State of California

Memorandum

To : Mr. Dan Ray
CALFED Bay-Delta Program

Date : May 10, 2002

From : **Department of Fish and Game**

Subject : Hill Slough West Habitat Restoration Demonstration Project Phase III CALFED Grant Application #14

Thank you for considering the Hill Slough West Habitat Restoration Demonstration Project Phase III proposal for funding. Although we are disappointed that this project has not initially been recommended for next phase funding, we are encouraged by the general support for the project and recommendation to reapply in the future. CALFED has been a strong supporter of this project in the past and funded the previous two phases totaling $287,000. It would be a great loss to the CALFED Ecosystem Restoration Program if this project is not completed.

We respectfully request your consideration for "In Part" funding for Task 2 (Design Resolution) and Task 3 (Final Design) totaling $396,344. Funding these tasks would keep the project moving forward while we are completing permitting and environmental documentation, allow us to develop a satisfactory resolution to the questions raised by reviewers relative to construction and monitoring costs, and prevent significant delays in project implementation.

The questions raised by reviewers relative to construction and monitoring costs will be addressed during completion of Tasks 2 and 3. At this stage of the design process, the construction costs are approximate with the intention that they will be refined through design optimization as planning proceeds. A significant portion of the cost is due to levee construction, and in Task 2 we would seek input from geotechnical engineers recommended by CALFED to reduce costs. Our monitoring plan was designed to assess the effectiveness of our modeling techniques in predicting hydrology and sedimentation for the completed restoration project, tidal wetland regeneration processes, and colonization rates of marsh species. While reviewers appreciated this approach, the use of two reference sites at the proposed level of effort increased project monitoring costs. In Task 2, principal investigators for project monitoring elements would work with CALFED ERP and Science Program to define a less costly level of effort that will meet appropriate monitoring objectives.

We respectfully suggest that once these concerns are resolved that the Hill Slough West Habitat Restoration Demonstration Project could be considered a directed action in an annual work plan since it addresses a high priority strategic goal of restoring brackish tidal marsh and associated upland ecotone at a site that will benefit listed plants and wildlife.

In conclusion, we would again like to thank CALFED for considering funding Phase III for the Hill Slough West Habitat Restoration Demonstration Project and for past support for phases I and II. We look forward to your reevaluation of the project and the opportunity to discuss ways to structure the project to better meet CALFED's objectives. If you have any questions please call Ms. Gina Van Klompenburg at (209) 942-6072.

Laurie Briden

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