WATER RESOURCES TEAM

Team Leaders: Robert Dugan, Placer County Water Agency rdugan@calcima.org
Jim Peifer, Regional Water Authority jpeifer@rwah2o.org

Issue Experts: Robert Dugan, Placer County Water Agency rdugan@calcima.org
Jim Peifer, Regional Water Authority jpeifer@rwah2o.org

INFRASTRUCTURE AND POLICY

The Water Resources Team has identified six policy and infrastructure priorities for the 2023 program. The issues include the following priorities and are explained in greater detail below.

- Sacramento Regional Water Bank
- Groundwater Recharge
- Sites Reservoir
- Voluntary Agreements
- Folsom Dam Temperature Control Device
- PFAS Remediation

Business Nexus | Sacramento Regional Water Bank

The economy of the Sacramento region depends upon a reliable, sustainable supply of drinking water for businesses to thrive. The construction of the Water Bank project will help the region maintain its water supply now and into the future.

Requested Action

$30 million in Fiscal Year 2024 funding from the Bipartisan Infrastructure Law's Western Water Storage program. The Water Bank has received USBR WIIN Act funding previously and is considered a grandfathered project. Also needed is federal acknowledgment by U.S. Bureau of Reclamation and funding to build out the infrastructure and governance of the Water Bank through other various water resource programs within the Bureau of Reclamation and the Environmental Protection Agency.

Brief Background: A Reservoir Under Our Feet

Water providers in the Sacramento region are developing the Sacramento Regional Water Bank (Water Bank). The Water Bank is an innovative groundwater storage program that will improve regional water supply reliability in both the near term and into the future. The Sacramento region's

unique setting—at the confluence of the Sacramento and American rivers near Folsom Reservoir and overlying the North American and South American groundwater subbasins—is ideal for the Water Bank's development.

The Water Bank will allow the region to sustainably increase use of groundwater as a local water source during dry periods and reduce surface water diversions, which help to meet local environmental needs. In addition, the region's location north of the Sacramento-San Joaquin Delta provides potential opportunities to collaborate and develop solutions to benefit the environment and communities downstream after local needs are met.

How the Water Bank Works

The Water Bank will operate by coordinating the use of surface water and groundwater. When surface water supplies are plentiful, water providers in the region will draw more water from Folsom Lake or local rivers and use it to offset existing demand for groundwater. This effectively increases groundwater in storage, resulting in a deposit in the Water Bank. During dry years, recovery of stored groundwater will occur through additional pumping, resulting in a withdrawal from the Water Bank. The Water Bank will be managed consistent with local groundwater sustainability plans.

The Water Bank could be operational with existing facilities as early as 2025.

The Water Bank has received crucial financial and technical support from the U.S. Bureau of Reclamation as well as support from the Water Infrastructure and Innovation (WIIN) Act and seeks to receive additional appropriations in future years.

Additional planning, technical analyses, environmental review, and broad stakeholder engagement are needed to make the Water Bank a reality. Timing for the Water Bank's full implementation is focused on ensuring that its development is compatible with, and supports, Groundwater Sustainability Plans in the North and South American River subbasins to comply with California's Sustainable Groundwater Management Act of 2014.

More than a dozen water providers are expected to actively store and/or recover water from the Water Bank at the outset of operations. Participation in the Water Bank will be voluntary. The groundwater subbasins will be monitored, and mitigation measures will be in place, to avoid impacts to groundwater users in the region that are not participating in the Water Bank.

Local water providers have also identified opportunities to expand the Water Bank well beyond its initial capacity. This will require new investments to expand the region's capacity to divert surface water, construct more water system interties, build additional aquifer storage and recovery wells, and add additional booster pumps, pipelines, and groundwater wells to recover stored groundwater. To learn more and to stay up to date on Water Bank activities, visit rwah2o.org.

Business Nexus – Groundwater Recharge

The recent range of weather whiplash that California has experienced has shown water managers what they need to prepare for in future years. While 2022 was one of the driest years on record, it has been followed by one of the wettest. In the American River region, we've learned through years of practical application that we need to store groundwater in wet times to be able to use it for water supply in dry times. This is made possible by the development of modern water projects and programs, which includes infrastructure such as groundwater wells, aquifer storage and recovery wells, interties, water treatment, and a host of other projects that improve the flexibility of water providers to make use of the appropriate water supplies at the appropriate times.

Requested Action

Support for groundwater recharge policies and projects from U.S. Bureau of Reclamation.

In a year like 2023, we need expanded capabilities in our infrastructure to allow us to take excess water and store as much as we can through groundwater recharge. The State of California is helping us do just that. On March 10, 2023, Governor Newsom issued Executive Order N-4-23 which lifts constrictive permitting requirements and makes it easier to capture plentiful flows and place it in our aquifers. In addition, the State is making significant investments in water supply for future climate conditions.

Federal projects, such as those under the jurisdiction of the Bureau of Reclamation (Central Valley Project) and the U.S. Army Corps of Engineers would benefit from federal investments in modernizing water infrastructure to promote recharge. This could store water underground for future dry conditions, reduce potential health and safety impacts by finding more places to put excess water, and replenish depleted aquifers statewide.

