

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF WATER RIGHTS
AUGUST 16, 2011**

ITEM 3

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION FINDING THAT THE NORTH-OF-THE-DELTA OFFSTREAM (NODOS) STORAGE INVESTIGATION PROJECT (PROPOSED PROJECT), PROPOSED TO BE FUNDED BY THE DEPARTMENT OF WATER RESOURCES (DWR) UNDER THE SAFE, CLEAN, RELIABLE WATER SUPPLY ACT (PROPOSITION 204), WILL ASSIST IN THE IMPLEMENTATION OF THE 2006 WATER QUALITY CONTROL PLAN FOR THE SAN FRANCISCO/SACRAMENTO-SAN JOAQUIN DELTA ESTUARY (BAY-DELTA PLAN)

DISCUSSION

In November 1996, California voters approved the Proposition 204, which included provisions to provide funding for projects under the “Sacramento Valley Water Management and Habitat Protection Subaccount” (Water Code, Div. 24, Ch. 6, Art. 5, § 78681 et seq.). Funds from this subaccount are to be used for projects in the Sacramento Valley to assist in the implementation of the Water Quality Control Plan for the Bay-Delta Plan (*Id.*, § 78681.4). DWR is the designated State agency responsible for administration of these funds. The State Water Resources Control Board (State Water Board) is charged with providing adequate public review for the proposed projects and determining that proposed projects are consistent with the requirements of Water Code section 78681.4, prior to any award of funding (*Id.*, § 78681.8). Only projects that are not the obligation of the federal Central Valley Project or the State Water Project may be funded by this article (*Id.*, § 78681.9).

DWR received a request from the Sites Joint Powers Authority (JPA) for Proposition 204 funding, in the amount of \$1.75 million, to complete the environmental documents for the NODOS Investigation. JPA is made up of Glenn-Colusa Irrigation District, Reclamation District 108, Tehama-Colusa Canal Authority, Maxwell Irrigation District, County of Glenn, County of Colusa, and Yolo County Flood Control and Water Conservation District. DWR has determined that the Proposed Project meets the intent of Proposition 204, because of its ability to improve operational flexibility in the system, provide supplemental flows to improve Delta water quality, and contribute to meeting other objectives of the Bay-Delta Plan, and therefore recommends that the Proposed Project be funded under the subaccount. Accordingly, on June 2, 2011, DWR requested a determination from the State Water Board that the Proposed Project is consistent with the requirements of Water Code section 78681.4. DWR intends to award Proposition 204 funds to the Sites JPA should the State Water Board find that the proposed use of the funds meets the intent of the proposition.

If awarded funds, JPA and its consultants will complete the environmental documents (Environmental Impact Report [EIR]/Environmental Impact Statement [EIS]) in cooperation with DWR and the United States Bureau of Reclamation (USBR). JPA will also coordinate activities and compliance requirements with DWR and USBR including, but not limited to, meeting other requirements in the Safe, Clean, and Reliable Drinking Water Supply Act of 2010 (SBX7-2), identifying beneficiaries for the Project, developing financing mechanisms and alternatives, and coordinating with local and regional interests.

The NODOS EIR/EIS will evaluate several alternatives that include a Sites Reservoir. The primary planning objectives of the NODOS project are to improve water supply reliability, improve water quality, increase survival of anadromous and other native fish species, and provide flexible hydroelectric power generation. Secondary planning objectives of the project include development of additional recreational facilities and providing incremental flood damage reduction.

In April 2001, the State Water Board stayed Phase 8 of the water right hearings to determine the responsibility of water right holders in the Sacramento River Basin for meeting the flow-dependent objectives in the 1995 Bay-Delta Plan so that water right holders within the watersheds of the Sacramento, Calaveras, and Cosumnes Rivers whose rights might be amended after Phase 8 could negotiate toward a mutual settlement of their responsibilities (Order WR 2001-05). The Sacramento Valley water users, DWR, USBR, and export water users developed the Sacramento Valley Water Management Agreement (Agreement) in an effort to resolve outstanding Phase 8 hearing issues. The parties to this agreement recognize Sites Reservoir as a potentially significant off-stream storage project that could contribute to meeting the flow-dependent water quality objectives of the Bay-Delta Plan, among other benefits. Completion of the environmental documentation for the NODOS investigation is a critical step in the process to evaluate the potential implementation of the Sites Reservoir as a means of assisting in the implementation of the Bay-Delta Plan by helping meet Delta water quality and flow-related needs, as well as assisting in the process to meet other statewide water demands.

POLICY ISSUE

Should the State Water Board:

Adopt a resolution finding that the project titled "North-of-the-Delta Offstream Storage Investigation" will assist in the implementation of the 2006 Bay-Delta Plan, consistent with the requirements of Water Code section 78681.4?

FISCAL IMPACT

None.

