

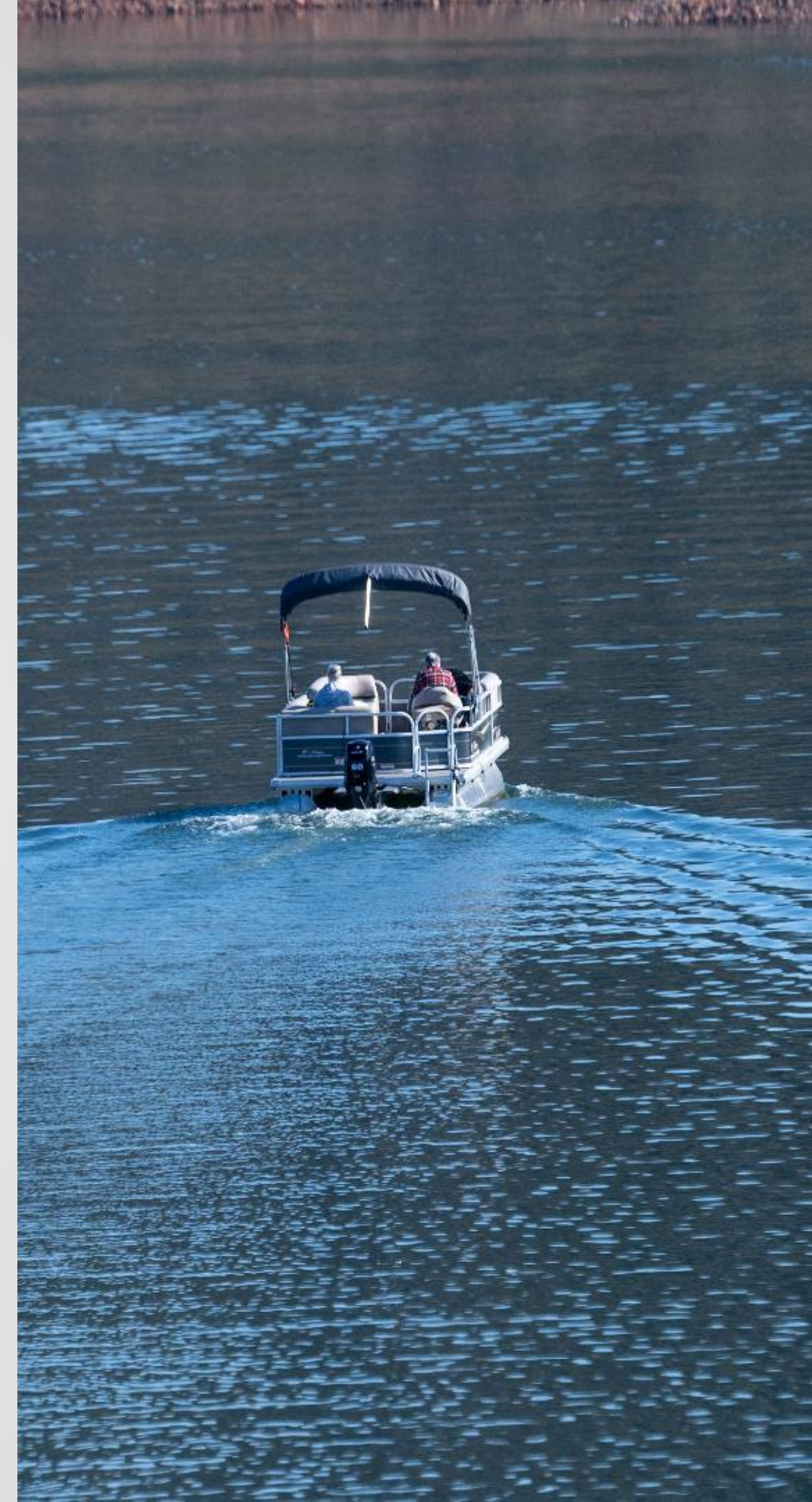
Sites Reservoir Project

Draft Contract for the Administration of Public Benefits – Recreation, Flood Control, Emergency Response



Sites Reservoir Project: Recreation Benefit

- Expand surface-water recreation by adding facilities that support activities such as boating, fishing, swimming, camping, hiking, picnicking, and sightseeing.
- Annual new recreation visitation estimates for the project are 187,000 users per year.



