



*Aerial view looking south along Old River in the center is Fay Island, part of the Sacramento-San Joaquin River Delta in San Joaquin County, California. Photo taken March 08, 2019. Ken James / California Department of Water Resources*

FEBRUARY 24, 2021

# Stakeholder Engagement Committee Meeting



# Meeting Agenda

1	<b>Welcome/ Call To Order</b>	5	<b>Technical Updates and Committee Discussion</b>
2	<b>Roll Call</b>		5a. DWR CEQA Status Update
3	<b>Minutes Review: December 9, 2020 Regular SEC Meeting</b>		5b. Bethany Alternative Wrap-up
4	<b>DCA/SEC Housekeeping Updates</b>		5c. Geotechnical Field Work Update
	4a. AB 992 Brown Act Amendment- Social Media Postings by SEC Members		5d. SEC Questions or Comments on December 9th Meeting Presentation
	4b. DCA Board Update		5e. Public Comment on Item 5
	4c. Public Comment on Item 4	6	<b>DWR Updates &amp; Committee Discussion</b>
			6a. Community Benefits Program
			6b. Project Financing Overview
			6c. Public Comment on Item 6
		7	<b>Future Agenda Items &amp; Next Meeting</b>
			7a. DWR Communications Plan 2021
		8	<b>Non-Agendized SEC Questions or Comments</b>
		9	<b>Public Comment on Non-agendized Items</b>

## Item 3.

# *Minutes Review:* *December 9, 2020* *Regular SEC Meeting*



## Item 4.

### ***DCA/SEC Housekeeping Updates***

- ***AB 992 Brown Act Amendment***
- ***DCA Board Update***
- ***Public Comment***

An aerial photograph of a river and wetlands. The river flows from the top left towards the bottom right, curving around a large, flat, brownish-green island. The surrounding landscape is a mix of green fields and brownish wetlands. In the background, some industrial structures and a bridge are visible under a hazy sky.

Item 4a.

# ***AB 992 Brown Act Amendment - Social Media Postings by SEC Members***



# Transparency Laws

## *The Ralph M. Brown Act*

*Applies to:*

- Local agencies
- Legislative bodies
- Meetings
- Persons elected to legislative bodies, even prior to assuming office
- Certain private organizations



# Transparency Laws:

## *The Brown Act - Serial Meetings*

### Serial Meetings

*Use of:*

- Direct communication
- Intermediaries
- Technology

*To develop a collective concurrence outside of a meeting is **expressly prohibited***

### Emails

*When e-mailing:*

- Don't "reply to all"
- Do not take a position or make a commitment
- E-mail board/ council info only
- Take caution to ensure compliance with law

# AB 992 - Brown Act and Use of Internet-Based Social Media Platforms

**New Law Effective January 1, 2021**

*Addresses permitted and prohibited public official communications via social media*

**Permitted: A member of a legislative body may communicate with the public using an internet-based social media platform that is open and accessible to the public regarding a matter that is within the subject matter jurisdiction of the agency (“agency business”).**

- **Ok to answer questions, provide information to the public, or to solicit information. Treat as a public forum –do not censor people.**
- **These communications could be subject to the Public Records Act.**



# AB 992 - Brown Act and Use of Internet-Based Social Media Platforms

## Prohibited communications via social media



A majority of the members may not use an internet-based social media platform to discuss agency business.




A member may not respond directly to any communication posted or shared by another member regarding agency business on an internet-based social media platform.

*Includes: NO likes, thumbs up, emojis or other symbols*



# Questions?





Item 4b.

## ***DCA Board Update***

# Revised Joint Power Agreement

- Current and future DCA member agencies have voted on participation in the ongoing planning work for the Delta Conveyance Project
- These votes included decisions on:
  - (1) level of participation in DCP
  - (2) funding agreement with DWR for DCP, and
  - (3) approval of a revised DCA JPA
- 16 Member Agencies signed agreement
- Funding approved to support DCA and DWR during Planning Period

*DCA is governed by and exists solely as a result of a Joint Power Agreement*



# DCA Board of Directors Representation

## Original Board Composition

- Metropolitan Water District of Southern California (2)
- Kern County Water Agency (Vacant)
- Valley Water
- All Other Classes (2, 3, 7, 8)

## Current Board Composition

- Metropolitan Water District of Southern California (1)
- Kern County Water Agency
- Valley Water
- Class 8 (2)
- Class 2
- Class 3, 7

Continuation of SEC Representation:  
Sarah Palmer, SEC Chair  
Barbara Keegan, SEC Vice Chair

# Recent Board Activities

- ➔ **Member agency appointments finalized - end of January**
- ➔ **Special Session (Public) - Orientation Session February 3, 2021**
- ➔ **First Regularly Scheduled Board Meeting on February 18, 2021 (3<sup>rd</sup> Thursday)**





# Questions?

An aerial photograph of a river and wetlands. The river flows from the top left towards the bottom right, curving around a large, dark, marshy island. The surrounding landscape is a mix of green fields and brown, water-saturated ground. In the distance, some industrial structures and a bridge are visible under a hazy sky.

Item 4c.

## ***Public Comment on Item 4***



## Item 5.

# *Technical Updates and Committee Discussion*

- *DWR CEQA Status Update*
- *Bethany Alternative Wrap-Up*
- *Geotechnical Field Work Update*
- *SEC Questions or Comments on December 9<sup>th</sup> Meeting Presentation*

An aerial photograph of a river and wetlands. The river flows from the top left towards the bottom right, curving around a large, flat, brownish-green island. The surrounding landscape is a mix of green fields and brownish wetlands. In the distance, some industrial structures and a bridge are visible.

