Agreement.

#### **RECOMMENDATION**

Staff recommends award of the contract to CDM Smith and action to authorize the Water Authority's Executive Director or Chief Operating Officer to execute a Professional Services Agreement with CDM Smith.

#### **RFP PROCESS & DETAILS**

The primary objectives of the work described in the RFP are 1) to Perform Project Management, Reporting and Invoice development per Government Standards (CMP09-02); 2) to prepare joint CEQA/NEPA Environmental Compliance documents; 3) to Perform Cultural Resource surveys to support Reclamation's Project Programmatic Agreement; 4) to prepare a Biological Assessment for initiation of Reclamation's consultations with U.S. Fish and Wildlife Service; 5) to prepare a Wetlands Delineation along the length of the DMC pursuant to the Clean Water Act; and 6) to prepare a Feasibility Report in full compliance with Reclamation D&S CMP 09-02. All previously prepared documentation will be incorporated with data gathered under the RFP tasks to develop an evaluation matrix to rank the various project alternatives and recommend the most feasible alternative to carry forward to the Design Phase.

Two proposals were received on January 11, 2022. A team consisting of Water Authority and



Reclamation staff evaluated and scored the proposals, with the result of the evaluation being that CDM Smith was the highest scored proposer. CDM Smith is a multinational consulting engineering firm established in 1947 with over 5,300 employees. CDM Smith has proposed to complete the scope of work for \$2,395,529. A Notice of Intent to Award was issued on January 27, 2022 notifying CDM Smith that they were the apparent successful proposer. Final award will occur after Board of Director's approval.

Authorizing execution of this Professional Services Agreement is an administrative action that will not result in a direct change in the environment or a reasonably foreseeable indirect change to the environment; does not involve commitment to any specific project and thus does not constitute a project under the California Environmental Quality Act (CEQA Guidelines Sections 15378(b)(4) and (b)(5); and is also statutorily exempt from CEQA because the project anticipates only feasibility and planning studies with no adverse relationship to environmental factors and no commitment to specific future actions.

#### **BUDGET IMPLICATIONS**

The proposal is within the amount budgeted in the Financial Assistance Agreement and EO&M Budgets.

#### **ATTACHMENTS**

- 1) Notice of Intent to Award
- 2) Draft Professional Services Agreement

BACK



# **FINAL Environmental Impact Statement/ Environmental Impact Report**

## **San Luis Transmission Project**

**DOE/EIS-0496  
SCH# 2013112059**

### **Executive Summary**



**Western Area Power Administration  
San Luis & Delta-Mendota Water Authority**

**BACK**

**March 2016**

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## Executive Summary

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### ES.1 Introduction

The Western Area Power Administration (Western), a power marketing administration within the U.S. Department of Energy (DOE), and the San Luis & Delta-Mendota Water Authority (Authority), a California joint powers agency, have prepared this Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) for the San Luis Transmission Project (SLTP or Proposed Project). In conformance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), this EIS/EIR is intended to inform decision makers, other agencies, and the public regarding the environmental and public safety effects that could result from construction, operation, maintenance, and decommissioning of the SLTP. Western is the federal lead agency under NEPA, and the Authority is the State lead agency under CEQA. The Bureau of Reclamation (Reclamation) is a NEPA Cooperating Agency. The California Department of Water Resources (DWR) is a CEQA Responsible Agency.

The Draft EIS/EIR, as revised in this document, comments received during the public comment period, and written responses collectively comprise the Final EIS/EIR. Where the Draft EIS/EIR has been revised, the text has been marked in strikethrough for deletions and underline for additions. These revisions have been made in response to comments received on the Draft EIS/EIR, as presented in Appendix L. Portions of the Draft EIS/EIR were also revised for the purposes of clarifications, typographical corrections, and other editorial adjustments.

### ES.2 Overview of the Proposed Project

The SLTP would consist of:

- a new 500-kilovolt (kV) transmission line about 65 miles in length between the new Tracy East and Los Banos West Substations;
- a new 230-kV transmission line about 3 miles in length between the new Los Banos West Substation and Western's existing San Luis Substation;
- a new 230-kV transmission line about 20 miles in length between Western's existing San Luis Substation and Western's existing Dos Amigos Substation or a new 230-kV transmission line about 18 miles in length between the new Los Banos West Substation and Western's existing Dos Amigos Substation;
- an interconnection with the existing Western 500-kV Los Banos-Gates No. 3 transmission line just south of Pacific Gas & Electric's (PG&E) existing Los Banos Substation into the new Los Banos West Substation; and
- a new 70-kV transmission line about 7 miles in length between the existing San Luis and O'Neill Substations.

Western would construct, own, maintain, and operate the lines, which would be located mostly adjacent to existing transmission lines in Alameda, San Joaquin, Stanislaus, and Merced Counties in California.

Additional components of the SLTP would include new 230-kV line terminal bays at Western's San Luis and Dos Amigos Substations, as well as a new 230/70-kV transformer bank and interconnection facilities at the San Luis Substation.

