



SVBGSA Project Portfolio Costs and Funding Strategy Update

SVBGSA Advisory Committee Meeting
June 18, 2026

Topics

- Funding Strategy Overview
- Comparing Project Portfolios
- Projects and Project Portfolio Costs
- Next Steps



FUNDING STRATEGY OVERVIEW

What is the SVBGSA funding strategy?

- Develop financial model of current fees/assessments and potential future projects and management actions (PMAs) costs
- Apply the financial model to three defined PMA portfolios to evaluate different funding scenarios
- Deliverables
 - A financial model that illustrates alternative scenarios that will be updated as PMAs and PMA portfolios are refined/selected
 - A written memorandum describing funding strategies



COMPARING PROJECT PORTFOLIOS

Project Portfolios

	Portfolio 1	Portfolio 2	Portfolio 3
Projects	Medium BGRP – Injection Only	Reduced BGRP (Small BGRP – Injection Only)	
	C&E 100 CFS, Eastside Recharge Basin	C&E 100 CFS, Eastside Recharge Basin	C&E 50 CFS, Eastside Recharge Basin
	CSIP Optimization	CSIP Optimization	CSIP Optimization
		C&E Coastal Injection	C&E Coastal Injection
Demand Management (DM)	10% DM in the 180/400, Eastside, Monterey, and Langley Subbasins (excluding CSIP area)	10% DM in the 180/400, Eastside, Monterey, and Langley Subbasins (excluding CSIP area)	20% DM in the 180/400, Eastside, Monterey, and Langley Subbasins (excluding CSIP area)

Portfolio Financial Evaluation

- There are financial tradeoffs between each portfolio
- Three categories for financial evaluation:
 - External grants/funding
 - Local fees/assessments
 - Other local financial impacts

Financial Tradeoffs



External Grants / Funding

- Grant funds that typically pay for project planning and capital
- Reduces local fees / assessments
- Example: USBR Title XVI



Local Fees / Assessments

- Project costs not covered by external sources would be funded locally through fees or assessments
- Revenues received from (costs assessed on) stakeholders



Other Local Financial Impacts

- Costs/impacts imposed on local stakeholders such as following land or degraded water quality



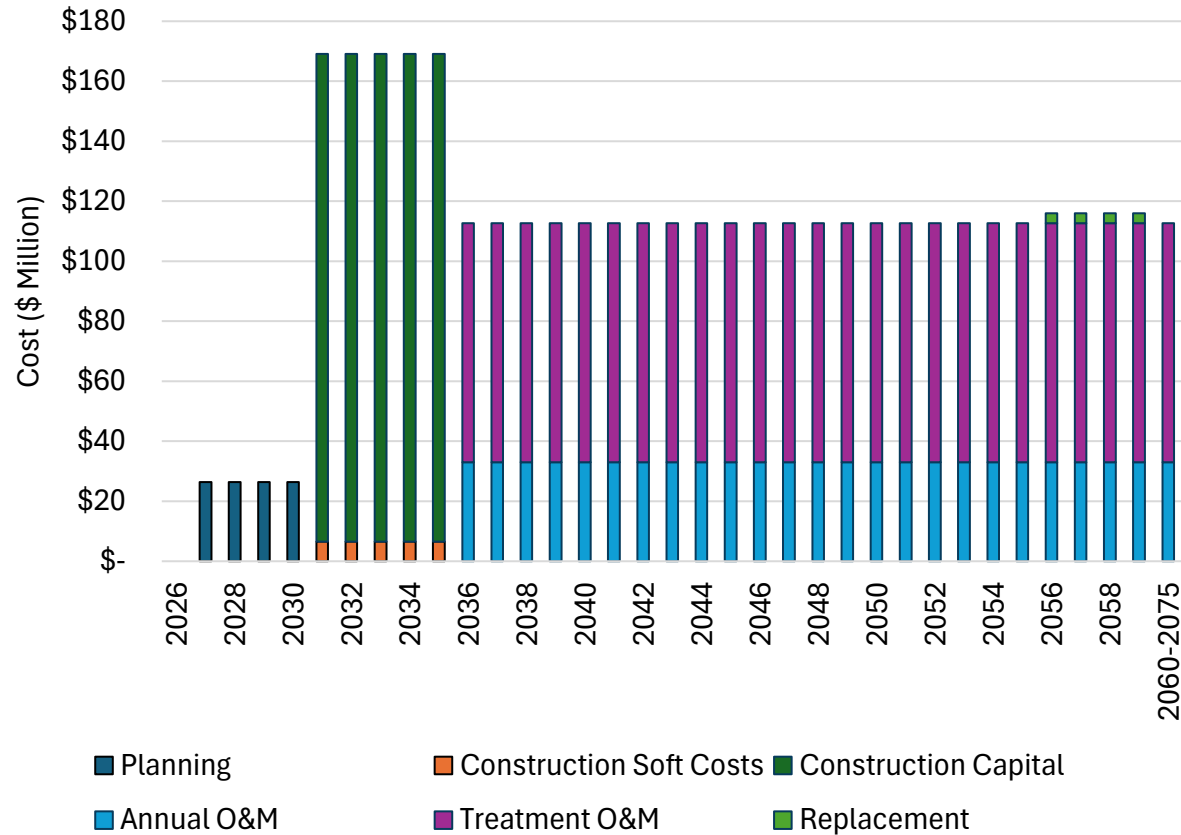
PROJECTS AND PROJECT PORTFOLIO COSTS

Project Portfolios

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Medium BGRP – Injection Only