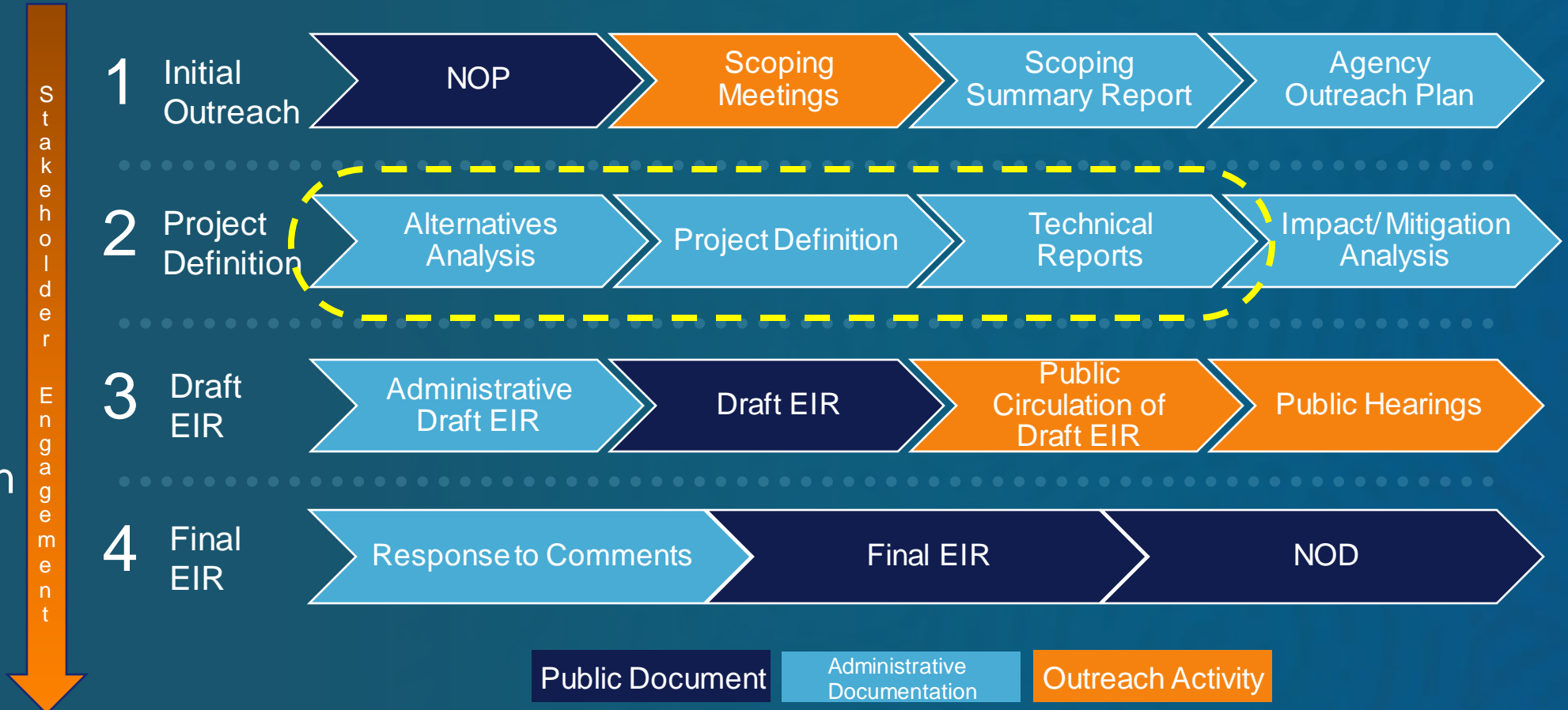
Item 5a.

## ***DWR CEQA Status Update***



# Environmental Review Process

Identify, analyze and disclose the potential significant adverse environmental impacts of a proposed project, and provide feasible mitigation measures and alternatives to avoid or reduce such effects.







# Environmental Planning Update

- California Environmental Quality Act (CEQA): impact analysis methodology and technical studies
- National Environmental Policy Act (NEPA): United States Army Corps of Engineers proceeding to develop EIS
- Soil Investigations: field work season under Initial Study/Mitigated Negative Declaration has ended; investigations are scheduled to start again in April, with outreach regarding entry permissions in mid-March
- Environmental Justice Community Survey: survey closed in December and results will be compiled into a report

An aerial photograph of a river and wetlands. The river flows from the top right towards the bottom left, curving around a large, flat, brownish-green island. The surrounding landscape is a mix of green fields and brownish wetlands. In the background, some industrial structures and a bridge are visible under a hazy sky.