Business Nexus | Sites Reservoir Project

The economy of the Sacramento region relies on a reliable, sustainable supply of drinking water for businesses to thrive. The construction of the Sites Reservoir project will help the region maintain its water supply now and into the future.

Requested Action

Continued Federal support and funding for the construction and planning of Sites Reservoir from the Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) and the Bureau of Reclamation's Water Infrastructure Improvement Act (WIIN).

Background

Sites Reservoir is a generational opportunity to construct a multi-benefit water storage facility that helps restore flexibility, reliability, and resilience to our statewide water supply. In 2023 alone, Sites Reservoir could have stored 250,000 acre feet of water from the January atmospheric river storms, and another potential 244,000 acre feet from the later spring storms.

Currently, no other storage project under consideration in California can positively influence the operational efficiencies of our existing statewide water. What makes Sites Reservoir unique is that it is not a "traditional" reservoir project. It is an off-stream facility that does not dam a major river system and would not block fish migration or spawning.

Sites Reservoir offers a significant water storage opportunity that benefits both people and the environment. Sites Reservoir captures and stores stormwater flows from the Sacramento River—after all other water rights and regulatory requirements are met—for release primarily in dry and critical years for environmental use and for California communities, farms, and businesses when it is so desperately needed.

Sites Reservoir is designed to be adaptable to a changing climate. As snowpack declines due to climate change and more of our water comes in the form of atmospheric rivers, Sites Reservoir will become vital to the future resilience of our statewide water supply.

How Sites Reservoir Works

Located 10 miles west of the town of Maxwell in rural Glenn and Colusa counties, the Sites Reservoir would be an off-stream storage facility that captures and stores stormwater flows in the Sacramento River. When operated in coordination with other Northern California reservoirs such as Shasta, Oroville and Folsom, which function as the backbone to both the Central Valley Project and the State Water Project, Sites Reservoir will greatly increase flexibility, reliability and resilience of statewide water supplies in drier periods.

With Sites Reservoir, California has a rare opportunity to enhance statewide water supplies and provide a dedicated allocation of water specifically for the environment. Sites Reservoir provides federal and state resource agencies with a dedicated and reliable supply of water they can manage to provide environmental benefits, especially during drier years.

A significant portion of the project's annual water supplies will be provided for environmental flows, which will help to improve conditions for fish, help preserve cold-water pools in Shasta later into the summer months to support salmon development, spawning and rearing, and improve Pacific Flyway habitat for migratory birds and other native species.

For additional information, please contact Jack Blattner, Director of Government Affairs at
(530) 219-0804 or jblattner@metrochamber.org | www.metrochamber.org

Business Nexus | Voluntary Agreement

The economy of the Sacramento region relies on a reliable, sustainable supply of drinking water for businesses to thrive. The Voluntary Agreement will help the region maintain its water supply and at the same time improve river ecosystems.

Requested Action

Federal support for the Voluntary Agreements from both the Biden Administration and Congress will be critical to its success. Specifically, we ask for:

- The Biden Administration to engage in negotiations with the Newsom Administration and stakeholders to successfully complete the VAs.
- A resolution to the litigation between the federal government, State of California, public water agencies and NGOs regarding the Incidental Take Permit and the Biological Opinion.
- Support for water agencies that have proposed early implementation projects to accelerate improvements for fish and wildlife, including with direct funding, a mechanism to collect fees and streamline permitting processes.

Brief Background

The Voluntary Agreements (VAs) represent a collaborative and holistic approach to improve the California Bay-Delta ecosystem and water supply reliability. Through the VAs, a group of public water agencies are proposing a comprehensive suite of actions that will improve habitat and flows in the Sacramento- San Joaquin Delta and its tributaries to help native fish and wildlife species.

This integrated approach presents an opportunity to protect and restore the Bay-Delta ecosystem, while improving habitat for native species and water reliability for 40 million people, nearly 8 million acres of farmland, and remaining California wetlands dependent on the Delta watershed and its water supply. Governor Gavin Newsom's Water Resilience Portfolio recognizes the VAs as an alternative to the California State Water Resources Control Board's unimpaired flows approach to updating the State's Bay-Delta Water Quality Control Plan and that the VAs hold "the promise to adaptively manage enhanced flows and habitat to improve conditions for fish and wildlife."

The decades-old regulatory approach has not served any interests well. Species have continued to decline, and water supplies have continued to diminish. California cannot afford to adhere to a regulatory and operational framework solely based on additional flows which will result in years of protracted litigation, while at-risk fish populations continue to decline and California's water supply becomes less resilient to the increasing effects of climate change. Now is the time to complete the VAs to put California on a path of success for the environment, the public, farms and businesses.

For additional information, please contact Jack Blattner, Director of Government Affairs at
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Integrated Solutions

A Delta watershed-wide solution could provide a substantial "budget" of water for the environment, coupled with significant new habitat, an integrated science program, and adaptive management to provide a more comprehensive framework to recover fish populations, as opposed to a flows-only approach.