The SLTP would also include ancillary facilities, such as communication facilities, improvements to existing access roads, new permanent access roads, and temporary access roads to facilitate construction activities. Western would acquire the necessary easements and fee land for the Proposed Project.

## **Operational Voltage Options**

The operational voltage needed for the Project is dependent on the participation of Duke American Transmission Company (DATC). If DATC declines to participate, one of the following operational voltage options may be selected by Western and the Authority.

- **500-kV Transmission Line operated at 230-kV.** This voltage option would consist of a 500-kV transmission line constructed between the Tracy and San Luis Substations. However, it would be operated at 230-kV. The proposed Tracy East and Los Banos West Substations would not be constructed.
- **230-kV Transmission Line.** This voltage option would consist of a 230-kV line constructed between the Tracy and San Luis Substations. The proposed Tracy East and Los Banos West Substations would not be constructed.

Depending on final operational needs, one of these operational voltage options would be implemented within the scope of the alternatives analyzed in this EIS/EIR.

## **ES.3 Purpose and Need and Project Objectives**

### **Federal Purpose and Need**

Reclamation entered into a contract with PG&E in 1965 for power transmission service between Western's Tracy Substation and Reclamation's San Luis Unit (SLU) facilities near Santa Nella, California and Los Banos, California. The contract provides for transmission and distribution service between the including the Gianelli Pump-Generating Plant, Dos Amigos Pumping Plant and the O'Neill Pump-Generating Plant for delivery of Central Valley Project (CVP) and the SLU including the Gianelli Pump-Generating Plant, Dos Amigos Pumping Plant, and the O'Neill Pump-Generating Plant, water supply to its federal water service contractors. The SLU is part of the CVP and is owned by the United States. On an annual basis, these SLU facilities pump up to 1.25 million acre-feet of federal water out of the California Aqueduct and the Delta-Mendota Canal into the San Luis Reservoir for later use, including irrigation supply to about 600,000 acres of farmlands located in western Fresno, Kings, and Merced Counties. The SLU is part of the CVP and is owned by the United States. However, the SLU is a Joint Use Facility (JUF) between Reclamation and DWR. DWR operates the JUF as provided in the 1961 Agreement between the United States of America and the Department of Water Resources of the State of California for the Construction and Operation of the Joint Use Facilities of the San Luis Unit and supplemented in 1972. Pursuant to this Agreement, DWR and Reclamation share the costs of construction, operation, and maintenance related to the SLU. DWR has operation and maintenance responsibility of the JUF including the substations necessary for the proposed SLTP.

As part of the original PG&E contract, the Federal Government paid PG&E \$2.6 million to provide 50 years of 230-kV transmission and distribution service to deliver federal power to and from Reclamation's Gianelli and Dos Amigos facilities the SLU. The existing transmission contract with PG&E expires on March 31, 2016, and PG&E has stated it will not renew the existing contract. Without the contract or a federal transmission line to serve the primary SLU facilities, the Federal Government will have to take transmission service under the California Independent System Operator (CAISO) Tariff between Tracy Substation and the SLU facilities using the same PG&E transmission and distribution lines that have served

the SLU for 50 years. Under the CAISO Tariff, the estimated cost increase to Reclamation for the first year is expected to be \$8 million. Reclamation's operating costs are paid by its water service contractors.

In anticipation of PG&E's contract expiring and the substantial increase in transmission costs associated with scheduling federal power to and from these facilities under the CAISO Tariff, Reclamation submitted a transmission service request to Western to consider various transmission service arrangements, including the construction of new federal transmission lines for Reclamation's continued delivery of federal water after the PG&E contract expires. Western responded to Reclamation's request for transmission service consistent with Western's Open Access Transmission Tariff (OATT) and existing laws. Reclamation, on behalf of its water contractors, is evaluating options to pump, store, convey, and deliver federal water via the SLU at reasonable costs. ~~The increase in costs incurred by Reclamation under the CAISO Tariff are so great that reasonable prudence requires the agencies to pursue and evaluate the proposed SLTP.~~

In October 2013, ~~an eligible Western transmission customer~~<sup>4</sup>DATC submitted a transmission service request in accordance with Western's OATT for transmission service within the same corridor as requested by Reclamation. Western is evaluating both requests jointly in order to determine if it can satisfy Reclamation's need and ~~the eligible customer~~DATC's request with a single project. This Project would require at least a single-circuit 500-kV transmission line between the Tracy and Los Banos areas. This EIS/EIR evaluates a 500-kV transmission line with an design voltage options to construct at 230-kV should ~~the eligible transmission customer~~DATC decide not to not participate. It is anticipated ~~that the eligible Western transmission customer~~DATC will decide whether to participate by spring 2016.

