

**California Bay-Delta
Public Advisory Committee
Public Meeting**

**Thursday, June 5, 2003
9:00 a.m. – 4:00 p.m.**

**California Bay-Delta Authority
Bay-Delta Room
650 Capitol Mall, Fifth Floor
Sacramento, California**

M e m o r a n d u m

Date: May 27, 2003

To: California Bay-Delta Public Advisory Committee

From: Patrick Wright
Director

Subject: June 5, 2003 Meeting

The next meeting of the California Bay-Delta Public Advisory Committee will be held on Thursday, June 5, 2003, in Sacramento, California. The Bay-Delta Program will host the meeting at its new offices at 650 Capitol Mall, Fifth Floor, in the Bay-Delta Room. Expected meeting outcomes are:

- Continued Committee discussion on its role and coordination with the California Bay-Delta Authority.
- Committee consideration of major issues raised by Subcommittee review of Bay-Delta Program Plans for Years 4 through 7.
- Committee discussion on role of science and proposed facilitated process for meeting the integrated key milestones.
- Update on the role and disciplines to be represented on the Executive Science Board.
- Committee and a panel discussion on the implications to the Bay-Delta and Program of the Colorado River Quantified Settlement Agreement and related actions.

An agenda and materials for the meeting are attached. I look forward to meeting with you in our new offices.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

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Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration



650 Capitol Mall, Fifth Floor (916) 445-5511
Sacramento, California 95814 FAX (916) 445-7297
<http://calwater.ca.gov>

May 21, 2003

CALFED Bay-Delta Public Advisory Committee
Thursday, June 5, 2003
California Bay-Delta Authority
Bay-Delta Room
650 Capitol Mall, Fifth Floor
Sacramento, California

Agenda¹

- 9:00 a.m. 1. Opening Remarks/Introductions
 2. Staff Reports
 3. Subcommittee Reports
 4. Coordination with California Bay-Delta Authority
 5. Bay-Delta Program Plan Review and Recommendations (*Action Item*)
 6. Integrated Key Milestones Update and Discussion
 7. Bay-Delta Program Executive Science Board Update
 8. Colorado River Quantified Settlement Agreement and Related Actions
 Panel Discussion
 9. Public Comment
4:00 p.m. 10. Adjourn

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- If you have any questions or need additional information, please contact Eugenia Laychak at (916) 445-5511. Visit our website at <http://calwater.ca.gov>.
 - Meeting Packets available upon request. Please contact Pat Rogers at (916) 445-5511.
 - If you have questions or need reasonable accommodation due to a disability, please contact Pauline Nevins, California Bay-Delta Authority at (916) 445-5511, TDD (800) 735-2929.

¹ Order of agenda items is subject to change.

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California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 2

Staff Reports

Description: Staff briefings on issues and events not addressed on remainder of meeting agenda.

Recommended Action: Information Item

Background

Bay-Delta Program staff will update the Committee on actions taken that affect the Committee's priorities and implementation of the Program. Related to Federal authorization, Senators Diane Feinstein and Barbara Boxer introduced the CALFED Bay-Delta Authorization Act, an \$880 million Federal authorization bill (Attachment 1).

Program staff will update the Committee on the status of the State budget. With respect to 2003-04, the State Department of Finance issued letters to allow additional time to expend \$14.35 million from the General Fund and to transfer funds from the Authority to the State Water Resources Control Board for administration of the Bay-Delta Watershed Program (Attachments 2 and 3). Related to the Program's long-term Finance Plan and concerning funding for 2004-05 and beyond, Attachment 3 also requests that Budget Bill language be added requiring the Program to develop a user fee proposal for consideration and inclusion in the 2004-05 Governor's budget. The Committee will be briefed on the status of the Finance Plan at the meeting.

Attachments:

- Attachment 1 – Senator Feinstein Press Release, dated May 21, 2003
- Attachment 2 – Department of Finance letter, dated May 14, 2003
- Attachment 3 – Department of Finance letter, dated May 14, 2003
- Attachment 4 – E-News
- Attachment 5 – News Article

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Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

FOR IMMEDIATE RELEASE:
Wednesday, May 21, 2003

Contact: Howard Gantman
or Scott Gerber 202/224-9629
<http://feinstein.senate.gov/>

Senators Feinstein and Boxer Introduce Legislation to Authorize \$880 Million for Balanced Program to Restore California's Endangered Water Ecosystem and Improve the State's Water Supply

Washington, DC – U.S. Senators Dianne Feinstein (D-Calif.) and Barbara Boxer (D-Calif.) today introduced legislation to help restore California's endangered water ecosystem and enhance California's water supply, reliability and quality in a balanced manner, helping to ensure adequate water resources for the future.

The legislation would authorize \$880 million of federal funding in Fiscal Years '04 to '07 to authorize the CALFED Record of Decision, including the Ecosystem Restoration program and feasibility studies for new water storage projects. The federal share for all projects cannot exceed one-third of the total cost of phase-one of CALFED.

This funding would go for:

- 7 **\$102 million for water storage projects (including feasibility studies) including:**
 - 1. The enlargement of Los Vaqueros Reservoir, the construction of Sites Reservoir, raising Shasta Dam, and providing water storage in the upper San Joaquin valley;
 - 2. \$50 million for groundwater storage and \$6 million for plans;

- 7 **\$77 million for water conveyance projects including:**
 - 3. South and North Delta improvements and interties,
 - 4. San Luis Reservoir low-point improvement project;

- 7 **\$153 million for water use efficiency projects including:**
 - 6. \$61 million for water conservation projects;
 - 7. \$84 million for water recycling and desalination projects;

- 7 **\$100 million for ecosystem restoration;**
- 7 **\$75 million for the Environmental Water Account;**
- 7 **\$95 million for local projects and integrated regional plans;**
- 7 **\$50 million for watershed management planning;**
- 7 **\$50 million for water quality;**
- 7 **\$70 million for levee stability;**
- 7 **\$50 million for science including scientific reviews;**
- 7 **\$25 million for program management and oversight; and**
- 7 **\$30 million for diversification of water supplies for fish and wildlife refuges.**

- more -

The legislation would also:

- 7 **Authorize the Secretary and Federal agency heads to participate in the CALFED Bay-Delta Authority, established under State law;**
- 7 **Require the Secretary of the Interior to submit an annual statement showing that the program is implemented in a balanced manner;**
- 7 **Approve the Record of Decision as a framework for addressing CALFED Bay-Delta Program components; and**
- 7 **Require the President's annual budget to include a cross-cut statement of different agencies' contributions to CALFED.**

The following is the prepared text of Senator Feinstein's floor statement:

"Today, Senator Boxer and I introduced the Calfed Bay-Delta Authorization Act. This bill, an \$880 million authorization, is a 33 percent match for state dollars over the next 4 years to address California's water needs through a balanced program.

Last year's bill passed the Energy and Natural Resources committee by a vote of 18-5, and since that time I have worked with Republicans, most notably Senator Jon Kyl of Arizona, to come up with an even stronger bill. The result: the legislation we introduced today is greatly improved from last year's bill – it is smaller, the authorizations are more specific, and it does a better job of ensuring that the CALFED program be implemented in a balanced manner. Let me describe how the bill is improved:

- 7 **First, many Senators from other States were afraid CALFED was going to use up the Bureau of Reclamation's entire budget. To meet these concerns, we have cut the authorization level, ultimately to \$880 million over four years. We also limited the federal cost-share to one-third.**
- 7 **Second, some Republican Senators were afraid that environmental projects not needing authorization would sail smoothly ahead, while storage projects lacking Congressional approval would languish. To meet this concern, we required balanced implementation. The Secretary of the Interior must certify annually that the CALFED program is progressing in a balanced manner toward achieving all of its different components.**
- 7 **Third, other Republican Senators were concerned that they had no good handle on the federal funding of the many different agencies involved in CALFED. We meet this concern by requiring the Office of Management and Budget (OMB) to prepare a cross-cut budget showing the federal funding of each of the different agencies. We also prepared a specific list of the projects to be funded and how much each one would receive.**

In my view, these changes make the bill stronger and more likely to pass both the Senate and the House. Just as importantly, the bill continues to provide the funding necessary to implement the key elements of the CALFED program. In fact, the pieces of the legislation works together to solve our water needs:

- 7 **One need is water storage. I don't believe we can meet all of our future water needs without increased water storage that is environmentally benign, that is off stream and that provides flexibility in the system for us to increase water supply, improve water quality, and enhance ecosystem restoration. We must be able to take water in wet years and store it for use in dry years. The bill provides \$102 million for planning and feasibility studies for water storage projects – and an additional \$77 million for conveyance.**
- 7 **Next is ecological restoration. This means improving fish passages, restoring streams, rivers and habitats and improving water quality. The bill provides \$100 million for ecological restoration.**
- 7 **The bill authorizes \$153 million for water conservation and recycling, including \$84 million for desalination and water recycling projects, leveraging substantial additional water supplies for California with relatively little federal investment.**
- 7 **The bill would also improve water quality for drinking through investment in treatment technology demonstration projects and water quality improvements in the San Francisco Bay Delta, the San Joaquin Valley, and other parts of the State.**
- 7 **I would also like to emphasize that the bill includes a grants program for local and regional communities throughout California, including the northern part of the State. The bill authorizes up to \$95 million for local California communities to develop plans and projects to improve their water situation. This state-wide grants program is an example of how the bill will benefit all Californians. The bill also includes \$50 million for watershed planning and assistance.**
- 7 **The bill also includes other important provisions on levee stability, with \$70 million, ensuring CALFED has strong supporting science, with \$50 million, and \$25 million for program management, oversight, and coordination. There is also \$75 million for the environmental water account, which purchases available water for environmental and other purposes.**
- 7 **The bill also includes balance and cross-cut budget reporting requirements.**

Through the CALFED process, we have discovered that, as Californians, we have many common water interests. For example, if we both conserve water and build new environmentally responsible off-stream storage, then we have found two ways to increase the supply of water for everyone's use. And if we make intelligent investments in ecological restoration, we can continue to use water for growing our economy while benefitting our environment at the same time.

CALFED emerged after years of negotiations between Californians of different backgrounds who care about water. This bill proposes specific projects for each of CALFED's basic parts – and it appropriately defines the federal role so that other states know that California is taking full responsibility for its own situation.

It is my strong belief that the Western energy crisis is a forerunner to what California will soon experience with water. Just consider the following:

- 7 **California has a population of over 35 million people, which is expected to grow to 50 million in twenty years, yet our water system infrastructure was built when the state had only 16 million people.**

- more -

- 7 **California is the sixth largest economy in the world. It is the number one agricultural producing state in the nation. It is the leading producer of agriculture products, such as dairy, wine, grapes, strawberries, almonds, lettuce and tomatoes – the list goes on and on.**
- 7 **California’s trade, manufacturing, and service sectors are substantial contributors to the American economy. Clearly, these sectors would be put at risk if there is not an adequate supply of water.**
- 7 **California has more endangered species than any state except Hawaii, as well as the largest population.**
- 7 **To make matters worse, a recent study by the Scripps Institute of Oceanography predicts that global warming could reduce the West’s water supply by as much as 30 percent by 2050.**

Clearly, California’s water needs are tremendous; meanwhile, the last major infrastructure improvement in the state occurred in the 1970s. We need to prepare for the future and we need to do so in an environmentally sensitive way. If there is one lesson to learn from California’s damaging energy crisis, it is that the time to address a crisis is not while it is happening, but beforehand.

California is struggling to build more power plants, while also doing everything possible to reduce demand through increased efficiency and conservation. But because this started so late, we have encountered some serious problems the past two years, which is why it is even more important that we fix our water problem before it, too, reaches a crisis stage.”

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**To obtain copies of Agenda Item 2, Attachment 2 and 3,
Department of Finance letters, dated May 14, 2003,
please call (916) 445-5511.**



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DRAFT

June 2003

California Bay-Delta Update

News Highlights from the CALFED Bay-Delta Program

In the News

Federal Reauthorization: U.S. Senators Dianne Feinstein and Barbara Boxer of California introduced legislation May 21 to reauthorize the CALFED Bay-Delta Program. The legislation would authorize \$880 million in federal funding over the next four years for programs identified in the CALFED Record of Decision. Specifically, the bill would authorize \$102 million for water storage projects, \$77 million for conveyance projects, \$153 million for water-use efficiency programs, \$100 million for ecosystem restoration and \$75 million for the environmental water account. The bill caps the federal share for all projects at one-third of the total cost of the Program’s first stage of implementation. Further details can be accessed at <http://feinstein.senate.gov/03Releases/r-calfed03b.htm>.

Interior Report: A new report by the U.S. Department of the Interior says California’s Bay-Delta watershed is among several regions in the West facing potential water supply crises in the coming decades. The report, “Water 2025: Preventing Crises and Conflict in the West,” says water is the scarcest resource in some of the fastest growing areas of the country and lays out a framework for Interior to use in addressing water problems. Collaborative programs such as the CALFED Bay-Delta Program are cited as a key strategy, along with investments in water-use efficiency, desalination and market-based water transfers. The report and related information can be read at www.doi.gov/water2025.

Final b(2) Decision: The U.S. Bureau of Reclamation and U.S. Fish and Wildlife Service have announced a final decision on a revised policy for water set aside for environmental purposes. The decision lays out how the U.S. Bureau of Reclamation will calculate and account for 800,000 acre-feet of Central Valley Project water it is required to dedicate each year to fish, wildlife and habitat restoration. The Bureau intends to implement the new policy in the 2004 water year, which begins October 1, 2003. The decision and background information are posted at <http://www.mp.usbr.gov/cvpia/3406b2/index.html>.

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Follow the \$\$: Grant and Loan Opportunities

Water conservation: The Department of Water Resources has announced final funding recommendations for the 2003 Proposition 13 Urban Water Conservation Program Grant Application Package. The grant funding supports feasible, cost effective urban projects to improve water use efficiency. A total of \$18,090,185 in grants is being awarded to 25 projects during this funding cycle. Final funding recommendations are posted on the DWR website at: <http://www.owue.water.ca.gov/finance/index.cfm>

Operations Update

SWP Update: Citing above-normal rain and snowfall in April, the Department of Water Resources has announced that it will deliver 90% of requested supplies to most State Water Project contractors in 2003. Based on the latest water conditions, the SWP expects to deliver 3.71 million acre-feet of water, up from the 2.06 million acre-feet anticipated in April. DWR initially estimated in December that it would deliver only 20% of contractors' requests due to meager rain and snow levels. The allocation was increased to 45% in January, to 50% in late March and again to 70% in late April as a wet pattern began to unfold. Details are posted at <http://wwwswpao.water.ca.gov/new.html>.