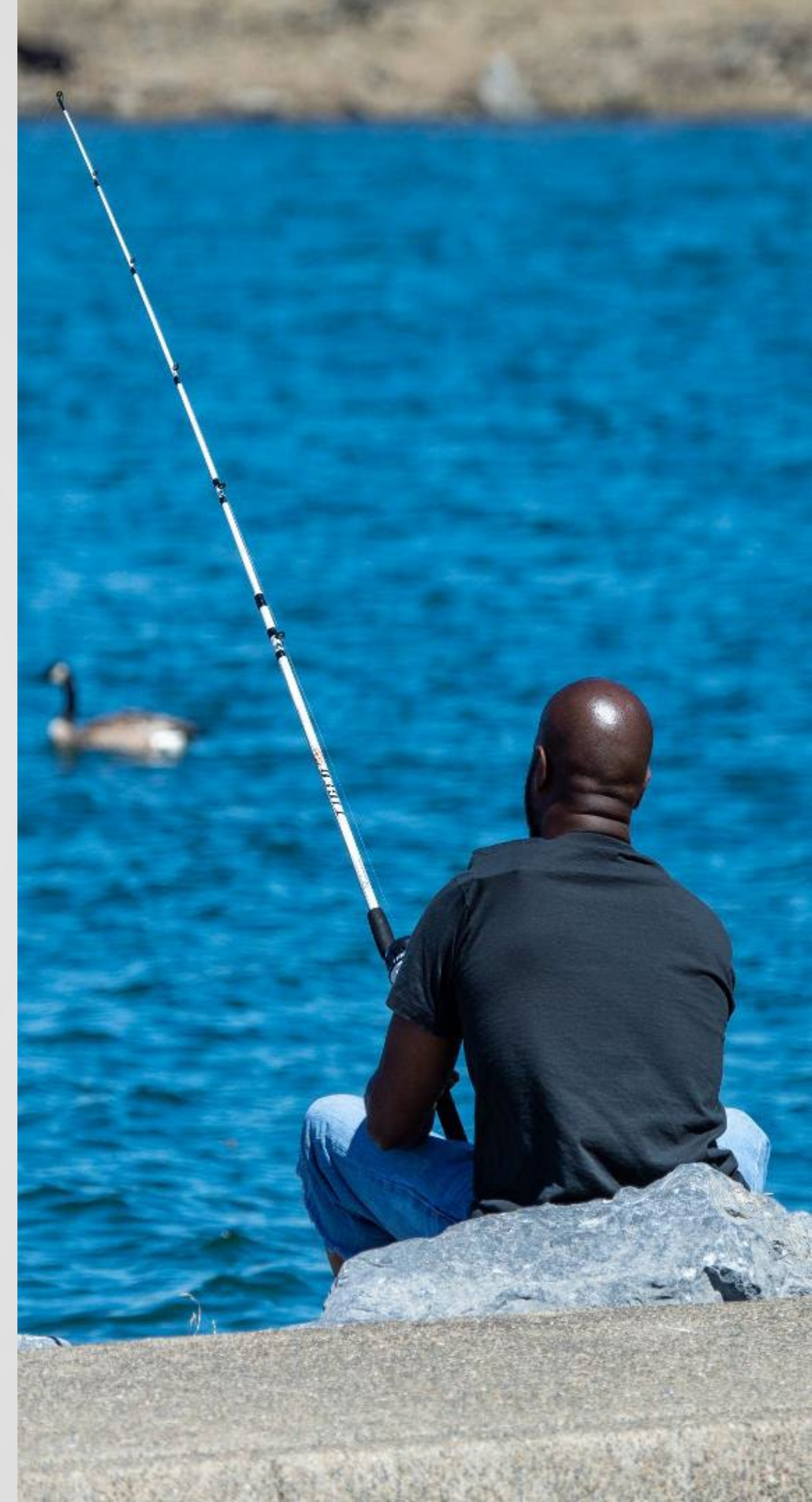
Sites Reservoir Project: Draft Contract Overview