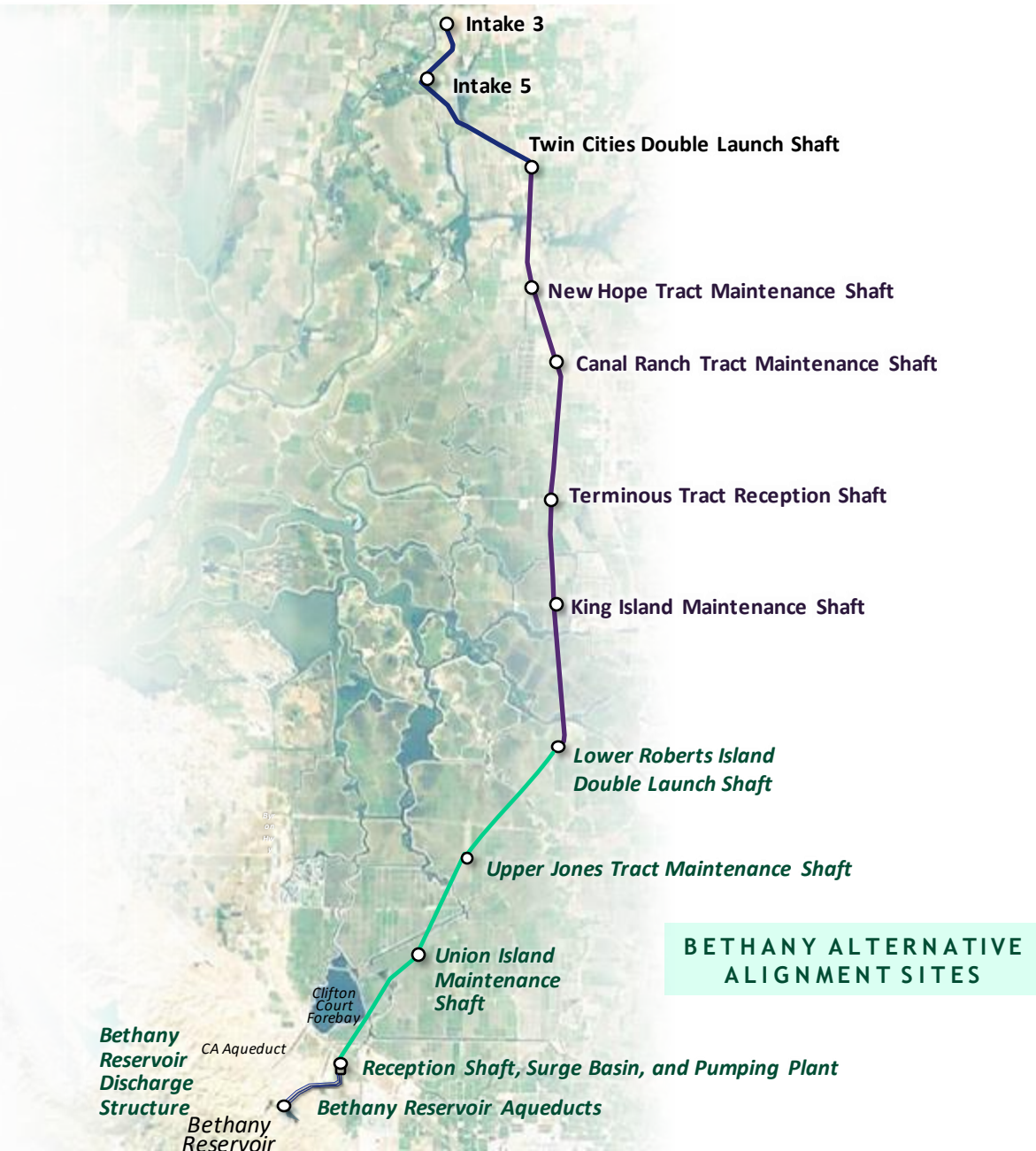
Item 5b.

## ***Bethany Alternative Wrap-Up***



# Bethany Alternative - Basics

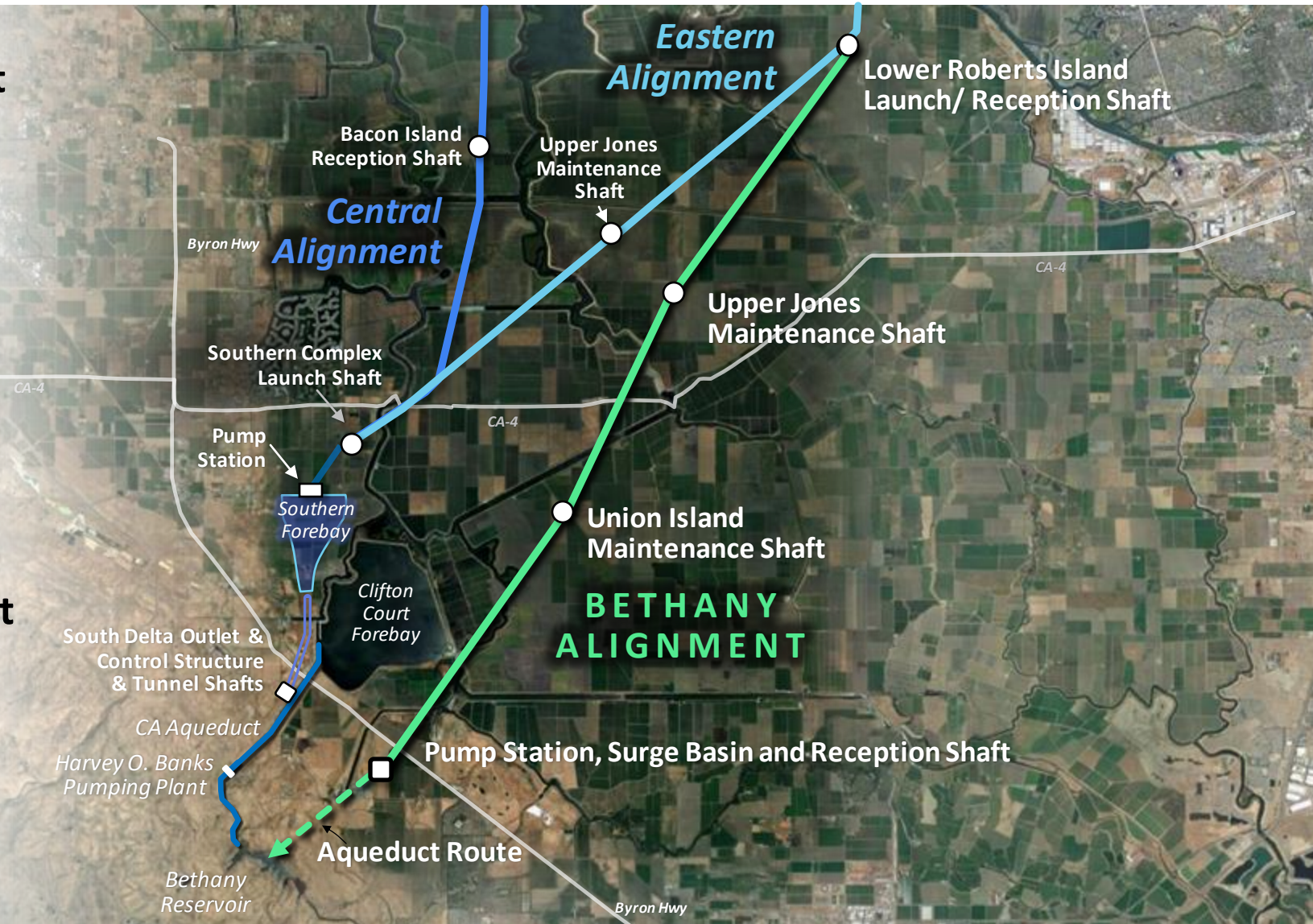
- Uses the same alignment as the Eastern Alignment up to Lower Robert Island Shaft.
- Two additional maintenance shafts would be needed:
  - Upper Jones Maintenance Shaft
  - Union Island Maintenance Shaft
- The tunnel reach from Lower Roberts extends to the Bethany Complex located near the existing Central Valley Project facilities.
- The Bethany Complex Pumping Plant diverts flow up to a discharge structure along the shore of Bethany Reservoir.