VAMP Operations: May 15 marked the conclusion of 2003 operations under the Vernalis Adaptive Management Plan, an experimental program to determine how salmon survival rates change in response to alterations in San Joaquin River flows, water project exports and the installation of barriers at the head of Old River. Under the 2003 operations plan, flows on the San Joaquin River were modified to meet a target of 3,200 cubic feet per second (cfs) at Vernalis from April 15 to May 15. Central Valley Project and State Water Project exports were limited to 1,500 cfs during that time. To help meet the flow target, the San Joaquin River Group provided more than 50,000 acre-feet in supplemental water under the San Joaquin River Agreement with the U.S. Bureau of Reclamation. The group also tagged and released about 300,000 fall-run Chinook salmon fry during the VAMP period for testing purposes. Further information on VAMP is available at <http://www.sjrg.org/>.

CALFED Program Happenings

Agricultural Water Use: CALFED agencies will convene two public workshops in early June to discuss draft recommendations for measuring agricultural water use. The recommendations will be considered by an independent review panel formed to help define appropriate ways to measure water use by agriculture. The draft definition includes recommendations on appropriate measurement of surface water diversions and return flows, groundwater, crop consumption, in-stream flows, water quality and farm-gate turnouts. The workshops are scheduled for June 4 in Willows and June 5 in Fresno. Details are posted at <http://calwater.ca.gov/Programs/WaterUseEfficiency/WaterUseEfficiency.shtml>.

Science Symposium: The California Bay-Delta Authority and the California Bay-Delta Science Program will host a science symposium June 19-20 on the environmental and ecological effects of proposed long-term water project operations. The symposium, which will be held in Sacramento, will explore several key environmental and ecological factors affected by water project operations and help focus scientific discussion of new draft operations plans for the Central Valley Project and State Water Project that are expected to be issued soon. More details can be accessed at <http://calwater.ca.gov/calendar/calendar.shtml>.

Advisory Committee: The Bay-Delta Public Advisory Committee will meet June 5 in Sacramento to discuss progress of the CALFED Bay-Delta Program and coordination with the newly formed California Bay-Delta Authority. The agenda also includes a panel discussion on Colorado River issues and efforts to finalize the Quantification Settlement Agreement on reducing California's reliance on surplus Colorado River flows. Meeting details can be found at <http://calwater.ca.gov/BDPAC/BDPAC.shtml>.

BDPAC Subcommittees: Several subcommittees of the Bay-Delta Public Advisory Committee are slated to meet in June. Upcoming meetings include the Delta Levee Habitat Subcommittee on June 6, Environmental Justice Subcommittee on June 13, Watershed Subcommittee on June 20, Ecosystem Restoration Subcommittee on June 26, and the Drinking Water Quality Subcommittee on June 27. Meeting notices are posted on the CALFED calendar at <http://calwater.ca.gov/calendar/calendar.shtml>.

###

2 agencies OK'd for UCD park

By Bob Walter -- Bee Staff Writer

Published 2:15 a.m. PDT Saturday, May 24, 2003

Two public agencies involved in environmental research have been approved to become part of a proposed research park at the University of California, Davis, officials said Friday.

The Bay-Delta Science Consortium and the U.S. Forest Service Pacific Southwest Research Station are the first approved applicants for the on-campus research park.

The Bay-Delta Science Consortium is a partnership of public agencies and nonprofit organizations that studies San Francisco Bay and the Delta. Members of the consortium, which needs about 112,000 square feet of office and lab space, include the state departments of Fish and Game and Water Resources, and the U.S. Geological Survey and Fish and Wildlife Service.

The U.S. Forest Service Pacific Southwest Research Station, one of eight in the country, produces scientific information to support public policy on resource management. The station is seeking about 12,000 square feet of space at the park.

The UC Davis approval will allow the agencies to negotiate with CarrAmerica Development Inc., which has been designated to build and operate the research park, initially proposed on about 38 acres at the Old Davis Road interchange next to Interstate 80.

The goal of the research park project is to encourage public organizations and private companies to work with UC researchers and commercialize their work.

A master plan for the park will be considered by the UC Board of Regents in November. Construction could begin in early to mid-2004 if the plan is approved.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 4

Coordination with California Bay-Delta Authority

Description: Role of the California Bay-Delta Public Advisory Committee and coordination of Subcommittee actions with proposed Authority and Committee meeting schedules.

Recommended Action: Committee Discussion and Comment

Staff Recommendation: Staff recommends the California Bay-Delta Public Advisory Committee review materials on the role and responsibilities of the Committee that will likely be presented to the California Bay-Delta Authority at its first meeting. In addition, staff recommends the Committee discuss and comment on scheduling of Subcommittee actions, in light of the Authority and Committee schedules proposed by staff on March 25, 2003.

Background

The California Bay-Delta Authority at its first meeting will likely discuss the role of the California Bay-Delta Public Advisory Committee in assisting to implement the Bay-Delta Program. Attachment 1 is a draft report which staff expects to present to the Authority.

On March 25, 2003, the Committee reviewed a proposed meeting schedule for the California Bay-Delta Authority and the Committee. The schedule proposes bi-monthly meetings for the Authority and quarterly meetings for the Committee. At the same meeting, the Committee adopted a process and schedule for forwarding Subcommittee recommendations to the Committee for action, and Chair Gary Hunt asked that a schedule for Subcommittee actions be included on the proposed Authority meeting schedule. Attachment 2 incorporates the subcommittee information.

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Agenda Item 4
Meeting Date: 6/5/03
Page 2

Committee Role

One of the Committee priorities for 2003 is coordination with the Authority. The intent of this agenda item is to facilitate the coordination.

Attachments:

Attachment 1 – Role and Responsibilities of California Bay-Delta Public Advisory Committee

Attachment 2 – California Bay-Delta Authority Proposed Meeting Schedule - Revised

Draft
Role and Responsibilities of California Bay-Delta Public Advisory Committee

Federal Charter

Secretary of the Interior Gale Norton signed a federal charter (to be attached) establishing the California Bay-Delta Public Advisory Committee on June 8, 2001. The Charter calls for the California Bay-Delta Public Advisory Committee to provide recommendations and advice to the Secretary and Governor of California on Bay-Delta Program priorities, integration, and balanced implementation. The Committee provides that advice through the Bay-Delta Authority and implementing agencies. The Charter describes the specific responsibilities of the Committee and lays out basic Committee operations.

California Bay-Delta Authority Act

The Act states in section 79460 (d) that the Committee shall advise and make recommendations to the Authority and Director on issues related to the Program and any of the processes, projects, or programs required by the Act. The Committee is to be consulted by the Authority on any changes to the list of Bay-Delta Programs (Category A), as stated in section 79423(C). Also, the Act (Section 79421) calls for the Authority to meet jointly with the Committee at least once a year. Section 79412(g) authorizes the Committee to select its representative to the Authority by majority vote of all of the members of the Committee.

Membership

The Committee currently has 30 members (to be attached) representing a broad spectrum of water related interests in California. Members were appointed by Secretary Norton, after consulting with Governor Gray Davis, according to criteria stated in the Charter. In consultation with the Governor, Secretary Norton appointed Gary Hunt as chair of the Committee.

Priorities

On an annual basis, the Committee adopts priorities to guide its work during the year. On March 25, 2003, the Committee adopted four priorities for 2003: balanced implementation, Bay-Delta Program Finance Plan, Federal Authorization, and Coordination with the Authority (Attachment A).

Decision-Making

The Committee, on March 25, 2003, adopted a collaborative process for developing recommendations to the Authority and agencies. The process includes a definition of consensus that means reaching broad agreement on issues pertinent to implementation of the Program. Consensus does not mean there are no differences of opinion. Consensus

refers to the highest level of agreement that can be reached without dividing the membership into factions. The process also includes several options for closure, in rare cases when consensus cannot be reached.

Meetings

The Charter states that the Committee will meet at least twice a year. Since 2001, the Committee has adopted a quarterly meeting schedule. Meetings are held in Sacramento and in different regions, based on agendas and available resources. All meetings are open to the public.

Subcommittees

The Committee has formed nine subcommittees (Attachment B) to assist in carrying out its responsibilities. Each subcommittee has two co-chairs who are members of the Committee. Subcommittee membership is open to Committee members and other interests, at the discretion of the co-chairs. All meetings are open to the public.

Accomplishments to Date

The Committee has provided invaluable assistance to the Program over the last two years by providing very timely and prudent advice on several important topics. The Committee has made considerable contributions towards success of the Bay-Delta Program since its first meeting in December 2001. It supported enactment of the California Bay-Delta Authority Act, federal authorization of the Program, additional state and federal financing of the California Bay-Delta Program, and continued study of the In-Delta Storage project. It assisted the Authority in development of funding principles and guidelines for allocation funds from Proposition 50, including funds for the Science Program and development of Program element priorities and work plans for fiscal year 2002-2003.

Attachments:

Attachment A – Committee Priorities

Attachment B – Subcommittee Information

California Bay-Delta Public Advisory Committee

Meeting Date Adopted: 3/25/03
Agenda Item: 5E

2003 Committee Priorities

Description: Annual priorities to guide Committee actions and provide necessary advice and assistance to the California Bay-Delta Authority.

Action: Committee adopted priorities, with amendment to Federal Authorization priority

Staff Recommendation: Staff recommended the California Bay-Delta Public Advisory Committee adopt the following priorities. Focus on these priorities will provide the California Bay-Delta Authority with needed advice and assistance on issues of greatest concern during 2003.

2003 Committee Priorities

The following are the four recommended Priorities:

Balanced Implementation

Background: Ensuring a reliable and sufficient water supply and restoring ecological health require continued progress on all elements of the Bay-Delta Program.

Committee Role:

The Committee can assist the Authority in ensuring appropriate resources are focused on meeting ROD commitments. The Committee will identify issues and track progress, ensure appropriate processes are developed to address issues, identify critical linkages between projects and programs, and ensure those linkages result in appropriate integration of Program actions and oversight. Of particular importance this year is ensuring progress on the ROD commitment to expand South-of-Delta pumping to 8.500 cfs while protection Delta interests and meeting our ecosystem restoration and water

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quality goals. In 2003, the Committee expects to provide recommendations to the Authority on feasibility of pursuing In-Delta Storage. It will consider other recommendations from its subcommittees including advice on the Multi-Year Program Plans.

Federal Authorization

Background: Progress in key areas of the Bay-Delta Program has been delayed, due to lack of Federal authority to participate in storage feasibility studies, oversight and coordination, and levee projects. Lack of long-term Federal authority threatens overall balance of the Program.

Committee Role: The Committee can support the Authority's efforts to obtain authorization by providing advice on maintaining a balanced program. Committee members, as representatives for their individual organizations, would have accurate information for engaging elected officials in related discussions. *Members of the Committee understand they cannot lobby Congress while representing themselves as members of the Committee (amendment added at meeting).*

Bay-Delta Program Finance Plan

Background: Portions of the Program are significantly under funded and for many Program elements, anticipated funds from Federal sources have not materialized. The Authority is developing a plan to identify promising options for long-term financing of each element of the Program plan and expects to have the plan drafted by fall 2003. Stakeholder participation in preparing the plan is critical for developing strategies that include State, Federal, local and user funding sources.

Committee Role: The Committee expects to be kept up-to-date on progress and review the draft report. It will likely provide advice to the Authority based on recommendations from the Steering Committee, other subcommittees, and Authority staff.

Coordination with California Bay-Delta Authority

Background: The California Bay-Delta Authority Act calls for continuation of the Bay-Delta Advisory Committee and its assistance in implementing the Program. The Committee has been operating for over a year and is prepared to assist in the transition.

Committee Role: The Committee can provide its perspective on progress the Program is making, bring Authority members up-to-date on critical finance and implementation issues and recommend priorities and critical actions for meeting ROD milestones.

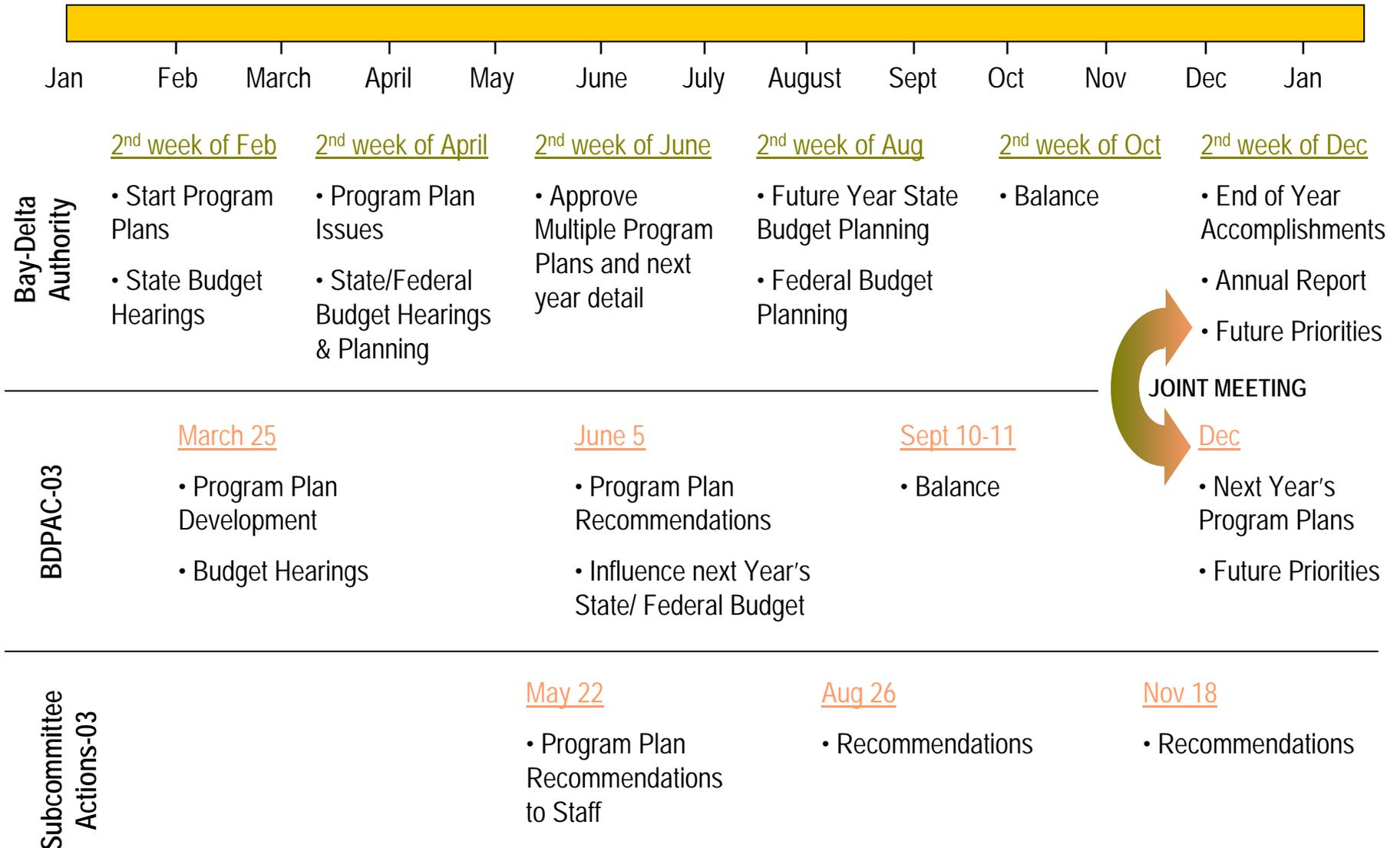
California Bay-Delta Public Advisory Committee Subcommittees