- Basic structure of the Draft Contract mirrors California Department of Fish and Wildlife's
- Draft Contract focuses on proposed recreation areas, project construction timelines, monitoring metrics, thresholds and triggers, and adaptive management.
- 75 Year Contract
- Annual Reporting of Visitation numbers



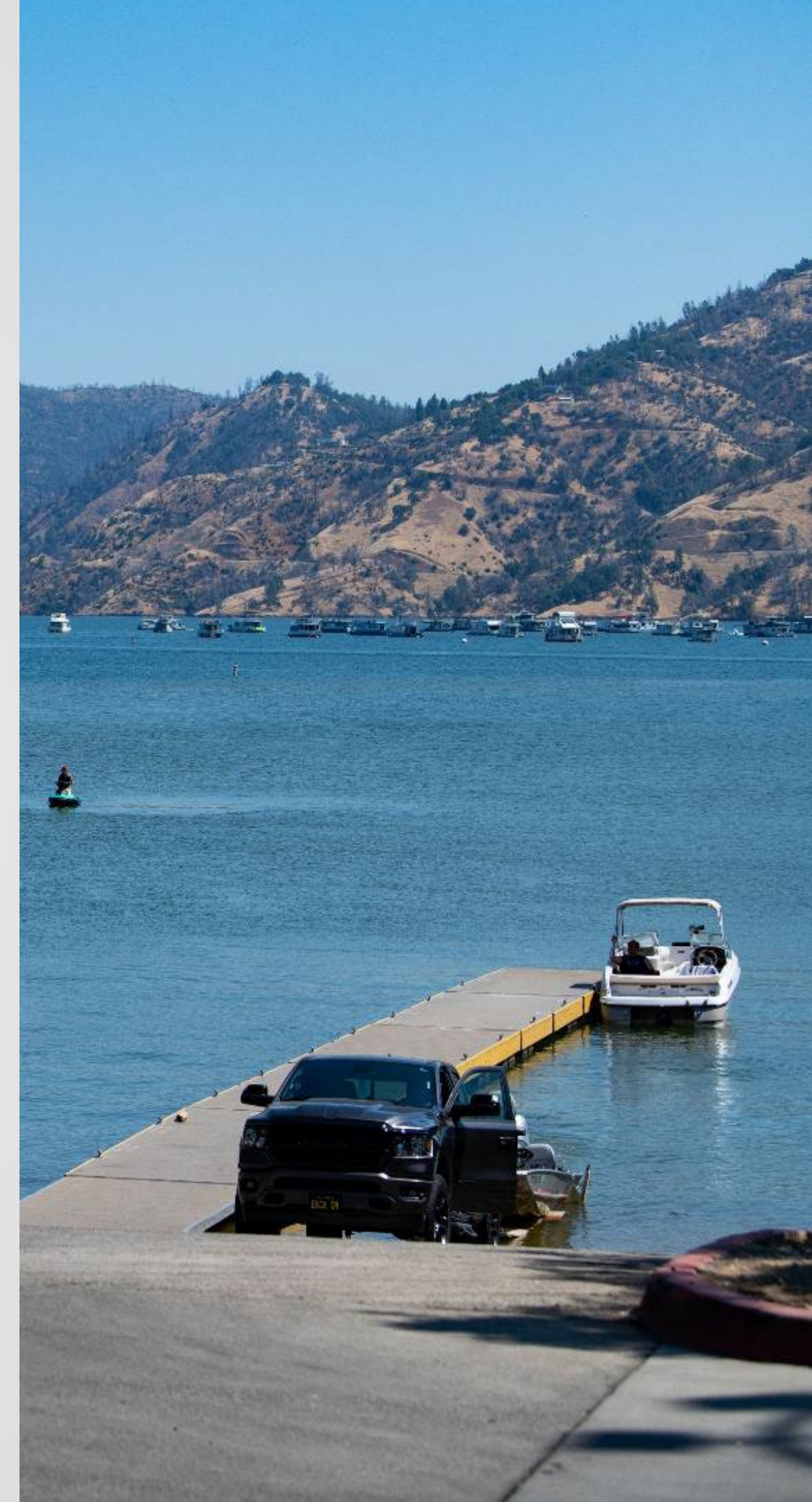
Sites Reservoir Project: Draft Contract Overview

- **Performance Thresholds:** “Quantity of Public Recreation Benefit expected to be achieved by implementation of with-project actions compared to without-project actions, based on Best Available Science at the time of Contract execution.”
- **Adaptive Management Triggers:** Identify when monitoring results fall below Performance Thresholds during the five-year review cycle, signaling that a Public Recreation Benefit may be experiencing a potential challenge, is not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.