Coequal Goals

- A Delta watershed-wide solution must recognize the coequal goals of increasing water supply in California and improving the Delta ecosystem for hundreds of native fish and wildlife species.

Expedited Implementation

- The VA's commitment of functional flows and habitat can help fish populations recover more quickly, holistically, and with fewer negative social and economic impacts than traditional regulatory requirements would cause. As water agencies stand ready to implement a comprehensive series of ecological restoration and stewardship projects, state and federal agencies must also work to increase permitting effectiveness, expedite project review and approval, and improve cross-jurisdictional collaboration.

Governance

- Consistent with the VAs, a structured decision-making process that informs the implementation of flow and nonflow measures to achieve outcomes should be the foundation of any solution. This process should be collaborative and informed by a robust science program. To the extent possible, the governance structure should coordinate with, and be implemented through, any existing management structures in the Delta tributaries.

Science and Adaptive Management

- A Delta watershed-wide agreement should include the development of a sound, shared, modern science program that explores all assets available to manage the Delta and monitors and evaluates their success in achieving the biological and environmental outcomes. This will serve as the basis for adaptive management decision-making. The VAs would establish both a Science Program and Independent Science Advisory Team to address uncertainties in current science using testable hypotheses to refine management solutions over time.

Funding Portfolio

- A Delta watershed-wide agreement should identify resources from a variety of agencies and programs for a large, sustained investment for fish and wildlife measures, habitat restoration projects and science programs. Under the VAs approach, the total estimated contributions

from the public water agencies to a Water Revolving Fund are projected to be $1 billion. The state and federal financial commitment should be commensurate to the local investment.

Business Nexus | Folsom Dam Temperature Control Device

The economy of the Sacramento region relies on a reliable, sustainable supply of drinking water for businesses to thrive. The addition of a new Temperature Control Device at Folsom Dam will help the region maintain its water supply now and into the future.

Requested Action

The Temperature Control Device is already an authorized project by the U.S. Army Corps of Engineers and has received full funding, keeping the project on schedule will be critical.

Brief Background

Temperature management provides protection to endangered and threatened fishery species and provides suitable habitat for fish hatchery operations.

The current Temperature Control Device shutter configuration at Folsom Dam results in larger than desired changes in release temperature, which can adversely affect fisheries and other aquatic life. The proposed refinement of the shutter system would allow finer control of release temperature changes, which would benefit the downstream fisheries and conserve the cold-water pool, thus allowing temperature control to be effective for a longer time into the fall. This would also reduce how often a power bypass may be necessary to maintain temperatures below Nimbus Dam.

Business Nexus | PFAS Chemicals in the Sacramento Region

Per- and Polyfluoroalkyl substances (PFAS) are a large group of manufactured organic chemicals that are used in a variety of products for their nonstick properties (e.g., Teflon, Scotchgard), as well as in industrial applications such as firefighting. Aqueous Film Forming Foam (AFFF) usage at military bases and airports are sources of PFAS in drinking water systems. In the Sacramento region, some groundwater contamination has been linked to the use of AFFF at Mather Airfield.

Requested Action

- The Federal government should provide funding for abatement and treatment of these chemicals to protect public health and ensure that local ratepayers are not responsible for

funding the clean-up of contamination caused by the US Air Force or other parties. And offer a liability exemption for water systems under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), known as Superfund, in contamination events involving per- and polyfluoroalkyl substances (PFAS).

PFAS have been linked to various toxicological issues for people and are highly persistent in the environment. In March 2023, the U.S. Environmental Protection Agency (EPA) proposed a National Primary Drinking Water Regulation (NPDWR) to establish legally enforceable levels (MCLs), for six PFAS in drinking water. PFOA and PFOS as individual contaminants at 4 ng/L (parts per trillion – ppt), and PFHxS, PFNA, PFBS, and HFPO-DA (commonly referred to as GenX Chemicals) at 1 (unitless) ng/L. EPA is also proposing health-based, non-enforceable Maximum Contaminant Level Goals (MCLGs) for these six PFAS at zero. Previously, EPA had set a non-enforceable Health Advisory Level of 70 ng/L combined PFOA and PFOS.

The Office of Environmental Health Hazard Assessment (OEHHA) of the California Environmental Protection Agency has developed proposed Public Health Goals (PHGs) for perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS) in drinking water, the first step in developing a Maximum Contaminant Level (MCL) for drinking water. The State Water Resources Control Board has set California response levels at 10 ng/L for PFOA, 40 ng/L for PFOS, and 20 ng/L for PFHxS.

PFAS contamination is a national issue impacting communities around the state and around the nation. There are multiple legislative proposals to reduce the use of PFAS, set a national MCL for drinking water and fund clean-up efforts. Drinking water providers in the Sacramento region support the establishment of reasonable new MCLs to protect public health and confidence in the safety of our drinking water. We vigorously endorse the "polluter pays" principle to ensure that our customers are not forced to bear the burden of paying to remediate contamination caused by the military, industry, and manufacturers of this class of chemicals.