Estimated Annual Capital, O&M, and Replacement Costs*

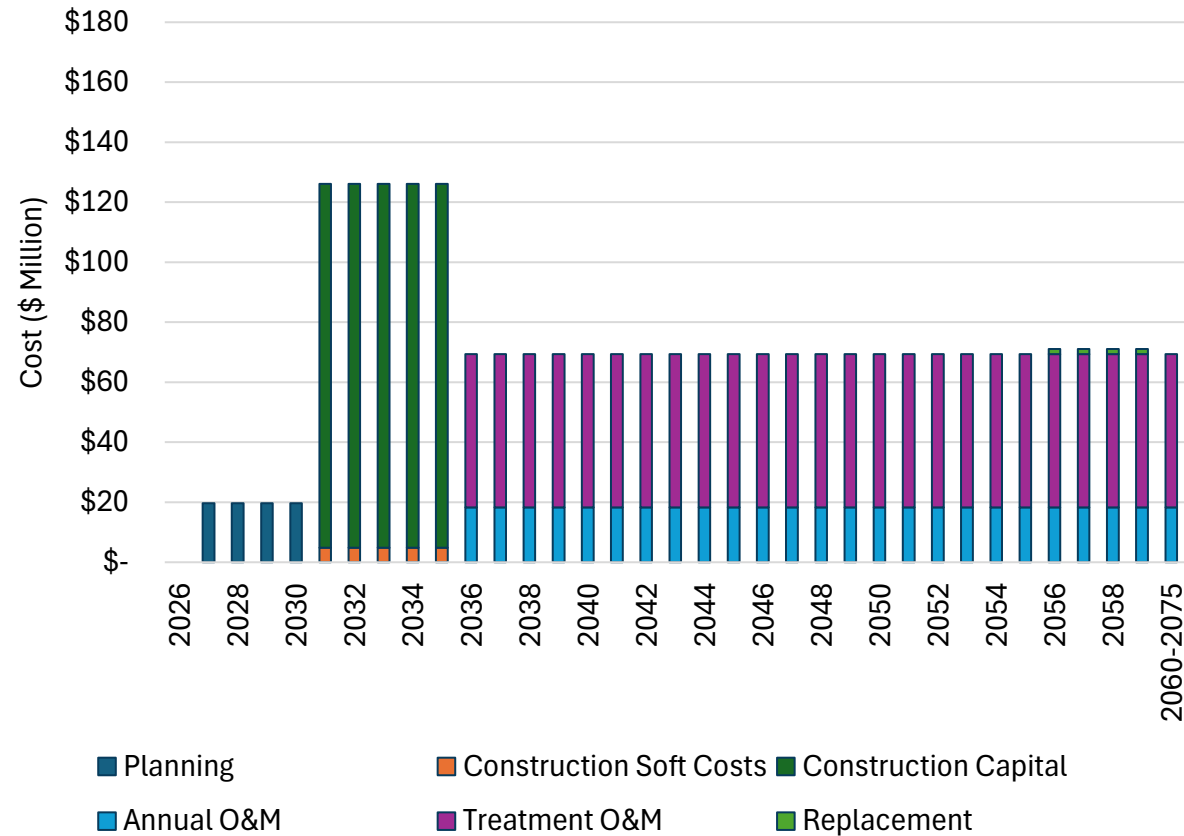


*Includes cash costs/outlays with no financing; in current year dollars

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$105.7
Soft Costs – Construction	2031-2035	\$32.5
Construction	2031-2035	\$812.9
Total Planning and Construction	2027-2035	\$951.1
Replacement		
Equipment – Replacement	2056-2059	\$13.2
Total Replacement	2056-2059	\$13.2
Annual Costs	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$33.1
Treatment O&M	2036-2075	\$79.6
Annual O&M	2036-2075	\$112.7

Reduced BGRP (Small BGRP)

