



Sites Reservoir is Sacramento Valley's water project. But L.A. is taking a huge role

By Dale Kasler and Ryan Sabalow

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As water projects go, Sites Reservoir has always been the [Sacramento Valley's baby](#) – a multibillion-dollar reservoir conceived by Valley farmers, carved out of a ghost town an hour north of the Capitol. Around the Valley, "Build Sites Reservoir" signs dot the roads along mile after mile of orchards and rice fields.

But a funny thing has happened as the Sites project, designed as the largest reservoir built in California since the 1970s, pulls together its financing: It's becoming much less of a Sacramento Valley venture.

Over the past two years, scared off by the anticipated costs of storing water there, Valley agricultural irrigation districts have steadily reduced their ownership shares of Sites, giving way to water agencies from Southern California and the San Joaquin Valley.



Sites Reservoir would flood land shown here west of Maxwell, about an hour north of Sacramento.
Photo: Randy Pench

The powerful Metropolitan Water District of Southern California — serving 19 million Californians as far away as San Diego — is nearly as big an investor in Sites as all of the Sacramento Valley farm districts combined. Metropolitan agreed Tuesday to contribute another \$4.2 million to help plan the project.

The shift in ownership raises awkward questions about the \$5.2 billion reservoir's future and how it will serve Valley water supply needs. After all, the Valley is a region where Southern California water interests have long been viewed with suspicion whenever they seek to tap the abundant supplies found in the north.

"That's unfortunate, that it becomes a perception issue that it's a Southern California water grab," said Fritz Durst, a Yolo County rice grower and chairman of the Sites Project Authority.

Durst and other backers insist Valley interests remain firmly in control of Sites' destiny, however. By state law, the Sites authority's governing board is composed solely of representatives of Sacramento Valley water agencies, said Jim Watson, the authority's general manager.

Regardless of how the ownership is split up, Watson said the project is moving forward. The [state has committed \\$816 million](#) in Proposition 1 bond money to Sites, and Watson said the federal Bureau of Reclamation is considering sizable investment in the project, up to a maximum of around \$1 billion.

"We're looking at (Reclamation) as a significant partner in the project," Watson said. "The project has momentum The lay of the land today is positive."

Sites is inching forward as Gov. Gavin Newsom begins to put his stamp on California water policy. In his State of the State speech Tuesday, he [downsized the Delta tunnels project](#) to a single tunnel and named a new chairman of the state water board, Joaquin Esquivel, to replace Felicia Marcus. He didn't mention Sites in the speech.

Sites has been on the drawing board for decades, and groundbreaking is still likely several years away. The project would hold as much as 1.8 million acre-feet, or twice the size of Folsom Lake. It would become the largest reservoir built in California since New Melones opened on the Stanislaus River in 1979, and the seventh-largest overall. An acre-foot is 326,000 gallons.

Instead of damming the Sacramento River, engineers would build an underground pipe linking the river to the reservoir 14 miles west, in a remote mountain valley along the Glenn-Colusa county line. Although some of reservoir would be used to store water for the water agencies that help pay for it, much of Sites' capacity would go for environmental uses, such as providing flows at critical times for struggling fish populations and wildlife

While [some environmental groups oppose it](#), the environmental benefits represent the reason why the state awarded Proposition 1 money to Sites.

Sites has also become a wellspring of regional pride in Sacramento Valley farm country.

As locals see it, the project would boost the ailing rural economy. It also would help repair California's chronically troubled water system.

"It does so much for the environment, for the rest of the state of California that always looks to our supply in the north," said Mary Wells, an area farmer who supports Sites even though it would flood land that's been in her family for decades. "We need it to keep us whole, if you will."

So why are Valley irrigation districts scaling back their investments? Watson said he believes the drop in participation by Valley farmers reflects the fact that much of the region enjoys senior water rights to the Sacramento River and has relatively ample

supplies. They were intent on getting the project off the ground but don't necessarily need Sites as a place to store their water, he said.

Some farmers, though, say they're getting antsy because of potential environmental restrictions that could make it much harder to pull water out of the river and pipe it to Sites.

In particular, the California Department of Fish and Wildlife warned in a memo last year that the state might not let the reservoir pull nearly as much water from the Sacramento as Sites backers want out of concerns it would hurt fish.

Jordan Traveso, a spokeswoman for Fish and Wildlife, said last week that department officials "stand by that letter."

That's cast some uncertainty over the project's feasibility, at least as far as Sacramento Valley farmers are concerned. The less water they can store in Sites, the more expensive each acre-foot becomes — and they're afraid the cost may soar.

"The reality is, the cost of water is going to be terrifically expensive," said Durst, the board chairman. Durst's own water agency, Reclamation District 108, has reduced its contribution to the project by 80 percent.

The expense is less of a problem for San Joaquin Valley farmers, who generally grow higher-value crops such as almonds and pistachios and can afford costly water.

It's also less of a problem for Metropolitan, which can spread the cost among its 19 million urban customers. The [big Los Angeles water agency](#) made its initial investment in Sites in April 2017, agreeing to contribute \$1.5 million in pre-development costs.

As things stand, Metropolitan would control 50,000 acre-feet of space in the new reservoir, more than any other agency other than the share controlled by the state of California. Nevertheless, Metropolitan officials said they don't consider Sites a crucial piece of Southern California's water sourcing.

"I don't think Met is looking at this as a key part of their water supply strategy," said Steve Arakawa, the agency's manager for Bay-Delta initiatives. "The real benefit of this reservoir is improving the capability of the system to manage for climate change and environmental needs."

Longtime Sites boosters, such as state Sen. Jim Nielsen, R-Gerber, make similar arguments about Sites' importance to all Californians. Nielsen said having Metropolitan and other south state districts bankrolling the reservoir doesn't concern him.

"Any way you compute it, more water will be available to Northern California users, as well as anyone anywhere else in the state, Central Valley, L.A., wherever," Nielsen said. "The local folks have and remain supportive of it."



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Video link:

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