

UPDATE

# Money is next big step on Sites Reservoir project

Project has new website, logo and plenty of investors

**By Heather Hacking**  
 hhacking@chicoer.com  
 @HeatherHacking on Twitter

**MAXWELL »** Last week, folks who are in the inner circle of the plans for Sites Reservoir held a get-together in Maxwell to show off the group's new office and new logo. Also new is a website, that talks about all things Sites Reservoir — a construction schedule, facts sheets and a list of interested participants.

The next big step is money, particularly through a proposal to get a chunk of the \$2.7 billion of bond funds available from California's Proposition 1.

The Sites Reservoir committee won't be able to apply for that funding until around the middle of next year.

The plan has been to ask the state to finance about half of the estimated \$4.4 billion construction cost. That would mean that half of the benefits from the project would go toward "public" benefits.

Yet, if the state doesn't vote for half the funding, more than enough investors are ready to pay the tab, said Jim Watson, Sites Reservoir general manager.

Although investors are signed up from outside the Sacramento Valley area, only members within the Sacramento Valley will be the owner operators. That's been the plan from the beginning, Watson said.

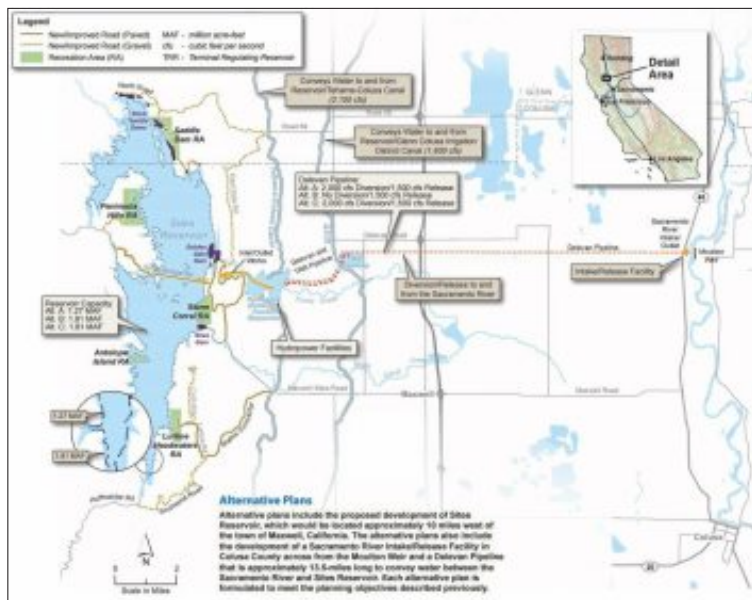
## Crunching numbers

The estimate is that the completed reservoir would provide, roughly, 500,000 acre-feet of new water a year, depending on what happens with weather. If the state invests half the money, 250,000 acre-feet would go to public bene-



GARY REYES — BAY AREA NEWS GROUP FILE

Mary Well's ranch is in the middle of the proposed Sites Reservoir in Maxwell in 2014. The ranch she has owned for 40 years will one day be submerged if the reservoir is built.



Plans for the Sites Reservoir as mapped out by the Department of Water Resources and Bureau of Reclamation.

fits. That leaves 250,000 acre-feet for water user/investors.

First dibs were given to Sacramento Valley investors, and 19 signed up for differing amounts.

Another 15 groups could receive water in the Bay Area, San Joaquin Valley and south of the Tehachapis, Watson said this week via phone.

Other groups may be in-

involved with the planning but not necessarily signed up for water.

Metropolitan Water District, for example, is not signed up. However, the largest water district in the

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nation owns Diamond Valley Lake and will be able to offer expertise on how the Sites group might proceed, he said.

“We had a similar proposal by Placer County Water Agency, with a partnership with the City of Roseville. They are interested in learning how more public benefits could be achieved from Folsom Reservoir,” which would be linked to Sites Reservoir via the Central Valley Project.

He said the state Water Commission is also “trying to come up with a portfolio of projects that get the most bang for the buck” for statewide water needs.

Visit the new Sites website at [www.sitesproject.org](http://www.sitesproject.org) to see who has signed up to be a participating entity.

## Water waiting list

“We ended up with enough requests that we have a waiting list,” Watson said. Groups have said they would like to sign up for 370,000 acre-feet, but right now only 250,000 is available.

“If the state participates at less than 50 percent,” those on the waiting list could take part.

“What I don't want to do is have the state come in and say they only want to participate at 35 percent and then have 15 percent of that pie,” and need to find investors, Watson said. “My job is to try to present to the state that they should participate in the maximum amount, but I recognize there are other projects that are equally worth.”

## Time to start paying

Meanwhile, groups that have pledged to take part are being asked to pay \$60 for every acre-foot of water they hope to receive each year. The money pays for environmental studies and the work to complete the project application to the state. Way down the road, it is estimated the cost of actually receiving the water will be about \$600 an acre-foot.

## Next steps

State water leaders will soon come out with regulations that define how the application process will work for state bond funding, Watson explained. The timeline is no later than mid-January.

Next, the state will call for proposals. After that, he expects it will take four to six months while the proposals are evaluated. A decision on funding for Sites could arrive by late next year.

The group also expects lawsuits challenging the project for environmental impacts.

## What's an acre-foot?

For perspective, one acre-foot of water is 325,851 gallons, or enough water to fill two Olympic swimming pools. Five people use about one acre-foot of water a year. With those figures, 1.25 million people would use the equivalent of 250,000 acre-feet of water.

Contact reporter Heather Hacking at 896-7758.