

Water Marketing Strategy Development for Lake Curry Reservoir

FY2021 WaterSMART: Water Marketing Strategy Grants

City of Vallejo, CA Water Department

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Executive Summary

Date: April 7, 2021

Applicant: City of Vallejo, California Vallejo, Solano, California

Applicant Category: Category A – local government with water delivery authority

Estimate Completion Date: 24 months (December 2023)

Reclamation Facility: No

Reclamation Nexus: Solano Project (Lake Berryessa)

State Water Project (Bay Delta)

The City of Vallejo, CA (COV or City) seeks to develop a water market to support beneficial use of its under-utilized water asset, Lake Curry. When the water treatment plant at Lake Curry was taken out of service, the customers it served were switched to Bureau of Reclamation's (BOR) Solano Project Water, sourced from Lake Berryessa. As City and regional water demands continue to grow, and frequent drought necessitates a collaborative approach to managing resources, the City is seeking partners to develop a Lake Curry Water Marketing Strategy that will identify and address physical, regulatory, and legal barriers to utilizing Lake Curry water more broadly and support the creation of a framework for moving water efficiently to ensure the highest and best use of the resource. The COV's Water Marketing Strategy Project seeks to identify and engage stakeholders; assess whether a water market is available to make productive use of Lake Curry; conduct financial analyses to assess the demand for the water market and research the cost of implementing the water market; evaluate compliance with California water law and existing water rights; and assess different implementation options for Lake Curry's potential water market that considers irrigation, domestic, municipal, and ecological needs. This project will bring together farmers; ranchers; rural, domestic, and municipal water users; environmental groups; and Federal, local, and State governments. The goal of this collaborative planning effort is to determine if a water market can and should be developed that will address future water supply demands.

Project Location

Lake Curry Dam and Reservoir (Lake Curry), the subject of this application, is located in the Vaca Mountains at the north end of Suisun Creek in Napa County – not far from the Solano County line. The Suisun Creek watershed includes relatively steep hillsides and runs generally south through northern Solano County, eventually draining into the Suisun Marsh and Suisun Bay. The Suisun Creek watershed supports a diverse ecosystem both upstream and downstream of the dam. Suisun Creek flows through several types of land use areas, including rural residential, agriculture (including vineyards), and bypasses urbanized areas just before reaching the Suisun Marsh.



The City constructed the Lake Curry dam in the mid-1920s to expand the City's water portfolio. As an important new water storage facility, Lake Curry provided the City with a reliable source of water until the early 1990s. The Reservoir's maximum storage capacity is approximately 10,700 acre-feet (AF) and currently yields approximately 3,750-acre feet, with a 17 square mile drainage capacity covering 377 acres of land. The approximate center of Lake Curry is located at 38°21'49.8"N longitude, 122°07'49.7" West latitude. Lake Curry is located approximately 2 miles north of the convergence of Wooden Valley Cross Road and Gordon Valley Road; the facility has virtually no public access.

Lake Curry serves as the backup water supply source for the City and could play a role in regional drought efforts; however, it is currently unavailable as a water supply source for the City. This is due to the closure of the City's on-site water treatment facility in 1992 because of the imposition of more stringent water quality standards adopted by the California Department of Health Services. In addition, the Lake Curry Reservoir requires significant upgrades to become compliant with California Division of Safety of Dams (DSOD) regulations. Currently, Lake Curry is used for voluntary instream flow purposes only. The impacts of drought and climate change requires collaboration on a regional level to address future water resources challenges, and the City of Vallejo recognizes the important role Lake Curry can play.

While Lake Curry is positioned away from populated areas, it is centrally and somewhat remarkably located in relation to significant federal, state, and local water infrastructure, with existing connections to some and reasonably achievable linkages to others, including: Putah South Canal (federal); Lake Berryessa (federal); Cordelia Forebay (state); and the water infrastructure of one irrigation district (Solano Irrigation District) and many cities and four counties in the region, including but not limited to Cordelia, Suisun City, Fairfield, Vacaville, Winters, Napa, American Canyon, Benicia, Martinez, Napa County, Solano County, Yolo County, Contra Costa County, and the City Vallejo. It is precisely Lake Curry's location, its real and potential linkages with so much infrastructure – and so many potential partnering agencies – that gives rise to a discussion regarding potential water marketing possibilities and strategies.

The primary water supply sources that could be offset with Lake Curry supplies are the Bureau's Solano Project (SP) and the California State Water Project (SWP). The SP infrastructure conveys water from Lake Berryessa through the Putah South Canal where it is then pumped from the Terminal Reservoir to the City's Cordelia Reservoir. The SWP supply is from Barker Slough in the Bay Delta and is conveyed through the North Bay Aqueduct (NBA) to the Cordelia Forebay and then to the City's Cordelia Reservoir. Water is conveyed to the City's Cordelia Reservoir from both the Bureau's Terminal Reservoir and the State's Cordelia Forebay . Although the City tends to utilize one supply at a time, the City does periodically mix the supplies in the City's Cordelia Reservoir. Schematics are shown in Figure 1 and Figure 2.

Seven (7) cities in Solano County are users of the State Water Project, five (5) of those cities also use the SP as well as two irrigation districts. Exchanges of SWP water and SP water are common and routine in the region. Solano County Water Agency (SCWA), who manages the contracts and



water supply reporting for both the SP and the SWP, has pursued creating a water exchange policy for the region, highlighting the common and frequent practice of water exchanges between agencies.

The City does not utilize groundwater in its supply portfolio; however several of the Cities in the County are groundwater users and are actively engaged in preparing Groundwater Sustainability Plans (GSPs) to comply with the Sustainable Groundwater Management Act (SGMA). Thus, offsetting existing groundwater use with in-lieu exchanges of Lake Curry water is also a possibility. Adding Lake Curry to this existing portfolio has a significant probability of providing a larger regional benefit.

Some project alternatives for possible infrastructure improvements required for this project have been identified. One alternative is to discharge water from Lake Curry and convey it using Suisun Creek and then pump it from the creek into the Putah South Canal (represented in Figure 2), effectively connecting the water in Lake Curry to the Bureau's Solano Project Water. Another alternative for the City is to utilize the existing pipeline infrastructure to deliver water directly to its own pump stations, which will need to be reconfigured, which also could provide the opportunity for a water market given the longstanding practice of exchanges in the County.

Solano Project
(Lake Berryessa)

State Water Project
(Bay-Delta)

Putah South Canal
(Terminal Reservoir)

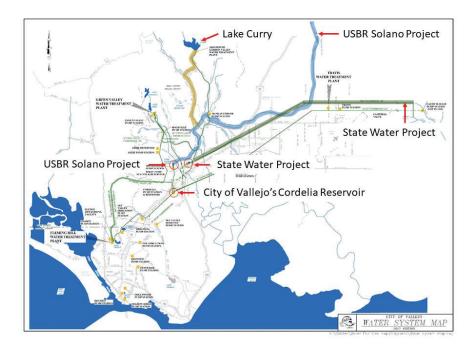
State Water Project
(Cordelia Forebay)

Delivery to
City of Vallejo

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Figure 2. Regional Facilities and Associated Water Infrastructure



Project Description

The City of Vallejo seeks Bureau of Reclamation funding to develop a water marketing strategy (Funding Group I) to increase the beneficial use of Lake Curry reservoir. The City recognizes the important role that Lake Curry will play as an alternative water source during drought periods, but also its importance environmentally and supplementing regional water supply during normal year types.