Estimated Annual Capital, O&M, and Replacement Costs*

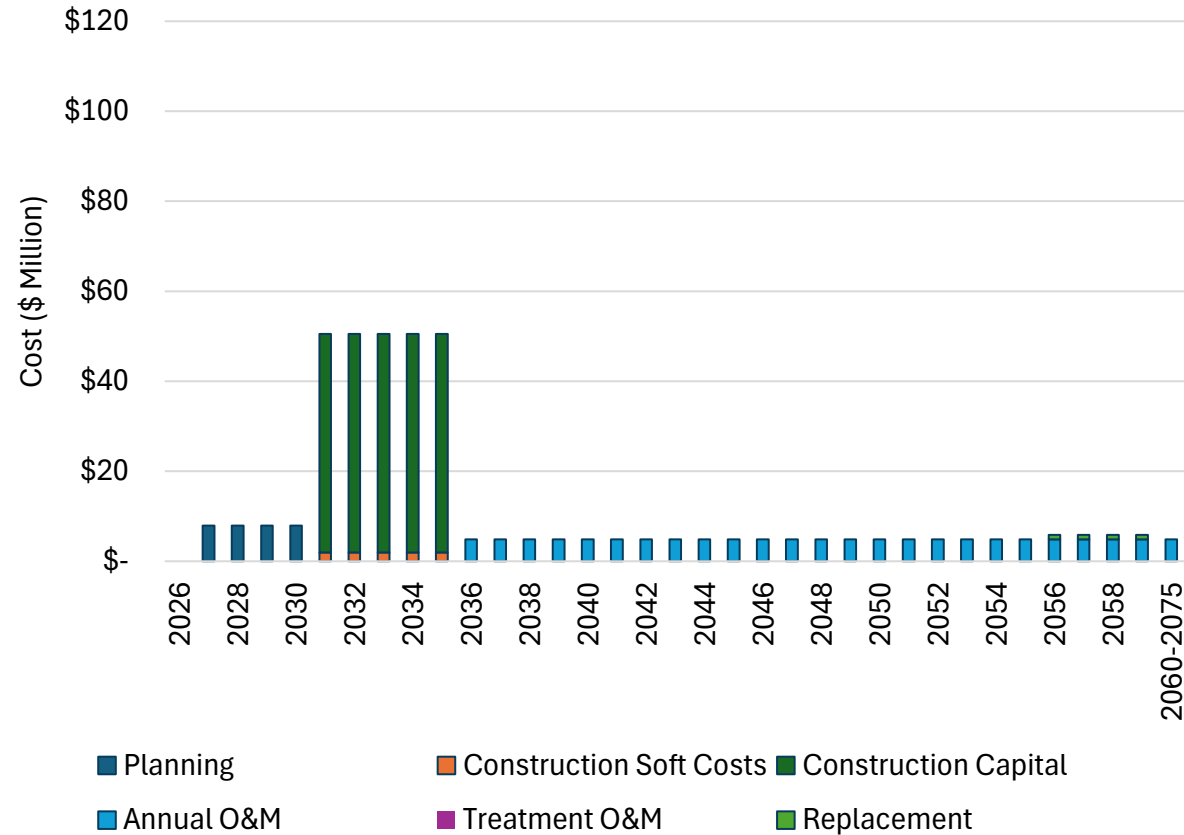


*Includes cash costs/outlays with no financing; in current year dollars

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$78.8
Soft Costs – Construction	2031-2035	\$24.3
Construction	2031-2035	\$606.2
Total Planning and Construction	2027-2035	\$709.3
Replacement		
Equipment – Replacement	2056-2059	\$6.6
Total Replacement	2056-2059	\$6.6
Annual Costs	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$18.3
Treatment O&M	2036-2075	\$51.1
Annual O&M	2036-2075	\$69.4

