

Sites Reservoir Project Update

California Water Commission

June 17, 2026

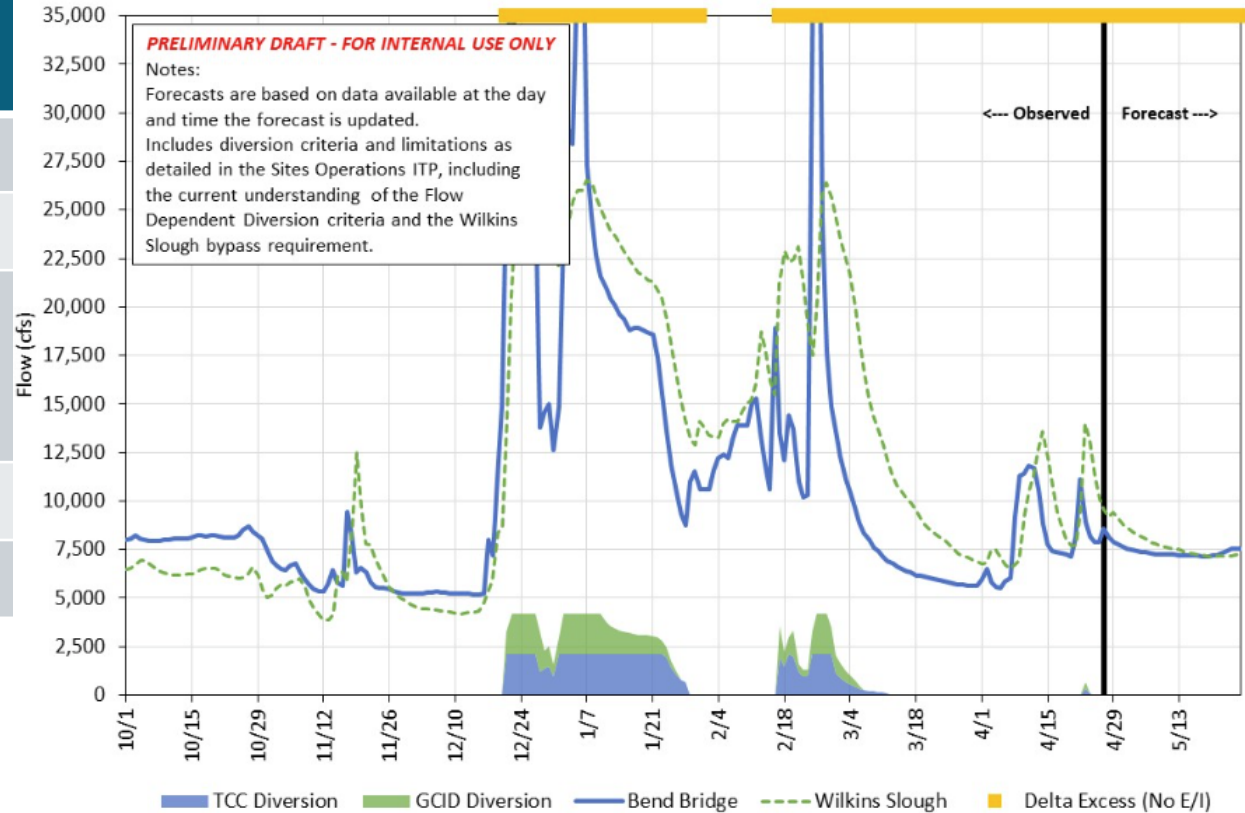
By: Jerry Brown

Sites Project Authority Executive Director



What if we had Sites today?

| Water Year | Estimated Diversion |
|-------------------|-----------------------------------|
| 2023 | 700,000 AF |
| 2024 | 840,000 AF |
| Total for WY23&24 | 1,540,000 AF (103% of capacity!!) |
| 2025 | 550,000 AF |
| 2026 | ~340,000 AF |



Potential WY Diversion through 04/26: 341,072 acre-feet. Forecasted potential diversion for 04/27 through 05/27: 0 acre-feet.

Forecasts use CNRFC deterministic and 50% exceedance probability forecasts, and assume the Delta remains in an Excess condition unless otherwise indicated.