# Key Differences to East/Central Alignment

- Originates from Eastern Corridor at Lower Roberts Island Launch Shaft
- Pumping Plant delivers water directly up to Bethany Reservoir
- Eliminates Southern Complex Facilities including Forebay and connecting Hydraulic Control Structures to California Aqueduct
- Minimal use for RTM within Project (no Southern Forebay)





# Bethany Complex - Pumping Plant and Surge Basin





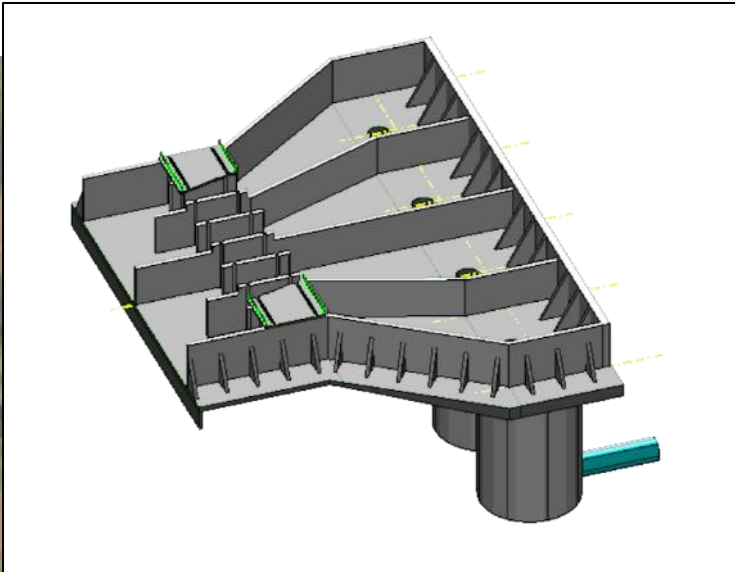
# Bethany Complex - Aqueduct Route

- Avoids conflict with existing surface structures and conservation easements
- Alignment requires two tunneled sections:
  - Under federal aqueduct (Delta-Mendota Canal)
  - Under conservation easement along southern perimeter of Bethany Reservoir