Subcommittee	Co-Chairs/Membership	Purpose*	Meeting Schedule	Meeting Location
Delta Levees & Habitat	Marci Coglianesi, Tom Zuckerman/membership open to any meeting participant	To coordinate between agencies & stakeholders on Bay-Delta Levee Program issues.	1 st Fri. of month	Sacramento
Drinking Water	Greg Gartrell, Marguerite Young/specified membership	To provide policy advice & leadership to BDPAC on implementation of Drinking Water Program.	4 th Fri. of month	Sacramento
Ecosystem Restoration	Gary Bobker, Ryan Broddrick/specified membership	To provide advice & guidance on issues relating to the Ecosystem Restoration Program.	As needed	Sacramento
Environmental Justice	Martha Guzman, Leslie Lohse/membership open to any meeting participant	To provide advice & guidance regarding affect of Program on minority, low income, Tribal or other potentially affected communities.	2 nd Fri. of month	Sacramento & Regions
Steering Committee	Gary Hunt, Denny Bungarz/ Subcommittee Co-chairs & others specified by chair	To provide advice on coordination & management of BDPAC and its subcommittees. To address Program integration issues, including finance, governance and science.	As needed	Generally Sacramento
Watershed	Martha Davis, Robert Meacher/membership open to any meeting participant	To provide advice & guidance on the Watershed Program.	3 rd Fri. of month	Sacramento & Regions
Water Supply	Steve Hall, Jerry Meral/specified membership	To provide advice on Bay-Delta program water supply issues including storage, conveyance and water transfers.	2 nd Wed. of month, except for months when BDPAC meets.	Sacramento
Water Use Efficiency	Frances Spivy-Weber, David Guy/specified membership	To advise on structure & implementation of WUE assistance programs and to coordinate state, federal, regional and local agency efforts.	Quarterly	Sacramento & Regions
Working Landscapes	Denny Bungarz, Ryan Broddrick/membership open to any meeting participant	To provide advice & recommendations on implementing the ROD using the working landscapes approach, minimizing impacts on agricultural resources and institutional barriers that prevent a balanced approach to ecosystem restoration.	1st Thursday of month	Generally Sacramento

* All subcommittees provide their advice to and through the CA Bay-Delta Public Advisory Committee. All meetings are open to the public.

05/21/03

California Bay-Delta Authority Proposed Schedule



JOINT MEETING

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5

Draft Bay-Delta Program Plan Review and Recommendations

Description: Summary and Subcommittee review of the 12 draft Bay-Delta Program Plans for years 4 through 7.

Recommended Actions: Committee Discussion and Comment on Program Plan Summary and
Committee accept for consideration Subcommittee Recommendations

Staff Recommendation: Staff recommends the California Bay-Delta Public Advisory Committee discuss and comment on the Bay-Delta draft Program Plan summary. Staff also recommends the Committee accept for consideration the related Subcommittee recommendations included as part of this agenda item (sub items 5B through 5F). For item 5A, the Drinking Water Subcommittee has specifically requested the Committee provide feedback at the June 5, 2003 meeting before the Subcommittee forwards the recommendation to the Committee for consideration and adoption at a later meeting. For Item 5G, staff recommends the Committee adopt the Working Landscapes Subcommittee recommendation on a framework for project development and selection since the document has been reviewed by interested subcommittees and agencies and concerns have been addressed.

Background

The California Bay-Delta Authority Act requires preparation of program plans and budgets by the Bay-Delta Program implementing agencies and review and approval by the Bay-Delta Authority. The attached draft summary (Attachment 1) generally describes the content of the plans for years 4 through 7. Attachment 2 (Year 4 Proposed Funding) summarizes the State and Federal budgets for the Program.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Agenda Item 5

Meeting Date: 6/5/03

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At the June 5 meeting, the Committee will discuss the Subcommittee reports and provide comments on the Program Plans. After the meeting Program staff will revise the Plans, incorporating Committee and subcommittee comments as appropriate. The revised Plans will be forwarded to the Bay-Delta Authority Board at its meeting in August 2003.

The Program is drafting the Program Plans to meet the implementation priorities:

- Meet commitments and milestones in the Bay-Delta Program.
- Apply independent scientific review and adaptive management to all major activities with accurate and frequent reports to the public.
- Conduct early and continuous agency, stakeholder and public involvement.
- Support local and regionally based strategies to achieve the Program's goals.
- Develop performance standards and milestones for each program element.
- Maintain a balanced and integrated Program.

Committee Role

The Committee's main responsibilities are to provide advice and recommendations on Program balance, integration and priorities. At the March 25, 2003 meeting, the Committee adopted four priorities for 2003, including a priority focused on balanced implementation of the Bay-Delta Program. On June 5, the Committee will have the opportunity to review Program Plans for years 4 through 7 and provide feedback on the Program's processes, projects and progress with regards to balanced implementation, integration of the Program elements, and implementation priorities for the Program.

Attachments:

Attachment 1 – California Bay-Delta Program Plans (Years 4 – 7) 5/22/03 Draft Summary

Attachment 2 – Year 4 Proposed Funding

California Bay-Delta Program Plans
(Years 4 – 7)
5/22/03 Draft Summary

Science

CBDA Science Program Priorities

Water Operations & Biology

- Performance Assessment
- Signature Adaptive Management Projects
- Improve Monitoring Capabilities
- Collaborative Science & Communication
- Science within Individual Programs
 - Items planned for CBDA action

Water Operations & Biology (27% of total Year 4 Program-wide budget)

- Year 4-Delta Emphasis
 - Symposia on Operations Coordination and Planning (OCAP) & related issues (6/03)
 - Proposal Solicitation Process (PSP) for critical information needs
 - Publication of white papers in E-journal
 - Environmental Water Account (EWA) Review (October 2003)
- Years 5-7
 - Salmonid & smelt recovery - workshops, research agendas, PSP in Year 6
 - Continue multidisciplinary hydrodynamic/ fish studies in Delta

Performance Assessment (8%)

- Year 4
 - Finalize prototype performance measures
 - Continue supporting development of work plans for individual programs
 - Collaboratively define gaps in program-wide assessment with Water Management, Drinking Water Quality, Ecosystem Restoration, & Levee Programs
- Years 5-7
 - Co-fund critical studies and information syntheses for program-wide assessment
 - Executive Science Board review
 - National Academy of Science comparative review of science in Bay-Delta Program

Signature Adaptive Management Projects (14%)

- Year 4
 - Support team proposal for Merced restoration activities (ERP Adaptive Management Forum follow-up)
 - Battle Creek workshop
 - Bay-Delta Science Consortium
 - Suisun Marsh pilot
 - Yolo Bypass/lower Consumnes riparian areas
- Years 5-7
 - Support team building and proposal review
 - Co-fund scientific elements

Improving Monitoring Capabilities (18%)

- Year 4
 - Organize review of system-wide salmon monitoring facilitated by Interagency Ecological Program (IEP)
- Ongoing
 - Annual competitive grants for data analyses (fellowships)
 - Support for IEP data analyses
 - Guidance on monitoring approaches and design to programs (linked to performance assessment)
 - Data management strategy

Collaborative Science & Communication (25%)

- Year 4
 - Nominate Executive Science Board
 - New program website
- Ongoing
 - Bay-Delta Science Consortium
 - Communication
 - E-journal, conferences (scientific audience)
 - White papers, fact sheets, “management cues” (management audience)

Science within Individual Programs (8%)

Cost-share major activities with individual programs

➤ Target critical unknowns identified by advisory panels, performance assessment work plans

- Year 4
 - CALSIM II review
 - Drinking water science advisory panel & review charge

Drinking Water Quality

Drinking Water Quality Multi-year Program Plan Priorities

- Equivalent Level of Public Health (ELPH) Strategy Policy Framework/2003
- Monitoring, Assessment, Performance - Initial progress assessment/end of 2003, Final progress assessment/end of 2007
- Source Improvement (State Water Resources Control Board [SWRCB]), Treatment and Source Protection (Department of Health Services) - Grant funding processes and awards/annually
- Continue and Strengthen Integration with Conveyance and Storage and Blending and Exchange

Drinking Water Quality Year 4 Priorities

- Adopt Policy Framework/end of '03
- Establish Expert Panel/Oct '03
- Initial Progress Assessment/end of '03
- SWRCB Consolidated Request for Proposals (annual grants program)
- Continue Monitoring and Assessment Program

Drinking Water Quality Implementation Issues

- Transition to Implementing Agencies
- Resources for Oversight, Coordination, and Science
- ELPH Measurement and Strategy
- Conveyance and Storage Effects

Environmental Water Account

Environmental Water Account (EWA)

Multi-year Program Plan Priorities

- Decide on Continuation of EWA Past September 2004
- Develop Funding Plan for EWA - Funding Decisions on Prop. 13 and 50 Grants on EWA Related Projects - 2004 and 2005
- Continue Annual Water Purchases
- Continue Annual Science Review
- Complete EWA EIR/S for EWA Actions through Stage 1 - ROD for EWA EIR/S - January 2004
 - Consider Environmental Justice (EJ) issues as part of EIR/S
- Develop Mechanisms to Buy-down State Water Project (SWP) and Central Valley Project (CVP) Demand in Normal and Wet Years
- Develop Multi-year Agreements for EWA Water Assets
 - Reservoir Reoperation, San Joaquin Valley Drainage Reduction, Groundwater Bank
- Continue Participation in EWA Aspects of Conveyance and Storage Projects
 - Banks pumping at 8,500 cfs
 - Expanded Los Vaqueros Reservoir
 - Sites Reservoir
 - Delta Wetlands
 - Westlake Farms Multi-Benefit Reservoir
 - Expanded Shasta

Environmental Water Account

Year 4 Priorities

- Develop Water Acquisition Strategy - August 2003
- Develop Water Purchase Contracts - August 2003 - February 2004
- Complete EIR/S
 - Public Draft EIR/S - June 2003
 - Public workshops and hearings - July and August 2003
 - Final January 2004
- Science Review - Fall 2003

Environmental Water Account Implementation Issues

- Is EWA Working Institutionally?
- Is EWA Providing Significant Biological Benefits?
- Should EWA Continue Past 2004?
- What should be the Size of a Continued EWA?
- How Will EWA be Funded Past 2004?
- How Will EWA Get Expanded Access To South-of-Delta Water in Normal and Wet Years?

Levee System Integrity

Levee System Integrity Multi-year Program Plan Priorities

- Base Level Protection
- Special Improvement Projects
- Subsidence Control
- Emergency Response
- Risk Assessment
- Suisun Marsh Plan

Levee System Integrity Year 4 Priorities

- Base Level Protection
 - Subventions Program
- Special Improvement Projects
- Emergency Response
- Suisun Marsh Plan

Levee System Integrity Implementation Issues

- Funding
 - Sporadic availability
 - Loss of construction assets
 - Beneficiaries pay
- Short Construction Windows
 - August 1 to November 31
- Limits on Local Ability to Cost Share
- Need Federal Authorization to Work on Levees & Provide Funding
- Suisun Marsh Funding & Cost Sharing

Conveyance

Conveyance Program Multi-year Program Plan Priorities

Complete environmental documents and construct facilities

- Banks pumping at 8500 cfs
- Temporary/Permanent Barriers
- Veale/Byron Water Quality Improvement Projects
- North Delta FC & Environmental Review
- Delta Mendota Canal (DMC)/CA Aqueduct Intertie
- San Luis Reservoir Low Point Improvement Project

Complete evaluations

- Clifton Court Fish Screens
- Tracy Fish Test Facility
- Lower San Joaquin Flood Control
- Delta Cross Channel Reoperation & Through-Delta Facility Technical Report and Recommendations - Fall 2004
- SWP/CVP Intake Intertie

Conveyance Program Year 4 Priorities

Selection of SDIP Project Package including export/barrier operations, EWA, ecosystem actions, etc. - Early 2004

Complete environmental documents for proposed projects including 8500 cfs, Temporary/Permanent Barriers, Old River Water Quality Improvement Project, and DMC/CA Intertie

Complete evaluations - South Delta Fish Facility Forum recommendations on Clifton Court Fish Screens, 10,300 cfs Operations, and Tracy Fish Test Facility, Lower San Joaquin Flood Control, Delta Cross Channel Reoperation, Through Delta Facility, SWP/CVP Intake Intertie

Conveyance Program Implementation Issues

- Lack of funding to conduct evaluations/studies
- Veale/Byron water quality improvements must be completed before the permanent barriers and before beginning 10,300 cfs operations
- Cost-sharing
- Past and future schedule delays

Ecosystem Restoration

Ecosystem Restoration Multi-year Program Plan

- Planning - Annual planning documents, Single Blueprint and regional plans
- Research
- Implementation - Proposal solicitations and multiple grant funding decisions and recommendations each year
- Monitoring
- Oversight and Coordination

Ecosystem Restoration Year 4 Priorities

- Regional plans
- Mercury strategy, adaptive management workshop
- Focused solicitations, Environmental Water Program
- Monitoring in areas of focused investment, performance measures
- Look back, standing review committees

Ecosystem Restoration Implementation Issues

- Embracing the Single Blueprint
 - Integrated, shared science
 - Shared vision for restored ecosystem
 - Framework for integrated decisions
- Transition - Building capacity within implementing agencies
- Long-term funding
- Resolving contracting delays

Water Management

Water Management

Multi-year Program Plan Priorities

- Coordinate major Bay-Delta water activities including:
 - Surface and Groundwater Storage
 - Water Use Efficiency (WUE) Year 4 Evaluation
 - Transfers
 - EWA
 - California Water Plan
- Develop a process by the end of 2004 to compare water management options (surface storage, water conservation, groundwater storage)