Sites Reservoir Project: Performance Thresholds

- Complete construction of the day-use boat ramp and Stone Corral Creek recreation facilities by the end of Year 14 following execution of the Funding Agreement.
- The Sites Authority will maintain an average of 187,000 annual visitors at project recreation facilities, based on a five-year rolling average beginning in Year 6 after facility openings and the start of reservoir operations.



Sites Reservoir Project: Adaptive Management Actions

- Assess Conditions Beyond Sites Authority's Control
- Prepare and Implement corrective plan
- Develop and Implement Marketing Plan
- Develop and Implement Event Plan
- Survey and Implement Non-Facility Adjustments



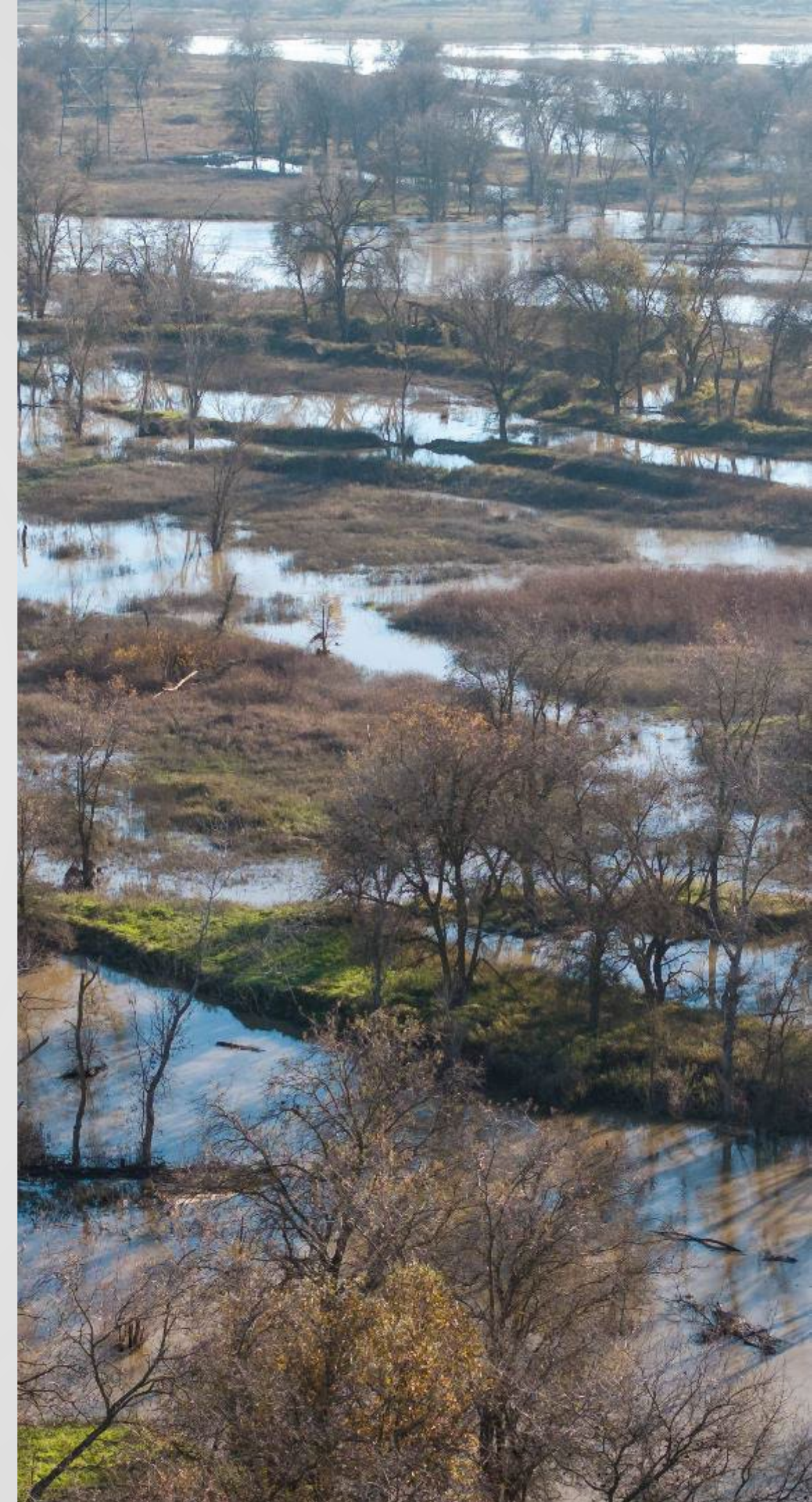
Sites Reservoir Project: Flood Control Benefit