Task 1 – Outreach and Partnership Building

To determine the viability of a water market, the City recognizes it must identify potential water market participants and stakeholders, define opportunities, understand concerns, and develop solutions. The goal of the following tasks is to identify partners and stakeholders, and to achieve consensus on a process to determine how a new water market may operate.

Subtask 1.1. Identify Potential Interested Parties and Stakeholders

The City has already established a list of potential water market participants and stakeholders (see Attachment 1). At the time of grant submission, the City has notified several entities on the list and requested their engagement. Additional outreach is necessary to ensure all potential partners and stakeholders are identified, inclusive of farmers; ranchers; rural, domestic, and municipal water users; environmental groups; and Federal, local, and State governments and associated water agencies and purveyors. The City will conduct initial outreach through various



communication channels including phone calls, emails, and in-person or virtual meetings with likely partners. The City anticipates initial outreach efforts will also identify additional potential stakeholders to contact.

Subtask 1.2. Interested Parties and Stakeholders Workshop (Early Engagement)

The City will work with a qualified water marketing strategy consultant to host a workshop in which interested parties and stakeholders, as well as the general public, will be invited for a presentation and discussion regarding how the Water Marketing Strategy will be developed and its intended goals. The purpose of this workshop is to facilitate discussion and dialogue to determine which entities are interested in a water market, potential opportunities and constraints moving forward, and suggested approaches to establishing a water market. The City will prepare presentations and other relevant materials to distribute for reference during the workshop.

Subtask 1.3. Water Marketing Strategy Public Workshops

The City and water marketing strategy consultant will host several workshops to develop the concepts of the Water Marketing Strategy. The number, frequency, and duration of the workshops will be determined by the consultant and the various items that require public presentation in other tasks and subtasks. Each workshop will be intended to work through the various elements needed to develop the Water Marketing Strategy.

Subtask 1.4. Final Water Marketing Strategy Workshop

Once a Final Water Marketing Strategy has been developed, the City and Consultant will hold a public workshop to share a report regarding how the Water Marketing Strategy will be implemented and the anticipated outcome.

Task 2 – Scoping and Planning Activities

The City will need to conduct several studies to define the water market, determine the feasibility of establishing a water market, and then determining how it will operate.

Subtask 2.1. Assess Market Opportunities and Financial Benefits

The City will seek the assistance of a consultant to conduct a financial or economic analysis to assess marketing opportunities for Lake Curry water transactions within the region. This task will seek to identify buyers, sellers, and other beneficiaries (Task 1.1 & 1.2), quantify transaction costs, willingness to pay, as well as location and timing of buyer' needs. This subtask will be supported by information from Subtasks 2.3 and 2.4.

The City of Vallejo was issued license No. 5728 on June 5, 1959, to appropriate water at the Curry Dam site. The amount of water is limited to that which is beneficially used for municipal use. As part of this analysis, the City would seek to determine the legality, cost, and benefit of potentially opening the water right held by the City to possibly expand its place of use, add additional beneficial uses, and possibly expand the volume of water impounded at Lake Curry to facilitate a water market.



All data and analysis conducted in this task will be used to inform the viability of the water market. A report will be developed on the findings and shared at a workshop with partners and stakeholders.

Subtask 2.2. Research Existing Water Markets and Strategies

The City will seek the assistance of a consultant to develop a high-level document that catalogs the various water marketing strategies that have been implemented in California and potentially elsewhere within the Bureau of Reclamation's jurisdiction. The goal is to identify how water markets are structured, how they are implemented, and how they would fit within the California's water law. The document will also evaluate the benefits and costs associated with the existing water marketing strategies. The consultant would deliver a report that would be shared during public workshops. The purpose of this activity is to select a water marketing structure that might best fit Lake Curry with the input of stakeholders.

Subtask 2.3. Quantify Potential Water Sources and Availability (Complete)

The City has already taken steps to verify the current quantity of the Lake Curry water supply. The limitations of the water right, California Department of Water Resources Division of Safety of Dams (DSOD) recommended dam operations, and the build-up of sediments over time, have affected the volume of water available for use in Lake Curry. Due to these factors the City is currently completing a Bathymetric Survey and Release Plan for Lake Curry, with an anticipated completion date of December 2021. The volume of water available identified by the bathymetric survey will be used to inform the releases identified in a Release Plan, which will replace (or support) the interim minimum flow releases the City has already established. The plan will also address any applicable requirements imposed by regulating agencies including but not limited to the National Marine Fisheries Service (NMFS), California Department of Fish and Wildlife (CDFW), the California Water Code, the State Water Resources Control Board, and DSOD.

Subtask 2.4. Evaluate Infrastructure Requirements

Once potential market participants have been identified, the City will seek the assistance of a consultant to evaluate the existing infrastructure capacity and required infrastructure for delivery of water transfers. The consultant will deliver a report which may be shared at public workshops. This information will help Subtask 2.1.

Subtask 2.5. Legal and Water Rights Analysis

The City will seek the assistance of a legal consultant to evaluate any potential legal or institutional issues with water transfers and water rights generally and specifically related to Lake Curry and the City. As mentioned in Subtask 2.1. the City will seek to explore and consider modifying its existing Curry Dam water right. It is anticipated that information gathered during subtask 2.5 and 2.1 will be shared to ensure a comprehensive analysis. The consultant will also identify agency policies and potential policy, compliance, or permit issues. The consultant will deliver a report which may be shared at public workshops.

Subtask 2.6. Analyze Economic, Environmental and Social Impacts



The City will seek the assistance of a consultant to evaluate the social, economic and environmental impacts of implementing a water market. The findings will be provided to the City in a report that may include a recommended course of action. This report will identify environmental compliance requirements and affected resources with regard to the proposed water market and necessary infrastructure upgrades.