Water Management

Year 4 Priorities

- Develop baseline information for Common Assumptions

Water Transfers

Water Transfers

Multi-year Program Plan Priorities

- Prepare Department of Water Resources/SWP water transfer EIR
- Coordinate State/federal water acquisitions & transfer programs
- Further definition of Transferable Water
- Continue operation of “On Tap” website and Water Transfer Information Clearinghouse
- Review of existing & proposed legislation
- Continue coordination with Environmental Justice Program
- Measurement & Monitoring

Water Transfers

Year 4 Priorities

- Complete Water Transfer EIR – April 2004
- Definition of Transferable Water – November 2003
- Continue “On Tap”, Environmental Justice Coordination, legislative review and measurement and monitoring

Water Transfers

Implementation Issues

- Coordination between ongoing South Delta Improvement Program (Banks pumping at 8500 cfs), ongoing OCAP update, and DWR water transfer program
- Defining transferable water by DWR and U.S. Bureau of Reclamation
- Continued work on 3rd party impacts in response to Environmental Justice subcommittee requests

Water Use Efficiency

Water Use Efficiency Multiyear Program Plan Priorities

- Implementation of local water conservation, recycling & desalination projects to provide local & statewide benefits
- Continued DWR PSPs & SWRCB Grants through 2006
- Comprehensive Year 4 WUE Evaluation
- Project monitoring and performance assessment

Water Use Efficiency Year 4 Priorities

- Comprehensive Year 4 WUE Evaluation
 - All WUE agencies should contribute in consultation with stakeholders
 - Consistent with Common Assumptions effort
 - Draft report by June 30, 2004
- WUE agencies contribute Common Assumptions
- CBDA: WUE Science Review Panel
- DWR: WUE Science Application Advisory Committee
- Increase monitoring of project results

Water Use Efficiency Implementation Issues

- No grant/loan funding beyond 2006
- Need definition of WUE finance issues to incorporate in Bay-Delta Program Finance Plan
- Need to improve consistency with Water Management's Common Assumptions
- No resources identified to continue work on Quantifiable Objectives

Storage

Storage Program

Multi-year Program Plan Priorities

- Continue coordination with Common Assumptions efforts being conducted under Water Management Program
- Coordinate with Bay-Delta Authority on finance plans and identifying beneficiaries
- Establish Standing Science Board and Project Specific Science Panels and Independent Engineering Board of Consultants
- Continue to integrate Environmental Justice in each Surface Storage Project
- Complete Final Feasibility Reports and Environmental Documentation for Surface Storage Projects
- Continue to work with local agency partners to develop locally controlled and managed groundwater programs, and develop additional partnerships
- Implement early stages of grant funded groundwater projects and aggressively pursue implementation of additional projects
- Increase coordination of groundwater projects with surface storage studies

Storage Program

Year 4 Priorities

- Complete Science Panel and public review of State feasibility study for the re-engineered **In-Delta Storage** Project. BDPAC and BDA recommendations on In-Delta Storage – April 2004
- Formulate alternatives for **Shasta Lake Enlargement**; assess impacts to McCloud River
- Release draft feasibility study and EIR/EIS for the **North-of-the-Delta (NOD) Offstream Storage** Project in June 2004
- Secure CCWD Board of Directors approval of **Los Vaqueros Reservoir Expansion** and schedule local vote for November 2003
- Begin feasibility and environmental studies for **Upper San Joaquin River Storage**
- Begin review of all five Surface Storage programs to determine which projects should proceed
- Award \$86 million in Prop 13 funds for construction of groundwater storage facilities and \$5 million in AB 303 funds for groundwater monitoring and management
- Develop and track performance measures

Storage Implementation Issues

- **Surface and Groundwater Storage:** Delays in approval of State and Federal budgets constrain cash flow and scheduling; lack of funding and contracting mechanisms
- **In-Delta Storage:** BDPAC, BDA recommendations and agency decision for future studies and negotiations with Delta Wetlands; Federal feasibility authority
- **Shasta Lake Enlargement:** McCloud River
- **Los Vaqueros Expansion:** CCWD Board and local referendum vote
- **NOD Offstream Storage:** Sacramento River Flow Regime Science Panel review, identifying project beneficiaries

Watershed

Watershed Program

Multi-year Program Plan Priorities

- Implementation of watershed projects through annual grants and directed actions
- Technical Assistance to local watershed groups and communities
- Stage 1, independent Program evaluation and performance assessment
- Establish an independent science panel and develop a conceptual model for Program
- Environmental Justice coordination and support

Watershed

Year 4 Priorities

- Consolidated RFP (annual grants program)
- Education and outreach - partnership seminars, support for Watershed subcommittee, State Watershed Council, and Department Of Conservation watershed coordinators program
- Organize and convene program science panel

Watershed

Implementation Issues

- Determine relative roles of BDPAC watershed subcommittee and State Watershed Council

Oversight and Coordination

Oversight and Coordination Multi-year Program Plan Priorities

- Public Affairs/Public Involvement
- Environmental Justice
- Program-Wide Performance and Tracking
- Regional Coordination
- Working Landscapes
- BDPAC Staff and Support
- Authority Staff and Support
- Finance Plan
- Water Management Strategy
- Tribal Relations

**California Bay Delta Program
Proposed Year 4 Funding
(\$ in millions)
May 27, 2003**

Program Element	FY 2003-04 State Funding ¹							FY 2004 Federal Funding ²					Water User/Local Funding ³			
	Total Year 4	GF	Prop 204	Prop 13	Prop 50 ⁴	Other State ⁵	State Subtotal	Bay-Delta ⁶	USBR W&RR	USACE	Other Federal	Federal Subtotal	SWP	CVPIA RF	Local (est.)	User/Local Subtotal
Ecosystem Restoration	\$173.4	\$1.2	\$50.1	\$10.0	\$67.9		\$129.2		\$1.1	\$0.2	\$1.6	\$2.9	\$7.3	\$14.1	\$20.0	\$41.3
Environmental Water Account	\$44.0	\$0.1			\$35.8		\$35.9	\$8.0			\$0.2	\$8.2				
Water Use Efficiency	\$118.8	\$3.0		\$28.2	\$61.5	\$1.9	\$94.6		\$13.2			\$13.2			\$11.0	\$11.0
Water Conservation	\$62.7	\$3.0		\$9.3	\$35.3	\$1.9	\$49.5		\$2.2			\$2.2			\$11.0	\$11.0
Water Recycling	\$56.1			\$18.9	\$26.2		\$45.1		\$11.0			\$11.0				
Water Transfers	\$0.6	\$0.6					\$0.6									
Watershed	\$30.0	\$0.4			\$29.6		\$30.0									
Drinking Water Quality	\$3.1	\$0.8		\$2.0	\$0.3		\$3.1									
Levees	\$26.3	\$0.5			\$21.3		\$21.8			\$1.1		\$1.1	\$0.4		\$3.0	\$3.4
Storage	\$37.6	\$0.5		\$10.6	\$20.0		\$31.1	\$5.5	\$1.0			\$6.5				
Surface	\$26.5				\$20.0		\$20.0	\$5.5	\$1.0			\$6.5				
Groundwater and Other	\$11.1	\$0.5		\$10.6			\$11.1									
Conveyance	\$31.8	\$2.2		\$9.7	\$0.6		\$12.5						\$19.3			\$19.3
Science	\$35.4	\$0.1		\$2.0	\$19.3	\$1.2	\$22.5		\$4.0		\$1.7	\$5.7	\$6.2	\$0.7	\$0.2	\$7.1
CALFED Science	\$21.8	\$0.1		\$2.0	\$18.7		\$20.8				\$1.0	\$1.0				
IEP	\$13.6				\$0.5	\$1.2	\$1.7		\$4.0		\$0.7	\$4.7	\$6.2	\$0.7	\$0.2	\$7.1
Water Supply Reliability	\$76.2				\$76.2		\$76.2									
Oversight & Coordination	\$10.6	\$8.9					\$8.9	\$1.5		\$0.1	\$0.2	\$1.8				
Total	\$587.8	\$18.2	\$50.1	\$62.5	\$332.4	\$3.1	\$466.3	\$15.0	\$19.3	\$1.4	\$3.6	\$39.3	\$33.2	\$14.8	\$34.2	\$82.2

¹ Year 4 proposed State budget includes funding for the California Bay-Delta Authority, Department of Water Resources, Department of Fish and Game, State Water Resources Control Board, Department of Forestry and Fire Protection, Department of Conservation and the San Francisco Bay Conservation and Development Commission.

² Federal funding sources include California Bay Delta Act funds (Bay Delta Act), U.S. Bureau of Reclamation Water and Related Resources (USBR W&RR), U.S. Army Corps of Engineers appropriations (USACE). Other Federal Funding includes the U.S. Fish & Wildlife Service, U.S. Geological Survey, and the National Marine Fisheries Service.

³ Water User/Local funding includes State Water Project Funds and CVPIA Restoration Funds that are collected from state water contractors and Central Valley Project water users, but are budgeted and appropriated through the federal and state governments. Local funds are based on Year 3 estimates for local cost sharing and will be updated as information becomes available.

⁴ An additional \$235 million (not shown in this table) is available in FY 03-04 for statewide programs in Drinking Water Quality, Desalination and Integrated Regional Water Management. A portion of this funding is expected to support CALFED objectives.

⁵ Includes DWR funds (\$1.9m) that contribute to the Water Conservation Program, and Interagency Ecological Program (IEP) funding (\$1.2m) from various departments that contributes to the Science Program.

⁶ Federal Bay-Delta funds include \$5.5 million for the storage program element: Shasta Enlargement (\$2.25m), San Joaquin River Basin (\$1.0m), Los Vaqueros (\$1.75m) and Sites Reservoir (\$0.5m).

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5A

Drinking Water Subcommittee Recommendation

Description: Drinking Water Policy Framework for Bay-Delta Program projects and actions.

Recommended Action: Committee Discussion and Comments

Subcommittee Recommendation: The Drinking Water Subcommittee requests the Committee to review and comment on a policy based on the framework discussed below, for assuring continuous improvement in drinking water quality as Bay-Delta projects and actions are developed. The framework, if adopted by the California Bay-Delta Authority, could affect all Program elements and as such, the Subcommittee is requesting feedback before forwarding a final recommendation to the Committee at a later meeting.

Background

The Drinking Water Subcommittee has developed a draft recommendation for a Policy Framework on drinking water quality as it relates to Bay-Delta Program Projects and Actions. This was introduced to the BDPAC Steering Committee in November 2002; subsequently it has been discussed in a joint meeting with the Ecosystem Restoration Subcommittee. It is being brought to the BDPAC for review and comment.

As projects and actions move forward under the Bay-Delta Program, it will be necessary as part of the environmental documentation and planning processes to identify project or action impacts or benefits to water quality. A Bay-Delta Program commitment is for a continuous improvement in Delta water quality. While some projects or actions may degrade drinking water quality, others have the potential to improve conditions in this regard. The overall Bay-Delta Program should result in an improvement.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

This draft policy framework is intended to guide Bay-Delta Program planning and implementation to ensure the Program target of continuously improving Delta water quality for all uses are achieved. The draft policy framework is not intended to change or replace the existing legal requirements under CEQA and NEPA for review and identification of project impacts and mitigation for significant impacts. The draft policy framework is consistent with the CALFED EIR/EIS, which discusses at length potential impacts to water quality from projects in other program elements (Chapter 5.3). An eventual policy based on this framework should be used to help develop linkages and priorities in the water quality strategic plan.

The purpose of this policy framework is to guide the implementation strategy of the Bay-Delta Program as projects and actions are implemented. In some instances, it will be found that projects and actions under the Program will adversely affect water quality while providing benefits in other important areas. In some cases, the project or action itself may be able to provide mitigation measures to avoid or offset these impacts. In other cases, the project or action may have to rely in whole or in part on other parts of the Bay-Delta Program to ensure water quality improvement goals are met. In addition to alternatives (that would avoid impacts or result in water quality improvements) and mitigation measures (that would reduce impacts) for projects and actions, the Bay-Delta Program should consider bundling projects for implementation to ensure water quality improvement goals are met.

This policy framework was considered and discussed at the June 28, July 26, and August 23, Drinking Water Subcommittee meetings and the BDPAC Steering Committee meeting on November 13, 2002. Comments from the discussion have been incorporated into the recommendation.

RECOMMENDED POLICY FRAMEWORK

1. All projects or actions under the Bay-Delta Program should identify, as part of the planning process and as part of the CEQA/NEPA compliance process, water quality impacts and benefits of the project or action. This should be a technical evaluation based on the best information available. This evaluation should include impacts of either a continuous or intermittent nature, the magnitude of the impacts, and the ultimate effect on Delta water quality and drinking water quality. For this policy, the primary constituents of concern are pathogens, organic carbon, bromide, salinity, nutrients, taste and odor, and turbidity. In some cases it may not be possible to evaluate water quality impacts due to a lack of information. In those cases, project implementation should include monitoring and adaptive management steps.
2. Where feasible, Bay-Delta Program projects or actions should attempt to develop reasonable alternatives that still meet the project goals but that avoid drinking water quality degradation or improve water quality. For example, if, by altering the timing of water entering and leaving a wetlands project, seawater intrusion can be reduced rather than increased without affecting the project goals, that alternative should be considered.

3. The information on water quality impacts/benefits, mitigation measures incorporated into projects and potential alternatives for Program projects should be considered as part of the Program decision-making and implementation process for both the project and the program as a whole. The Bay-Delta should endeavor to bundle projects for implementation to ensure that the Program target of continuously improving Delta water quality for all uses is achieved.
4. The water quality assessments of projects and actions should include the following:
 - a. The spatial and temporal parameters of linked projects or actions should be explicitly considered, described, and delineated.
 - b. A project's or action's mitigation monitoring plan (under CEQA) may provide a vehicle for monitoring of impacts and implementation of this policy.
 - c. Water supply forecasts from Program agencies should provide an accompanying forecast of water quality. Such forecasts include annual or more frequent water supply allocations, as well as long-term or ad hoc planning efforts, such as DWR's Bulletin 160 series (*The California Water Plan Update*) or the Governor's *Critical Water Shortage Contingency Plan*.
 - d. Operational decisions made in Program forums or processes, such as the CALFED Operations Groups ("CALFED Ops"), the Water Operations Management Team, and the Environmental Water Account, should be balanced and should consider water quality impacts on equal footing with water supply and fishery impacts. Operations decision processes should explicitly consider and report impacts to water quality. When such decisions are not protective of drinking water quality, mitigation should be provided for unavoidable significant adverse impacts.
 - e. Operational criteria for existing and future surface storage reservoirs should include water quality. For example, water quality should be a legitimate criterion among other traditional reservoir operating criteria, such as power generation, fish and wildlife enhancement, and recreation.
 - f. A precise definition of water quality degradation will need to be developed in order to implement this Policy Framework. Factors such as modeling uncertainty, limits of detection and parameters for determining the degree to which tradeoffs, offsets or mitigation measures compensate for increases of constituents of concern will need to be considered. The Bay-Delta Science Program should be consulted for its recommendations during the development of this definition.