- Provide incidental flood storage to capture local creek and stream flows, reducing flood risk for Maxwell and nearby agricultural areas.



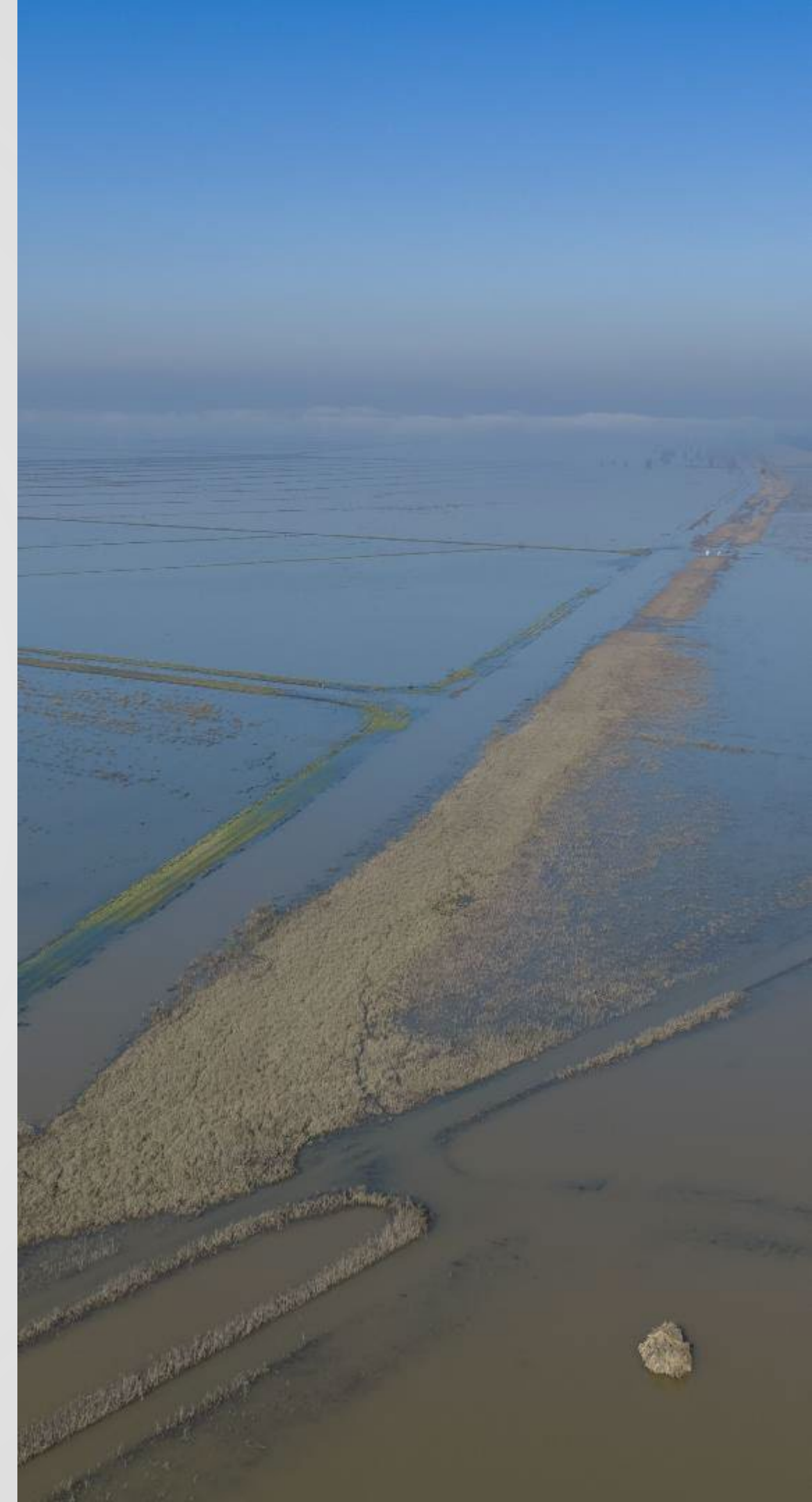
Sites Reservoir Project: Draft Contract Overview