C&E 100 CFS, Eastside Recharge Basin

Estimated Annual Capital, O&M, and Replacement Costs*



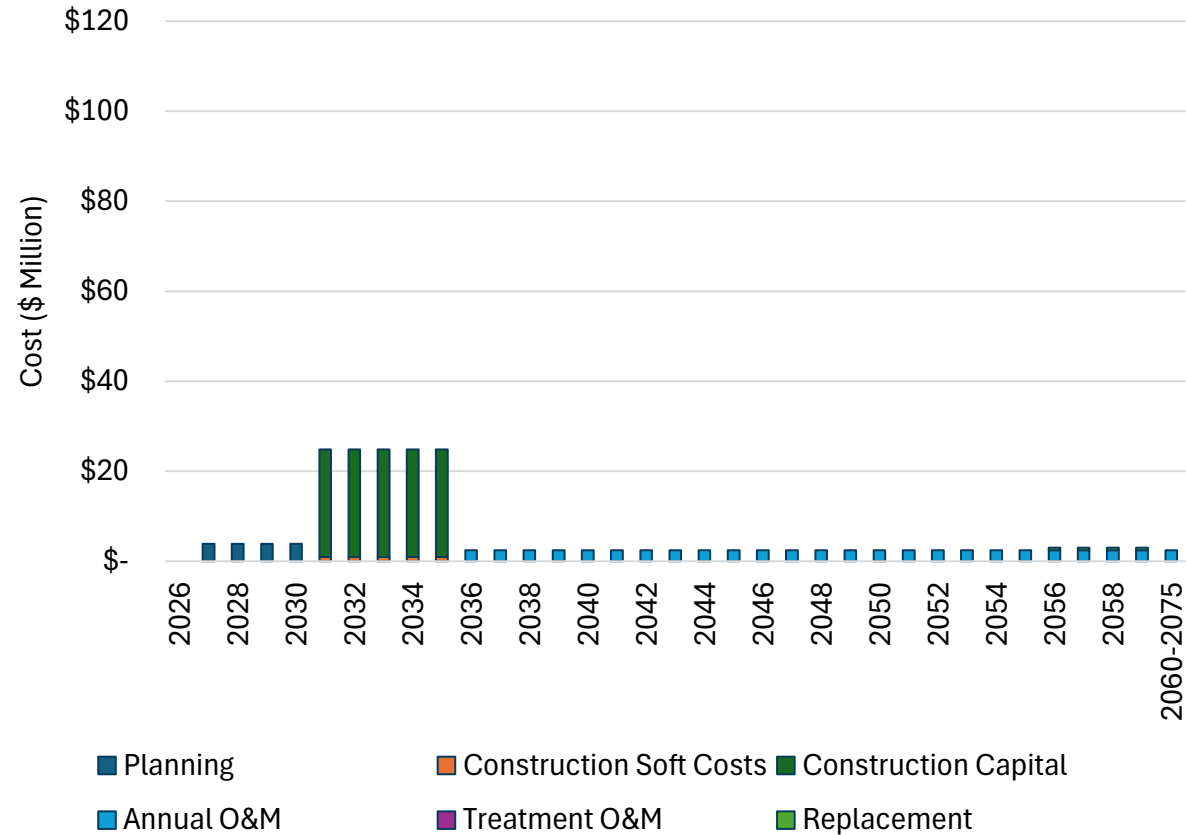
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Part of: Portfolio 1 and Portfolio 2

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$31.6
Soft Costs – Construction	2031-2035	\$9.7
Construction	2031-2035	\$242.8
Total Planning and Construction	2027-2035	\$284.1
Replacement		
Equipment – Replacement	2056-2059	\$4.0
Total Replacement	2056-2059	\$4.0
Annual Costs	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$4.9
Treatment O&M	2036-2075	-
Annual O&M	2036-2075	\$4.9

C&E 50 CFS, Eastside Recharge Basin

Estimated Annual Capital, O&M, and Replacement Costs



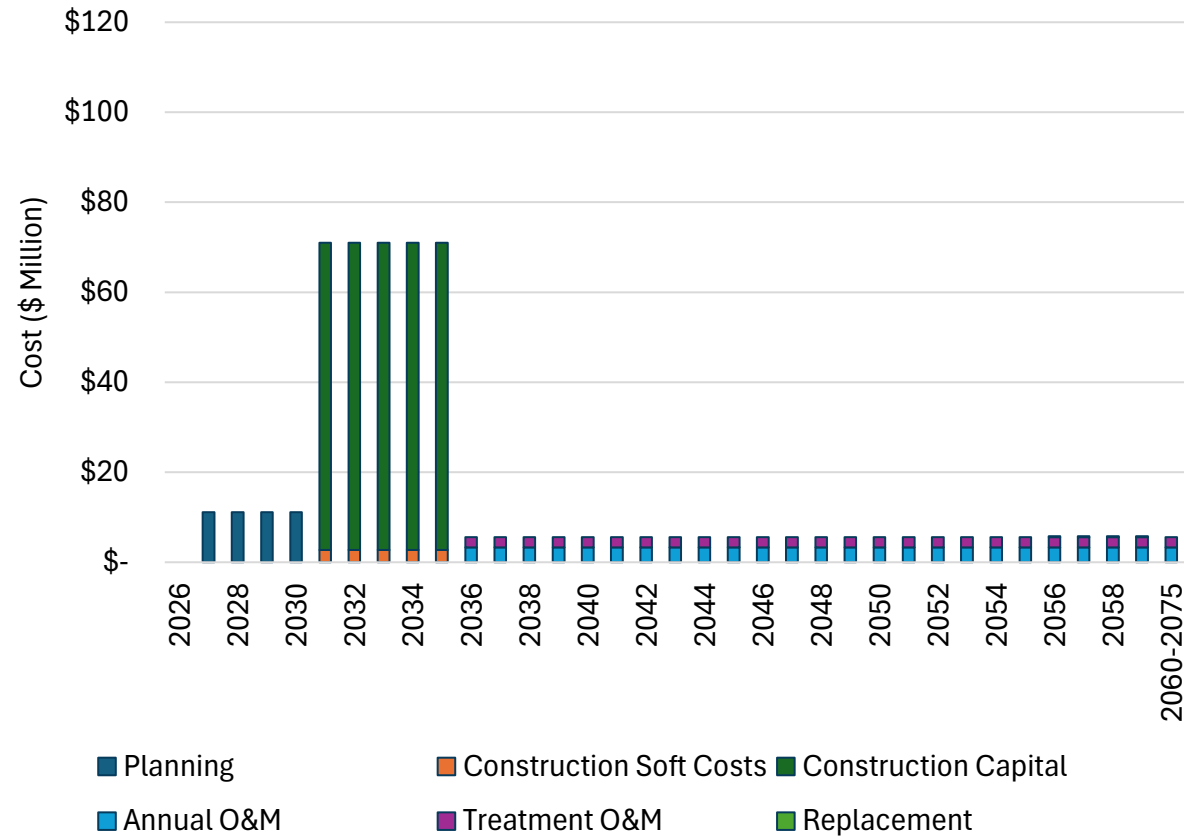
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Part of: Portfolio 3