Attachments:

Attachment 1 – Examples of Impacts and Mitigation Strategies from the CALFED PEIS/PEIR

Attachment 2 – Draft Framework for a Policy on Drinking Water Quality and CALFED Projects and Actions

5.3.11 MITIGATION STRATEGIES

These mitigation strategies will be considered during project planning and development. Specific mitigation measures will be adopted consistent with the Program goals and objectives and the purposes of site-specific projects. Not all mitigation strategies will be applicable to all projects because site-specific projects will vary in purpose, location and timing.

Ecosystem Restoration Program. The Ecosystem Restoration Program element could increase the TOC content of Delta waters. TOC concentrations could increase as a result of having more aquatic vegetation. TOC contributes to the formation of DBPs, some of which have been shown to cause significant health problems. Therefore, the release of TOC is not as critical as TOC being increased at municipal water supply intakes. The following mitigation strategies could be employed: TOC increases may be mitigated by locating created wetlands away from drinking water intakes, by treating wetland discharges, or by treating water to remove TOC before it is disinfected and supplied to water system customers.

The Water Use Efficiency and Water Transfer Program elements of the alternatives, would result in some localized adverse impacts on water quality which could be mitigated, in most cases, by release of greater volumes of fresh water from upstream reservoirs.

The Ecosystem Restoration Program could promote the conversion of elemental mercury into the bioavailable form, methyl mercury. Increasing methyl mercury production would happen only if mercury-laden sediment or water were allowed into constructed shallow-water habitat. Therefore, shallow-water habitat would need to be located away from mercury sources until such time as methods for eliminating mercury from water and sediment are implemented.

Ecosystem Restoration Program actions are proposed for portions of the Delta and Bay Region that may result in coincidental beneficial water quality impacts, according to model results on concepts of several projects. Detailed studies of these projects have not been conducted, and further studies are being pursued (as part of Stage 1 implementation). If these projects meet the CALFED solution objectives, project-specific environmental evaluation and documentation will address the environmental impacts of individual projects. Should a project be considered for construction with beneficial water quality impacts as part of the project, these beneficial impacts may be considered as mitigation for other Program actions. Considering the preliminary nature of information about these projects, it is uncertain whether the projects will be able to reduce adverse salinity impacts to a less-than-significant level.

Levee System Integrity Program. Construction activities for the Levee System Integrity Program would be similar to and integrated with those described for the Ecosystem Restoration Program. Existing levees would be demolished, and new levees would be constructed either at or close to the site of the original levees or set back some distance from the original levees if a channel is to be widened or a wetland created. Short-term effects on water quality would be similar to those described for the Ecosystem Restoration Program but would occur only in the Delta Region. Local increases in the TSS content of waters in Delta channels are expected. Some increase in nutrient and TOC concentrations also may occur. Toxic substances contained in old levees or in channel sediments could be released during demolition or dredging. Dredged materials will be analyzed, dredged, and handled in accordance with permit requirements. Permits will incorporate mitigation strategies identified in Section 5.3.11 to prevent release of contaminants of concern.

It is expected that short-term construction impacts can be reduced to a less-than-significant level by employing construction methods that minimize in-water construction and by applying appropriate mitigation strategies. Soils in the levees and channel sediments would be tested prior to commencement of construction so that the need for special mitigation measures can be determined. (See *Sediment Dredging and In-Channel Earth Movement* below.)

Water Use Efficiency Program. Increased water use efficiency would adversely affect water quality when the volume of municipal wastewater or agricultural tailwater discharged to a stream is reduced but the mass

Attachment: Examples of impacts and mitigation strategies from the CALFED PEIS/PEIR

load of salts and other contaminants in the discharge remains the same. The adverse effect would be most pronounced in streams where municipal or agricultural discharges represent a substantial proportion of streamflow. Adverse effects would occur most acutely in small streams in the Sacramento River and San Joaquin River Regions, downstream of municipal and agricultural wastewater discharges.

It is expected that the localized adverse water quality impacts of the program can be mitigated to a less-than-significant level by increasing treatment of wastewater before it is discharged to waterways or increasing fresh-water releases from reservoirs to provide more dilution water.

Water Transfer Program. Water transfers could affect water quality primarily through changes to river flow and water temperatures. The source of water for a transfer; and the timing, magnitude, and pathway of each transfer would affect the potential for significant impacts. Because specific transfers can invoke both beneficial and adverse impacts, at times on the same resource, net effects must be considered on a case-by-case basis. Water transfers could result in a potentially significant adverse (although localized) impact on water quality if diversions are transferred in a pipeline or canal to the area of use. For direct groundwater transfers, water quality could be adversely affected if the groundwater source is of poorer quality than the conveying channel. Possible methods to mitigate these adverse impacts could include:

C Requiring transferred water to be conveyed through natural channels to the area of use where feasible.

C Developing water transfer rules that protect downstream users (see Section 7.2.7.3).

Storage. All of the long-term adverse effects of surface and groundwater storage on water quality could be reduced to a less-than-significant level by various mitigation measures. Surface water reservoirs could be sited to avoid areas where rocks contain mercury or other potentially hazardous substances. If avoidance is impossible, rock outcrops could be covered with inert materials and vegetation cleared from the site to minimize the development of anaerobic conditions at the bottom of reservoirs. Outlet works at the reservoirs could be designed with multiple outlet portals to minimize depression of dissolved oxygen concentrations, to minimize the elevation of dissolved nitrogen concentrations, and to better control the temperature of released water. Water could be released from surface storage reservoirs to simulate natural flows in the small stream on which they are built.

Sediment Dredging and In-Channel Earth Movement. Sediment that is dredged from the Bay and Delta has the potential to cause water quality impacts due to the chemical quality of the sediment and its final disposition. Suitability of reuse of the sediment depends on its soil properties and the final disposition of the sediment.

The Program proposes to dredge sediment in Delta channels for a variety of reasons, including to widen or deepen channels and to deepen intake structures. Other sediment dredging and earth moving (or channel modification) may be conducted to modify levees, provide habitat, or build up areas for the protection of habitat. Each of these activities could benefit from soils dredged from Delta channels.

Sediment with toxic materials (such as mercury) must be prevented from degrading water quality. The potential to degrade water quality is related to the concentrations of toxic material, its contact with surface water, and the mechanisms by which the material becomes toxic to aquatic organisms.

Much of the mercury in dredged sediment is not an immediate threat to aquatic organisms. Mercury must be transformed to a toxic form to affect the ecosystem. In nature, this transformation is accomplished through bacteria that exist in the greatest numbers in shallow-water habitat. Therefore, mercury that remains buried under sediment or in a levee may not pose a substantial threat to the environment. The transformation of other toxic materials is less complicated. Preventing release to the environment of toxic materials often requires simply segregating the material from contact with surface water.

Each application of dredged sediment would be assessed for sediment quality through core sampling (both of the removed sediment and the sediment that is exposed on the channel bottom). The proposed placement of the material would be based on the quality of the sediment. The sediment would be assessed

Attachment: Examples of impacts and mitigation strategies from the CALFED PEIS/PEIR

for suitability both from a soil property and a chemical quality standpoint. Criteria set by regulatory authorities would need to be met for placement of the dredged sediment. Other permit requirements should include the following mitigation strategies as principal methods of preventing the release of sediment and toxic material into surface water. These mitigation strategies will be applied in various ways to achieve the best protection of the environment.

Sediment curtains or cofferdams (a method of separating disturbed sediment from surrounding stream water) will be used in all cases of dredging and in-stream earth moving. Performing specific sediment core sampling prior to project implementation will provide the information necessary to determine the suitability of the soils for placement. Quality information (both soil properties and chemical qualities) from the cores will be compared to criteria set by regulatory authorities, and the appropriate mitigation measures will be identified and implemented. In some cases, simple separation of mercury-laden soils and surrounding water is necessary to prevent releases of additional mercury into the environment. Separation may be provided by a few centimeters of fine soils (capping) that are protected from erosion by various means (such as vegetation or gravel). Not all sediment is expected to be suitable for placement near water or human exposure. Regulatory agencies will set criteria for those soils not suitable for reuse.

The following mitigation strategies can be implemented to reduce water quality impacts:

- \$ Improving treatment levels provided at municipal wastewater treatment plants to upgrade the quality of the constituents (other than dissolved inorganic solids) discharged to receiving waters in order to compensate for the reduction in dilution caused by improved water use efficiency or water transfers. Salt concentrations in discharges could be reduced by improved salt management of wastewater inputs to treatment plants.
- \$ Releasing additional water from enlarged or additional off-stream surface storage, or from additional groundwater storage.
- \$ Releasing additional water from storage in existing reservoirs or groundwater basins.
- \$ Treating water at the source (such as Delta drains), upgrading water treatment processes at drinking water treatment plants, and/or providing treatment at the point of use (consumer's tap). Using a mix of alternative source waters to reduce the influent bromide concentration.
- \$ Using innovative, cost-effective disinfection processes (for example, UV irradiation and ozonation in combination with other agents) that form fewer or less harmful DBPs.
- \$ Using existing river channels for water transfers and timing the transfers to avoid adverse water quality impacts.
- \$ Using best construction and drainage management practices to avoid transport of soils and sediments into waterways.
- \$ Using cofferdams to construct levees and channel modifications in isolation from existing waterways.
- \$ Using sediment curtains to contain turbidity plumes during dredging.
- \$ Separating water supply intakes from discharges of agricultural and urban runoff.
- \$ Applying agricultural and urban BMPs, and treating drainage from lands to reduce contaminants. Treating drainage from agricultural lands underlain by peat soils to remove TOC.

Attachment: Examples of impacts and mitigation strategies from the CALFED PEIS/PEIR

\$ Relocating diversion intakes to locations with better source water quality.

\$ Restoring additional riparian vegetation to increase shading of channels.

\$ Conducting core sampling and analysis of proposed dredge areas and engineering solutions to avoid or prevent environmental exposure of toxic substances after dredging.

\$ Capping exposed toxic sediments with clean clay/silt and protective gravel.

\$ Locating constructed shallow-water habitat away from sources of mercury until methods for reducing mercury in water and sediment are implemented.

\$ Engineering surface storage release times and magnitude to mimic natural regimes.

\$ Avoiding inundation or engineering solutions to inundation of toxic materials, such as covering with an engineered cap.

\$ Scheduling ground-disturbing construction during the dry season.

5.3.12 POTENTIALLY SIGNIFICANT UNAVOIDABLE IMPACTS

One potentially significant adverse impact on water quality that is associated with the Preferred Program Alternative may not be reduced to a less-than-significant level by mitigation. This impact is an unavoidable consequence of implementing the Preferred Program Alternative.

Although the Preferred Program Alternative would improve water quality at many locations in the Delta, it would cause water quality to deteriorate in others. Without a diversion facility on the Sacramento River, impacts on water quality associated with the Preferred Program Alternative would be similar to those for Alternative 1. The increased EC (a measure of salinity) of water in localized areas of the central Delta would result in a potentially significant and unavoidable impact on the suitability of the water as a source for agricultural irrigation.

CALFED ROD Pages 17-18

Water Quality Program

The CALFED Program is committed to achieving continuous improvement in the quality of the waters of the Bay-Delta system with the goal of minimizing ecological, drinking water and other water quality problems. Improvements in water quality will result in improved ecosystem health, with indirect improvements in water supply reliability. Improvements in water quality also increase the utility of water, making it suitable for more uses and reuses.

The Water Quality Program includes the following actions;

- Drinking water parameters - Reduce the loads and/or impacts of bromide, total organic carbon (TOC), pathogens, nutrients, salinity, and turbidity through a combination of measures that include source reduction, alternative sources of water, treatment, storage and if necessary, conveyance improvements such as a screened diversion structure (up to 4000 cfs) on the Sacramento River between Hood and Georgiana Slough. The Conveyance section of this document includes a discussion of this potential improvement.
- Pesticides - Reduce the impacts of pesticides through (1) development and implementation of BMPs, for both urban and agricultural uses; and (2) support of pesticide studies for regulatory agencies, while providing education and assistance in implementation of control strategies for the regulated pesticide users.
- Organochlorine pesticides - Reduce the load of organochlorine pesticides in the system by reducing runoff and erosion from agricultural lands through BMPs.
- Trace metals - Reduce the impacts of trace metals, such as copper, cadmium, and zinc, in upper watershed areas near abandoned mine sites. Reduce the impacts of copper through urban storm water programs and agricultural BMPs.
- Mercury - Reduce mercury levels in rivers and the estuary by source control at inactive and abandoned mine sites.
- Selenium - Reduce selenium impacts through reduction of loads at their sources and through appropriate land fallowing and land retirement programs.

- Salinity - Reduce salt sources in urban and industrial wastewater to protect drinking and agricultural water supplies, and facilitate development of successful water recycling, source water blending, and groundwater storage programs. Salinity in the Delta will be controlled both by limiting salt loadings from its tributaries, and through managing seawater intrusion by such means as using storage capability to maintain Delta outflow and to adjust timing of outflow, and by export management.
- Turbidity and sedimentation - Reduce turbidity and sedimentation, which adversely affect several areas in the Bay Delta and its tributaries.
- Low dissolved oxygen - Reduce the impairment of rivers and the estuary from substances that exert excessive demand on dissolved oxygen.
- Toxicity of unknown origin - Through research and monitoring, identify parameters of concern in the water and sediment and implement actions to reduce their impacts to aquatic resources.

CONTRA COSTA WATER DISTRICT
Memorandum

DATE: August 23, 2002

TO: BDPAC Drinking Water Subcommittee

FROM: Greg Gartrell

SUBJECT: Draft Framework for a Policy on drinking water quality and CALFED Projects and Actions

INTRODUCTION

As projects and actions move forward under the CALFED Program, it will be necessary as part of the environmental documentation and planning processes to identify project or action impacts or benefits to water quality. A CALFED commitment is for a continuous improvement in Delta water quality. While some projects or actions may degrade drinking water quality, others have the potential to improve conditions in this regard. The overall CALFED Program should result in an improvement. The purpose of this memorandum is to start the discussion on a recommended approach to determining how projects and actions that move forward can ensure they are not conflicting with meeting CALFED drinking water quality goals.

RECOMMENDATION

Review and comment on the draft policy framework on drinking water quality and CALFED Projects and Actions.