# Bethany Reservoir Discharge Structure



- Construction Area: 14 acres
- Final Project Area: 12 acres

**KEY**

- Construction area
- Final footprint

# RTM Management Strategy

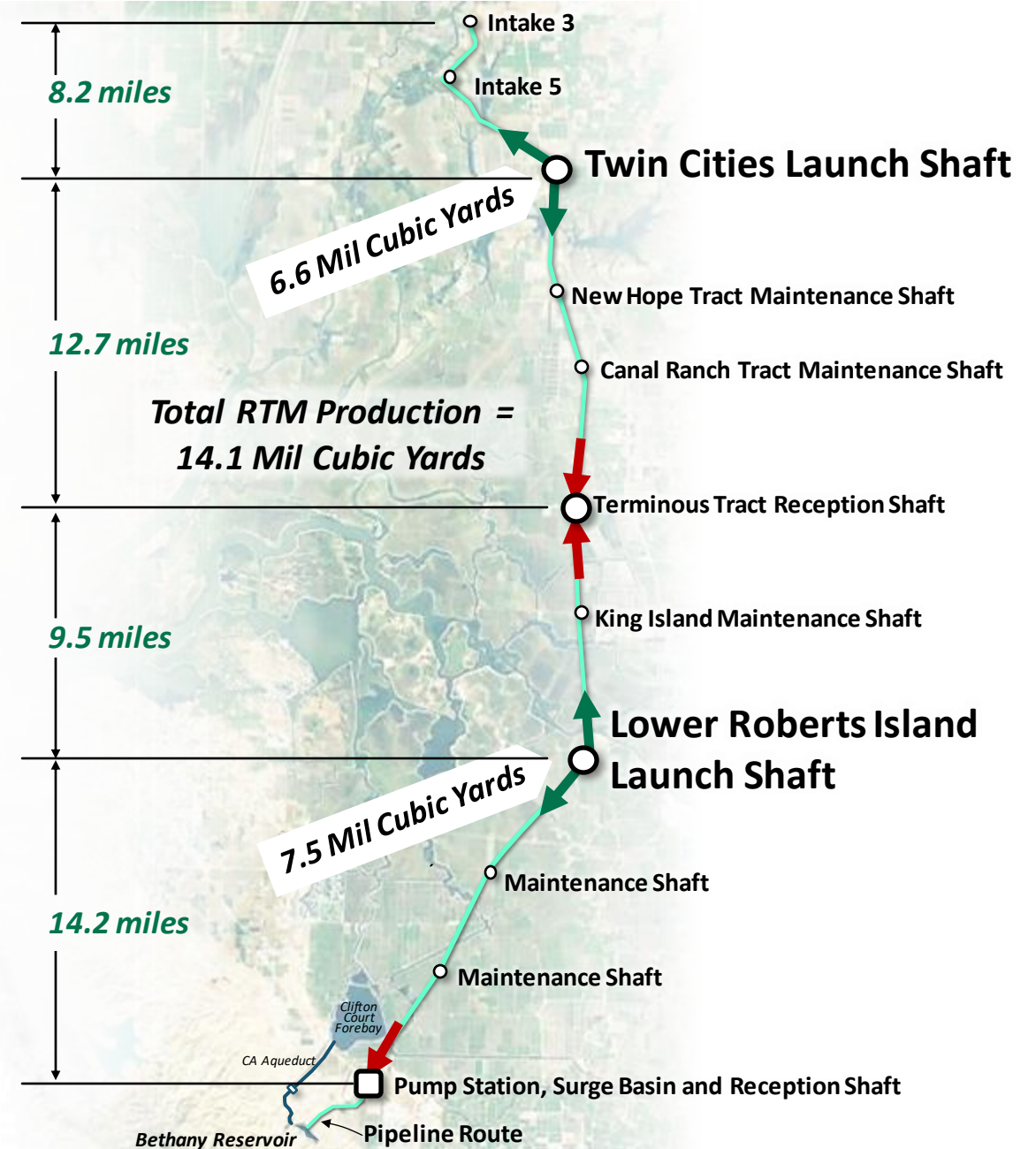
RTM is generated at Tunnel Launch Shaft Sites:

- Twin Cities – 6.6 Mil Cubic Yards
- Lower Roberts Island – 7.5 Mil Cubic Yards

There is NO Southern Forebay on the Bethany Alternative so no need to transport RTM from Twin Cities to Southern Facility Site

Two Options for Management

- Stockpile on-site
- Haul Off-site – Rail or Trucking



# Proposed RTM Management Strategy



## Option 1 - On-Site Stockpile

- Substantial reduction in truck traffic and associated air emissions and greenhouse gas emissions. Eliminates ~83Mil trucking miles.
- Material available for Delta Area Reclamation Districts for levee maintenance or other local beneficial uses; current estimate of levee repair needs ~13Mil CY
- On-site stockpiling gives time for industry to advance electrified hauling vehicle technology. Commercial vehicles will likely be available over next decade.
- *Aesthetic issue of on-site stockpiled material*
- *Significant land requirements for drying and stockpiling (~ 580 extra acres)*



## Option 2 - Off-Site Disposal

- Substantially less construction and permanent area required at Twin Cities and Lower Roberts Tract sites
- *Adds significant truck traffic and associated air emissions and greenhouse gas (GHG) emissions along I-5 corridor and near Port of Stockton*
- *Material not available for local beneficial uses*



# Bethany Alternative - Traffic Affects and Remediations

Bethany Alternative would worsen traffic to an unacceptable level at:

## 1. SR-4 at the Swing Bridge;

Remediation- Capturing worker trips with a park-n-ride lot in Stockton would eliminate this problem

## 2. Byron Highway

Remediation - Extending the planned current widening work to the proposed Lindemann Interchange would enable project traffic to use this section

An aerial photograph of a large water body, possibly a reservoir or a wide river, with a prominent curved levee or dike. The surrounding landscape is a mix of green fields and some industrial or developed areas in the distance. The image is partially obscured by a dark purple semi-transparent rectangle on the left side, which contains the word "Questions?".

# Questions?

An aerial photograph of a river and wetlands. The river flows from the top left towards the bottom right, curving around a large, flat, brownish-green island. The surrounding landscape is a mix of green fields and brownish wetlands. In the background, some industrial structures and a bridge are visible.

