

**DRAFT
[6-12-19]**

**[PROPOSED] RESOLUTION NO. 2019-____
OF THE BOARD OF DIRECTORS OF
SACRAMENTO RIVER SETTLEMENT CONTRACTORS,
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION**

**A RESOLUTION REGARDING SALMON RECOVERY PROJECTS
IN THE SACRAMENTO RIVER WATERSHED,
ACTIONS RELATED TO SHASTA RESERVOIR ANNUAL OPERATIONS,
AND ENGAGEMENT IN THE ONGOING COLLABORATIVE
SACRAMENTO RIVER SCIENCE PARTNERSHIP EFFORT**

RECITALS

A. The Sacramento River Settlement Contractors, a California nonprofit mutual benefit corporation, consists of individuals and entities¹ (collectively, SRS Contractors) that individually hold settlement agreements (the SRS Contracts) with the United States Bureau of Reclamation (Reclamation). Reclamation operates Shasta Dam and Keswick Dam as part of the Central Valley Project and in accordance with the terms of the SRS Contracts.

B. The SRS Contractors have been active participants in the Sacramento Valley Salmon Recovery Program (Recovery Program), which is an innovative and comprehensive program for enhancing passage and habitat for salmonid species in the Sacramento Valley. A summary list of the specific Recovery Program projects undertaken by the SRS Contractors since 2000 is attached hereto as Exhibit 2.

C. The SRS Contractors intend to continue to participate in, and act as project champions for, similar types of future Recovery Program projects, subject to the availability of funding, regulatory approvals, acceptable regulatory assurances, and full performance of the SRS Contracts. These potential future projects include, but are not limited to: (1) salmon spawning habitat projects (Keswick Dam to Red Bluff Diversion Dam); (2) salmon rearing habitat (Keswick Dam to Red Bluff Diversion Dam); (3) salmon rearing habitat (Red Bluff Diversion Dam to Verona); and (4) modification of man-made structures (Keswick Dam to Verona).

D. On August 2, 2016, Reclamation requested reinitiation of consultation under Section 7 of the Endangered Species Act regarding ongoing operation of the Central Valley Project. The proposed action under consideration in that consultation includes Reclamation's exercise of discretion in operational decision making, including full implementation and performance of the SRS Contracts. Specifically, the consultation concerns the impacts of maximum water deliveries and diversions under the terms of

¹ The SRS Contractors' current membership list is attached hereto as Exhibit 1.

existing contracts and agreements, including timing and allocation. Accordingly, Reclamation has requested consultation on the effects of the maximum quantities of diversions allowed under the SRS Contracts.

E. In connection with Reclamation's operational decision-making for Shasta Reservoir annual operations during drier water years with operational conditions as described in the Tier 3 and Tier 4 scenarios set forth in Section 4.10.1.3.1 of the Final Biological Assessment for Reinitiation of Consultation on the Coordinated Long-Term Operation of the Central Valley Project and State Water Project, dated January 31, 2019 (Final BA), the SRS Contractors intend to meet and confer with Reclamation, the National Marine Fisheries Service (NMFS), and other appropriate agencies as described more specifically below. Any proposed action resulting from such meet and confer discussions must be consistent with the obligations of the SRS Contracts, including but not limited to actions that require Reclamation's approval and involvement in implementation. The SRS Contractors also acknowledge that during Shasta Critical Years (as defined under the SRS Contracts), the SRS Contractors incur a 25% reduction in diversions under the SRS Contracts.

F. The SRS Contractors are committed to continue their active engagement and leadership in the ongoing collaborative Sacramento River Science Partnership effort, and intend to execute a mutually agreeable final version of the related Charter document. The most current draft version of this Charter document is attached hereto as Exhibit 3.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND APPROVED by the SRS Contractors Board of Directors, as follows:

1. The SRS Contractors will continue to participate in, and act as project champions for, future Recovery Program projects, subject to the availability of funding, regulatory approvals, acceptable regulatory assurances, and full performance of the SRS Contracts. These potential future projects include, but are not limited to: (1) salmon spawning habitat projects (Keswick Dam to Red Bluff Diversion Dam); (2) salmon rearing habitat (Keswick Dam to Red Bluff Diversion Dam); (3) salmon rearing habitat (Red Bluff Diversion Dam to Verona); and (4) modification of man-made structures (Keswick Dam to Verona).

2. During drier water years with operational conditions as described in the Tier 3 and Tier 4 scenarios set forth in Section 4.10.1.3.1 of the Final BA, and as requested by NMFS in furtherance of meeting Sacramento River performance objectives, the SRS Contractors will meet and confer with Reclamation, the National Marine Fisheries Service (NMFS) and other agencies as appropriate to determine if there is any role for the SRS Contractors in connection with Reclamation's operational decision-making for Shasta Reservoir annual operations in those years. This determination will include consideration of what actions are feasible, consistent with the terms of the SRS Contracts and would also effectuate the desired outcome. In addition to the 25% reduction during Shasta Critical Years as set forth in the SRS Contracts, the types of actions that may be considered include, but are not necessarily limited to: (1) the

scheduling of spring diversions by the SRS Contractors; (2) voluntary, compensated water transfers by the SRS Contractors subject to Reclamation approval; and (3) delayed SRS Contractor diversions for rice straw decomposition during the fall months. Any mutually agreeable proposed actions resulting from these meet and confer discussions must be consistent with the terms of the SRS Contracts and may also be subject to other regulatory approvals.

3. The SRS Contractors will continue their active engagement and leadership in the ongoing collaborative Sacramento River Science Partnership effort, and are committed to executing a mutually agreeable final version of the related Charter document (similar in final form and content to the most current draft attached hereto as Exhibit 3).

PASSED AND ADOPTED by the following vote of the Board of Directors on June 27, 2019.

AYES:

NOES:

ABSENT:

ABSTAINING:

* * *

I hereby certify that I am the Secretary of the Sacramento River Settlement Contractors and that the foregoing resolution was duly adopted by the Board of Directors of said Corporation at a regular meeting thereof duly held on June 27, 2019, at which meeting a quorum of said Board of Directors was at all-time present and acting.

IN WITNESS WHEREOF, I have set my hand this 27th day of June 2019.

[Name]

Board of Directors

Sacramento River Settlement
Contractors