## Project Objectives

The Project objectives for the SLTP are to:

- Obtain durable, long-term, cost-certain, and efficient transmission delivery of CVP power to and from federal power generation sites to the major pumping stations of the SLU to reliably deliver water to Reclamation and the Authority's member agencies (federal water service contractors);
- Locate and install transmission facilities in a safe, efficient, and cost effective manner that meets Project needs while minimizing environmental impacts;
- Locate facilities to minimize the potential of environmental impacts resulting from damage by external sources;
- Maximize the use of existing transmission corridors and rights-of-way in order to minimize effects on previously undisturbed land and resources; and
- Obtain stable and reliable transmission that meets Project needs in a cost-effective and timely manner.

## ES.4 Summary of Public Involvement Activities

### Public Notification and Scoping Process

Western and the Authority held public open-house meetings to answer questions and receive comments on the scope of the environmental analysis for the SLTP. These meetings were held on January 8, 2014, in Tracy, California, and on January 9, 2014, in Santa Nella, California. The 60-day public scoping comment

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<sup>4</sup> ~~Pending its decision to participate in the Project, the identity of this customer is confidential. Details on the interconnection request are available at: <http://www.oasis.oati.com/wasn/index.html> (see Transmission Queue page for updates)~~

period began on November 22, 2013, when the Notice of Intent was published in the *Federal Register* and the Notice of Preparation was filed with the California State Clearinghouse. The 60-day public scoping comment period ended on January 21, 2014.

Western distributed notices to 75 local agencies, 8 state agencies, 6 federal agencies, 21 organizations, and 39 elected officials. Western also sent postcards announcing the public scoping meetings and comment period to all property owners within or adjacent to the Proposed Project or alternative routes, and published advertisements on the meetings and comment period in five local newspapers. The postcards and advertisements also provided an overview map of the Project area, a brief summary of the SLTP, how to provide scoping comments, and where to find additional information on the Proposed Project. Nine agencies, four organizations, and eight individuals submitted scoping comments.

Additionally, ~~two~~ three newsletters have been distributed to affected and interested landowners, organizations, and agencies. The first newsletter, distributed May 2014, announced the availability of the Scoping Report and the Alternatives Screening Report on the SLTP website.<sup>21</sup> The second newsletter, distributed February 2015, announced that a new alternative corridor (the Billy Wright Road Alternative) and two new proposed substations (the Tracy East and Los Banos West Substations) would be evaluated in the Draft EIS/EIR. It also announced the availability of an updated Alternatives Screening Report on the SLTP website. The third newsletter was distributed in August 2015. It announced the availability of the Draft EIS/EIR, described how to comment on the Draft EIS/EIR, and provided the dates, times, and locations of the Draft EIS/EIR public meetings.

## Agency Coordination and Native American Consultation

Western and the Authority ~~have~~ had several meetings with various agencies to discuss the proposed SLTP and consider their comments and concerns. The agencies include the U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, and the California Department of Parks and Recreation.

In a March 3, 2014 letter, Western contacted all Native American groups on the list provided by Native American Heritage Commission (NAHC). Western received a response from the California Valley Miwok Tribe. Western will continue to keep all of the Tribal contacts informed of any changes to the SLTP and will continue to be responsive to any future requests for consultation. The SLTP does not cross tribal reservations or Native American Trust territories.

## Areas of Controversy / Public Scoping Issues

Issues raised during the public scoping process are described in detail in the Scoping Report (available on the SLTP website), and are summarized below.

- **Air Quality.** Recommendations for air quality-related discussions to be included in the Draft EIS/EIR.
- **Coordination with Local Agencies.** Requests for appropriate coordination and consultation with affected local agencies.
- **Land Use Conflicts.** Concern regarding the potential for the proposed route to conflict with existing and proposed land uses (e.g., solar projects, residential developments, PG&E transmission lines and pipelines, and the Crow's Landing Airport).
- **Adequacy of Project Notices.** Concern regarding the adequacy and clarity of the Project Description presented in the Notice of Intent and Notice of Preparation.

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<sup>1 2</sup> <http://www.sltpeis-eir.com/>

- **Special-Status Species.** Concern regarding the potential effects of the Proposed Project on special-status species and supporting habitat.
- **Permitting.** Suggestions for permits that may be required for approval and implementation of the Proposed Project.
- **Alternative Routes.** Suggestions for alternative routes to minimize significant impacts including increasing the distance of the proposed route from adjacent residences and the avoidance of land parcels identified for proposed land use projects.
- **Property values.** Concern regarding a decrease of property value attributable to the presence of transmission lines.
- **Electromagnetic Fields (EMF).** Concern regarding the potential for health risks associated with EMF emitted from transmission lines.
- **Public Scoping Process.** Concern regarding the timeframe provided for public comment and the adequacy of information provided to the public.

### **Public Review of the Draft EIS/EIR**

The Notice of Availability (NOA) of the Draft EIS/EIR was published in the *Federal Register*, filed with the State Clearinghouse, and mailed to interested parties on July 17, 2015. The NOA included information on how to access the Draft EIS/EIR; the dates, times, and locations of the Draft EIS/EIR public meetings; and how to comment on the Draft EIS/EIR. Its distribution started a 45-day public comment period that ended on August 31, 2015.

