



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 12/16/2025

To: Board of Directors, Sonoma County Water Agency

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number: Grant Davis 707-547-1911, Jessica Martini-Lamb 707-547-1903

Vote Requirement: 4/5th

Supervisory District(s): Countywide

Title:

Environmental Compliance Support Services for New Eel-Russian Facility Project

Recommended Action:

- A) Authorize Sonoma County Water Agency's General Manager to execute an agreement with Environmental Science Associates, in a form approved by County Counsel, for environmental compliance support services through December 31, 2030, in the not-to-exceed amount of \$2,330,000.
- B) Adopt a Resolution for the Russian River Projects Fund in the amount of \$305,000 to recognize grant funding from the California Department of Fish and Wildlife for funding the Environmental Compliance Support Services for New Eel-Russian Facility Project.

(4/5th Vote Required)

Executive Summary:

The Eel-Russian Project Authority (ERPA) is leading an environmental compliance and permitting effort for construction and operation of the New Eel-Russian Facility (NERF). Sonoma County Water Agency (Sonoma Water), acting on behalf of ERPA, requires assistance from Environmental Science Associates (Consultant) to prepare the NERF California Environmental Quality Act (CEQA) analysis and prepare necessary state and federal regulatory permit applications.

ERPA, at its July 21, 2025, meeting, agreed that Sonoma Water will perform services and engage consultants on ERPA's behalf to perform critical work in support of ERPA and NERF, including environmental compliance and permitting. This item seeks authority for Sonoma Water's General Manager to enter into an agreement with Environmental Science Associates (Consultant) on ERPA's behalf for environmental compliance and permitting services.

Discussion:

HISTORY OF ITEM/BACKGROUND

The Potter Valley Project (PVP), currently owned and operated by Pacific Gas and Electric (PG&E), has been diverting water from the Eel River into the Russian River watershed for more than a century. The PVP has played a crucial role in supplying water for agriculture, municipalities, rural residents, and instream flows to benefit aquatic ecosystems and threatened salmonids in Mendocino and Sonoma counties. The PVP facilities include Scott and Cape Horn dams on the Eel River, and a diversion tunnel and penstocks that divert Eel River water to a hydroelectric power facility located in Potter Valley. Eel River water released from the facilities' tailrace is discharged into the East Branch of the Russian River in Potter Valley upstream of Lake Mendocino.

In 2019, PG&E chose not to relicense its project with the Federal Energy Regulatory Commission (FERC), and on July 25, 2025, filed its license surrender application and decommissioning plan (Surrender Application). ERPA was formed in December 2023 through a joint exercise of powers agreement between Sonoma Water, the County of Sonoma, and Mendocino County Inland Water and Power Commission (MCIWPC). Round Valley Indian Tribes (RVIT) has a seat on the five-member Board of Directors, which comprises two representatives from MCIWPC, one from Sonoma Water, one from the County of Sonoma, and one from Round Valley Indian Tribe (RVIT). Supervisor David Rabbitt serves as ERPA's Chair as Sonoma Water's representative; Supervisor James Gore serves as the County's representative.

ERPA proposes to construct and operate the NERF to preserve ongoing water diversions through the PVP's tunnel between the Eel River and Russian River, while allowing for upstream and downstream fish migration to support larger efforts aimed at achieving naturally reproducing, self-sustaining and harvestable native anadromous fish populations in the Eel River watershed.

In addition to the Surrender Application, PG&E also filed an application for non-project use of project lands with FERC that would authorize ERPA to construct the NERF near the current location of Cape Horn Dam concurrent with PG&E removing Cape Horn Dam. The NERF project includes new fish screens, a mechanical pump station, and a retaining wall housing a conduit to convey pumped water to a reconfigured tunnel inlet. The NERF will be operated as a run-of-the-river facility - diverting flow from the Eel River to the Russian River basin in a manner that protects the ecological integrity of the Eel River per the terms of a Water Diversion Agreement (WDA) signed on July 28, 2025, by stakeholders in the Eel and Russian River watersheds. Termed the Two-Basin Solution Partners, signatories to the WDA include Sonoma Water, County of Sonoma, ERPA, MCIWPC, RVIT, Humboldt County, California Trout Unlimited, and the California Department of Fish and Wildlife (CDFW).

In order to construct and operate NERF, ERPA must comply with the California Environmental Quality Act (CEQA). As Lead Agency under CEQA, ERPA anticipates preparation of an Environmental Impact Report in order to obtain state regulatory permits and potential future funding. ERPA anticipates applying for state permits from the State Water Resources Control Board (State Water Board; Section 401 water quality certification under the Clean Water Act) and CDFW (Streambed Alteration Agreement). ERPA also anticipates applying for federal permits from the U.S. Army Corps of Engineers (USACE; Section 404 of the Clean Water Act), and consultation under the federal Endangered Species Act with the U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS).

ERPA, at its July 21, 2025, meeting, authorized Sonoma Water to perform services and engage consultants on ERPA's behalf to perform critical work in support of ERPA and NERF, including environmental compliance and permitting. This item seeks authority for Sonoma Water's General Manager to enter into an agreement with Environmental Science Associates (Consultant) on ERPA's behalf for environmental compliance and permitting services.