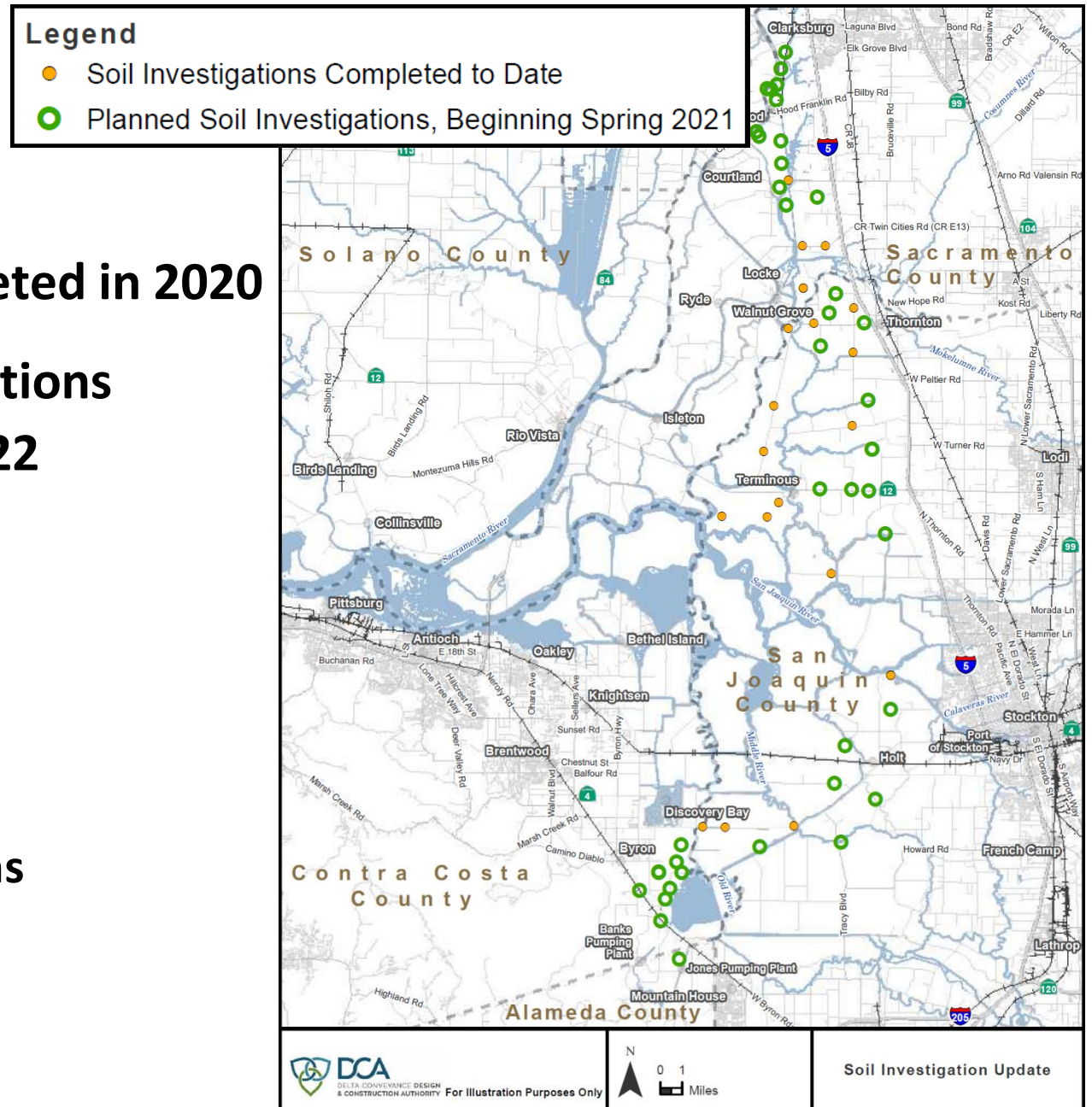
Item 5c.

## ***Geotechnical Field Work Update***



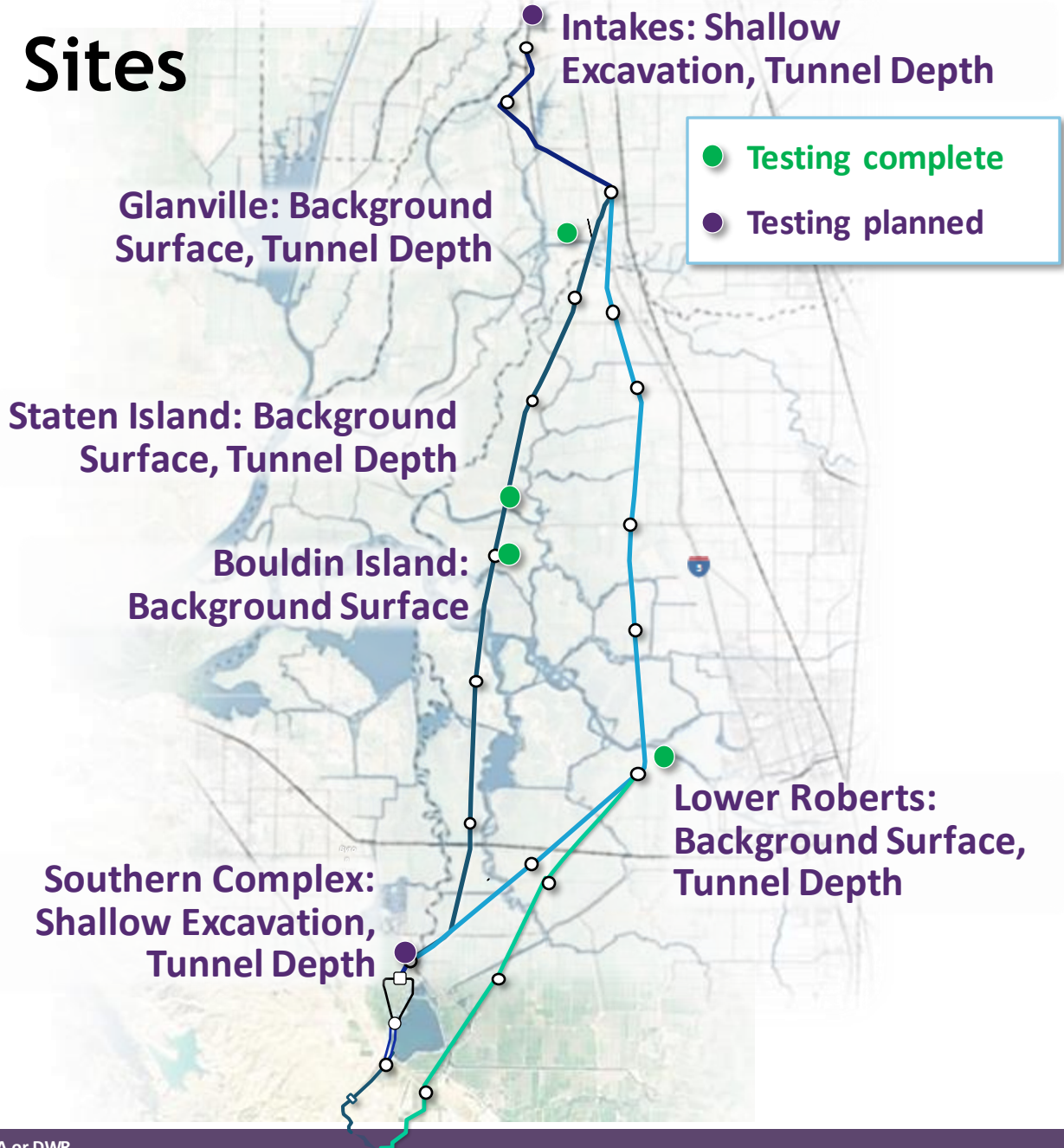
# Completed and Planned Soil Explorations

