Updates on California WaterFix and Coordinated Operations Agreement

Stephen N. Arakawa
Municipal Water District of Orange County Workshop
February 6, 2019

Overview

- California WaterFix Update
  - Delta Stewardship Council Certification of Consistency
  - State Water Resources Control Board Change in Point of Diversion
  - Delta Conveyance Design and Construction Authority
  - Delta Conveyance Finance Authority
- CVP/SWP Coordinated Operations Agreement (COA) and Voluntary Settlement Agreement
State Water Project

Ongoing Operations

- Coordinated Operations Agreement
- WQ Control Plan
- Water Rights
- Biological Opinions

CA WaterFix

Completed

- CEQA
- ESA Section 7 Consultation
- Incidental Take Permit

Pending

- Delta Plan Certification of Consistency
- SWRCB Change in Point of Diversion
- Section 401 Certification
- USACE 404 Permit

California WaterFix
Delta Stewardship Council

- Formed by the Delta Reform Act (2009)
- Appointed Council Members
  - Randy Fiorini, Chair (Turlock)
  - Susan Tatayon, Vice Chair (Rocklin)
  - Frank C. Damrell, Jr. (Sacramento)
  - Mike Gatto (Los Angeles)
  - Maria Mehranian (La Cañada Flintridge)
  - Oscar Villegas (Southport)
  - Ken Weinberg (San Diego)

Delta Reform Act (2009)
- Established Delta Stewardship Council (Council)
- Coequal goals for the Delta
- Delta Plan to further coequal goals
- Delta Plan shall assist in guiding state and local agency actions related to the Delta

More reliable water supply for California
Protecting, restoring, and enhancing the Delta ecosystem
**Delta Plan**

**Certification of Consistency**

- State or local agencies proposing actions in the Delta must certify consistency with applicable policies.
- Certifications must be submitted before the agency initiates implementation of the action.
- Anyone may appeal to the Council.

**Certification of Consistency**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>DWR submitted Certification of Consistency</td>
<td>Jul 2018</td>
</tr>
<tr>
<td>Appeals (9) filed by 26 parties</td>
<td>Aug 2018</td>
</tr>
<tr>
<td>DSC Public Hearing</td>
<td>Oct 2018</td>
</tr>
<tr>
<td>DSC Public Workshop</td>
<td>Nov 2018</td>
</tr>
<tr>
<td>DWR withdrew Certification of Consistency</td>
<td>Dec 2018</td>
</tr>
<tr>
<td>Address key concerns/issues:</td>
<td></td>
</tr>
<tr>
<td>1. Reduced Reliance on the Delta</td>
<td></td>
</tr>
<tr>
<td>2. Flow requirements in the Delta</td>
<td></td>
</tr>
<tr>
<td>3. Best available science</td>
<td></td>
</tr>
<tr>
<td>4. Local land use</td>
<td></td>
</tr>
<tr>
<td>DWR plans to resubmit Certification of Consistency</td>
<td>2019</td>
</tr>
</tbody>
</table>
Part 2 sur-rebuttal
  - Completed October 1, 2018

Schedule pending
  - SWRCB order regarding schedule for remainder is pending
Delta Conveyance Design and Construction Authority and Delta Conveyance Finance Authority

**Board of Directors**

<table>
<thead>
<tr>
<th>MWD</th>
<th>Kern County</th>
<th>Santa Clara</th>
<th>SWC At-Large</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richard Atwater</td>
<td>TBD</td>
<td>Tony Estremera</td>
<td>Sarah Palmer (Zone 7)</td>
</tr>
<tr>
<td>Steve Blois</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shane Chapman</td>
<td></td>
<td>Barbara Keegan</td>
<td>Doug Headrick (San Bernardino Valley MWD)</td>
</tr>
<tr>
<td>Stephen Arakawa</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Officers**

- Tony Estremera, President
- Steve Atwater, Vice President
- Sarah Palmer, Secretary
### Delta Conveyance Design and Construction Authority

<table>
<thead>
<tr>
<th>Agency</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Santa Clara Valley Water District</td>
<td>May 8</td>
</tr>
<tr>
<td>San Bernardino Valley Municipal Water District</td>
<td>May 15</td>
</tr>
<tr>
<td>Alameda County Water District</td>
<td>May 17</td>
</tr>
<tr>
<td>Alameda County Flood Control &amp; Water Conservation District Zone 7</td>
<td>May 18</td>
</tr>
<tr>
<td>San Gorgonio Pass Water Agency</td>
<td>May 21</td>
</tr>
<tr>
<td>Mojave Water Agency</td>
<td>May 24</td>
</tr>
<tr>
<td>Desert Water Agency</td>
<td>Jun 5</td>
</tr>
<tr>
<td>Santa Clarita Valley Water Agency</td>
<td>Jun 5</td>
</tr>
<tr>
<td>Coachella Valley Water District</td>
<td>Jun 26</td>
</tr>
<tr>
<td>Metropolitan Water District</td>
<td>Jul 10</td>
</tr>
<tr>
<td>Antelope Valley/East Kern Water District</td>
<td>Nov 6</td>
</tr>
</tbody>
</table>

- Executed Joint Exercise of Powers Agreement with DWR, establishing collaborative approach with DWR’s Delta Conveyance Office
- Selected Executive Director
- Awarded Contracts
  - Project Management Information System
  - Transition Services
  - Engineering Design Manager Services
  - Geotechnical Engineering Services
  - Real Estate Services
  - Survey, Mapping, Right of Way
  - Engineering/Title Services
### Delta Conveyance Finance Authority