SELECTION PROCESS

Consultant was selected from a list of qualified consultants developed from a competitive selection process. Attached is a memo that explains the competitive selection process.

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Consultant was selected for the subject work because Consultant has demonstrated expertise in managing complex CEQA analysis for similar water resources-related projects, including successful permit applications to the same regulatory agencies. Consultant staff are familiar with the Eel and Russian River watersheds and have experience working with joint power authorities and similar organizational structures.

SERVICES TO BE PERFORMED

Under the proposed agreement, Consultant will develop the NERF Environmental Impact Report and complete the CEQA analysis, support public scoping and outreach, prepare technical memoranda and necessary supporting reports (e.g. cultural resources), and prepare permit applications to federal and state regulatory agencies, such as the USACE, USFWS, NMFS, State Water Board, and CDFW.

The cost of services will not exceed \$2,330,000; the term end date is December 31, 2030.

Through the proposed agreement, the General Manager will be delegated the authority to approve a written amendment to extend the term of the agreement for up to two additional years by providing written notice to the other party thirty days in advance of the expiration date and by executing an agreement amendment.

CDFW has committed \$9 million to ERPA for NERF design and capital costs. ERPA staff have negotiated a scope of work for the CDFW grant award that includes reimbursement for NERF environmental compliance expenses. A grant award letter from CDFW is anticipated by December 31, 2025. The proposed agreement will include language authorizing the General Manager to amend the agreement to include any applicable CDFW grant terms applicable to Consultant. ERPA member agency staff have been actively working to develop a financial plan that includes reasonable assumptions about construction, maintenance, and operating costs and how these costs will be shared by beneficiaries of the diversion.

County of Sonoma Strategic Plan Alignment:

N/A

Sonoma Water Strategic Plan Alignment

Goal: Planning and Infrastructure

Strategy: Conduct planning that integrates and balances operational, maintenance, and infrastructure priorities.

Action: Continue to engage in planning efforts and partnerships to protect and enhance our water supply.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

07/22/2025: Approved and authorized the Chair (on behalf of County and Sonoma Water) to execute the Water Diversion Agreement for New Eel-Russian Facility. Authorized Sonoma Water’s General Manager to enter into agreements with the Eel-Russian Project Authority regarding staffing and technical support and other work in a form approved by County Counsel.

10/8/2024: Authorized Sonoma Water’s General Manager to execute an agreement with McMillen, Inc., in substantially the form as the draft presented to this Board, for engineering and design services

for Eel-Russian Facility Planning and Design Project through December 31, 2028, in the not-to-exceed amount of \$1,999,861.

12/5/2023: Approved the Joint Exercise of Powers Agreement between the Mendocino County Inland Water and Power Commission, County of Sonoma, and Sonoma County Water Agency, and creating the Eel-Russian Project Authority.

11/7/2023: Resolution of the Board of Directors of Sonoma Water ratifying and approving the General Manager of the Sonoma County Water Agency’s filing of a Grant Application for the Eel River at Cape Horn Dam Fish Passage Improvement Planning And Design Project, made to the United States Department of the Interior, Bureau of Reclamation.

04/19/2022: Authorize Sonoma Water’s General Manager to negotiate and execute three professional services agreements for 1) public outreach and organization services (\$300,000), 2) facilities assessments and feasibility studies (\$650,000), and 3) water supply reliability studies (\$650,000). Subject agreements were to develop long-term strategies to provide water supply resiliency to the Russian River in the face of exceptional drought, continuing effects of climate change, and the prospect of PG&E’s surrender of the Potter Valley Project.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses	\$305,000	\$2,025,000	
Additional Appropriation Requested	\$	\$	
Total Expenditures	\$305,000	\$2,025,000	
Funding Sources	\$	\$	
General Fund/WA GF	\$	\$	
State/Federal	\$305,000	\$2,025,000 □	
Fees/Other	\$	\$	
Use of Fund Balance	\$	\$	
General Fund Contingencies	\$	\$	
Total Sources	\$305,000	\$2,025,000	

Narrative Explanation of Fiscal Impacts:

Budgeted expenditures of \$305,000 are available from FY 2025/2026 appropriations for the Russian River Projects fund. FY2026/2027 revenue and expense appropriations will be made in that fiscal year.

Additional appropriations are required to process this revenue. With Board approval of the attached budgetary resolution, FY 2025/2026 revenue appropriations of \$305,000 will be made in the Russian River Projects fund. CDFW has committed \$9 million to ERPA for NERF design and capital costs, including this work. Funding will be provided by CDFW to ERPA and ERPA will then pass-through the funding to the Russian River Projects fund. □

Sonoma Water staff have already been performing work related to the Two Basin Solution and in support of ERPA. This work by the Consultant proposed by this item will be reimbursed in full by the funding committed

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by CDFW to ERPA.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1: Resolution

Attachment 2: Competitive Selection Process Memo

Related Items "On File" with the Clerk of the Board:

None