Task 3 – Development of a Water Marketing Strategy Document

The City is in the early stages of identifying a water market, engaging partners and stakeholders, developing a water marketing strategy, and evaluating the value of the strategy to the City and other stakeholders. Information obtained during the workshops as well as the results from the planning and scoping activities mentioned above will serve as the foundation to create/address the following water marketing strategy documents requirements:

- **Implementation Plan:** Information gathered through Task 1 and 2 will be critical to develop an implementation plan describing participant role, responsibilities, operation agreements, management, financial sustainability, and administrative structure.
- Legal Framework: Utilizing information obtained through Subtask 2.5 (Legal and Water Rights Analysis), the City will seek to develop a legal framework for the water market including defining the specific legal requirements needed to establish the Water Marketing Strategy, determining statutory and other existing or potential legal obstacles, and ensure compliance with the California Water Code and existing law.
- Monitoring: Information gathered through previous tasks and public workshops will be used to develop a water market monitoring framework. This will define how water will be tracked from seller to buyer, how purchases will recognize the receipt of water, and how transactions will be monitored to avoid harm.
- Stakeholder Support and Input: A main objective outline in Task 1 is to identify water
 market stakeholders and partners and engage them in exploring the concept of
 developing a Lake Curry Water Market. Through the series of workshops, the City will
 disseminate information produced in the scoping and planning activities, as well as the
 developed water marketing strategy itself. Partners and stakeholders who engage in this
 process will be encouraged to provide their unique expertise and insight into how to
 ensure a successful water market strategy.

Task 4. Final Project Report

At the end of the project, the City will provide the Bureau of Reclamation with a final project report which summarizes the work undertaken, outstanding issues, lessons learned, findings and conclusion on the projects results and benefits, and a plan or path forward should the City and other stakeholders determine it is in their interests to proceed with the strategy. The City will attach the Water Marketing Strategy Document as an appendix.



Task 5. Project Management and Grant Reporting

The City is committed to all project management and grant reporting requirements for the Water Marketing Strategy Project. The grant administration includes the preparation and submission of program performance reports, financial reports, and the required final report. The City will also monitor the budget and actual expenditures.

Evaluation Criteria

Criterion A – Water Marking Benefits

At the outset of the analysis, it is noted that the information and data currently available is primarily sourced from City records, reports, and other information to which City personnel have access. While the City has an excellent understanding of its own water supply situation – including shortfalls – the City cannot fully develop a comprehensive, regional water supply shortfall assessment without engaging stakeholders and other parties in the process outlined in the prior section. The City can identify its supply and needs and will utilize the water marketing strategy process to gather information necessary to determine whether and how a water market could be implemented.

Will the water marketing strategy address a specific water supply shortfall?

The 2015 City of Vallejo Urban Water Management Plan (UWMP) includes a water supply portfolio of 47,150 ac-ft of safe yield on an annual basis which includes a 3,750 ac-ft allotment from Lake Curry. The UWMP projects water supply in a 3-year drought with a deficit of 778 ac-ft in 2020 that would be reduced based on current state regulations for water conservation down to 50 ac-ft by 2035 (Table 7-8 UWMP). The UWMP notes that Lake Curry is currently being used only for voluntary instream flows until such time as a new conveyance system is in place. The UWMP includes the water allocation for planning purposes but did not factor the use into calculations to address this deficit. Exploring a Water Marketing Strategy involving Lake Curry will allow the City and partners to assess the feasibility of reinstituting the Lake as a water source to meet drought conditions.

What is the nature and severity of the shortfall, and which sectors are affected? Please provide support for your response.

Due to new State regulations regarding drought planning that require a five-year drought risk analysis, instead of the previously required three-year analysis, it is anticipated the shortfall modeled for that planning horizon will be more severe once the 2020 UWMP is completed.

The anticipated shortfall reduces the amount of prospective new development for commercial and housing initiatives in the City of Vallejo and region. Similarly, the neighboring agencies and utilities tied to the Solano Project (SP) and State Water Project (SWP) face similar issues in drought and water resiliency forecasting for municipal potable water customers. California's housing crisis compounds the need for more dwellings and ultimately increased water supply for



its residents. Specific to Vallejo, wholesales to neighboring cities including American Canyon (3,641 ac-ft/yr) and Benicia (1,100 ac-ft/yr) were factored into the 2015 UWMP (Table 2-15). Additionally, the city serves Green Valley and Travis Airforce Base as a portion of the City's water system.

Future drought conditions in California place a greater emphasis on water resiliency, and Lake Curry's permitted water right is for 5,058 ac-ft. This is a local supply, whereas much of the portfolio is a shared regional supply that could further be offset on a regional scale by utilizing larger local sources.

How and to what extent will the water market/water marketing strategy activities, once implemented, address the shortfall? Please describe the expected benefits (e.g., how water users will benefit) and provide support for your response.

The grant would allow for regional partners and stakeholders to develop strategies to implement water resiliency initiatives on a local and regional scale. The strategy would look at the financial viabilities of addressing the concerns raised in the 2015 UWMP and any new concerns identified in the anticipated 2020 UWMP for the City, its neighbors, and the larger region based on the shared use of both the SP and SWP that the region relies on. The proposed water marketing strategy activities will expand stakeholder understanding of regional water supplies and needs (including current and future shortfalls) and will help the City and other stakeholders understand and determine whether the water at Lake Curry could be part of a regional portfolio of opportunities to help address shortfalls in the short and long term. As a flexible water management tool, water transfers between willing sellers and transfer partners would help stretch regional water supplies in drought and other low water years and allow partners to move water to places of critical needs, reducing water conflicts and improving water supply sustainability. The market strategy could offset all projected shortfalls locally and with neighbors, as indicated by the UWMP allocations for these regions.

Will the water market/water marketing strategy activities benefit multiple sectors (e.g., agricultural, municipal, tribal, and environmental) and/or types of water uses (e.g., hydropower generation, municipal, recreation, and irrigation)? If so, to what extent, and which sectors and water user will benefit? Provide support for your response.

The City of Vallejo anticipates that by developing a locally generated and supported water marketing strategy; local and regional water users will have the flexibility to manage their water supplies and needs in a beneficial manner. Because the Water Marketing Strategy has not been developed, the specific availability of participants is not known; however, it is anticipated that for the program to be effective it must link buyers and sellers. As noted in the Project Location section above, regional water users cut across most market sectors, including agriculture, municipal, industrial, recreation, and environmental. All these sectors are targeted in strategy outreach tasks, and the City anticipates most, if not all, sectors will participate in and/or benefit



from the water market, especially in light of the reasonable assumption that water supply will be under significant pressure indefinitely.

Explain how and to what extent the proposed water market/water marketing strategy activities will improve water supply reliability in general in the area upon implementation of the strategy (address all that apply):

• reducing the likelihood of conflicts over water;

The Water Marketing Strategy is intended to provide the structure and mechanism to link willing buyers and sellers of Lake Curry water to ensure the reduction of conflict over the beneficial use of the limited resource. The program is intended to allow the City and potential water market participants the opportunity to formulate and agree to policies of how best to utilize the currently underutilized asset and valuable regional water resource that Lake Curry can provide.

• increasing resiliency to drought;

Lake Curry is currently an underutilized water resource that can play an important role in the region's water portfolio to address drought. A water market is intended to be a program for the sharing of resources while ensuring the sellers are paid a fair market value and retain water rights as appropriate. Lake Curry will play an important role during periods of drought by offering an alternative source of potable water.

