



Water Storage Investment Program: Sites Project Update

Agenda Item at a Glance

- The Sites Project will create a reservoir for storing water that will be located in Glenn and Colusa Counties. The reservoir will be an off-stream reservoir, meaning that it will not be located on a stream or river. Water from the Sacramento River will be used to fill the reservoir. The project is being led by the Sites Project Authority.
- The Sites Project is eligible for funding through the Water Storage Investment Program, called "WSIP." WSIP funds the public benefits of water storage projects. "Public benefits" are the ways in which water storage projects provide benefits to Californians broadly, such as cleaner water, new recreational opportunities, and improvements to the land and water fish and wildlife need to survive.
- This is an informational agenda item, important to anyone interested in WSIP and the Sites Project.
- At this meeting, the Commission will hear from the Sites Project Authority about the Sites Project. Commissioners can ask questions of presenters and Commission staff. Tribes and the public will have an opportunity to make a comment to the Commission before the Commission discusses this agenda item.

Introduction

The California Water Commission (Commission) administers the Water Storage Investment Program (WSIP) to fund the public benefits associated with water storage projects using funds from the Proposition 1 Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1), codified at Water Code section 79750 *et seq*, and supplemented by funds from Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clear Air Bond Act of 2024 (Proposition 4). One of the WSIP projects, the Sites Project, will create a 1.5-million acre-foot (MAF) off-stream water storage facility in Glenn and Colusa Counties. This storage facility will capture and store excess stormwater flows from the Sacramento River system for later use by storage partners, including federal, State, and local agencies from across the state. The project will provide ecosystem improvements by providing water to wildlife refuges north and south of the Delta. The project will also provide recreation and flood control benefits. The investment of WSIP funds in this project is based on the value of the ecosystem, recreation, and flood control benefits provided by the project.

At this meeting, the Commission will hear from representatives leading the Sites Project. This meeting will provide the Commission with information on the project's status and will help the Commission understand whether the project is making demonstrable progress and has viable public benefits. The information provided at this meeting will help the Commission gather critical information to inform its decision on awarding inflationary adjustments to WSIP projects.

Summary of Issues

The project representatives have been asked to address the following to help the Commission understand the project's status:

- Overview of project
- Overview of public benefits
- Changes to magnitude of public benefits
- How is the project funded: Who are the partners? Any funding from federal government?
- Tribal outreach and relationships
- Environmental document status/permitting status
- Timeline to final award and any milestones
- Opportunities to shorten timeline to final award

The Commission is interested in hearing specifically about the following:

- How near-term funding is being handled, especially with planning phase funds running out in June 2026.
- The strategy to complete all of the required permits and agreements before the final award hearing date, which is anticipated in June 2026.
- The status of the water right application, and the implications if the water right is not obtained by fall of 2025.
- The status of agreements needed to complete the contract for the administration of public benefits (in particular, the refuge agreements).
- What the increase in project costs means for the project partners and their participation in the project.

Background

Through the WSIP, the Commission will invest \$2.6 billion in the public benefits of water storage projects, consistent with the requirements of Proposition 1, Chapter 8. The Commission made Maximum Conditional Eligibility Determinations in July 2018, which set the amount of Proposition 1 funding potentially available to each project. One project received a final award at the June 2023 Commission meeting. The five remaining WSIP applicants successfully met Proposition 1 interim requirements by the deadline of January 1, 2022, and are working to complete the remaining statutory requirements. These include obtaining permits and

completing environmental documents, executing contracts for the administration of public benefits, and completing contracts for non-public benefit cost share. When the applicant completes these requirements, the applicant will return to the Commission for a final award hearing at which the Commission will decide whether to award final funding.

During the March 2025 Commission meeting, the Commission discussed the recent funding that became available through the Los Vaqueros Reservoir Expansion withdrawal as well as the passage of Proposition 4. The Commission decided to postpone inflationary adjustments until the Commission heard project updates from all of the projects in the WSIP. The Commission has heard from three of the five remaining projects in the WSIP. The remaining two projects will provide updates in this month's Commission meeting.

This agenda item is related to Goal One of the [Commission's Strategic Plan](#), which calls on the Commission to implement the WSIP to achieve public benefits. Information provided in project updates assists the Commission's ability to articulate clear timeframes for the projects seeking WSIP funding by the end of 2025.

Meeting Overview

At the July meeting, Jerry Brown, Executive Director for the Sites Project Authority, will provide an update on the Sites Project.

This is an informational item.

Contact

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