DISCUSSION

In some instances, it will be found that projects and actions under the CALFED program will adversely affect water quality (and in particular, will cause increases in constituents targeted for reduction as defined in the CALFED ROD) while providing benefits in other important areas. For example, increased conveyance or storage diversions may reduce Delta outflow, thereby increasing salinity intrusion; Delta barriers may change salinity levels in some parts of the Delta; creation of tidal wetlands may increase TOC levels and cause increased salinity intrusion; recycled water projects in the Delta or upstream of it may reduce flows while increasing concentration of pollutants in the remaining discharges; levee restoration projects may involve channel dredging which can impact turbidity or cause release of heavy metals in the sediment.

In some cases, the project or action itself may be able to provide mitigation measures to avoid or offset these impacts. In other cases, the project or action may have to rely in whole or in part on other parts of the CALFED Program to ensure water quality improvement goals are met.

For those projects and actions that result in an improvement in water quality (but do not have water quality improvements as a primary objective), then a credit may be available for an offset for those that degrade water quality and a linkage could be made. For example, some tidal

restoration projects may result in reduced salinity intrusion; these projects could, if implemented with other projects or actions that might degrade water quality, result in a complete or partial offset. This too should be evaluated and identified during the planning process. In addition to alternatives (that would avoid impacts or result in water quality improvements) and mitigation measures (that would reduce impacts) for projects, CALFED should consider bundling projects for implementation to ensure water quality improvement goals are met.

A draft framework for a policy for dealing with these issues is presented here for discussion purposes. This draft policy framework is not intended to change or replace the existing legal requirements under CEQA and NEPA for review and identification of project impacts and mitigation for significant impacts. Rather, this draft policy framework is intended to guide CALFED planning and implementation to ensure the CALFED target of continuously improving Delta water quality for all uses is achieved. Eventually, such a policy can be used to help develop linkages and priorities, as appropriate, in the water quality strategic plan.

The draft policy framework is consistent with and complements the CALFED EIR/EIS, which discusses at length potential impacts to water quality from projects in other program elements (Chapter 5.3). Appended to this policy are excerpts from that document that provide further examples of potential significant adverse water quality impacts and possible mitigation strategies.

DRAFT POLICY FRAMEWORK

1. All projects or actions under CALFED should identify, as part of the planning process and as part of the CEQA/NEPA compliance process, water quality impacts and benefits of the project or action. . This should be a technical evaluation based on the best information available. This evaluation should include impacts of either a continuous or intermittent nature, the magnitude of the impacts, and the ultimate effect on Delta water quality and drinking water quality. For this policy, the primary constituents of concern are pathogens, organic carbon, bromide, salinity, nutrients, taste and odor, and turbidity. In some cases it may not be possible to evaluate water quality impacts due to a lack of information. In those cases, project implementation should include monitoring and adaptive management steps.
2. Where feasible, CALFED projects or actions should attempt to develop reasonable alternatives that still meet the project goals but that avoid drinking water quality degradation or improve water quality. For example, if, by altering the timing of water entering and leaving a wetlands project, seawater intrusion can be reduced rather than increased without affecting the project goals, that alternative should be considered.
3. The information on water quality impacts/benefits, mitigation measures incorporated into projects and potential alternatives for CALFED projects should be considered as part of the CALFED decision-making and implementation process for both the project and the program as a whole. CALFED should endeavor to bundle projects for implementation to ensure that the CALFED target of continuously improving Delta water quality for all uses is achieved.
4. The water quality assessments of projects and actions should include the following:
 - a) The spatial and temporal parameters of linked projects or actions should be explicitly considered, described, and delineated.
 - b) A project's or action's mitigation monitoring plan (under CEQA) may provide a vehicle for monitoring of impacts and implementation of this policy.

- c) Water supply forecasts from CALFED agencies should provide an accompanying forecast of water quality. Such forecasts include annual or more frequent water supply allocations, as well as long-term or ad hoc planning efforts, such as DWR's Bulletin 160 series (*The California Water Plan Update*) or the Governor's *Critical Water Shortage Contingency Plan*.
- d) Operational decisions made in CALFED forums or processes, such as the CALFED Operations Groups ("CALFED Ops"), the Water Operations Management Team, and the Environmental Water Account, should be balanced and should consider water quality impacts on equal footing with water supply and fishery impacts. Operations decision processes should explicitly consider and report impacts to water quality. When such decisions are not protective of drinking water quality, mitigation should be provided for unavoidable significant adverse impacts.
- e) Operational criteria for existing and future surface storage reservoirs should include water quality. For example, water quality should be a legitimate criterion among other traditional reservoir operating criteria, such as power generation, fish and wildlife enhancement, and recreation.
- f) A precise definition of water quality degradation will need to be developed in order to implement this Policy Framework. Factors such as modeling uncertainty, limits of detection, and parameters for determining the degree to which tradeoffs, offsets or mitigation measures compensate for increases of constituents of concern will need to be considered. The CALFED Science Program should be consulted for its recommendations during the development of this definition.

cc: John Andrew
Patrick Wright

Attachment: CALFED PEIS/PEIR examples of impacts and mitigation strategies



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California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5B

Delta Levees and Habitat Subcommittee Recommendation

Description: Bay-Delta Program Levee System Integrity Multi-Year Program Plan

Recommended Action: Committee adopt pending revisions to address Environmental Justice and Program Science.

Subcommittee Recommendation: The subcommittee has worked with implementing agencies on the Levee System Integrity Multi-Year Program Plan. All reservations regarding the implementation to accomplish Levee System Integrity Program goals have been addressed and we believe the plan is adequate.

The plan highlights the need to establish a dependable annual funding source to adequately fund Delta levee maintenance and improvements so that sufficient work is accomplished within applicable work windows to ensure consistent improvement in Delta levee system integrity. Consistent funding will also enable expansion of the "levee improvement industry" with more price competition and stand-by capacity during catastrophic threats posed by storms, earthquakes, terrorism, accidents and burrowing animals.

The Subcommittee notes that California Bay-Delta Act principles flourish in the Levee Integrity Program: strong local support, robust local cost-sharing and real-time cross-program benefits to drinking water quality, water supply, ecosystem restoration, water use efficiency and working landscapes.

The staff continues to work to incorporate Environmental Justice and Levees Program Science. We now recommend the committee adopt the Bay-Delta Program Levee System Integrity Multi-Year Program Plan pending completion of the two items noted.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Background

The BDPAC Levees and Habitat Subcommittee is committed to incorporating multi-element goals into the levee plan. We have met with representatives of the Ecosystem Restoration Program and have agreed to take advantage of opportunities to achieve mutual program goals. As part of our next steps in implementing the levee program in the coming year, we are committed to extend our outreach to include Conveyance, Water Quality, and Storage.

The California Bay-Delta Act requires implementing agencies prepare an annual program plan and budget to implement their element responsibilities. The Multi-Year Program Plan establishes broad goals and objectives along with methods for accomplishing them.

Committee Role

Adoption of the Multi-Year Program Plan provides necessary guidance and approvals and establishes background for the California Bay Delta Authority to review the Year 4 Work Plan and Budget.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5C

Ecosystem Restoration Subcommittee Recommendation

Description: Ecosystem Restoration Subcommittee comments on draft Year 4 Bay-Delta Program Plan and Years 4 through 7 Multi-Year Program Plan for the Ecosystem Restoration Program.

Recommended Action: Committee Accept for Consideration

Subcommittee Recommendation: The Ecosystem Restoration Subcommittee recommends the California Bay-Delta Public Advisory Committee accept for consideration the following comments on the draft Bay-Delta Program Year 4 through 7 Program Plans for the Ecosystem Restoration Program. The Subcommittee recommends the Committee forward these comments to the Program for consideration when revising the draft plans.

Background

On May 23, 2003 the Ecosystem Restoration Subcommittee met to review the Draft Year 4 Annual Program Plan and Years 4 through 7 Multi-Year Program Plan for the Ecosystem Restoration Program. After extensive discussion, the Subcommittee is forwarding the following comments for consideration by the Committee.

1. The subcommittee appreciates the rich level of information contained in the draft work plan and program plan.
2. The work plan should provide more specific detail regarding upcoming implementation tasks, should more fully describe how delays and impediments will be addressed, and should be reorganized to better show the linkage between ERP objectives and outcomes

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3. The work plan should better address integration issues by describing potential high-priority synergies and conflicts with other Bay-Delta program elements (this recommendation particularly applies to all Bay-Delta Program activities)
4. The work plan should more thoroughly address how reliable, adequate long-term funding will be developed, including how an adequate budget and resources for the Environmental Water Program will be secured and how the ROD commitment to develop an ERP user fee will be pursued
5. The work plan should address how the appropriate level of environmental documentation (eg., Area Specific Implementation Plans v project-specific) will be pursued, in the context of Multi-Species Conservation Strategy and Biological Opinion compliance.
6. The work plan should describe how critical ERP needs for the Sacramento River (specifically, habitat acquisition and flow regime studies) will be accomplished.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5D

Water Supply Subcommittee Recommendation

Description: Status of Bay-Delta Program Surface Storage Investigations.

Recommended Action: Committee Adopt Recommendation

Subcommittee Recommendation: The Water Supply Subcommittee recommends the California Bay-Delta Public Advisory Committee take the following actions, based on the current projected funding shortfalls and their impact on the program:

1. Direct Bay-Delta Authority staff to investigate ways to prevent or offset projected funding shortfalls.
2. Request appropriate State and Federal agencies to reprogram funding to assure the Bay-Delta Program remains in balance.
3. Support efforts to obtain Federal authorization for the Program.
4. Monitor surface storage investigations and other critical path program elements to assure progress and the necessary balance.
5. Formally request that the Bay-Delta Authority Board (once formed) also takes the actions listed above.

Background

The CALFED Framework Agreement and Record of Decision (ROD) laid out a schedule and funding needs for surface storage investigations as a part of the Bay-Delta Program Stage 1 implementation actions. The schedule has not been met, principally because of shortfalls in State and Federal funding. Of the five storage investigations prescribed in the ROD, four are from nine to twelve months behind schedule and the fifth faces serious funding shortfalls next fiscal year.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
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Department of Commerce
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Western Area Power Administration

Current Situation

The current consequences of these delays are not disastrous, but all five are projected to fall further behind as funding shortfalls mount. There is currently projected to be a \$16 million shortfall for Program Year 4 (fiscal year 2003-04). If that figure holds, the schedules for all projects are expected to fall behind more than a full year. These delays cannot be made up, even if funding is restored at a later date. The best that can be hoped is that sufficient funding can be provided to prevent further delays.

The results of these delays are predictable, both in terms of Program balance and political support. If the investigations are not completed in a timely way, the Program risks falling out of balance. The Program has identified surface storage as a key component in meeting Program goals but implementation of the storage program is falling behind other programs. Although surface storage projects are controversial, it is essential that these investigations be completed to answer the questions surrounding surface storage in general and these projects in particular. Many political leaders and stakeholder groups are anxious to know which, if any, projects will be built. Failure to complete these studies and answer these questions will undermine the credibility of and support for the Bay-Delta Program.

Attached Tables

Attached to this report are three tables. Table 1 shows ROD funding levels compared with actual funding levels. Table 2 shows ROD schedules compared to current schedules. Table 3 is a table prepared by the Program that is continually updated that shows current and project funding levels, along with the current schedule for each phase of each project. These tables graphically illustrate the situation described in this report.

Attachments:

Attachment 1 – Tables 1 & 2

Attachment 2 – Table 3 – Storage Schedule

**Table 1. Surface Storage Program Funding
Record of Decision vs. Actual
(\$ Millions)**

Project	Year 1 (2000-01)		Year 2 (2001-02)		Year 3 (2002-03)		Year 4 ¹ (2003-04)	
	ROD	Actual	ROD	Actual	ROD	Actual	ROD	Actual
In-Delta Storage ²	18.0	2.6	18.0	2.5	25.0	2.2	75.0	3.7
Shasta Lake Enlargement	3.0	1.0	2.0	2.0	1.5	2.1	1.5	2.8
Los Vaqueros Reservoir Expansion	0.5	0.8	1.0	6.0	12.0	3.1	12.0	7.6
North-of-the-Delta Offstream Storage	10.0	8.2	10.0	5.3	15.0	5.2	15.0	8.1
Upper San Joaquin River Storage	0.2	0.9	5.0	2.6	5.0	2.3	15.0	2.0
TOTAL	31.7	13.5	36.0	18.3	58.5	14.8	118.5	24.1

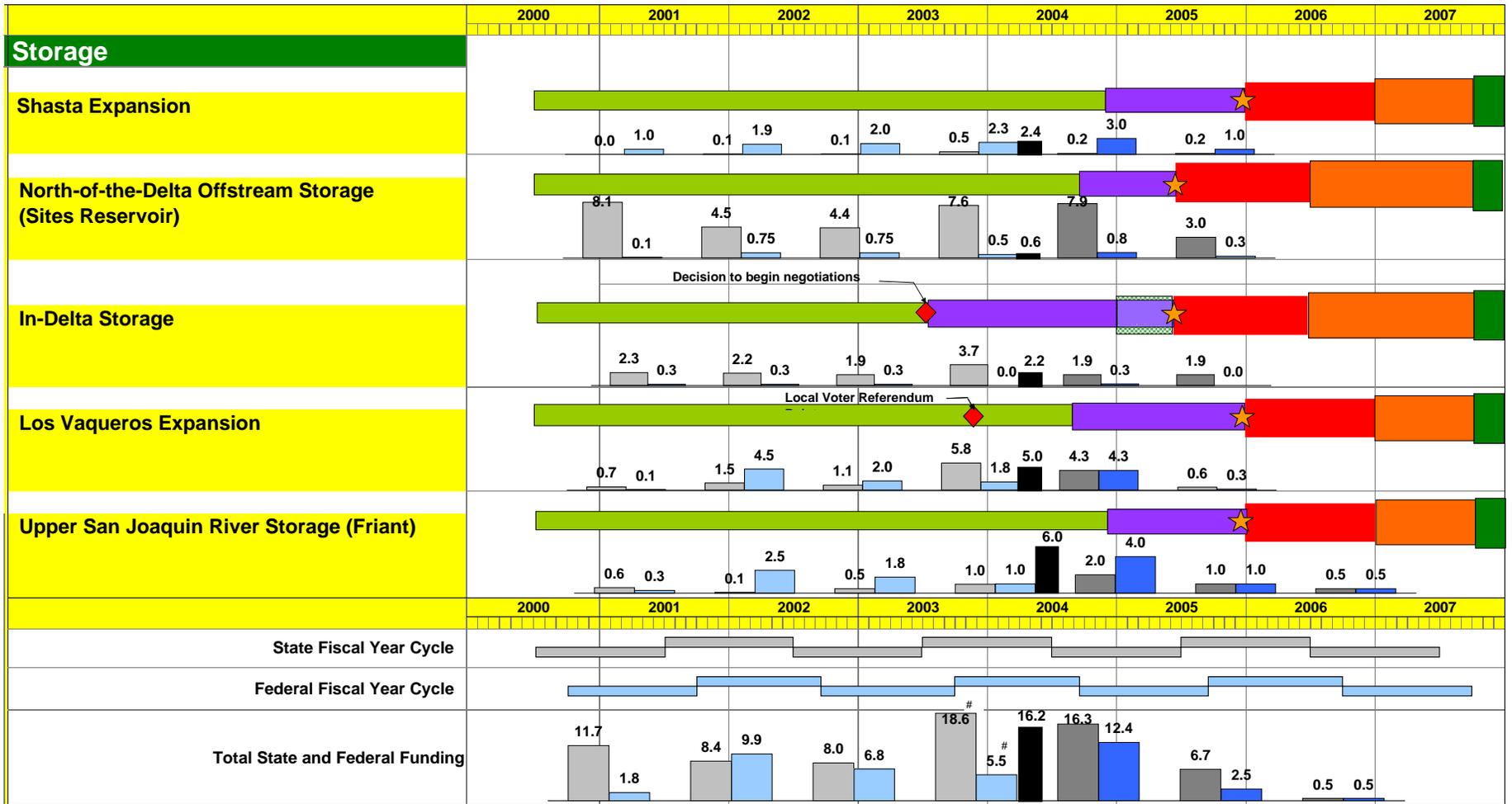
**Table 2. Surface Storage Program Schedule
Record of Decision vs. Actual**

Project	Complete Environmental Review and Documentation	
	Published in ROD	Current Schedule
In-Delta Storage	Dec 2002	Dec 2005 ³
Shasta Lake Enlargement	Dec 2004	Jun 2006
Los Vaqueros Reservoir Expansion	Dec 2003	Jun 2005
North-of-the-Delta Offstream Storage	Aug 2004	Jun 2005
Upper San Joaquin River Storage	Jun 2006	Jun 2006

¹ Included in the proposed Governor's State budget and President's Federal budget.