• sustaining agricultural communities;

Vallejo's existing water rights at Lake Curry are limited to municipal and industrial use within the City's boundary. As part of this project, the City and stakeholders — including the agricultural sector - will examine the benefit and cost of opening the water rights for other intended uses outside the City limits. By opening the water right, this project has the potential to improve water reliability by allowing individual growers, municipalities, industrial users, and domestic users to purchase and utilize additional water, as necessary.

 demonstrating a water marketing approach that is innovative and which may be applied by others;

There are several potential areas of innovation present in the situation surrounding Lake Curry. Developing an approach to expand the beneficial use of the water may provide a roadmap for successfully re-integrating existing facilities or introducing new facilities into a regional water portfolio. Lake Curry's location – isolated but near other water infrastructure – will require determining whether and what new infrastructure is necessary to efficiently reintroduce the water into the system. Developing an infrastructure plan and determining cost sharing among many different economic interests may help inform other stakeholder groups as they come together to efficiently and effectively utilize a new water source. In addition, the project is truly at its nascent stage, providing an opportunity to observe and



record from the outset how potential stakeholders are identified and brought together to form a working group.

• or providing instream flows for species, recreation or water quality objectives.

The City has been engaged with local environmental groups to help protect the native fish populations in Suisun Creek downstream of the dam as well as for water quality within the reservoir serving the upstream watershed. Historically, the City of Vallejo releases water throughout the year as conditions and water levels permit. The City is continuously engaging with the stakeholders of the Suisun Creek and Green Valley areas including environmental groups, landowners, and regulatory agencies who monitor and protect the native fish populations downstream. The City maintains a voluntary release from the dam to support downstream interests and concerns and works with the Department of Fish and Wildlife to maintain water quality in the upstream watershed. To accurately identify the volume of water available for a sustainable release plan, a bathymetric survey is underway and is anticipated to be complete by December 2021.

Given restrictive environmental regulations and the City's interests in cooperating with downstream interests, the City is determining the scope of availability for a release schedule for Lake Curry Dam. Additionally, the City works to maintain the water quality upstream from wildfire, pollution, and landslide threats that would affect water quality in the reservoir. This document will also serve as the foundation for future releases from the Lake Curry dam.

Describe your plans and timeline for implementing the strategy upon its completion.

Given the exigencies presented by ongoing and future drought conditions, the City would intend to implement the strategy as soon as possible. Developing funding mechanisms and securing approvals for infrastructure needs would likely drive the implementation timeline to a certain extent. As part of the development of the strategy, the City will explore what infrastructure investments need to be made (Subtask 2.4) and whether the financial benefits of establishing a water market outweigh the investment costs (Subtask 2.1). If the studies show there is a viable market, the City and its partners will work diligently to execute the terms and conditions of the market's operation and take steps collectively to implement the strategy.

Are there complex issues, including issues of law or policy, that would need to be resolved before the strategy could be implemented?

The Water Marketing Strategy is intended to be developed with steps to address legal and policy issues (Subtask 2.2) through the workshops with partners, stakeholders, and the public (Task 1). It is anticipated that most if not all the complex issues should be addressed in the Water Marketing Strategy.



Explain whether previous planning, outreach and/or water marketing activities have been completed, including work on any of the three required project components. Note that links to existing work that will contribute to the strategy are requested in Section D.2.2.9. Existing Analysis Contributing to the Water Marketing Strategy (if applicable). While previous planning/water marketing is not required, these efforts may support the resolution of complex issues within the timeframe for the grant, so that implementation may follow quickly upon completion of the strategy.

As previously noted, the City is currently completing a Bathymetric Survey and Release Plan which will accurately identify the volume of water available for a sustainable release plan. The Survey is underway and is anticipated to be complete by December 2021. This information will be used to determine the size of the Lake Curry water market and inform stakeholders and partners what water market options can exist based on flows and environmental requirements.

Criterion B – Level of Stakeholder Support and Involvement

Describe stakeholders in the planning area who have <u>expressed</u> their support for the planning process, whether or not they have <u>committed</u> to participate. Support can include letters of support from stakeholders or a description of feedback from interested stakeholders; such letters should identify the stakeholder's specific interest.

The City has developed a diverse list of <u>potential stakeholders</u> representing a broad range of interests, including municipal, industrial, environmental, agricultural and recreation. The City has conducted limited initial outreach to gage their support and interest in exploring a water market strategy. While we yet to have committed partners, many have expressed interest in participating in the planning process. Please see the attached <u>Letters of Support</u>. Based on regional interest in Lake Curry over the past decades, the City is confident that stakeholders will commit to participating in the planning process upon notice of receipt of the grant.

Is there opposition to the proposed strategy? If so, describe the opposition and explain how it will be addressed. Opposition will not necessarily result in fewer points.

We have already begun notifying potential partners and stakeholders of the City's interest to develop a Lake Curry Water Market, and at this time, there has been no opposition voiced to explore its viability.

Do any separate planning efforts express support for the proposed water market/water marketing activities? Or, will the proposed water marketing strategy complement other ongoing or recent planning efforts within the area? Other relevant planning efforts can include: water management plans, water conservation plans, drought contingency plans, state water plans, and other planning efforts.

Over the years, the City and other stakeholders have explored how best to make productive use of Lake Curry. Several plans exist studying the Lake:



- Suisun Valley Flood Management Study (Solano County Water Agency and Solano Transit Authority). This 2008 study was a jointly funded effort between Solano County Water Agency (SCWA) and Solano Transit Authority (STA) to determine the feasibility of a detention basin or system of detention basins that serve the dual purpose of helping preserve the agricultural character of the region and reduce flooding from Suisun Creek. Lake Curry was identified and evaluated as a possible retention basin, but quickly disqualified for such a purpose due to its relatively small size in comparison to the flooding downstream.
- Suisun Valley Hydrology Study (CBEC, 2009). This study identified existing models were inadequate due the complexity of flood flows being exchanged across the comingled flood plain between Ledgewood, Dan Wilson, and Suisun Valley Creeks. A 2-D model was required to understand the complex interaction between the individual systems and their contribution to each flood issue. Valley wide hydrology model developed, HEC-HMS, based on CT hydrology standards; calibrated at Lake Curry for Jan 2005 and Mar 1995 events.
 - Other Studies performed as part of these larger studies:
 - Preliminary Evaluation of Suisun Valley Creek (West-Yost, Oct 2000)
 - Suisun Creek Bypass and Storage Evaluation (West-Yost, Dec 2002)
 - o Operate Lake Curry for Flood Detention (FCAC minutes, Jan 23, 2003)
 - Flooding Study for Suisun Creek at I-80 (WRECO, July 2003)
 - Suisun Creek Detention Basin Study (WRECO, Feb 2007)
- Lake Curry Temperature Model and Cold Water Pool Availability Analysis, (HSI Hydrologic Systems, Inc., 2008). This study was a hydrologic analysis conducted to determine the amount of cold water that would be available for release from Lake Curry. The water would be released to Suisun Creek to augment the roughly 2.5 cfs discharge that is presently being released for instream flow requirements. High water temperatures in the Suisun Creek downstream of the dam arc harmful to salmonids that pass through or hold over in the creek. The release of additional cold water may help to reduce the temperature in the creek. This analysis was conducted to determine the quantity of cold water that would be available for release to the creek under wet, normal. and dry conditions. The analysis considered the availability of cold water in the reservoir as well as the impact that increased low flow releases would have on the end-of-year water level in the lake.