#### Officers

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Randy Record</td>
<td>Metropolitan Water District</td>
</tr>
<tr>
<td>Vice President</td>
<td>Gary Kremen</td>
<td>Santa Clara Valley Water District</td>
</tr>
<tr>
<td>Secretary</td>
<td>Jeff Davis</td>
<td>San Gorgonio Pass Water Agency</td>
</tr>
</tbody>
</table>

#### Appointment Schedule

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<tr>
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<td>May 8</td>
<td>Gary Kremen</td>
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<tr>
<td>Alameda County Water District</td>
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<td>Paul Sethy</td>
</tr>
<tr>
<td>Alameda County Flood Control &amp; Water Conservation District Zone 7</td>
<td>May 18</td>
<td>Valerie Pryor</td>
</tr>
<tr>
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<td>May 21</td>
<td>Jeff Davis</td>
</tr>
<tr>
<td>Metropolitan Water District</td>
<td>Jul 10</td>
<td>Randy Record</td>
</tr>
<tr>
<td>Mojave Water Agency</td>
<td>Oct 11</td>
<td>Kathy Cortner</td>
</tr>
<tr>
<td>San Bernardino Valley Municipal Water District</td>
<td>Oct 16</td>
<td>Doug Headrick</td>
</tr>
<tr>
<td>Antelope Valley-East Kern Water Agency</td>
<td>Nov 6</td>
<td>Dwayne Chisam</td>
</tr>
<tr>
<td>Desert Water Agency</td>
<td>Nov 20</td>
<td>Mark Krause</td>
</tr>
<tr>
<td>Santa Clarita Valley Water Agency</td>
<td>Nov 20</td>
<td>Matt Stone</td>
</tr>
<tr>
<td>Coachella Valley Water Agency</td>
<td>Jan 17</td>
<td>Robert Cheng</td>
</tr>
</tbody>
</table>
Delta Conveyance Finance Authority

- Adopted
  - Bylaws
  - Debt management policy
  - Investment policy
  - Reimbursement policy
- Selected General Counsel

Upcoming Actions

**State Water Resources Control Board**
- Change in Point of Diversion: Pending

**Delta Stewardship Council**
- Certification of Consistency: 2019

**Delta Conveyance Design and Construction Authority**
- Ongoing critical path and long-lead time activities: 2019
  - Environmental planning
  - Geotechnical investigations
  - Permitting
  - Property rights
  - Utility interconnections
Coordinated Operations Agreement

Overview

- Authorized by Congress in 1986
- Defines sharing of water supply benefits and obligations of CVP and SWP
- Informal agreements to share export capacity when constrained through regulations
- DWR and Reclamation agreed on an Addendum to 1986 COA
- Key changes in the 2018 COA Addendum
  - Sharing of in basin use obligations
  - Sharing of export capacity
Coordinated Operations Agreement
In-Basin Use Obligation Sharing

1986 Agreement
- Sharing percentage: 75% CVP | 25% SWP

Modified Agreement
- Sharing based on water year type
  - Wet & Above Normal: 80% CVP | 20% SWP
  - Below Normal: 75% CVP | 25% SWP
  - Dry: 65% CVP | 35% SWP
  - Critical: 60% CVP | 40% SWP

In-Basin Use: Legal uses of water in the Sacramento Valley including water required to meet regulatory requirements

Coordinated Operations Agreement
Export Capacity Sharing

CVP/SWP informally shared export capacity when constrained by regulations
- 50% CVP | 50% SWP

Modified export capacity sharing when constrained by regulations
- Excess conditions: 60% CVP | 40% SWP
- Balanced conditions: 65% CVP | 35% SWP
**Water Supply Impacts to SWP**

Source: Reclamation’s COA Environmental Assessment

**Voluntary Settlement Agreement**
**Bay-Delta Estuary**

**Flow Contribution**
- Upstream tributaries -- 450,000 AF
- CVP/SWP -- 300,000 AF
- Additional* -- 300,000 AF

(*for adaptive management, if needed, starting year 8)

**Voluntary Settlement Agreement**

**Parties**

**State/Federal**
- California Natural Resources Agency
- California Dept. of Fish & Wildlife
- California Dept. of Water Resources
- US Bureau of Reclamation

**Water Agencies**
- San Francisco Public Utility Commission
- Modesto Irrigation District
- Turlock Irrigation District
- Friant Water Users Authority
- Sacramento River Settlement Contractors
- Yuba Water Agency
- American River Agencies
- Feather River Agencies

As of December 12, 2018
## Next Steps

- Continue to seek additional water user support for settlement
- Integrate analysis of settlement into SWRCB process and documents (Phase 1 and 2)
- Complete SWRCB process and adoption

**Proposed schedule by Settlement Parties:**

<table>
<thead>
<tr>
<th>Mar 1, 2019</th>
<th>Sep 1, 2019</th>
<th>Dec 1, 2019</th>
<th>As early as possible after Dec 1, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Settlement parties submit project description per Voluntary Agreements to the SWRCB</td>
<td>Circulate Draft Comprehensive SED (supplement to Phase 1 SED and Phase 2)</td>
<td>Administrative Draft of the Final Comprehensive SED</td>
<td>SWRCB to consider adopting the Final Comprehensive SED, and execution of agreements</td>
</tr>
</tbody>
</table>