² Projected costs for Years 3-4 are for construction.

³ The current schedule is for a re-engineered In-Delta Storage Project.



Footnotes:

Proposed Budget

Project Phase

- Draft EIS/EIR & Feasibility
- Design & Construction
- Final Decision
- Congressional Authorization
- Congressional Appropriation
- ★ Final EIS/EIR

Funding (for Planning) in \$ Millions

- State Funding - Allocated
- State Funding - Future Need
- Federal Funding - Allocated
- Federal Funding - Future Need
- State and Federal - Unmet Need

Revised: May 13, 2003

**CALFED Bay-Delta Program
Storage Schedule**



California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5E

Environmental Justice Subcommittee Recommendation

Description: Environmental Justice priorities to guide the Subcommittee and Program during FY 2003 - 2004.

Recommended Action: Committee Adopt Environmental Justice Priorities

Subcommittee Recommendation: The Environmental Justice Subcommittee recommends the California Bay-Delta Public Advisory Committee adopt environmental justice priorities to direct its work and the work of the Program during the upcoming fiscal year. The priorities evolved from the 2003 Environmental Justice Subcommittee work plan, integration of work plan tasks into Year 3 program element work plans and comprehensive discussions regarding the scope and direction of EJSC activities in support of Bay-Delta Program goals and objectives for the fiscal year 2003 – 2004.

Background

The priorities adopted by the EJSC are recommended to insure that the works of the EJSC and the Program are in conformity with goals, objectives, and strategies which support the ROD commitments on environmental justice. These commitments direct the Program to “address environmental justice challenges related to the management of water in the Bay-Delta watershed”. It is further stated that the Program be “committed to seeking fair treatment of people of all races, cultures, and incomes, such that no segment of the population bears a disproportionately high or adverse health, environmental, social, or economic impact resulting from CALFED’s programs, policies, or actions.” This responsibility is to be “carried out across all program areas through the development of environmental justice goals and objectives”.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
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Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Committee Role

By adopting this recommendation, BDPAC will support environmental justice goals and objectives and provide support for the direction of activities planned for the coming fiscal year. By adopting the Subcommittee recommendation, BDPAC will continue to effectively meet its obligations to advise and recommend effective ways to implement ROD commitments on the effective integration of all program elements to “provide continuous, balanced improvement of each of the Program objectives”.

Attachment:
Attachment 1 - FY 2003 - 2004 EJSC Priorities List

Environmental Justice Subcommittee

Priorities List

FY 2003-2004

{adopted and approved by EJSC on 5/9/03}

(order of items does not indicate order of priority)

- 1) Mercury contamination /Fish Consumption Project
- 2) Prop 50 funding
- 3) PSP (Program Solicitation Proposals) for all CALFED Program Elements to include EJ principles and criteria
- 4) Training within CALFED and Partner Agencies
- 5) Capacity Building among EJ groups and communities, including technical assistance
- 6) Create “standard” EJ/EJSC presentation
- 7) Active EJSC engagement with all CALFED subcommittees
- 8) EJSC meetings in, amount and with potentially affected communities
- 9) Environmental Justice Analysis of all existing CALFED projects
- 10) Work with CALFED Southern California Dialogue
- 11) Tribal outreach
- 12) EJ-specific mapping (by Watershed and with GIS)
- 13) Focus on increased and improved mechanisms for funding
- 14) Create set of indicators of performance for each Program Element
- 15) Ensure access to all meetings by providing a toll free number, teleconferencing, stipends, etc.
- 16) EJSC to serve as a clearinghouse and offer guidance to EJ stakeholders in the CALFED solution area

California Bay-Delta Public Advisory Committee

Meeting Date: 6-5-03
Agenda Item: 5F

Working Landscapes Subcommittee Recommendation Work Plan

Description:

The Work Plan states three previously adopted goals and identifies several actions and sub-actions for implementing a Working Landscapes approach to Bay-Delta Program implementation.

Recommended Action: Committee Adopt

Subcommittee Recommendation:

The Working Landscape Subcommittee recommends that the Bay Delta Public Advisory Committee (BDPAC) adopt the work plan developed by the Subcommittee.

Background

The CALFED Record of Decision (ROD) calls for numerous projects to improve water quality, ecosystem quality, water supply reliability, and Delta levee system integrity in the Bay-Delta and its watersheds. In the ROD, CALFED acknowledges that, "implementation of the CALFED Program will affect some agricultural lands." The ROD, however, also discusses implementing the Program while "minimizing impacts to agriculture." (ROD, Page 33-34). In an effort to address landowner and local concerns with CALFED, the Secretaries for the Resources Agency and the Department of Food and Agriculture established a Working Landscapes Workgroup under the auspices of CALFED. The Workgroup was directed to promote partnerships between CALFED agencies, private landowners, local governments and conservation groups to address local concerns while achieving CALFED goals. In July 2002, the workgroup became a Bay-Delta Public Advisory Committee Subcommittee and started drafting a work plan that addressed six priorities:

1. Regulatory assistance/streamlining.
2. Coordination of State and Federal assistance programs.
3. Supporting a Working Landscape approach.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

4. Projects that avoid, minimize, and where appropriate, mitigate impacts to agricultural lands.
5. Research and Monitoring.
6. In-lieu Property Taxes.

In December 2002, the BDPAC considered and adopted the Working Landscapes Subcommittee's three high priority goals and actions.

In March 2003, the BDPAC considered and adopted the Working Landscapes Subcommittee Description. In that document, the Subcommittee defined a working landscape as an economically and ecologically vital and sustainable landscape where agricultural and other natural resource-based producers generate multiple public benefits while providing for their own, and their communities', economic and social well-being.

This work plan builds on the three high priority goals and proposes a set of actions to achieve those goals. The work plan is considered by the Subcommittee to be a "living document" that will continue to evolve.

Drafts of the work plan were presented to the Environmental Justice, Ecosystem Restoration, and Watershed Subcommittees, and members of several other Subcommittees also serve on the Working Landscapes Subcommittee.

Following approval of BDPAC, the Subcommittee's next steps are to address individual actions specified under each of the three goals and to develop performance measures for those actions.

Committee Role

The work plan has been developed by a group representing a broad range of viewpoints on the issues of agriculture and the environment. The Subcommittee will continue to bring action items identified in the work plan before BDPAC as resolution is reached. The Subcommittee will also bring changes to the work plan to BDPAC as the work plan continues to evolve.

Attachment:
Attachment 1 - Working Landscapes Subcommittee Work Plan

**California Bay-Delta Public Advisory Committee
Working Landscapes Subcommittee Workplan
Recommendation**

May 22, 2003

GOAL I

Goal I: Support locally based collaborative initiatives that provide opportunities for working landscapes to assist the Bay-Delta Program in meeting its program objectives.¹

Support locally based programs and projects consistent with the Bay-Delta Program and other regional planning efforts that integrate habitat restoration, water quality, flood control, agricultural land preservation and other Bay-Delta Program goals and objectives, and that address other concerns of local communities. These may include programs in the Delta, San Joaquin River, and Sacramento River watersheds such as the Sacramento River Conservation Area Forum (SRCAF) and the Delta Protection Commission. Refer to the Framework PSP for the recommended approach.

A. Support local projects that achieve Bay-Delta Program goals and objectives.

Identify local projects with ongoing or proposed collaborative initiatives that can help meet multiple Bay-Delta Program goals and objectives.

1. Define criteria for support and selection of local projects. (These are included as Appendix B of the Draft Framework for Project Development and Selection developed by the Subcommittee).
2. Encourage funding for increasing local capacity and technical assistance to support development and implementation of projects. Support efforts to provide direct technical and other assistance by appropriate Bay-Delta Program agencies, such as DOC, CDFA, NRCS, DFG, USFWS and NOAA Fisheries. Technical assistance could be provided at the field level for local planning and as needed on a project by project basis. In one case, the expertise needed may be engineering while in another it may be equipment operation, grant writing or permit assistance. In some cases, an alternative approach to increasing technical assistance by building local capacity of landowners and local organizations (RCD's, non-profits, agencies, etc.) may be preferable and should be considered.
3. Support the implementation of permit assistance programs in the Bay-Delta Program solution area.

¹ Italicized goals and action items were previously approved by the Subcommittee as priority goals and action items, and have also been approved by the CALFED Bay-Delta Public Advisory Committee at its 12/4/02 meeting.

Recommend potential strategies for providing permit assistance, including grants for training in permit streamlining and assistance to establish a local, coordinated permitting program (one-stop shopping). Staff support at the watershed level to receive training and implement permit assistance would be necessary for some projects and could be provided via item I(B)(2), above. Alternately, direct permit assistance could be provided by one or more Bay-Delta Program agencies or between collaborative partnerships of RCD's, non-profits and agencies to facilitate permit assistance to landowners. [Note – The Resource's Agency Barriers to Restoration report has identified permit assistance as an issue of concern and will be addressed in the California Strategic Plan for Watersheds. WLS should coordinate and track this effort].

4. Support Voluntary Local Programs (SB 231)

A Voluntary Local Program developed pursuant to SB 231 could provide significant benefits to wildlife and assurances under the California Endangered Species Act. Encourage that funding or other appropriate assistance be provided to locally based programs that propose to develop a Voluntary Local Program, such as designated regulatory resource agencies technical staff. This approach would require support from upper level management. Funding could also be made available for outreach to landowners and watershed groups about the provisions of SB 231 (see items III(C) and (B), below). Support could be for separate projects as those to be identified in item I(A)(2), above, or a component of one of those projects.

B. Support the development of agriculture protection and enhancement plans/plan elements and programs. To help inform locally based agriculture preservation programs and wildlife conservation programs, as well as actions by Bay-Delta Program agencies, funding or other appropriate assistance should be provided for developing agriculture protection and enhancement plans. Mapping farmlands and developing criteria for the evaluation of the status of agricultural resources in the Delta and Sacramento and San Joaquin Valleys will be critical for development of local, regional and Bay-Delta Program implementation plans. Integrate agriculture plans with conservation/wildlife management plans and look for mutual areas of interest, overlap or potential areas of conflict.

1. Support farmland mapping and assessment that is integrated with other regional planning efforts (e.g. Ecosystem Restoration Program, Conveyance, Storage, HCP/NCCP's etc).

Map and evaluate the status of agricultural resources in the Delta and Sacramento and San Joaquin Valleys. Maps would be interpretive tools based on existing information, such as the DOC Important Farmland Map series. Maps would provide specific information on agricultural land conversion status and be used to target agricultural land protection and enhancement (see item I(B)(2), below).

2. Support agriculture protection programs consistent and integrated with other local and regional planning efforts.

Support existing efforts in the Delta to develop a regional agriculture protection plan and ensure collaboration of that effort with Delta Regional Ecosystem Restoration Implementation Plan. Seek financial support for the development and implementation of the plan. Encourage development of planning efforts for agriculture protection programs in the Sacramento and San Joaquin valleys. These plans could serve as a land protection action component of the agricultural elements of Bay-Delta Program regional implementation plans and as models to catalyze other local efforts at agricultural land protection.

3. *Support development of an agricultural element in Bay-Delta Program regional implementation plan¹.*

In each of the Bay-Delta Program's regional implementation plans, include an agricultural element that sets forth objectives and actions for enhancing agriculture as a viable component of the working landscape, and describes how the CALFED ROD commitments will be implemented, including the reduction and mitigation of impacts to agricultural lands. The first agricultural element will be developed for the Delta Regional Implementation Plan. It is expected that item I(B)(2) (above) will be one component of the element.

4. Work with the Bay-Delta Program to establish a Program Agricultural Land Trust to further the enhancement and protection of agricultural land consistent with the CALFED ROD. The Land Trust could be established and supported with support from all Bay-Delta Program's agencies and programs. The purpose of the Trust would be to work with the Bay-Delta Program agencies and existing state and local agricultural land trusts to identify high priority agricultural lands within the Bay-Delta Program solution area for enhancement or protection. Examples of potential uses of the Land Trust could include:
 - a. Working within Bay-Delta Program regional implementation plans to identify agricultural lands warranting protection through the Land Trust's activities outlined in b. through e., as follows, or directly.
 - b. Where appropriate, facilitating the transfer of agricultural water in a way that protects against, or compensates for the permanent loss of Prime Farmland, Farmland of Statewide Importance or Unique Farmland.
 - c. Assisting Bay-Delta Program agencies in the acquisition and design of land buffers where they have been identified as necessary between potentially incompatible uses and agricultural lands.
 - d. Consulting with Bay-Delta Program agencies to analyze and determine the significance of program impacts on agricultural land, and to design project-specific mitigation measures as appropriate and consistent with the CALFED ROD (see Goal IIA).

- e. Where applicable, facilitate the mitigation of Bay-Delta Program project impacts on agricultural land through the use of agricultural land conservation easements.