Please describe any relevant planning efforts, including who is undertaking these efforts and whether they support or are complemented by the proposed water marketing strategy. Explain how the proposed water marketing strategy will avoid duplication or complication of other ongoing planning efforts.

The City is not aware of any ongoing efforts in the region to develop a water market strategy surrounding the productive use of Lake Curry Reservoir. This grant application and development of the Water Marketing Strategy includes a robust outreach and engagement campaign to ensure the region is aware of the City's efforts to develop a water marketing system for Lake Curry, encourage participation, and avoid duplication of efforts.

Describe what efforts that you will undertake to ensure participation by a diverse array of stakeholders in developing the water marketing strategy. If specific stakeholders have not yet been identified, or if some sectors are not yet represented, explain how you will accomplish this in the first few months after an award. Support can include a description of key stakeholder interests in the planning area and what efforts that you will undertake to engage them in the planning process, including outreach to stakeholders or collaborating with other groups or partners.

The City has already taken the initiative to develop an initial list of potential partners and stakeholders who have interests reflecting their various municipal, ecological, agricultural, regulatory, flood management, drought resiliency, and conservation interests. Additionally, the City has secured Letters of Support for this project through initial outreach notifying close partners of the City's intent to apply for this grant and requesting their participation in examining the viability of a Lake Curry Reservoir water market. The City plans on hosting workshops as well as follow-up meetings throughout the 2-year grant period to provide ample opportunities for stakeholders and partners to engage and help shape the water market strategy document. As documented in Task 1, the City also intends to conduct an initial outreach effort and early engagement workshop to identify other stakeholders or partners not on the list. The City recognizes the value of a diverse array of opinions when developing the proposed water marketing strategy and therefore will hire an experienced water market strategy consultant to help facilitate the public outreach and engagement and drafting of the water marketing strategy.



Criterion C – Ability to Meet Program Requirements

Describe how the three required project components (outreach and partnership building, scoping and planning activities, and development of a water marketing strategy) of a water marketing strategy grant will be addressed within the required timeframe. Please include an estimated project schedule that shows the stages and duration of the proposed work including major tasks, milestones, and dates. The City of Vallejo has developed a project that focuses on outreach and partnership building, scoping, and planning activities and developing a water marketing strategy. Details of the project are outlined in the Project Description section, and an anticipated project schedule is included below.

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Report Due

Ongoing Activities **Periodic Activities**

Completed



Describe the availability and quality of existing data and models applicable to the proposed water marketing strategy.

As previously mentioned, the City is currently completing a **Bathymetric Survey** and watershed models for rain, flow, capacity, water quality and temperature, which will accurately identify the volume of water available for a sustainable release plan. The Survey is underway and is anticipated to be complete by December 2021. This information will be used to determine the size of the Lake Curry water market and inform stakeholders and partners of water market based on flows and environmental requirements.

The City has developed both a hydraulic and hydrologic HEC-RAS model for managing flows and an ELCOM model for water quality and predictive modeling to facilitate the release study, emergency planning, and overall watershed management.

Additionally, the **2018 Lake Curry Dam Alternatives Study** identifies several alternatives and high-level cost estimates for the repairs that may be required at Lake Curry. Alternatives included a no-build/change scenario, as well as a complete Dam removal options and a **10**-foot raise of the Dam scenario.

Identify staff with appropriate technical expertise and describe their qualifications. Describe any plans to request additional technical assistance from Reclamation, or by contract.

Melissa Cansdale, Associate Engineer with the City of Vallejo, will serve as the **Project Manager** for the BOR Water Marketing Strategy Project. Melissa has been employed with the Vallejo Water Department since 2018. Melissa is overseeing the City's current Bathymetric Survey and Release Plan for Lake Curry and possesses extensive water resources investigative experience. Melissa has experience performing hydrologic studies from a data collection perspective as well as from a management perspective. She has performed field work collecting streamflow measurements, precipitation, groundwater levels and evapotranspiration data in extreme weather conditions. She has relevant experience in well development, hydraulic testing and database design. She also has developed Integrated Regional Water Management Plans, Flood Emergency Response Programs (FloodSAFE), and groundwater sustainability plans associated with the Sustainable Groundwater Management Act (SGMA). Melissa will be responsible for writing the Request for Proposals (RFP), managing the consultant and internal clients, grant management and reporting, and ensuring the project moves forward an all deliverables are met.

Roger Judy, Water Conservation Manager with the City of Vallejo, will assist the Project Manager with executing the day-to-day administration of the grant and facilitate workshops and development of the Water Marketing Strategy. Roger serves as the Water Conservation Manager for the City and is instrumental in stakeholder outreach and water resources reporting.

The Water Marketing Strategy intends to involve three different consultants to help develop the program: a legal consultant specializing in water rights; a Water Marketing consultant; and an engineering consultant.



Project Budget

Funding Plan and Letters of Commitment

The proposed Project is for Funding Group I. The total project cost is estimated at \$495,995. The City of Vallejo is contributing 60 percent match of the total project cost (\$300,002).

Table 1 - Total Project Cost Table

Source	Amount
Costs to be reimbursed with the requested Federal funding	\$200,000
Costs to be paid by Vallejo	\$295,995
Value of third-party contributions	\$0
TOTAL PROJECT COST	\$495,995

The City of Vallejo will provide \$295,995 in matching funds through in-kind staff time, to support the development of studies, planning documents and capital water projects, and identification and engagement of stakeholders. The City will provide an <u>Official Resolution</u> committing to the required match. The Council date for approval of the resolution is April 27, 2021.

Previously incurred costs associated with this project.

The table below outlines previously incurred expenses related to the pursuit of implementing productive and beneficial use of Lake Curry, as well as maintaining the facility for use.