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$15.5
Soft Costs – Construction	2031-2035	\$4.8
Construction	2031-2035	\$119.5
Total Planning and Construction	2027-2035	\$139.8
Replacement		
Equipment – Replacement	2056-2059	\$2.2
Total Replacement	2056-2059	\$2.2
Annual Costs	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$2.5
Treatment O&M	2036-2075	-
Annual O&M	2036-2075	\$2.5

C&E Coastal Injection

Estimated Annual Capital, O&M, and Replacement Costs*



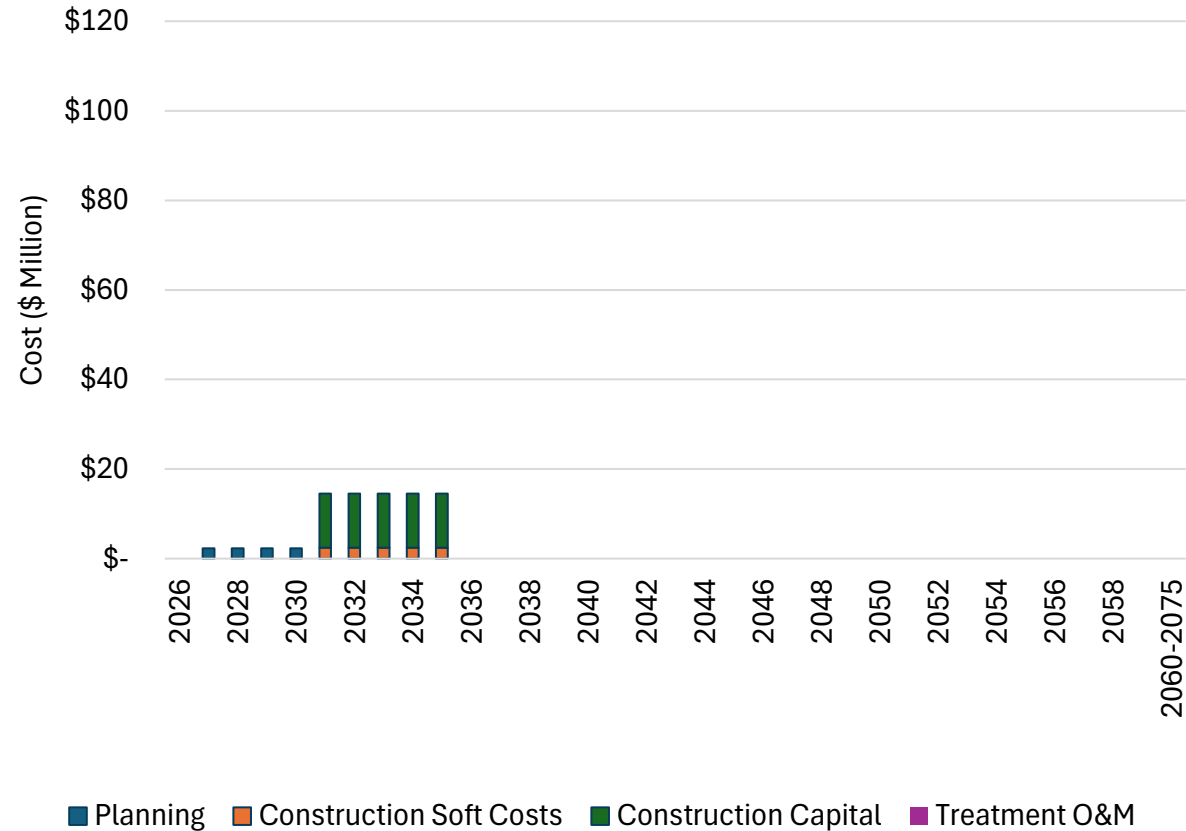
*Includes cash costs/outlays with no financing; in current year dollars