General Project Update



Water Right – draft order issued Mar 2026 and final in Sept 2026



Critical permits and approvals – ITP's and BO (constr) received, 404/401 (wetlands) in progress, Sec 106/ROD complete



Contractor Procurements – CMAR for Conveyance and Mitigation Contractor procurements are underway



Land Acquisitions and Permitting Surveys - ~ 2,200 acres purchased (~15%) , Contingent Land Purchases in progress, WP#1 properties surveyed for botany, cultural and raptor permitting (~75%)



Engineering Design – completed to ~ 30% design, DSOD has confirmed dam design sufficiency (no red flags)



Cost Estimate and Schedule Update – updates occurring in June/July 2026



Financing – Underwriting services for interim financing to be procured, EPA WIFIA loan agreement to be finalized at end of investor commitment



Off-Taker Contracts – Participant B&O Contracts being finalized, Reclamation Partnership Agreement complete, CAPBs being presented today



Facility Partner Agreements (GCID, TCCA, RD108) – being finalized

Sites Draft Water Right Permit was issued on 3/20/26 This is a major project milestone!

- The draft permit finds water is available which confirms that Sites is a new water supply for California.
- A permit of this magnitude for a new water supply has not occurred in decades.
- Sites Authority has requested several changes in the permit prior to adoption.

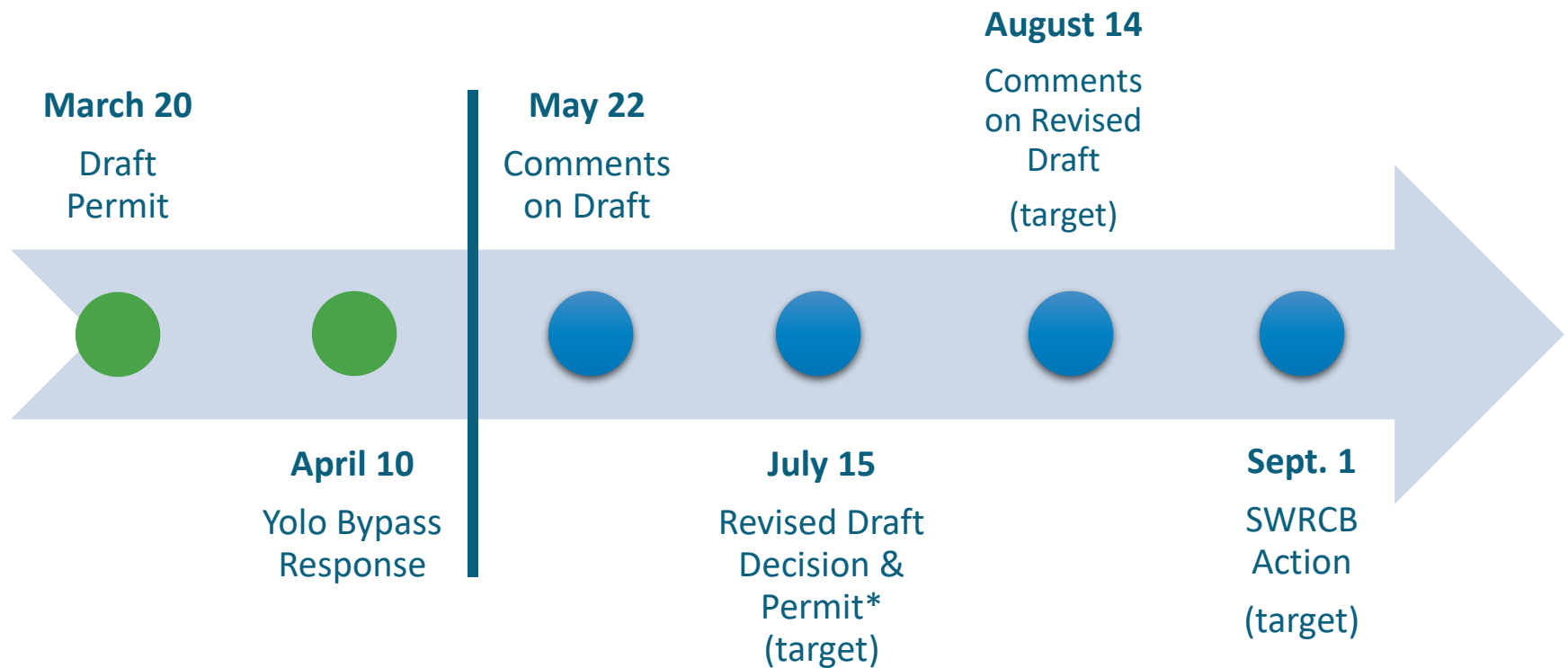
Draft Decision and Permit – Priority Changes Requested by the Authority and Others

- Several Draft Permit conditions would significantly constrain Sites Project operations:
 - Clarify the “to be” adopted Bay-Delta Water Quality Control Plan Update to the new Sites water right;
 - Address flaws in new diversion criteria layered on already stringent regulatory determinations in the California Department of Fish and Wildlife’s Incidental Take Permit;
 - Align through Delta conveyance for Sites water with the existing regulatory framework and recently issued State Board orders for other similar actions; and
 - Ensure available local runoff from Funks and Stone Corral Creeks into Sites Reservoir is secured for the Counties.