- Twenty-one (21) soil explorations completed in 2020
- Approximately sixty-five (65) soil explorations planned to be completed in 2021 and 2022
- Challenges during field work
  - County Right-of-Way
  - Access due to weather
  - Challenging drilling conditions
  - Scheduling around agricultural operations



# Year 1 Soils Environmental Test Sites

Sample Type	Location
Background (0 to 3 ft)	<ul style="list-style-type: none"> <li>Glanville</li> <li>Staten Island</li> <li>Bouldin Island</li> <li>Lower Roberts</li> </ul>
Shallow (0 to 10 ft)	<ul style="list-style-type: none"> <li>Intakes</li> <li>Southern Complex – Byron Tract</li> <li>Glanville</li> <li>Staten Island</li> <li>Bouldin Island</li> <li>Lower Roberts</li> </ul>
Tunnel Depth (115 to 160 ft)	<ul style="list-style-type: none"> <li>Intakes</li> <li>Glanville</li> <li>Staten Island</li> <li>Lower Roberts</li> <li>Southern Complex – Byron Tract</li> </ul>



# 2020 Soils Environmental Data - Preliminary Findings

- **Major Metals – all at Non-Detect or extremely low levels except for Arsenic.**
  - Arsenic found at expected background levels in the Delta
  - Methyl Mercury found in several shallow depth samples at trace level and well below levels of human or environmental health limits.
- **Other analytes (petroleum hydrocarbons, PAHs, and pesticides) – Mostly non-detectable.**
  - Random trace levels of common petroleum-based hydrocarbon compounds found at several shallow depth locations. All well below human and environmental health limits.



# 2020 Soils Environmental Test Results to Date

	Lower Roberts Island		Glanville Tract		Staten Island		Bouldin Island	Prior Results <sup>2</sup>	CA Reference Limits <sup>1</sup>
Constituent	Shallow <sup>3</sup>	Tunnel Depth <sup>4</sup>	Shallow <sup>3</sup>	Tunnel Depth <sup>4</sup>	Shallow <sup>3</sup>	Tunnel Depth <sup>4</sup>	Shallow <sup>3</sup>		
Arsenic [mg/kg] <sup>5</sup>	5.45	3.04	5.41	4.61	13.2	4.53	7.84	<1.0 to 4.7	0.11 to 3.6
Cadmium [mg/kg]	ND	ND	ND	ND	ND	ND	ND	2.8 to 10	71 to 780
Hexavalent Chromium [mg/kg]	ND	ND	ND	ND	ND	ND	ND	N/A	0.30 to 62
Mercury [mg/kg]	ND	ND	ND	ND	ND	ND	ND	<0.01 to 0.045	13 to 190
Methyl Mercury [mg/kg]	ND	ND	ND	ND	0.0000575	ND	0.000245	N/A	7.8 to 66
TPH as Motor Oil [mg/kg]	101	ND	20.6	ND	106	ND	92.0	ND	2,400 to 18,000

ND: Not Detectable N/A: not available

<sup>1</sup> Reference values provided for the purpose of context ONLY. The range represents the Residential to Industrial land use limits based on the California Department of Toxic Substances Control (DTSC) Health and Ecological Risk Office (HERO) Note 3 (DTSC, 2020).

<sup>2</sup> California Department of Water Resources (DWR). 2010. Environmental Sampling Report – Phase I Geotechnical Investigations. Delta Habitat Conservation and Conveyance Program (DHCCP) Document Number: 31-05-181-001, Revision 0. June.

<sup>3</sup> Averaged within upper 10 feet

<sup>4</sup> Averaged near proposed tunnel depth

<sup>5</sup> Average background value in CA is 3.5 mg/kg per University of California Kearny Foundation report, Background Concentrations of Trace and Major Elements in California Soils, March 1996.

An aerial photograph of a large water body, possibly a reservoir or a wide river, with a prominent curved levee or dike. The surrounding landscape is a mix of green agricultural fields and some bare, brownish ground. In the distance, some industrial structures and a bridge are visible under a hazy sky. A semi-transparent dark purple rectangle is overlaid on the left side of the image, containing the word "Questions?".

# Questions?



An aerial photograph of a river and wetlands. The river flows from the top left towards the bottom right, with a large bend. The surrounding area is a mix of green fields, brownish wetlands, and some trees. In the background, there are some industrial structures and a bridge.

## Item 5d.

# ***SEC Questions or Comments on December 9<sup>th</sup> Meeting Presentation***

### ***Agenda:***

- ***Bethany Alternative - Bethany Complex***
- ***Bethany Alternative - Traffic Update***
- ***Introduction to Community Benefits Program***

An aerial photograph of a river and wetlands. The river flows from the bottom left towards the top right, curving around a large, dark, marshy island. The surrounding landscape is a mix of green fields and brown, water-saturated ground. In the distance, some industrial structures and a bridge are visible under a hazy sky.