Part of: Portfolio 2 and Portfolio 3

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$44.4
Soft Costs – Construction	2031-2035	\$13.7
Construction	2031-2035	\$341.5
Total Planning and Construction	2027-2035	\$399.6
Replacement		
Equipment – Replacement	2056-2059	\$1.0
Total Replacement	2056-2059	\$1.0
Annual Costs	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$3.3
Treatment O&M	2036-2075	\$2.3
Annual O&M	2036-2075	\$5.6

CSIP Optimization

Estimated Annual Capital, O&M, and Replacement Costs*



*Includes cash costs/outlays with no financing; in current year dollars

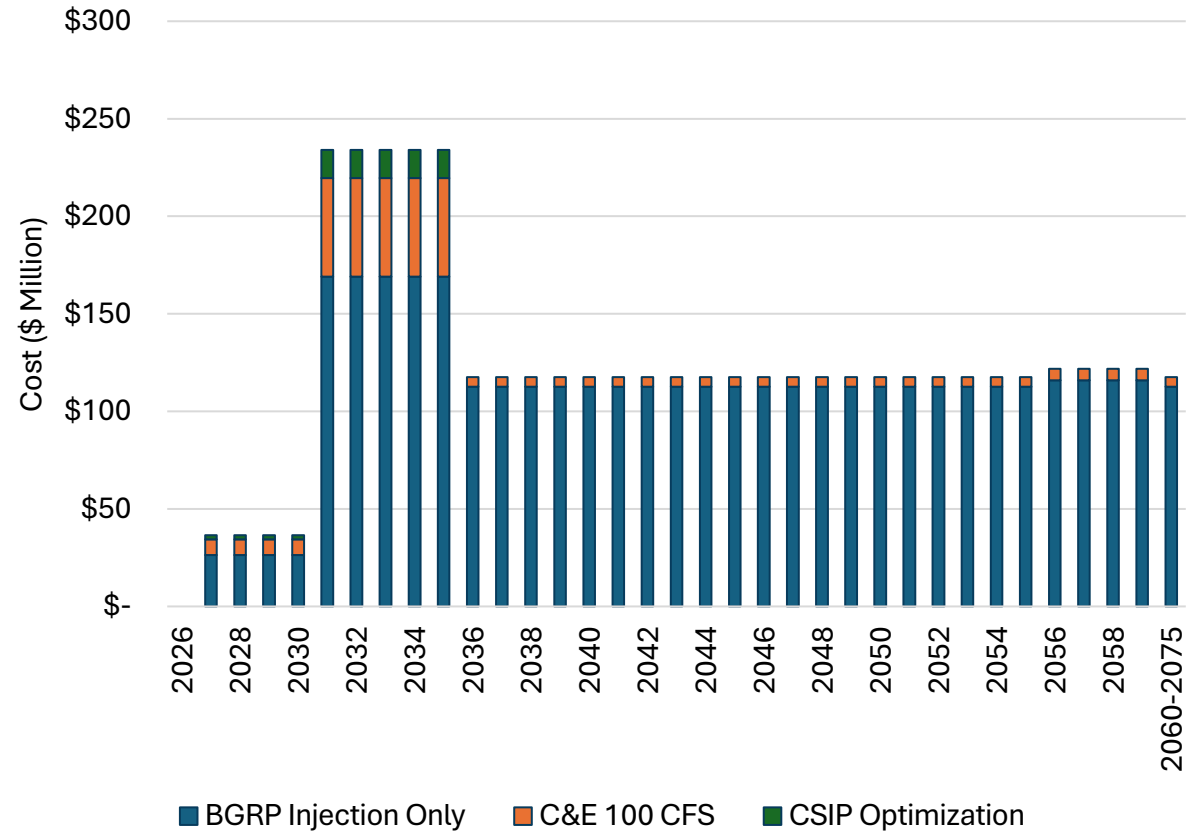
Part of: Portfolio 1 and Portfolio 2 and Portfolio 3

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$9.1
Soft Costs – Construction	2031-2035	\$12.1
Construction	2031-2035	\$60.6
Total Planning and Construction	2027-2035	\$81.8
Replacement		
Equipment – Replacement	2056-2059	-
Total Replacement	2056-2059	-
Annual Costs**	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	-
Treatment O&M	2036-2075	-
Annual O&M	2036-2075	-