Public hearings on the Draft EIS/EIR were held in Tracy, California, on August 10, 2015 and Los Banos, California, on August 11, 2015. These consisted of an open house where Project information was shared, followed by an opportunity to record verbal comments from the public. Notice of the public meetings was published in the Tracy Press and Los Banos Enterprise newspapers.

Four people provided verbal comments at the Los Banos meeting; no verbal comments were provided at the Tracy meeting. An additional 26 comment letters and emails were received during the 45-day public comment period (refer to Appendix L for a detailed list of commenters and copies of all comment correspondence).

### **ES.5 Design and Engineering Issues**

The exact locations and quantities of Project components (e.g., transmission structures, access roads, conductor pulling sites, and construction staging areas) cannot be determined until final Project design and engineering. For purposes of the EIS/EIR, it has been assumed that disturbances from transmission structures could occur anywhere within the preferred corridor. Other Project components may occur anywhere within the Project study area, which extends up to one mile from the corridors. Western's and DWR's standard construction practices, Project-specific environmental protection measures, and mitigation measures would be applied in the design of Project components. During the planning and implementation of the Project, additional environmental review, analysis, and technical studies may be necessary and will be conducted depending on site-specific conditions including potential environmental impacts within easements, including DWR easements that are not associated with the San Luis joint use facilities. If any Project components are sited outside of the geographic area considered in this EIS/EIR, additional surveys and consultation for biological and cultural resources and/or environmental review would be conducted prior to Project implementation.



Construction of the proposed Los Banos West Substation would result in the loss of up to 50 acres of the 150-acre Jasper Sears off-highway vehicle (OHV) Use Area. As stated in Section ES.6, this impact is considered significant and unavoidable. The exact size and location of the substation footprint cannot be determined until final Project design and engineering. Pursuant to the mitigation measures in this EIS/EIR (i.e., Mitigation Measures REC-1 and REC-2), Western, the Authority, and Reclamation, would coordinate closely with the California Department of Parks and Recreation (CDPR) to minimize impacts to the OHV Use Area. However, because the land is under lease to CDPR from Reclamation, actual implementation of the mitigation is not within the authority of the lead agencies (Western and the Authority). Reclamation and CDPR are in consultation to resolve this issue.

Existing JUF infrastructure or modifications thereto, all transmission work, communication system maintenance, facility outages, upgrade and replacement work, regulatory coordination, and maintenance of access roads will be conducted in accordance with the Agreement between the United States of America and the Department of Water Resources of the State of California for the Construction and Operation of the Joint-Use Facilities of the San Luis Unit (dated December 30, 1961).

## **ES.65 Impacts of the Proposed Project**

As required by CEQA Section 15126.2, this section presents the significant and unavoidable impacts of the Proposed Project. The Proposed Project would result in significant and unavoidable impacts (and contribute to cumulatively considerable impacts) to the following resource areas. Refer to Section ES.8-9 for a summary of all impacts of the Proposed Project.

- **Noise.** Construction would temporarily result in more than a 5-decibel increase intermittently at sensitive receptors near the Project, which would exceed local noise standards near residences throughout the Project area. This would be a temporary, short-term impact that would occur intermittently during construction activities.
- **Recreation.** Construction of the proposed Los Banos West Substation would result in conflicts with, physical alterations of, and decreased accessibility to the Jasper Sears ~~off-highway vehicle (OHV)~~ Use Area in the San Luis segment.
- **Land Use.** Construction of the proposed Los Banos West Substation would result in conflicts with the San Luis Reservoir State Recreation Area Resource Management Plan/General Plan as it pertains to the Jasper Sears OHV Use Area and conflicts with this established special use area in the San Luis segment.

## **ES.76 Alternatives to the Proposed Project**

The determination of whether to retain an alternative for analysis in the EIS/EIR was based, in part, on the following NEPA/CEQA criteria: (a) meeting the purpose and need and most project objectives, (b) reducing significant effects of the Proposed Project, and (c) being potentially feasible in terms of possible legal, regulatory, or technical constraints.

### **Alternatives Retained for Analysis in the EIS/EIR**

The EIS/EIR considers seven alternatives to the Proposed Project, including the No Action/No Project Alternative, as listed below. To facilitate a fair or equal comparison between the impacts of the alternatives and the Proposed Project, the Project area was divided at common points of the corridors into four segments (North, Central, San Luis, South).

## **No Action/No Project**

### **North Segment**

There are no alternative corridors in the North Segment.

### **Central Segment**

- Patterson Pass Road Alternative

### **San Luis Segment – 500-kV**

- Butts Road Alternative
- West of Cemetery Alternative

### **San Luis Segment – 70-kV**

- West of O'Neill Forebay 70-kV Alternative

### **South Segment**

- San Luis to Dos Amigos Alternative
- Billy Wright Road Alternative

## **Alternatives Considered and Eliminated**

An additional seven alternatives were considered in a screening process and eliminated from further review, as documented in the Alternatives Screening Report (available on the SLTP website).