Table 2 - Previously Incurred Expenses

Previously Incurred Expense	Year	Amount
Lake Curry Outfall Assessment (DRS Marine)	2016	\$10,000
JDH Inspection of Cast Iron Pipe	2016	\$32,000
Spillway Repairs	2016	\$82,000
Initial Remediation: Tank Demo, Mercury Removal, Tunnel Clean	2017	\$175,453
Mercury Level Evaluation	2017	\$140,000
Lake Curry Outlet Tower Inspections	2017	\$8,324
Extend Culvert on Right Abutment of Spillway, Fill Erosion Gully	2018	\$70,000
Lake Curry Outlet Tower Valve Installation	2018	\$150,000
Lake Curry Dam Improvements (Slab Replacement and Joints)	2018	\$205,000
Dam Alternatives Assessment (HDR)	2019	\$101,000
Drawdown Assessment & PMP/PMF Analysis (HDR)	2019	\$115,000
Preliminary Design Services on Infrastructure and Other Services (HDR)	2019	\$377,038



Lake Curry Upstream Control Valve and Removal of Tower Valves	2020	\$465,267
Exercise Upstream and Downstream Valves (Routine Maintenance)	2020	In-House
Spillway Condition Assessment	2018-2020	\$243,000
Lake Curry Bathymetric Survey and Release Plan	2019-2021	\$380,000
TOTAL COSTS INCURRED		\$2,554,082

Budget Proposal

Table 3 - Line Item Budget

BUDGET ITEM	Compu	ıtation	Quantity	TOTAL COST
DESCRIPTION	\$/Unit	Quantity	Type	TOTAL COST
Salaries and Wages				
Water Department Director	\$89	112	Total Hours	\$9,962
Operations Manager	\$84	112	Total Hours	\$9,423
Administrative Analyst II	\$79	191	Total Hours	\$15,151
Finance Admin	\$70	152	Total Hours	\$10,596
Facilities Superintendent	\$70	95	Total Hours	\$6,623
Operations Superintendent	\$70	143	Total Hours	\$9,969
Water Quality Manager	\$70	144	Total Hours	\$10,038
Distribution Superintendent	\$70	144	Total Hours	\$10,038
Engineering Manager	\$65	194	Total Hours	\$12,591
Senior Civil Engineer	\$55	166	Total Hours	\$9,178
Associate Engineer	\$50	1,408	Total Hours	\$71,077
Assistant Engineer	\$46	208	Total Hours	\$9,500
Chief Information Officer	\$75	159	Total Hours	\$11,849
Fringe Benefits				
Full-Time Employees				
Part-Time Employees				
Equipment				
Item				
Supplies and Materials				
Mailers				
Item				



Item				
Contractual / Construction				
Consulting Firm	\$250,000	1	Lump Sum	\$250,000
Facilitator	\$25,000	1	Lump Sum	\$25,000
Legal Consultant	\$25,000	1	Lump Sum	\$25,000
Other				
Other				
TOTAL ESTIMATED Project Costs		\$495,995		

Budget Narrative

Salaries and Wages - \$195,995

City of Vallejo personnel will be actively involved in the development of the Water Marketing Strategy Project. Staff time spent on grant oversight or implementation of this project will be funded at 100% by the City of Vallejo. Personnel Costs are estimated as follows:

<u>Water Department Director (Mike Malone)</u>: 112 hours at \$89 per hour for a total cost of \$9,962. The Water Director will provide oversight for the overall direction of the project, assist in identifying and solidifying partnerships, and reviewing and approving consultant products and recommendations.

<u>Operations Manager</u>: 112hours at \$84 per hour for a total cost of \$9,423. This position will assist with identifying stakeholder and partners and participate in select workshops. Time will also be spent reviewing and providing information on scoping and planning activities, as well as assisting with the Water Marketing Strategy and Final Report.

Administrative Analyst II (Water Conservation Manager – Roger Judy): 191 hours at \$79 per hour for a total cost of \$15,151. The bulk of this positions time will be spent on outreach and partnership building. This position will also be involved in assessing market opportunities and financial benefits, researching existing water markets and strategies, and analyzing economic, environmental and social impacts. Time will also be spent contributing to the development of the water marketing strategy and final report.

<u>Finance Staff</u>: 152 hours at \$70 per hour for a total cost of \$10,596. This position will be responsible for preparing grant quarterly reports with the assistance of the Program Manager as well as managing all accounting of the use of grant funds. Furthermore, this position will participate in analyzing the cost to open Vallejo's existing water rights and quantifying economic, environmental, and social impacts of implementing a water market.



<u>Facilities Superintendent</u>: 95 hours at \$70 per hour for a total cost of \$6, 623. This position will participate in select workshops, provide advice and information to inform assessing market opportunities and financial benefits, and assisting in developing the water marketing strategy.

<u>Operations Superintendent</u>: 143 hours at \$70 per hour for a total cost of \$9,969 This position will participate in select workshops, provide advice and information to inform assessing market opportunities and financial benefits, assisting in developing the water marketing strategy, and support project management and grant reporting activities.

<u>Water Quality Manager</u>: 144 hours at \$70 per hour for a total cost of \$10,038. This position will assist primarily in outreach and partnership building activities and workshops, as well as developing the water marketing strategy, final reports, grant management and grant reporting efforts.

<u>Distribution Super Intendent</u>: 144 hours at \$70 per hour for a total cost of \$10,038. This position will assist primarily in outreach and partnership building activities and workshops, as well as contributing to assessing market opportunities and financial benefits task, and developing the water marketing strategy, final reports, grant management and grant reporting efforts.

<u>Engineering Manager</u>: 194 hours at \$65 per hour for a total cost of \$12,591. This position will engage in select workshops and outreach activities as well as participate in reviewing and providing support on all scoping and planning activities and development of the water marking strategy and final report.

<u>Senior Civil Engineer</u>: 166 hours at \$55 per hour for a total cost of \$9,178. This position will engage in select workshops and outreach activities as well as participate in reviewing and providing support on all scoping and planning activities and development of the water marking strategy and final report.

Associate Engineer (Melissa Cansdale): 1408 hours at \$50 per hour for a total cost of \$71,077. Associate Engineer, Melissa Cansdale, will be the Program Manager. She has extensive project and grant management experience and will be devoted to ensuring strong day-to-day management and communication with BOR to ensure Vallejo meets all grant requirements. This position will be actively engaged in every task for this project.

<u>Assistant Engineer</u>: 208 hours at \$46 per hour for a total cost of \$9,500. This position will primarily support scoping and planning activities related to quantifying potential water sources and availability and evaluating infrastructure.

<u>Chief Information Officer</u>: 159 hours at \$75 per hour for a total cost of \$11,849. This position will be heavily involved in stakeholder outreach and engagement and partnership building and will help develop workshop materials as it relates to scoping and planning activities as well as the water marketing strategy and final report.

Fringe Benefits. Not requested.



Equipment. Not requested.

Materials and Supplies. Not requested.

Contractual - \$300,000

It is anticipated that the City will issue three contracts as part of the Water Market Strategy. A consultant will be hired to assist in conceptual development of the Water Marketing Strategy and to analyze existing water markets and impact/benefit analysis. This cost estimate is based on market research in California and an engineering estimate performed by staff. An engineering consulting firm will also be hired primarily for the infrastructure needs and water budgeting purposes. This cost estimate is based on previous experience conducting similar analysis. Additionally, legal consultation will be necessary to develop the legal framework for any water exchange or transfer. This cost estimate is based on consultation with the City's existing water rights attorney.

Third-Party In-Kind Contributions. Not applicable.

Environmental and Cultural Resources Compliance

Due to the planning nature of the Water Marketing Strategy, the City does not anticipate impacts to the surrounding environment, cultural resources, protected, or endangered species, facilities, communities (including low income), buildings or wetlands.