**CSIP Optimization O&M costs have not been developed

Portfolio 1

Estimated Annual Capital, O&M, and Replacement Costs*



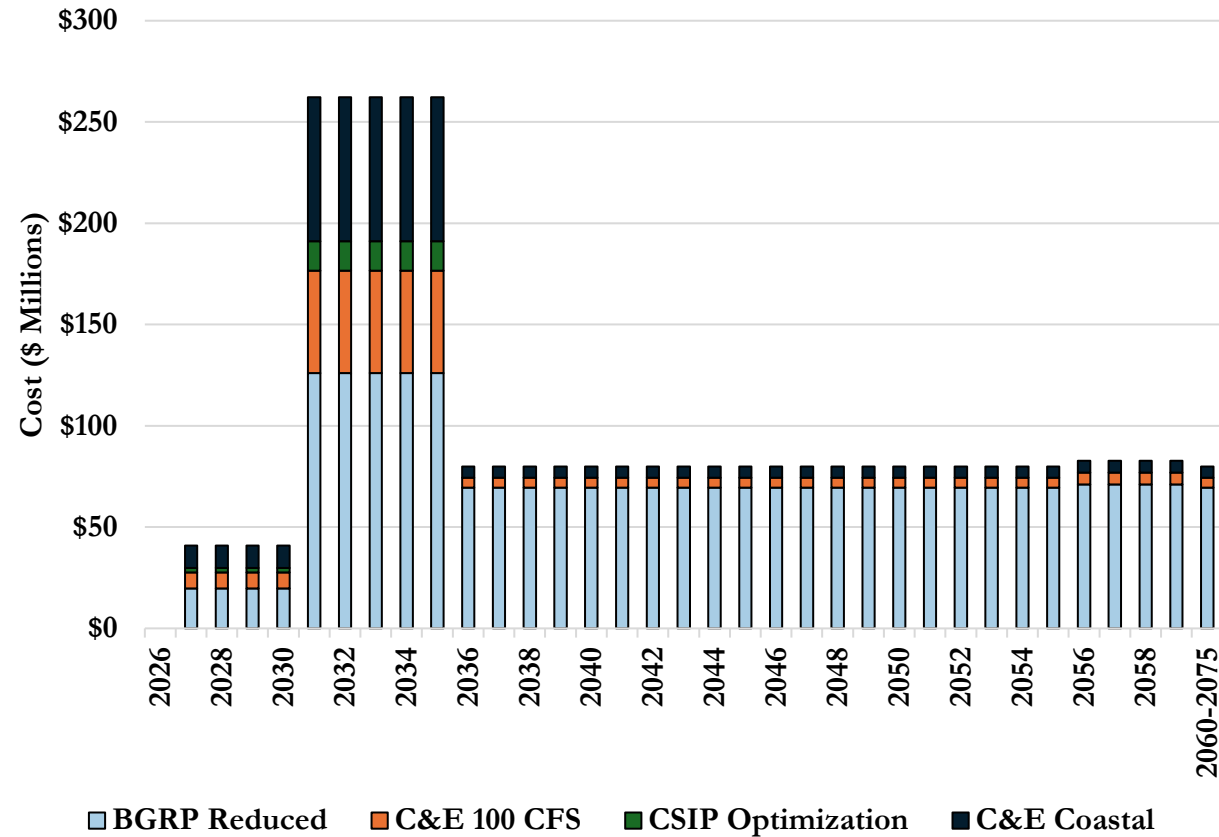
*Includes cash costs/outlays with no financing

Portfolio 1 includes Medium BGRP – Injection Only, C&E 100, and CSIP Optimization **CSIP Optimization O&M costs have not been developed

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$146.3
Soft Costs – Construction	2031-2035	\$54.3
Construction	2031-2035	\$1,116.2
Total Planning and Construction	2027-2035	\$1,316.8
Replacement		
Equipment – Replacement	2056-2059	\$17.2
Total Replacement	2056-2059	\$17.2
Annual Costs**	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$37.9
Treatment O&M	2036-2075	\$79.6
Annual O&M	2036-2075	\$117.6

