

Notice of Determination

To: Office of Planning and Research
1400 Tenth St., Rm 113
Sacramento, CA 95814

From: Department of Water Resources
1416 Ninth Street
Sacramento, CA 95814

Contact: Pedro Villalobos, Chief, SWPAO Phone: (916) 653-4313

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number: 2014092036
Project Title: Water Supply Contract Extension
Project Applicant: Department of Water Resources
Project Location: No specific physical location, although the EIR reviewed areas encompassing SWP operations and facilities, as well as Contractor service areas
Project Description: **SEE ATTACHED**

This is to advise that the Department of Water Resources acting as the Lead Agency has approved the above described project on December 11, 2018 and has made the following determinations regarding the above described project.

1. The project will not have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures were not made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan was not adopted for this project.
5. A Statement of Overriding Considerations was not adopted for this project.
6. Findings are not necessary and were not made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, is available to the General Public at: <https://water.ca.gov/Programs/State-Water-Project/Management/Water-Supply-Contract-Extension>.

Signature: 

Title: *Director*

Date: *12-11-18*

Date Received for filing at OPR:

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

Governor's Office of Planning & Research

DEC 11 2018

STATE CLEARINGHOUSE

Notice of Determination (cont.)
Project Description

Description of Project

The proposed project would extend the term of each of the Water Supply Contracts to December 31, 2085 and amend and add financial provisions to the Contracts based on the negotiated Agreement in Principle (AIP) between DWR and the Contractors. The proposed project would not create new water management measures, alter the existing authority to build new or modify existing facilities, or change water allocation provisions of the Contracts. The changes to the SWP contracts by the proposed project are composed of the following five project elements.

1. **Extended Contract Term.** Revise Article 2 to extend the term of the 29 Contracts to December 31, 2085 (subject to the provisions of Article 4).
2. **Increased Operating Reserves.** Provide for increased SWP financial operating reserves.
3. **New Billing Provisions.** Implement a comprehensive pay-as-you-go repayment methodology with a corresponding billing system that more closely matches the timing of future SWP revenues to future expenditures. The pay-as-you-go repayment methodology generally means to recover capital, operation and maintenance costs within the year incurred and/or expended.
4. **Enhanced Funding Mechanisms and New Accounts.** Provide enhanced funding mechanisms and create additional accounts to address SWP financial needs and purposes.
5. **Enhanced Coordination Regarding SWP Finances.** Provide for a finance committee and provide other means to increase coordination between DWR and the Contractors regarding SWP financial matters.