State Agency and Elected Official Commenters seek similar changes to the Authority

- More than 50 comment letters were submitted
- Most were calling for similar changes to those recommended by the Authority
- State agency and elected official comments were submitted by:
 - CNRA
 - CDFW
 - DWR
 - CalEPA
 - Regional Board, Region 5
 - Governor Newsom
 - Senator Padilla
 - Bi-Partisan CA Congressional Letter (10 signatures)
 - Assemblymember Gallagher

Water Right Decision and Permits Schedule for Draft to Final



Project Labor Agreement Update

- Barnard Construction and the Building and Construction Trades executed a PLA conforming to the Authority's Construction Workforce Policy on March 20, 2026
 - All of the affiliated trades have signed except NCSCU
 - Provisions that the NCSCU has historically accepted in other PLAs are included
 - A NCSCU signatory contractor, (Ames) will perform all carpenter work under this CMAR as a sub to Barnard.
- The Authority has adopted the PLA as its "Template PLA" to be applied across all alternate delivery contracts on the project
- The CMAR for Conveyance is currently being procured and requires adherence to the Authority's "Template PLA".
- Alternate delivery contracts must be PLA (ie. Union). The Authority has not yet determined other contracts.

Specific concerns raised about labor stability to the Commission

- A February 17, 2026 NCSCU letter raised concerns around wage escalation, workforce standards, local hire, and the risk of schedule disruption.
- These concerns related to the first working draft of the PLA which Barnard shared with NCSCU to invite input during development of the Reservoir PLA.
- NCSCU ultimately chose not to participate in that process.
- The issues raised were addressed through subsequent negotiations and finalized terms developed between Barnard and the Building and Construction Trades.

Issues identified in the Feb 17, 2026 NCSCU letter have been addressed in the Reservoir PLA and the Authority's adopted "Template PLA"

Wage Freeze Apprehensions

- *NCSCU Concern:* Draft PLA risked freezing non-signatory contractor wages at 2026–2027 levels over a 7+ year timeline.
- *Resolution:* Reservoir and Template PLAs (Sec. 5.1) mandate immediate compliance with all future California prevailing wage and rate increases as they take effect under law.