Required Permits or Approvals

The City does not anticipate the need for any permits or approvals given the Water Marketing Strategy does not include any construction activities.

Existing Analysis Contributing to the Water Marketing Strategy

As previously mentioned, the City is currently completing a Bathymetric Survey and predictive model which will accurately identify the volume of water available for a sustainable release plan. The Survey is underway and is anticipated to be complete by December 2021. This information will be used to determine the size of the Lake Curry water market and inform stakeholders and partners what water market options can exist based on flows and environmental requirements.

Additionally, the 2018 Lake Curry Dam Alternatives Study identifies several alternatives and high-level cost estimates for the repairs that may be required at Lake Curry. Alternatives included a no-build/change scenario, as well as a complete Dam removal options and a 10-foot raise of the Dam scenario.



Letters of Support

The City of Vallejo has secured Letters of Support for the proposed Lake Curry Water Market Strategy (Attachment 2). Since the Water Market Strategy is in the very early stages, much of the proposed project is focused on building partnerships and finding consensus on how Lake Curry can best serve the region.

Official Resolution

The proposed project is set to appear on City Council Agenda on April 27, 2021. The City will submit the executed Resolution within 30 days of April 7, 2021. An image of the draft resolution is provided below.



Approved as to form: Veronica A.F. Nebb

City Attorney

RESOLUTION NO. 21- N.C.

AUTHORIZING THE CITY MANAGER TO ENTER INTO A GRANT AGREEMENT WITH THE US BUREAU OF RECLAMATION FOR FUNDING OPPORTUNITY UNDER WATERSMART PROGRAM R21AS00278

WHEREAS, the United States Department of the Interior, Bureau of Reclamation ("Bureau"), has implemented the WaterSMART Program to provide financial assistance to public agencies for projects that seek to conserve and use water more efficiently, investigate and develop water market strategies, or otherwise contribute to water sustainability.

WHEREAS.

the City of Vallejo (the "City") seeks to support development of water market strategies that will contribute to the efficient use and sustainability of its water assets;

WHEREAS, the WaterSMART Program provides up to a 50% cost share by the Bureau;

WHEREAS, the City desires to finance a portion of the costs of implementing the City of Vallejo Water Marketing Strategy Grant (the "Project"), to pursue development of water market strategies;

WHEREAS, the City intends to finance the cost of the Project or portions of the Project with monies provided by the WaterSMART Water Marketing Strategy Grant for Fiscal Year (FY) 2021, administered by the Bureau, and

WHEREAS, as part of the WaterSMART Water Marketing Strategy Grant, the City's Water Enterprise Fund will be required to provide a minimum match of 50% of the total project cost, and

WHEREAS, the City intends to and is capable of providing a minimum 50% match (\$200,000) required to obtain grant funding for a total project cost of \$500,000.

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to sign and file, for and on behalf of the City, the WaterSMART Water Marketing Strategy Grant RS21AS00278 for funding of \$200,000 toward a \$500,000 project cost.

BE IT FURTHER RESOLVED that the City Manager or his designee, is authorized to execute any related documents, including a grant or cooperative financial assistance agreement with the Bureau, and to take all other actions necessary to secure funding of the WaterSMART Water Marketing Strategy Grant R3321AS00278.



BE IT FURTHER RESOLVED that the Water Director has reviewed and supports the application to be submitted.

BE IT FURTHER RESOLVED that the City's Water Enterprise Fund has the capability to provide the matching funds and/or in-kind contributions specified in the grant.

BE IT FURTHER RESOLVED that the City will work with the Bureau to meet established deadlines for entering into a grant or cooperative financial assistance agreement.

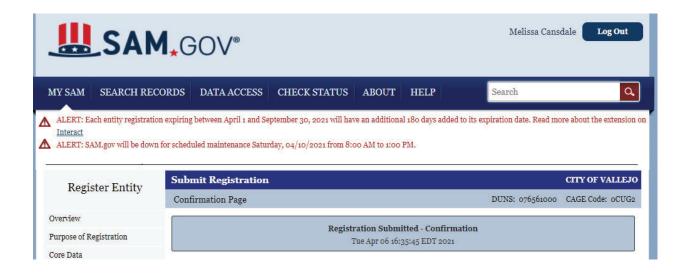
BE IT FURTHER RESOLVED that this Resolution shall be effective upon its adoption.

Adopted by the City Council of the City of 2021 with the following vote:	of Vallejo at a regular meeting held on April 27,
AYES: NOES: ABSENT: ABSTAIN:	
	ROBERT MCCONNELL, MAYOR
ATTEST:	
	DAWN G. ABRAHAMSON, CITY CLERK



Unique Entity Identifier and System for Award Management

The City of Vallejo has recently confirmed its registration in the SAM system and will maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. The City's DUNS is 076561000. Below is a snapshot of our recent re-registration (as required by SAM).



Upload #2

Applicant: City of Vallejo Water Department

Application Number: R-DO-2021-000462

Project Title: Water Marketing Strategy Development for Lake Curry Reservoir

Status: Complete

Document Title: AttachmentForm_1_2-ATT2-1235-Attachment 1 List of Potential

Stakeholders.pdf



Attachment 1: List of Potential Partners and Stakeholders

Federal Government

Congressional Delegation

National Marine Fisheries Service

U.S. Army Corps of Engineers

U.S. Fish and Wildlife Services

U.S. Department of Interior – Bureau of Reclamation

U.S. Department of Agriculture

Federal Emergency Management Agency

U.S. Department of Transportation

Travis Air Force Base

State Government

California Department of Water Resources

California Department of Water Resources Department of Safety of Dams

California Department of Fish and Wildlife

California Coastal Conservancy

California Natural Resources Agency

California Office of Emergency Services

California State Water Resources Control Board

Local Governments

Solano County

Napa County

Solano County Water Agency

Sacramento Area Flood Control Agency

Central Valley Flood Protection Board (CVFPB)

Central Valley Regional Water Quality Control Board

City of American Canyon

City of Benicia

City of Fairfield

City of Napa

Solano County Local Agency Formation Commission

City of Vallejo Planning Commission

Special Districts

Solano Irrigation District

RD 2068

Non-Profits, Community Organizations and Private Entities

California Land Stewardship Institute / Fish Friendly Farming

California Sportfishing Protection Alliance

Friends of Suisun City (Recreation)

Representative of Yolo County diverters

Upload #3

Applicant: City of Vallejo Water Department

Application Number: R-DO-2021-000462

Project Title: Water Marketing Strategy Development for Lake Curry Reservoir

Status: Complete

Document Title: AttachmentForm_1_2-ATT3-1236-Attachment 2 Letters of Support.pdf



Attachment 2: Letters of Support

STATE CAPITOL, ROOM 4032 SACRAMENTO, CA 95814 TEL (916) 651-4003 FAX (916) 651-4903



SENATOR, THIRD DISTRICT



CHAIR: SENATE GOVERNMENTAL ORGANIZATION COMMITTEE

COMMITTEES

BUSINESS, PROFESSIONS & ECONOMIC DEVELOPMENT ENERGY, UTILITIES & COMMUNICATION INSURANCE

TRANSPORTATION

JOINT COMMITTEE

EMERGENCY MANAGEMENT

SELECT COMMITTEE

CALIFORNIA'S WINE INDUSTRY

April 1, 2021

Mr. Mike Malone Water Director City of Vallejo, CA 202 Fleming Hill Road Vallejo, CA 94589

Subject: Bureau of Reclamation; FY 2021 Water Marketing Strategy Grant application

Mr. Malone,

As the Legislators representing the City of Vallejo, we wish to express our support for the City's application to the Bureau of Reclamation for its FY 2021 Water Marketing Strategy Grant application. With drought conditions and water supply issues continuing to challenge California and demand for water continues to grow, we support the City's effort to determine whether there is a viable water market to support full beneficial use of Lake Curry Reservoir.