## **ES.87 ~~Summary of Draft EIS/EIR Conclusions: Environmentally Preferred Alternative~~**

The Authority has identified the Environmentally Superior Alternative, as required by CEQA Guidelines 15126.6(e)2. In this EIS/EIR, it is called the Environmentally Preferred Alternative. The following section summarizes the results of the alternatives comparison for each Project segment and identifies the Environmentally Preferred Alternative. Western's Agency Preferred Alternative is also identified in this EIS/EIR. Western's Agency Preferred Alternative will be identified in the Final EIS/EIR following analysis of public comments on the Draft EIS/EIR and further internal review of the Draft EIS/EIR.

## **Environmentally Preferred Alternative**

### **No Action/No Project Alternative**

Under the No Action/No Project Alternative, construction of the San Luis Transmission Project would not occur. Western would arrange for transmission service for the SLU from the CAISO using existing electric infrastructure. As there would be no adverse direct, indirect, or cumulative environmental impacts under this alternative, it is the environmentally preferred alternative.

However, Reclamation's estimated transmission costs under the No Action/No Project Alternative (i.e., the CAISO Tariff) would increase by more than \$8 million per year. As detailed in Section 1.2 and Appendix K, which address Reclamation's estimated transmission costs under the No Action/No Project Alternative (i.e., the CAISO Tariff) over a 50-year period, the No Action/No Project Alternative is not cost effective and involves substantial cost uncertainties. Further, the No Action/No Project Alternative would not achieve the purpose and need or basic Project objectives.

## **Environmentally Preferred Action Alternative**

CEQA Guidelines Section 15126.6(e)(2) requires that if the environmentally preferred alternative is the No Action/No Project Alternative, an EIR shall identify the environmentally preferred alternative among the other (i.e., action) alternatives. The corridor segments that comprise the environmentally preferred action alternative are presented below.

### ***North Segment***

The Proposed Project is the environmentally preferred corridor in this segment as there are no alternatives.

### ***Central Segment***

The Patterson Pass Road Alternative is the environmentally preferred corridor in this segment because it is 1,000 feet farther from residences than the Proposed Project. Therefore, it would have fewer noise and visual resources impacts. Agricultural impacts would also be slightly less than the Proposed Project in the Central Segment.

### ***San Luis Segment – 500-kV***

The Proposed Project is the environmentally preferred corridor in this segment because it is the shortest route with the least ground disturbance. Therefore, it would result in fewer impacts to air quality, geology, paleontological resources, and water resources. The Proposed Project is furthest from the San Joaquin Valley National Cemetery and would avoid construction noise and visual impacts to this sensitive resource. Additionally, it would impact the least amount of habitat for the federally and State endangered and State fully protected blunt-nosed leopard lizard.

### ***San Luis Segment 70-kV***

In the San Luis Segment (70-kV), the Proposed Project is the environmentally preferred corridor. The Proposed Project and West of O'Neill Forebay 70-kV Alternative are the same length, have the same length of new access roads, and have the same number of support structures. Therefore, impacts are similar and there is no preference between corridors for most issue areas. However, the Proposed Project would result in fewer impacts to habitat for federally and State-listed species including San Joaquin kit fox, California tiger salamander, and blunt-nosed leopard lizard. Additionally, the Proposed Project would be farther from the San Joaquin Valley National Cemetery, thereby resulting in fewer land use, noise, and visual resources impacts than the West of O'Neill Forebay 70-kV Alternative.

### ***South Segment***

In the South Segment, the San Luis to Dos Amigos Alternative is the environmentally preferred corridor. The Proposed Project and the San Luis to Dos Amigos Alternative are adjacent, are the same length, have the same length of new access roads, and have the same number of support structures. Therefore, impacts are similar and there is no preference between corridors for most issue areas. However, the San Luis to Dos Amigos Alternative would have slightly fewer impacts to agricultural land. It would also be farther from more residences than the Proposed Project, thereby resulting in less construction noise impacts.

In summary, the Environmentally Preferred Alternative is composed of:

- North Segment – Proposed Project
- Central Segment – Patterson Pass Road Alternative

- San Luis Segment (500-kV) – Proposed Project
- San Luis Segment (70-kV) – Proposed Project
- South Segment – San Luis to Dos Amigos Alternative

### **No Action/No Project Alternative**

~~Under the No Action/No Project Alternative, construction of the San Luis Transmission Project would not occur. Western would arrange for transmission service for the SLU from the CAISO using existing electric infrastructure. As there would be no adverse direct, indirect, or cumulative environmental impacts under this alternative, it would be preferable to the Environmentally Preferred Corridor Alternative. However, Reclamation's estimated transmission costs under the No Action/No Project Alternative (i.e., the CAISO Tariff) would increase by more than \$8 million per year. Reclamation's estimated transmission costs under the No Action/No Project Alternative (i.e., the CAISO Tariff) would be so expensive as to render this alternative infeasible. Further, the No Action/No Project Alternative is considered infeasible because it would not achieve the purpose and need or basic project objectives.~~