REGIONAL BOARD IMPACT

None.

STAFF RECOMMENDATION

The State Water Board should:

Adopt a resolution finding that the project titled “North-of-the-Delta Offstream Storage Investigation” will assist in the implementation of the 2006 Bay-Delta Plan, consistent with the requirements of Water Code section 78681.4.

State Water Board action on this item will assist the Water Boards in reaching Goals 1 and 4 of the Strategic Plan Update: 2008-2012: (Goal 1) Implement strategies to fully support the beneficial uses for all 2006-listed water bodies by 2030; and (Goal 4) to comprehensively address water quality protection and restoration and the relationship between water supply and water quality, and describe the connections between water quality, water quantity, and climate change, throughout California’s water planning processes.

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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2011-

FINDING THAT THE NORTH-OF-THE-DELTA OFFSTREAM (NODOS) STORAGE INVESTIGATION PROJECT (PROPOSED PROJECT), PROPOSED TO BE FUNDED BY THE DEPARTMENT OF WATER RESOURCES (DWR) UNDER THE SAFE, CLEAN, RELIABLE WATER SUPPLY ACT (PROPOSITION 204), WILL ASSIST IN THE IMPLEMENTATION OF THE 2006 WATER QUALITY CONTROL PLAN FOR THE SAN FRANCISCO/SACRAMENTO-SAN JOAQUIN DELTA ESTUARY (BAY-DELTA PLAN)

WHEREAS:

1. The State Water Resources Control Board (State Water Board) adopted the Water Quality Control Plan for the Bay-Delta Plan under [Resolution No. 2006-0098](#) on December 13, 2006. The 2006 Bay-Delta Plan supersedes the 1995 Bay-Delta Plan adopted by the State Water Board on May 22, 1995, pursuant to [Resolution No. 95-24](#);
2. On March 15, 2000, the State Water Board adopted the [revised Decision 1641](#), which allocated responsibility to certain water right holders for meeting the water quality control plan objectives in the 1995 Bay-Delta Plan. Those responsibilities remain unchanged with the adoption of the 2006 Bay-Delta Plan;
3. In November 1996, California voters approved Proposition 204 (Water Code § 78500 et seq.). Proposition 204 allocates funds to the "Sacramento Valley Water Management and Habitat Protection Subaccount" (*Id.*, § 78681-78681.2). Funds from this subaccount are to be used for projects in the Sacramento Valley to assist in the implementation of the Bay-Delta Plan (*Id.*, § 78681.4);
4. DWR is the designated state agency responsible for administration of these funds;
5. The State Water Board is charged with providing adequate public review for the proposed projects and determining that proposed projects are consistent with the requirements of Water Code section 78681.4, prior to any award of funding (*Id.*, § 78681.8);
6. DWR received a request from the Sites Joint Powers Authority (JPA) for Proposition 204 funding, in the amount of \$1.75 million, to complete the environmental documents (Environmental Impact Report [EIR]/Environmental Impact Statement [EIS]) for NODOS Investigation in cooperation with DWR and the United States Bureau of Reclamation (USBR). JPA will also coordinate activities and compliance requirements with DWR and USBR including, but not limited to, meeting other requirements in the Safe, Clean, and Reliable Drinking Water Supply Act of 2010 (SBX7-2, identifying beneficiaries for the project, developing financing mechanisms and alternatives, and coordinating with local and regional interests. The NODOS EIR/EIS will evaluate several alternatives that include a Sites Reservoir. The primary planning objectives of the NODOS project are to improve water supply reliability, improve water quality, increase survival of anadromous and other native fish species, and provide flexible hydroelectric power generation. Secondary planning objectives of the project include development of additional recreational facilities and providing incremental flood damage reduction;

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7. DWR has determined that the Proposed Project meets the intent of Proposition 204, because of its ability to improve operational flexibility in the system, provide supplemental flows to improve Delta water quality, and contribute to meeting other objectives of the Bay-Delta Plan, and therefore recommends that the proposed project be funded under the subaccount;
8. On June 2, 2011, DWR requested that the State Water Board review the Proposed Project for consistency with the requirements of Proposition 204;
9. The State Water Board has notified the public and interested persons that it would consider this matter at its August 16, 2011 Board Meeting; and
10. The Proposed Project - completion of the environmental documentation for the NODOS investigation - is a critical step in the process to evaluate the potential implementation of the Sites Reservoir as a means of assisting in the implementation of the Bay-Delta Plan by helping meet Delta water quality and flow-related needs, as well as assisting in the process to meet other statewide water demands.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

Finds that the project titled "North-of-the-Delta Offstream Storage Investigation" will assist in the implementation of the 2006 Bay-Delta Plan, consistent with the requirements of Water Code section 78681.4.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on August 16, 2011.

Jeanine Townsend
Clerk to the Board