This proposal seeks to explore the viability of implementing a water market utilizing the water available in the Lake Curry Reservoir. Given the reservoir is located centrally to the regional water supply there are several opportunities for water exchanges available. Water users in the region supplied by the Delta, the Solano Project (a Bureau of Reclamation Project), groundwater users and downstream environmental benefits may be able to leverage existing assets with the water in Lake Curry Reservoir through a viable water marketing program.

We understand that the water marketing strategy project will identify and engage stakeholders, examine physical and legal obstacles of establishing a water market, and determine costs associated with potential uses of the asset and infrastructure needs. We fully support this effort and look forward to participating in the effort and providing our perspective when exploring the possibility of a water market and the resulting strategy.

Sincerely,

Bill Dodd Senator District 3 Timothy S. Grayson
Assemblymember District 14

Touth & Drayson



BOARD OF SUPERVISORS

Office of the First District

ERIN HANNIGAN

Supervisor (707) 784-6662 EHannigan@solanocounty.com

MICHAEL WILSON

District Representative (707) 784-6663 MLWilson@solanocounty.com

JOSETTE LACEY

District Representative (707) 553-5363

JMLacey@solanocounty.com

March 29, 2021

Mr. Mike Malone Water Director City of Vallejo, CA 202 Fleming Hill Road Vallejo, CA 94589

It is with pleasure that I submit this letter in support of for the City of Vallejo's application t the Bureau of Reclamation for its FY 2021 Water Marketing Strategy Grant application. As drought conditions and water supply issues continue to challenge California and demand for water continues to grow, I support the City's effort to determine whether there is viable water market to support full beneficial use of Lake Curry Reservoir.

The proposal to seek to explore the viability of implementing a water market utilizing the water available in the Lake Curry Reservoir. Given the reservoir is located centrally to the region supplied by the Delta, the Solano Project (a Bureau of Reclamation Project), groundwater user and downstream environmental benefits may be able to leverage existing assets with the water in Lake Curry Reservoir through a viable water marketing program.

I understand that the water marketing strategy project will identify and engage stakeholders, examine physical and legal obstacles of establishing a water market, and determine cost associated with potential uses of the asset and infrastructure needs. I am supportive of the City leading this effort and look forward to participating in relevant workshops and providing my perspective when exploring the possibility of a water market and resulting strategy.

Sincerely,

Erin Hannigan

Solano County Board of Supervisor, District 1

675 Texas Street, Suite 6500 Fairfield, CA 94533-6342 Fax 707 784-6663

www.solanocounty.com

BOARD OF SUPERVISORS

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STEPHEN HALLETT Board Aide sihallett@solanocounty.com (707) 784-2974

www.solanocounty.com March 29, 2021

Fax (707) 784-6665

MONICA E. BROWN

(707) 784-3031

mebrown@solanocounty.com

Fairfield, CA 94533-6342

675 Texas Street, Suite 6500

Supervisor

Mr. Mike Malone Water Director City of Vallejo, CA 202 Fleming Hill Road Vallejo, CA 94589

Mr. Malone,

I wish to express my support for the City of Vallejo's application to the Bureau of Reclamation for its FY 2021 Water Marketing Strategy Grant application. As drought conditions and water supply issues continue to challenge California and demand for water continues to grow, I support the City's effort to determine whether there is a viable water market to support full beneficial use of Lake Curry Reservoir.

This proposal seeks to explore the viability of implementing a water market utilizing the water available in the Lake Curry Reservoir. Given the reservoir is located centrally to the regional water supply there are several opportunities for water exchanges available. Water users in the region supplied by the Delta, the Solano Project (a Bureau of Reclamation Project), groundwater users and downstream environmental benefits may be able to leverage existing assets with the water in Lake Curry Reservoir through a viable water marketing program.

I understand that the water marketing strategy project will identify and engage stakeholders, examine physical and legal obstacles of establishing a water market, and determine costs associated with potential uses of the asset and infrastructure needs. I am supportive of the City leading this effort and look forward to participating in relevant workshops and providing our perspective when exploring the possibility of a water market and the resulting strategy.

Sincerely,

Monica Brown,

Solano County Supervisor, District 2

Solano County Water Agency

April 6, 2021

Mr. Mike Malone Water Director City of Vallejo, CA 202 Fleming Hill Road Vallejo, CA 94589

Dear Mr. Malone,

The Solano County Water Agency is pleased to express its support for the City of Vallejo's application to the Bureau of Reclamation for its FY 2021 Water Marketing Strategy Grant. As drought conditions and water supply issues continue to challenge California and demand for water continues to grow, we support the City's effort to determine whether there is a viable water market to support full beneficial use of Lake Curry Reservoir.

The City's proposal to explore a water market utilizing the water available in Lake Curry Reservoir is strategic, especially given that the reservoir is located centrally to the regional water supply. Water users in the region supplied by the Delta, the Solano Project (a Bureau of Reclamation Project), groundwater users and downstream environmental benefits may be able to leverage existing assets with the water in Lake Curry Reservoir through a viable water marketing program. There are several opportunities for water exchanges potentially available.

The water marketing strategy project goal to identify and engage stakeholders, examine physical and legal obstacles of establishing a water market, and determine costs associated with potential uses of the asset and infrastructure needs sets the City on a path for strong regional partnership to address the challenges and opportunities associated with the City's Lake Curry Reservoir. The Agency supports the City in this effort and we look forward to participating in relevant workshops and providing our perspective when exploring the possibility of a water market and the resulting strategy.

Sincerely,

Roland Sanford, General Manager

810 Vaca Valley Parkway, Suite 203 Vacaville, CA 95688 (707) 451-6090 Fax (707) 451-6099 Scwa2.com



Upload #4

Applicant: City of Vallejo Water Department

Application Number: R-DO-2021-000462

Project Title: Water Marketing Strategy Development for Lake Curry Reservoir

Status: Complete

Document Title: Form AttachmentForm_1_2-V1.2.pdf failed to attach

GrantSolutions.gov was not able to attach this document Form AttachmentForm_1_2-V1.2.pdf due to technical reasons.