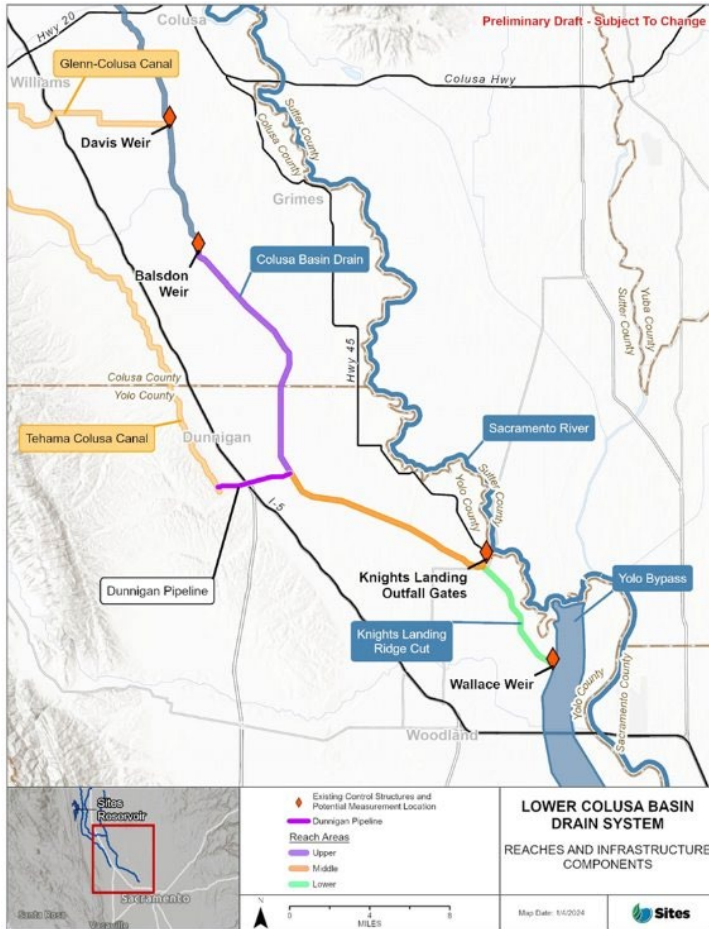
Workforce Skill Safeguards

- *NCSCU Concern:* Lowered experience thresholds for non-union core workers compared to standard apprenticeship graduation metrics.
- *Resolution:* Enforces standard statutory exemptions under PCC § 20928.2(c)(6) via an executed PLA. Core worker verification metrics are maintained, requiring active licensing, safety capability, and 2,000 hours of recent craft experience.

Out-of-State Labor Loopholes

- *NCSCU Concern:* Draft clauses incentivized out-of-state hiring by exempting those workers from core-employee caps and tracking.
- *Resolution:* Out-of-state exemption language was completely removed. Implemented a strict local hire dispatch hierarchy (Tier 1 & Tier 2 counties, Veterans, and MC3 graduates) and banned out-of-state labor from counting toward local hire achievements.

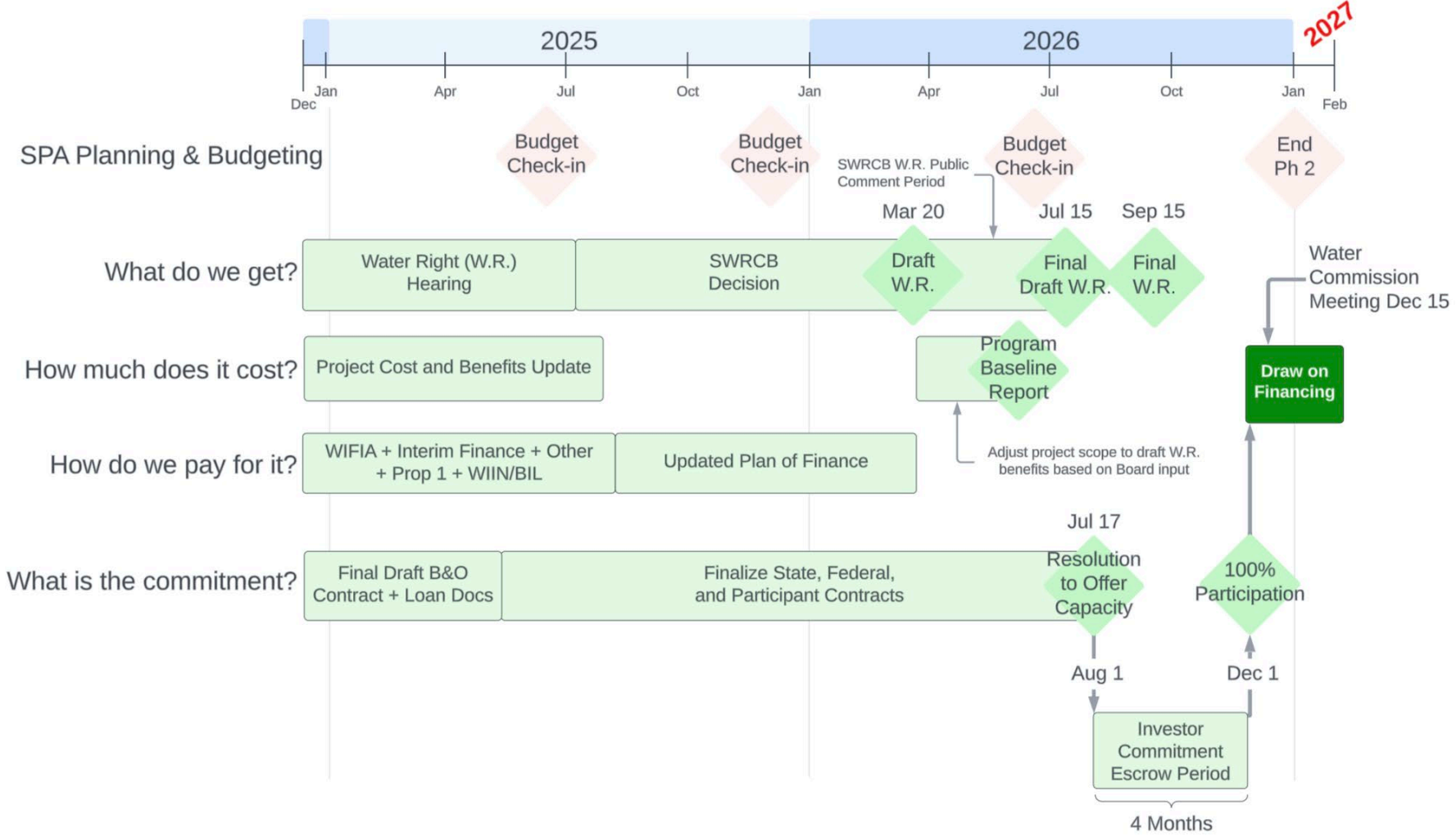
Response to Local Concerns about Colusa Basin Drain (CBD) Flows