Portfolio 2

Estimated Annual Capital, O&M, and Replacement Costs*



*Includes cash costs/outlays with no financing

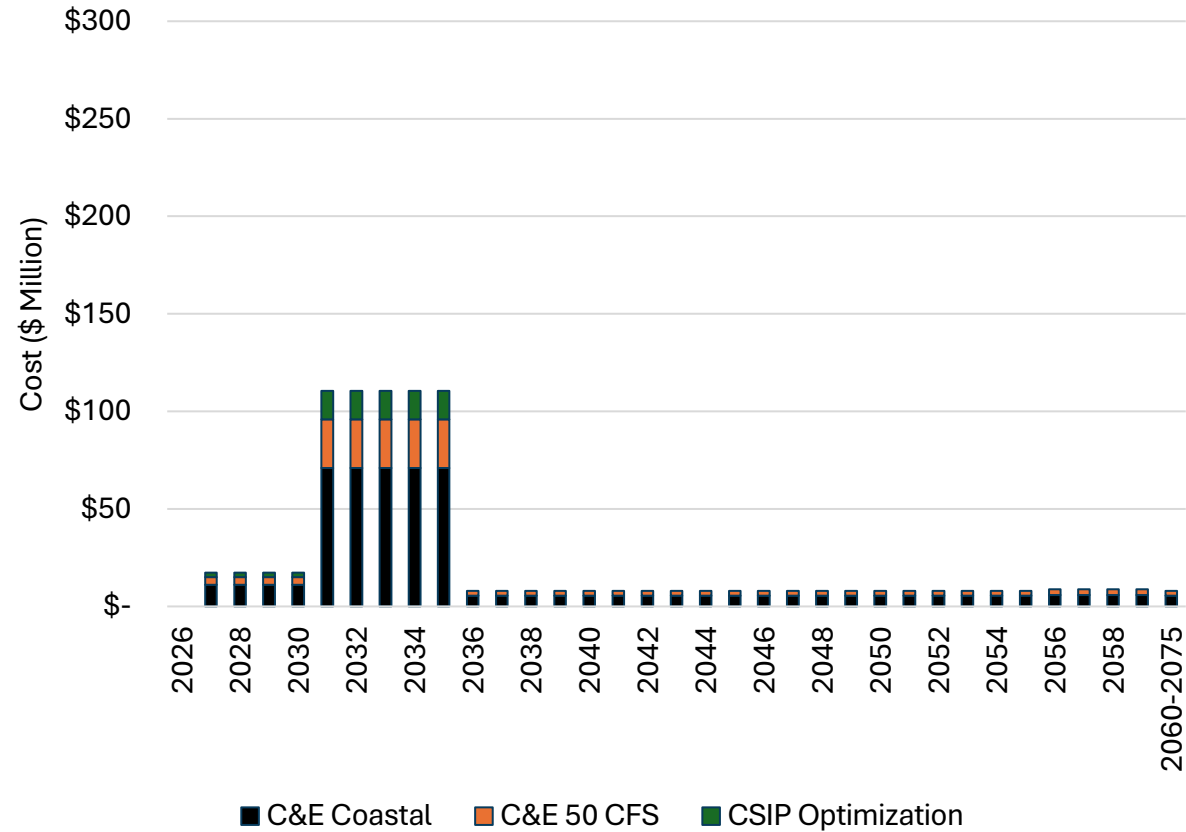
Portfolio 2 includes BGRP Small, C&E 100 & Coastal, and CSIP Optimization

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$163.9
Soft Costs – Construction	2031-2035	\$59.7
Construction	2031-2035	\$1,251.0
Total Planning and Construction	2027-2035	\$1,474.7
Replacement		
Equipment – Replacement	2056-2059	\$11.6
Total Replacement	2056-2059	\$11.6
Annual Costs**	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$26.5
Treatment O&M	2036-2075	\$53.4
Annual O&M	2036-2075	\$79.9

**CSIP Optimization O&M costs have not been developed

Portfolio 3

Estimated Annual Capital, O&M, and Replacement Costs*



*Includes cash costs/outlays with no financing
 Portfolio 3 includes C&E 50, C&E Coastal, and CSIP Optimization

Capital Costs	Time Period	Cost (\$M)
Planning and Construction		
Soft Costs – Planning	2027-2030	\$69.0
Soft Costs – Construction	2031-2035	\$30.6
Construction	2031-2035	\$521.6
Total Planning and Construction	2027-2035	\$621.2
Replacement		
Equipment – Replacement	2056-2059	\$3.2
Total Replacement	2056-2059	\$3.2
Annual Costs**	Time Period	Cost (\$M)
Operations and Maintenance		
Annual O&M (Excl. Treatment)	2036-2075	\$5.7
Treatment O&M	2036-2075	\$2.3
Annual O&M	2036-2075	\$8.0

**CSIP Optimization O&M costs have not been developed

Demand Management

- External grants/funding
 - Examples include
 - Department of Conservation Multibenefit Land Repurposing Program
 - Forthcoming Proposition 4 programs
 - California Department of Food and Agriculture HSP and SWEEP
- Local fees/assessments
 - Administrative costs to run a DM program
 - Incentives / mitigation (if any)
- Other local financial impacts
 - Depends on incentives and the scale, timing, and measures implemented

Other Local Financial Impacts

- Demand management
 - Land fallowing
 - Investments in agricultural and domestic water use efficiency
- Water quality
 - Continued seawater intrusion
 - Domestic water quality impacts
 - Crop yield/quality impacts
 - Well impacts

Financial Tradeoffs



External Grants / Funding

- Grant funds that typically pay for project planning and capital
- Reduces local fees / assessments
- Example: USBR Title XVI



Local Fees / Assessments

- Project costs not covered by external sources would be funded locally through fees or assessments
- Revenues received from (costs assessed on) stakeholders



Other Local Financial Impacts

- Costs/impacts imposed on local stakeholders such as fallowing land or degraded water quality



NEXT STEPS

Next Steps

- Finalize PMA evaluations
- Finalize portfolios
- Prepare analysis and integrate into financial model
- Evaluate different funding, financing , and example cost allocation approaches
- Prepare memorandum