- Basic structure of the Draft Contract mirrors California Department of Fish and Wildlife's.
- Draft Contract focuses on implementing and maintaining Project facilities in accordance with the California Department of Water Resources Division of Safety of Dams regulations, develop a Flood Management Plan, and implement flood management operations that would regulate flows from Funks and Stone Corral creeks.
- 75 Year Contract
- Annual Reporting



Sites Reservoir Project: Draft Contract Overview

- **Performance Thresholds:** “ Flood Control Benefit expected to be achieved by implementation of with-project actions compared to without-project actions, based on Best Available Science at the time of Contract execution.”
- **Adaptive Management Triggers:** Identify when monitoring results fall below Performance Thresholds during the five-year review cycle, signaling that a Public Flood Control Benefit may be experiencing a potential challenge, is not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.



Sites Reservoir Project: Performance Thresholds

- Adopt a Flood Management Plan within 6 years from the Funding Agreement date of execution.
- Division of Safety of Dams (DSOD) inspection reports find the Sites Project facilities to be “safe for continued use”.



Sites Reservoir Project: Adaptive Management Actions

- Develop a schedule to conduct the periodic Review of Effectiveness of the Flood Management Plan.
- Work with DSOD to:
 - Correct the “unsafe to store water” judgement
 - Submit the plan for correction to DWR



Sites Reservoir Project: Emergency Response Benefit

- Project would provide emergency response water through agreements with the DWR and other Project partners.
- Deliver up to 208,800-acre feet of captured water creating a new water supply for use during Drought Emergency Years. The actual amount of water delivered, and the recipients will be dependent on the nature of the emergency.