- Public comments to the CWC have identified that Sites negatively affects flows in the CBD between Davis and Balsdon weir.
- Current project plans do not involve use of this section of the CBD; any potential project affects occur south of the Balsdon Weir.
- The concerns appear to be related to the elimination of the Delevan Pipeline which was found to be infeasible.

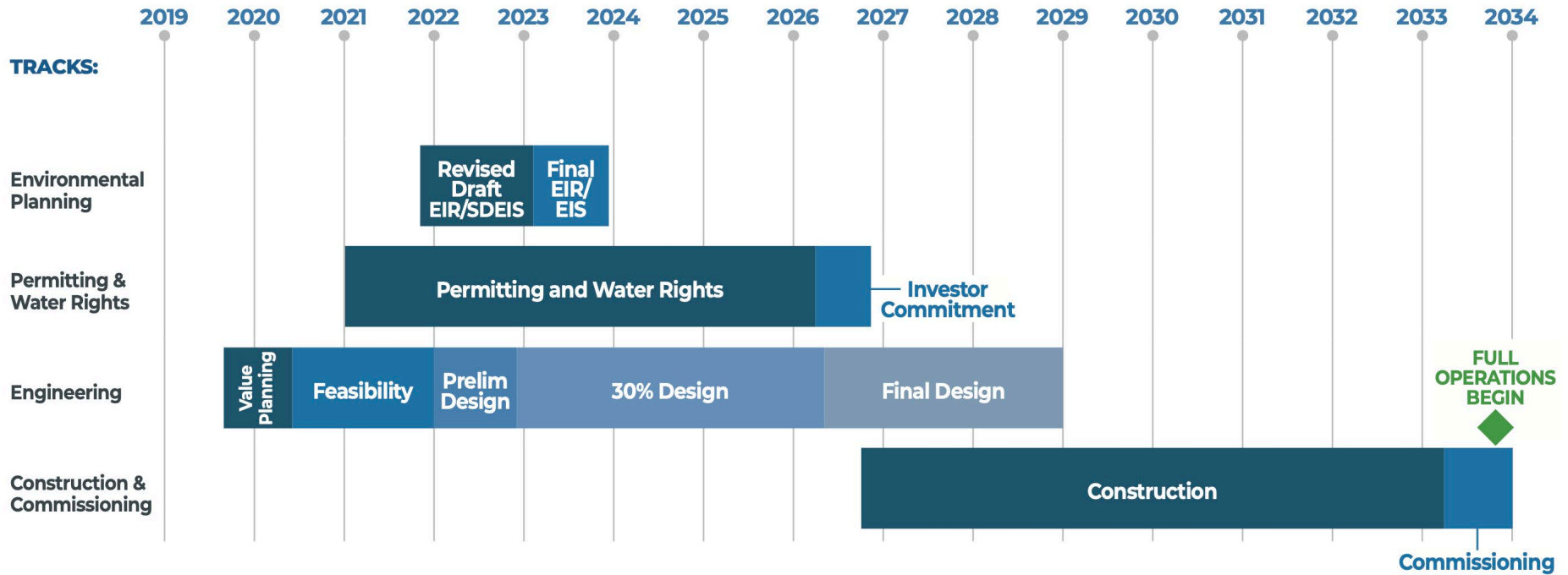
The water right schedule brings more clarity to the near-term project decision schedule

Update March 24, 2026



Timeline: Construction is on the Horizon

Sites Project Schedule (adopted January 2026)



Questions?



Sites Reservoir Virtual Tour