### **Agency Preferred Alternative**

Determining the Agency Preferred Alternative requires that Western balance many factors with the Project's purpose and need. It is the alternative that Western believes would fulfill its statutory mission and responsibilities, giving consideration to economic, environmental, technical, and other factors. As described above, the No Action/No Project Alternative is the Environmentally Preferred Alternative because it would avoid any adverse direct, indirect, or cumulative environmental impacts; however, it would not achieve the purpose and need or basic Project objectives. The Environmentally Preferred Action Alternative is composed of several segments, as listed in the preceding section. After analysis of public comments and further internal review of the EIS/EIR, Western has determined that its Agency Preferred Alternative is the same as the Environmentally Preferred Action Alternative in the Northern and San Luis (500-kV and 70-kV) segments.

In the Central Segment, the Proposed Project is the agency preferred corridor. Although it would be closer to residences and have sight increases in the associated visual and temporary noise impacts, it would have less of an impact on biological resources. In particular, it would impact fewer special-status plant species. Additionally, it would require fewer crossings of the existing high voltage transmission lines, which would increase reliability by providing more space between circuits.

In the Southern Segment, the Billy Wright Road Alternative is the agency preferred corridor. Although it would have greater recreation impacts by crossing the Path of the Padres Trail and slightly greater soil disturbance due to its longer length, it would avoid conflicts with the Wright Solar Park. When the Notice of Preparation and Notice of Intent for this EIS/EIR were published in November 2013, which set the baseline for analysis of environmental impacts, the Wright Solar Park was still early in its entitlement phase (the Project's NOP was issued in October 2013). Western is aware that the Project is now fully permitted and expected to begin construction in 2016.

In summary, the Agency Preferred Alternative is composed of:

- North Segment – Proposed Project
- Central Segment – Proposed Project
- San Luis Segment (500-kV) – Proposed Project

- San Luis Segment (70-kV) – Proposed Project
- South Segment – Billy Wright Road Alternative

## ES.98 Impact Summary Tables

Levels of significance in this EIS/EIR are defined by classification as follows:

- Significant; cannot be mitigated to a level that is less than significant
- Significant; can be mitigated to a level that is less than significant
- Less than significant; no mitigation required

Under NEPA, beneficial impacts of a proposed action are also relevant considerations in the environmental analysis.

The tables on the following pages summarize all significant impacts of the Proposed Project. In addition, there are several impacts that were determined to be less than significant and would not require mitigation.

**Table ES-1. Significant and Unmitigable Impacts of the Proposed Project**

Impact	Mitigation Measures (if any)
Impact NOISE-1 – Result in a substantial temporary or periodic increase in ambient noise levels (above 5 dBA Leq) at sensitive receptor locations above levels existing without the Project	NOISE-1 – Provide construction notification. NOISE-2 – Implement Best Management Practices for construction noise.
Impact NOISE-3 – Result in noise levels that exceed local or federal noise regulations or guidelines	NOISE-1 – Provide construction notification. NOISE-2 – Implement Best Management Practices for construction noise.
Impact REC-1 – Conflict with established, designated, or planned recreation areas or activities	NOISE-1 – Provide construction notification. NOISE-2 – Implement Best Management Practices for construction noise. AQ-1 – Reduce or offset construction equipment emissions. REC-1 – Coordinate with local agencies to identify tower locations. REC-2 – Modify existing facilities within and relocate, if necessary, the entrance to the Jasper Sears OHV Use Area.
Impact REC-2 – Result in changes that alter or otherwise physically affect established, designated, or planned recreation areas or activities	REC-2 – Modify existing facilities within and relocate, if necessary, the entrance to the Jasper Sears OHV Use Area.
Impact REC-3 – Decrease accessibility to areas established, designated, or planned for recreation	REC-2 – Modify existing facilities within and relocate, if necessary, the entrance to the Jasper Sears OHV Use Area.
Impact LU-4 – Conflict with State or federally established, designated or reasonably foreseeable planned special use areas (e.g., recreation, wildlife management area, game management areas, waterfowl production areas, scientific and natural areas, wilderness areas, areas of critical environmental concern, etc.)	<u>REC-2 – Modify existing facilities within and relocate, if necessary, the entrance to the Jasper Sears OHV Use Area.</u>