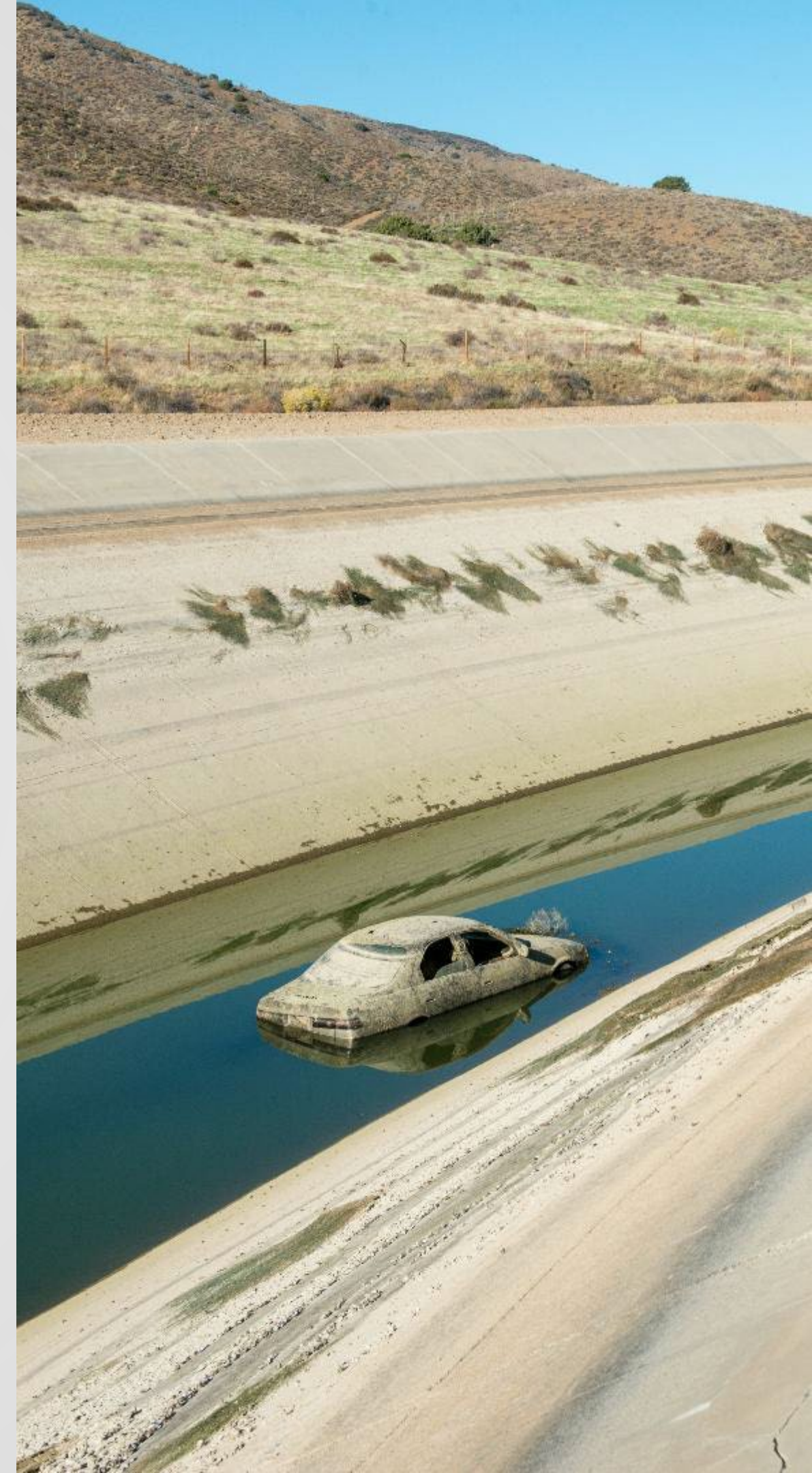
Sites Reservoir Project: Draft Contract Overview

- Basic structure of the Draft Contract mirrors California Department of Fish and Wildlife's.
- Draft Contract focuses on water provided in
 - Critical Year in the third or later year of multi –year drought – “DDC” or “DDDC”
 - Modeled in CalSim
 - And/or - formal Government declared drought



Sites Reservoir Project: Draft Contract Overview

- **Performance Thresholds:** “Quantity of Public Emergency Response Benefit expected to be achieved by implementation of with-project actions compared to without-project actions , based on Best Available Science at the time of Contract execution.”
- **Adaptive Management Triggers:** Identify when monitoring results fall below Performance Thresholds during the five-year review cycle, signaling that a Public Emergency Response Benefit may be experiencing a potential challenge, is not on the expected trajectory to achieve the Performance Threshold, and the monitoring data is below the Performance Threshold.