Item 5e.

## ***Public Comment on Item 5***



## Item 6.

### ***DWR Update & Committee Discussion***

- ***Community Benefits Program Update***
- ***Public Financing Overview***

An aerial photograph of a coastal area. A large body of water is on the left, with a winding canal or waterway curving through the center. The land is a mix of green fields, some bare earth, and small patches of water. In the background, there are some industrial structures and a distant shoreline.

Item 6a.

# ***Community Benefits Program Update***



# Community Benefits Program Update

- ➔ **Setting up interviews**
- ➔ **Goal: conduct all interviews by end of February**
- ➔ **Initial planning for community workshops**
  - 3 virtual workshops
  - Can be organized by region, by interest area, by type of benefit –OR– use breakout rooms to cover all

# Discussion Prompt:

**The concept paper describes a fund to support community driven projects.**

**It also describes potential categories of benefits, including:**

**Tribal, EJ/DAC, community culture/history, recreational, agricultural,  
natural resources, economic/business**

- **Do you think these are the right benefit categories?**
- **Would you add/remove any benefit categories?**
- **Do you have any initial thoughts about broad objectives for each type of benefit category?**



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An aerial photograph of a river and surrounding wetlands. The river flows from the top left towards the bottom right, curving around a central island. The landscape is a mix of green fields, brownish wetlands, and some small ponds. A semi-transparent grey rectangular box is overlaid on the center of the image, containing contact information. Above this box, there is a horizontal bar with a gradient from dark purple to light blue.

***For more information contact Juliana Birkhoff at:  
[juliana@aginnovations.org](mailto:juliana@aginnovations.org)***

An aerial photograph of a river winding through a landscape of green fields and brownish wetlands. The river is a light blue-grey color. The surrounding land is a mix of vibrant green grass and darker, possibly flooded or marshy areas. In the distance, some industrial structures and a bridge are visible under a hazy sky.

Item 6b.

# ***Project Financing Overview***



# Introduction to SWP Delta Conveyance Financing *Stakeholder Engagement Committee*

**Chris Martin**  
Senior Attorney



# Introduction

- The financial mechanisms described in this presentation are not unique to the proposed Delta Conveyance Facility.
- Therefore, to understand how a Delta Conveyance Facility would be financed one need only understand how other State Water Project (SWP) facilities are financed by the Department of Water Resources (Department).



# Facilities of the State Water Project





# What gets financed?

- The costs of running the SWP are divided into two categories:
  - Operations and Maintenance;
  - Capital.
- Only capital costs are financed with debt.
- The Central Valley Project (CVP) Act authorizes the Department to issue revenue bonds to fund the capital costs of environmental review, planning, and construction of SWP facilities.
- Investors purchase revenue bonds in return for the Department's promise to use SWP revenue to repay the investors with interest.





# What is the Department's promise?

- Investors purchase revenue bonds in return for the Department's promise to use SWP revenue to repay the investors with interest.
- SWP revenue bonds issued by the Department are different from general obligation bonds issued by the State following voter approval.
- General obligation bonds are repaid by the State using State tax revenue and are backed by the “full faith and credit” of the State.
- In contrast, SWP revenue bonds are repaid with SWP revenue and are explicitly NOT backed by the State.







# The Fine Print

Here's the “fine print” provided to potential investors for a recent Department revenue bond issuance:

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES. **THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, OR OBLIGATION OF THE STATE OF CALIFORNIA.** NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS.







# What is SWP revenue?

- Investors purchase revenue bonds in return for the Department's promise to use SWP revenue to repay the investors with interest.
- When local public water agencies (PWAs) pay their SWP bills, the money received by the Department is “SWP Revenue.”
- The water supply contracts between the Department and each of the 29 PWAs that receive SWP water supply represent the agreement of each agency to pay the Department in exchange for services provided by the SWP, including a share of the water made available from the SWP.





# Where does PWA revenue come from?

- Each PWA is different.
- Each has a different “portfolio” of water supply resources, one of which is the SWP.
- To pay for their share of the SWP, PWAs use:
  - water rates,
  - local property taxes,
  - or a combination of the two.





# Financing Delta Conveyance

- If a Delta conveyance project is approved, revenue bonds would be issued by the Department to raise capital for construction.
- Environmental review, planning and design costs may be also be financed by revenue bonds issued in the future.
- Participating PWAs would be billed for the financing costs and (eventually) O&M costs of the facility as part of their SWP bills according to applicable terms of their water supply contracts in effect at the time.







# Validation

- Before revenue bonds can be issued to finance a Delta conveyance project, or the costs of environmental review, planning and design, the Department has asked a court to confirm its authority to issue bonds for a conveyance project by filing a special kind of lawsuit called a “validation action.”
- Receiving confirmation of the Department’s authority to issue revenue bonds for a potential Delta conveyance project is desirable because it provides certainty to potential investors.



# Questions?





Item 6c.

## ***Public Comment on Item 6***



# Item 7.

## ***Future Agenda Items & Next Meeting***

***Date: April 28, 2021; 3 to 6PM***

### ***Agenda Items\****

- ***DCA Updates***
- ***DWR Communications Plan 2021***
- ***EJ Survey Summary***
- ***Community Benefits Update***

***\*(subject to change)***

## Item 8.

# ***Non-Agendized SEC Comments or Questions***



## Item 9.

# *Public Comment on Non-Agendized Items*



An aerial photograph of a river and surrounding wetlands. A large, semi-transparent purple rectangle is overlaid on the left and center of the image. The text "Thank you" is written in white, sans-serif font within this rectangle. The background shows a winding river, green fields, and some industrial structures in the distance.

# Thank you