**Table ES-2. Significant but Mitigable Impacts of the Proposed Project**

Impact	Mitigation Measures
Impact AQ-1 – Violate ambient federal and/or State air quality or emissions standards applicable to the study area, or increase the frequency of severity of any existing violation of State and/or federal ambient air quality standard	AQ-1 – Reduce or offset construction equipment emissions.
Impact AQ-2 – Expose sensitive receptors to detrimental pollution concentrations	AQ-1 – Reduce or offset construction equipment emissions.
Impact AQ-3 – Contribute to a collective or combined air quality effect, including existing and foreseeable other projects, that leads to violation of air quality standards, even if the individual effect of the project/activity is relatively minor compared with other sources	AQ-1 – Reduce or offset construction equipment emissions.
Impact AQ-6 – Emissions exceed conformity de minimis thresholds set by the applicable Air District	AQ-1 – Reduce or offset construction equipment emissions.
Impact BIO-1 – Adversely affect a listed endangered, threatened or proposed species or designated critical habitat, or a non-listed special-status plant or animal species either directly or through habitat loss or modification	BIO-1 – Conduct surveys for special-status plants and sensitive habitats. BIO-2 – Avoidance and minimization measures for special-status plants and vegetation communities. BIO-3 – Provide compensatory mitigation for impacts to special-status plants. BIO-4 – Provide compensatory mitigation for impacts to federally listed branchiopod habitat. BIO-5 – Avoidance and minimization measures for valley elderberry longhorn beetle. BIO-6 – Provide compensatory mitigation for impacts to elderberry plants. BIO-7 – Avoidance and minimization measures for Alameda whipsnake. BIO-8 – Avoidance and minimization measures for blunt-nosed leopard lizard. BIO-9 – Avoidance and minimization measures for special-status reptiles. BIO-10 – Avoidance and minimization measures for giant garter snake. BIO-11 – Avoidance and minimization measures for western pond turtle. BIO-12 – Provide compensatory mitigation for impacts to special-status reptiles. BIO-13 – Avoidance and minimization measures for California red-legged frog. BIO-14 – Avoidance and minimization measures for California tiger salamander and western spadefoot. BIO-15 – Provide compensatory mitigation for impacts to listed amphibians. BIO-16 – Avoidance and minimization measures for burrowing owl. BIO-17 – Provide compensatory mitigation for impacts to occupied burrowing owl habitat. BIO-18 – Avoidance and minimization measures for California fully protected birds. BIO-19 – Avoidance and minimization measures for least Bell's vireo. BIO-20 – Avoidance and minimization measures for Swainson's hawk. BIO-21 – Provide compensatory mitigation for impacts to Swainson's hawk foraging habitat. BIO-22 – Avoidance and minimization measures for tricolored blackbird. BIO-23 – Avoidance and minimization measures for other special-status and native birds. BIO-24 – Avoidance and minimization measures for American badger. BIO-25 – Avoidance and minimization measures for special-status bats. BIO-26 – Avoidance and minimization measures for special-status kangaroo rats. BIO-27 – Avoidance and minimization measures for San Joaquin kit fox. BIO-28 – Provide compensatory mitigation for impacts to San Joaquin kit fox.

**Table ES-2. Significant but Mitigable Impacts of the Proposed Project**

<b>Impact</b>	<b>Mitigation Measures</b>
Impact BIO-2 – Adversely and substantially affect native plant communities, including riparian areas or other sensitive communities	BIO-1 – Conduct surveys for special-status plants and sensitive habitats. BIO-2 – Avoidance and minimization measures for special-status plants and vegetation communities. BIO-29 – Avoidance and minimization measures for vernal pool and seasonal wetland habitats. BIO-30 – Avoidance and minimization measures for sensitive wetland habitats. BIO-31 – Provide compensatory mitigation for impacts to sensitive plant communities.
Impact BIO-4 – Have substantial adverse effects on wetlands and Waters of the U.S. and State	BIO-29 – Avoidance and minimization measures for vernal pool and seasonal wetland habitats. BIO-30 – Avoidance and minimization measures for sensitive wetland habitats. BIO-32 – Provide compensatory mitigation for impacts to wetlands and waters.
Impact BIO-6 – Conflict with the provisions of an adopted local, regional, State, or federal habitat conservation plan	BIO-2 – Avoidance and minimization measures for special-status plants and vegetation communities. <u>BIO-28 – Provide compensatory mitigation for impacts to San Joaquin kit fox.</u> <u>BIO-31 – Provide compensatory mitigation for impacts to sensitive plant communities.</u> <u>BIO-33 – Minimization measures for conservation easements.</u>
Impact CUL-1 – Cause damage, degradation to, or loss of a unique archaeological resource as defined by CEQA or a resource of archaeological, tribal, or historical value that is listed, or eligible for listing, on the National Register or California Register	CUL-1 – Prepare and implement Archaeological Resource Management and Treatment Plan for unique archaeological resources.
Impact CUL-7 – Disturb any human remains, including those interred outside of formal cemeteries	CUL-2 – Treatment of inadvertent discovery of human remains.
Impact GEO-1 – Expose people or structures to potential substantial adverse effects due to slope instability, effects of earthquake (fault rupture, ground shaking, liquefaction, landslide), slumps, rockfalls, or adverse soil conditions such as compressible, expansive, or corrosive soils	GEO-1 – Conduct geotechnical investigations and implement Project design recommendations.
Impact GEO-5 – Place a structure on unstable soils, which would result in exposure to landslide, lateral spreading, subsidence, liquefaction, or collapse	GEO-1 – Conduct geotechnical investigations and implement Project design recommendations.
Impact LU-4 – Conflict with State or federally established, designated, or reasonably foreseeable planned special use areas (e.g., recreation, wildlife management area, game management areas, waterfowl production areas, scientific and natural areas, wilderness areas, areas of critical environmental concern, etc.).	<u>LU-1 – Minimize impacts within conservation easements and/or amend conservation easements.</u>
Impact PALEO-1 – Result in the loss of or inaccessibility to scientifically important paleontological resources	PALEO-1 – Conduct pre-construction survey. PALEO-2 – Document all finds. PALEO-3 – Conduct Worker's Environmental Awareness Training. PALEO-4 – Conduct paleontological mitigation monitoring. PALEO-5 – Procedures for fossil preparation, curation, and reporting.