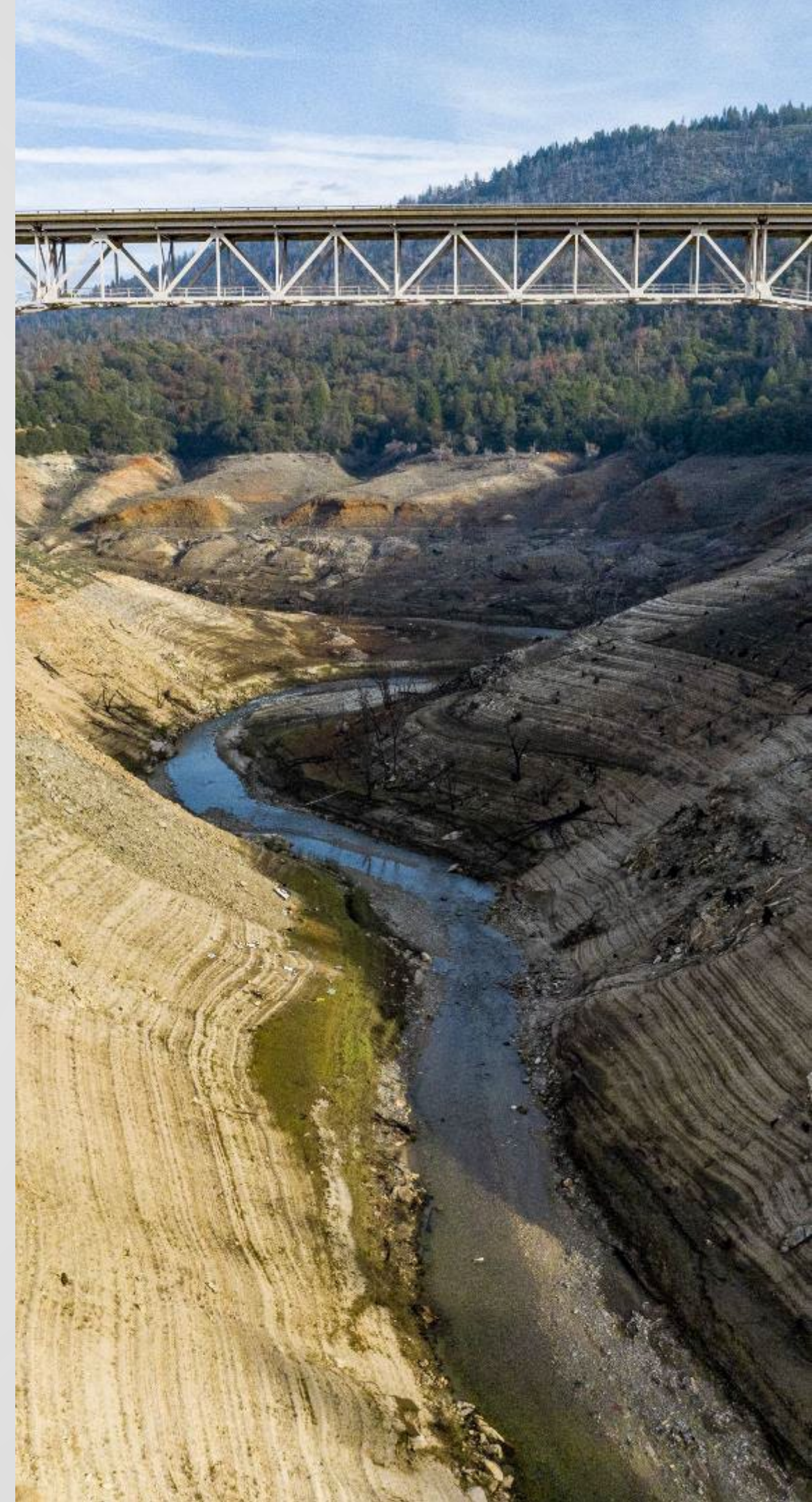
Sites Reservoir Project: Performance Thresholds

- Deliver stored Sites water in an Emergency Year
- Target Volume 208,300 AF over 35-year term of CAPB
 - Intermediate Target Volumes
 - Intermediate Target Volumes 34,800 AF – 6 Events
 - Assumes 6 Emergency Years in 35-year term
- Integrate the Drought Emergency Response Operations Plan into the Reservoir Operations Plan within seven years of the Funding Agreement's execution.



Sites Reservoir Project: Performance Thresholds

- Align all Participant Benefits & Obligations Contracts with the Drought Emergency Response Operations Plan within six months of its adoption into the Reservoir Operations Plan.
- Drought Emergency Response Program (DERP)



Sites Reservoir Project: Adaptive Management Actions

- Each Emergency Year meet at least 75% of Intermediate Target Volumes
- If not, Adaptive Management invoked
 - Manage storage to increase likelihood of meeting Intermediate Target Storage for the next Emergency Year
 - Recruit additional Participants to provide water in Emergency Years – such as through the DERP



Sites Reservoir Project: Adaptive Management Actions

- Target Volume is not required to be met if there are less than 6 Drought Years during 35-year term
- Best efforts to meet Intermediate Target Volumes required
- If Adaptive Management is failing Benefit Dispute Process is activated.