**Table ES-2. Significant but Mitigable Impacts of the Proposed Project**

Impact	Mitigation Measures
Impact H&S-3 – Inflict serious injuries to workers, visitors to the area, or area land users.	H&S-1 – Prepare a fire plan.
Impact SE-4 – Permanent displacement of existing residences or businesses	SE-1 – Acquire land rights.
Impact TRAFFIC-2 – Cause delays on a primary transportation corridor	TRAFFIC-1 – Prepare and submit Traffic Control Plans.





# CALIFORNIA'S VOLUNTARY AGREEMENTS

## A TRANSFORMATIONAL APPROACH TO HEALTHY RIVERS, FARMS AND COMMUNITIES

For many years, the state of California has led the development of a watershed-wide approach to flows, ecosystem restoration and water supply reliability. Termed "Voluntary Agreements" (VAs), this transformational approach represents a collaborative integration of the latest science, dedicated funding and flow and habitat actions to improve and protect the Delta and its tributaries while preserving adequate water supplies for 35 million Californians.

**The Voluntary Agreements are More: Affordable | Flexible | Adaptive | Reliable | Better for California**



### A COLLABORATIVE APPROACH

Through partnerships and cooperation with state, federal and local water agencies, the VAs set California on a new and innovative path — a remarkable alternative to more limited regulatory approaches that result in prolonged litigation and no benefits to California's environment or economy.



### THE LARGEST PURCHASE OF WATER FOR THE ENVIRONMENT IN CALIFORNIA'S HISTORY

The VAs provide significant investments to improve fish and wildlife habitat conditions throughout the watershed. Many identified environmental improvement projects could be implemented in the next 12-18 months — injecting tens of millions of dollars into the state's economy for habitat restoration projects.

- Up to **825,000 acre-feet of water** for the environment
- **More than 45,000 acres** of instream habitat, new spawning and rearing habitat, floodplain habitat and fish food production



### AN UNPRECEDENTED SUITE OF INNOVATIVE FINANCING

Funding for the VAs will come from the state government, federal government and Public Water Agencies, totaling nearly \$3 billion at full participation.

- Public Water Agencies: **\$522 million** for an environmental water budget, science program and governance
- State of California: **\$1.4 billion**
- Federal Government: **\$740 million** to assist with science and habitat restoration



### SCIENCE-BASED GOVERNANCE & ADAPTIVE MANAGEMENT

The VAs Governance Program will bring together conservation groups, public water agencies and local, state and federal representatives to direct flows and habitat restoration, conduct regular assessments and implement a robust science program. The Governance Program will address changing climate conditions and support research to improve management actions for native fish. Flow and non-flow measures will be adaptively managed through structured decision making and informed by the latest science.



## UNPRECEDENTED COMMITMENT & MOMENTUM: THE TIME TO ACT IS NOW

Ongoing droughts and increased climate extremes mean Californians cannot afford to take a decades-long regulatory or litigious approach — time is not on our side. California's economy and environment needs a holistic, functional flow water management strategy that applies the best science to meet real-time ecosystem needs while providing sustainable water supplies for communities. **The VAs provide this solution.**

## NEXT STEPS

Once approved by participating parties, the VAs proposal will be submitted to the State Water Resources Control Board (Water Board) for third-party scientific assessment, environmental review and appropriate public input. The Water Board's environmental review will analyze the VAs plan as an alternative for the update to the Bay-Delta Water Quality Control Plan. If approved by the Water Board, the VAs will become the new Bay-Delta Water Quality Control Plan and will be implemented through binding agreements between the Water Board, the Department of Water Resources and participating water agencies to direct water, funding and habitat restoration efforts to improve the health of California's Bay-Delta ecosystem and its tributaries.

Public Water Agencies are working with a broad coalition of stakeholders, including state and federal agencies, to implement the VAs and ensure that the flow, habitat and funding objectives are realized in terms of real water, real habitat projects and real dollars.



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