C. Support efforts to leverage federal funds for the development of conservation incentives including Farm Bill and CVPIA funds. This goal includes actions to promote programs, policies and legislation that create incentives for wildlife conservation and water quality improvements on agricultural lands.

1. *Develop opportunities to leverage USDA Farm Bill funds to meet Bay-Delta Program objectives¹.*
 - a. Assess potential for expanding current Conservation Reserve Enhancement Program (CREP) and/or developing a new CREP within the Bay-Delta Program Solution Area.
 - b. Identify and pursue applications for other Farm Bill conservation provisions to further Bay-Delta Program working landscape objectives (e.g., Conservation Security Program (CSP), Environmental Quality (EQIP) and Wildlife Habitat Incentive Programs (WHIP)).
2. Support efforts to provide supplemental or matching funds for US FWS Ag Waterfowl Incentive Program (AWIP).
 - a. Call for Legislation to Reauthorize AWIP. Bay-Delta Authority, Resources Agency and CDFA officials will communicate to Congressional representatives and the Executive Branch their desire to renew authorization for the AWIP.
 - b. Identify or create a state funding source to supplement or match annual funding for the USFWS' Agricultural Waterfowl Incentives Program.
3. Assess and support need for new legislation. Meet with public agencies and stakeholders to assess the need for new legislation similar to AB 1398 to create incentives for conservation on agricultural land and provide state match for Farm Bill programs. Prepare recommendation to Bay-Delta Program agencies.

GOAL II

According to the California Environmental Quality Act (CEQA), to “mitigate,” means to either avoid, minimize, rectify, reduce and/or compensate for an environmental impact. The Bay-Delta Program’s CEQA Record of Decision adopted a series of 31 mitigation measures. The following goal, objectives and action items use the term mitigation consistent with CEQA as further defined by the Record of Decision.

Goal II: Minimize/Mitigate Adverse Bay-Delta Program Project Impacts on Agricultural Resources consistent with the commitments in the CALFED Record of Decision¹.

- A. Work with Bay-Delta programs to develop strategies to implement CALFED ROD commitments as they relate to working landscapes.** Develop strategies and mechanisms at the program-level that can be used to mitigate project-specific impacts to agricultural resources and to advance agricultural preservation generally.
1. Work with Bay-Delta Program agencies to assess past Bay-Delta Program project impacts on agricultural resources. Review documentation of Bay-Delta Program project descriptions, environmental analyses and project outcomes to assess (1) the nature and extent of project impacts on agricultural resources, and (2) nature and effectiveness of mitigation measures employed to address project impacts on these resources.
 2. Work with the Bay-Delta Program to develop environmental thresholds of significance to use in determining whether impacts of Bay-Delta Program projects on agricultural lands are significant. Such work should include:
 - a. Investigate the applicability of the Department of Conservation’s Land Evaluation and Site Assessment (LESA) model to determine thresholds of significance for Bay-Delta Program projects.
 - b. If LESAs are judged suitable, with or without modification, as a method for determining the significance of Bay-Delta Program project impacts on agricultural lands, include LESAs as part of the mitigation protocol described in Goal II(A)(3).
 - c. If LESAs are determined not to be suitable for use by Bay-Delta Program, develop an alternative threshold methodology for use in determining the significance of Bay-Delta Program project impacts on agricultural land.
 3. Work with the Bay-Delta Program agencies to develop an agricultural resources impact mitigation protocol. Prepare a policy document that describes and explains specific measures that will be used to minimize and mitigate impacts on agricultural lands, including adjacent agricultural lands, in accordance with the CALFED ROD. The policy will describe, illustrate and, where necessary, provide guidance on specific strategies to mitigate impacts on agricultural resources that will normally be used for specific actions.

Existing examples of the application of mitigation measures will be referenced or linked to the extent they are available.

- a. The developed threshold(s) of significance (Goal II(A)(2)) should be incorporated into the mitigation protocol document, and into Bay-Delta Program's program plans as appropriate.
 - b. Encourage the provision of training for Bay-Delta Program agencies on the use of the protocol's mitigation measures and thresholds of significance.
4. Work with Bay-Delta Program agencies to identify and develop for implementation those CALFED ROD agricultural mitigation measures requiring further elaboration, authority or guidance for use by Bay-Delta Program agencies. For example, the CALFED ROD's list of adopted mitigation measures for agricultural land includes, "[s]upport the California Farmland Conservancy Program in acquiring easements on agricultural land" (CALFED Programmatic Record of Decision, Volume 1, Appendix A, section 7.1, item 8). For this measure to be used as a mitigation tool, the word "support" will need to be defined. For example, if the term means the establishment of a mitigation bank within the California Farmland Conservancy Program, as some Subcommittee members have concluded, development of any necessary authority, guidance on the calculation of mitigation fees and other aspects of the bank may need to be completed in order for Bay-Delta agencies to use it for mitigation.

B. Encourage conservation in rural communities by providing incentives and resolving barriers for landowner participation in Bay-Delta Program projects.

1. Work with the Bay-Delta Program to support and promote programs, policies and legislation that remove disincentives for conservation in rural communities. Examples of such support may include:
 - a. Regulatory assistance;
 - b. Development of Safe Harbor Agreements; and,
 - c. Implementing SB 231 Voluntary Local Programs.
2. Work with Bay-Delta Program agencies to promote agriculture-wildlife habitat land use compatibility, including:
 - a. The Development of Good Neighbor Policies. Bay-Delta Program agencies should support the local development of policies that avoid, minimize or resolve conflicts between agricultural land uses and wildlife habitat in the Delta and the Sacramento and San Joaquin valleys. The first good neighbor policy supported could be the policy proposed for the SRCAF.

- b. The funding of measures in project proposals that maximize agricultural-wildlife habitat land use compatibility. Encourage funding for measures to improve compatibility of agricultural land uses with ERP habitat restoration and enhancement, and other program actions. Such measures may include management of groundwater seepage, fencing, vegetative buffers, acquiring easements on buffer areas, and planting crops on restored habitat land to draw wildlife away from private agricultural land. Because of prior work that has been conducted, focus could be on the Sacramento River Conservation Area Forum for initial support for conflict resolution.

C. Work with the Bay-Delta Program Science Program to evaluate the ecological, social and economic costs and benefits of farming and restoration practices that promote the creation of Working Landscapes. Encourage the Science Program to support research and monitoring of the ecological and socio-economic costs and benefits of agriculture-friendly wildlife habitat restoration and wildlife friendly farming practices compared to public acquisition, conversion and/or management of agricultural lands to meet Bay-Delta Program goals and objectives.

1. Work with the Bay-Delta Program to initiate Science Program Consultation to:
 - a. Develop conceptual models;
 - b. Develop monitoring and evaluation protocols to evaluate the habitat benefits of wildlife-friendly farming/farming-friendly habitat restoration on selected projects identified in Goal I. Prepare report explaining the results of monitoring and evaluation; and,
 - c. Develop and prioritize adaptive management “experiments.”
2. Work with Bay-Delta Program agencies to assess the socio-economic effects of Bay-Delta Program projects on local, rural communities, including minority, low-income, tribal, under-served communities. Such work is encouraged to include the:
 - a. Assessment of past and current research on the socio-economic effects of Bay-Delta Program projects on rural communities, as defined in Goal II(C)(2), above. Where there are gaps in this research, work with the Bay-Delta Program’s Science Program and the Environmental Justice Subcommittee to fund additional research to better inform Bay-Delta Program agencies about the full range of potential socio-economic effects of program implementation, and to support adaptive management.
 - b. Review of existing research, and where necessary, the funding of new research to document the net effects of Bay-Delta Program projects on local tax revenues.
 - c. Support of Payment of In Lieu Taxes (PILT) and other assessments where the net tax revenue effects on local agencies are negative.

- d. Analysis of existing laws, regulations and policies concerning PILT payments, and support of existing laws, regulations and policies that provide for PILT payments. Where existing laws, regulations or policies are needed to authorize PILT payments, or other forms of revenue impact mitigation, the Bay-Delta Program is encouraged to support the necessary regulatory or legislative changes.

GOAL III

Goal III: *Coordinate funding and outreach to support a working landscape approach to meeting Bay-Delta Program objectives.*

- A. Develop web-based conservation toolbox.** Review existing efforts and evaluate the need for a tool-box. As needed, develop an area within the California Department of Food and Agriculture’s website that provides information on various financial incentives and sources of technical assistance available to agricultural landowners. The website should contain a comprehensive list of links to websites that provide specific information about relevant programs, and notices of grant programs, workshops, meetings and conferences for landowners interested in wildlife conservation on agricultural land, as well as other land stewardship issues.
- B. Coordinate funding.** Establish a process to better coordinate Bay-Delta Program ERP funding and funding priorities with state and federal programs, including Farm Bill programs.
- C. Conduct landowner workshops.** Work with the American Farmland Trust, the California Farm Bureau Federation, and other farm groups and local entities as appropriate to schedule local workshops that offer information to landowners about various topics relative to conservation, such as environmental regulation, estate taxes, and including conservation measures and wildlife habitat in agricultural operations. One of the major goals of the workshops will be to explain the incentives for wildlife conservation on agricultural lands and how such incentives can improve or complement ongoing agricultural operations. The workshops would be intended to help landowners improve profits from agriculture and meet regulatory requirements using various incentives.
- D. Prepare media supporting wildlife friendly farming.** Prepare publications, articles and audio-visual materials to increase landowner awareness of available programs and practices that enhance habitat values on commercial agricultural operations, including the development of innovative revenue producing activities. Products may include “how-to” booklets, brochures, radio spots, videos and press releases.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 5G

Working Landscapes Subcommittee Recommendation Framework for Project Development and Selection

Description:

The Framework provides background and general recommendations on implementing a Working Landscapes approach to California Bay-Delta Program implementation. The Framework also provides recommendations to the California Bay-Delta Authority for the development of a Proposal Solicitation Package (PSP) for the Ecosystem Restoration Program (ERP) to address issues of importance relating to ecosystem values and agriculture, and to guide the disbursement of \$20 million in Proposition 50 funds earmarked for those issues.

Recommended Action: Committee Adopt

Subcommittee Recommendation:

The Working Landscapes Subcommittee recommends that the Bay-Delta Public Advisory Committee (BDPAC) adopt the Framework developed by the Subcommittee. The Subcommittee is comprised of non-government organization staff, private individuals representing an array of viewpoints on the issues surrounding agriculture and ecosystem values and state and federal agency staff. Proposition 50 states that "...not less than \$20 million shall be allocated for projects that assist farmers in integrating agricultural activities with ecosystem restoration". The Framework provides a context and process to meet that charge in a forthright and responsible manner.

Background

The Working Landscapes Subcommittee was authorized by BDPAC in July, 2002. The purpose of the Subcommittee is to provide a forum where private landowners and the environmental community work together to develop Bay-Delta Program implementation strategies that incorporate both private and public efforts to sustain agriculture, families, and communities, while protecting and enhancing the landscape's ecological health. In 2002 California voters passed Proposition 50, which among its other provisions requires the Ecosystem Restoration Program to

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

commit at least \$20 million to assist farmers to incorporate restoration practices into their agricultural operations. In December 2002, Patrick Wright, Program Director, asked the Subcommittee to develop a set of guidelines for the Ecosystem Restoration Program as it pursues this commitment. The Framework is the response to that request.

The Framework underwent extensive comment and revision. Drafts of the Framework were presented to the Environmental Justice, Ecosystem Restoration, and Watershed Subcommittees, and members of several other Subcommittees also serve on the Working Landscapes Subcommittee. Major issues in the discussions included whether the \$20 million could be disbursed in a separate PSP from the ERP PSP, whether and how to use these funds as cost-shares for expanded USDA Farm Bill conservation programs, how to provide technical support, the critical importance of outreach and local support, whether to support payments in lieu of taxes, endangered species and safe harbor issues, among others.

The next steps, after approval of BDPAC, are to transmit this Framework to the Authority and have the Ecosystem Restoration Program use it as guidance for a focused PSP. The Framework will also be transmitted to other Bay-Delta Program managers and implementing agencies.

Committee Role

The Framework has been developed by a group representing a broad range of viewpoints on the issues of agriculture and the environment. As such, it represents a good-faith effort on the part of BDPAC to meet the requirements of Proposition 50, which directs the CBDA-ERP to commit \$20 million to assist farmers in integrating agricultural activities with ecosystem restoration.

Attachment:

Attachment 1 - Working Landscapes Subcommittee Framework for Project Development and Selection

California Bay-Delta Public Advisory Committee Working Landscapes Subcommittee

Recommendation

Framework for Project Development and Selection May 22, 2003

Introduction

THE CHALLENGE: THE PRIVATE LANDOWNER AS A BAY-DELTA PROGRAM PARTNER.

The Bay-Delta Program is an unprecedented partnership effort between state and federal agencies to restore ecological health and improve water management. The effort is launching the largest, most comprehensive water management program in the world. The lands included in the Bay-Delta Program's Solution Area include mostly private lands. Bay-Delta Program agencies understand that it is imperative that there be a willing participation, indeed collaboration, of private landowners and local governments in implementing the Bay Delta Program. However, "[m]any landowners and local communities are concerned that they may be prevented from continuing to farm, ranch, or provide flood control on or near land preserved or enhanced [by CALFED] for habitat conservation purposes." (CALFED Bay-Delta Program *Local Partnerships Planning Process*. March 7, 2002.) Specifically, private landowners and local communities have expressed reservations with the Bay-Delta Program over the following issues:

1. Inadequate funding to support landowner-led restoration;
2. Threat of regulation, particularly by state and federal Endangered Species Acts (ESAs);
3. Costs, time and complexity of permit compliance;
4. Lack of coordination among state and federal regulatory and funding agencies;
5. Inflexible approach to ecosystem restoration and agriculture;
6. Adverse impacts on agriculture from ecosystem restoration;
7. Need for science and monitoring to document private versus public restoration; and,
8. Adverse impacts on local government revenues from ecosystem restoration.

THE RESPONSE: THE WORKING LANDSCAPE. As stated, the Bay-Delta Program recognizes both the value and necessity of positive partnerships with landowners and local governments to accomplish Bay-Delta Program goals. The Bay-Delta Program *Local Partnerships Planning Process* white paper states that "an approach that provides stakeholders with incentives and support, and assists them with bureaucratic and regulatory burdens, has the potential to result in a much greater level of success in returning ecological health to the Bay-Delta region." Specifically, the white paper goes on to state that

"CALFED agencies will take a flexible approach to habitat restoration and enhancement on agricultural lands that keeps agricultural land in production and in private ownership wherever possible [and] makes use of a 'conservation toolbox,' relying on a variety of programmatic

strategies and proven best management practices to promote working landscapes that are profitable for agriculture and beneficial for wildlife...The working landscape approach will be demonstrated through projects with producers that are representatives of their regions."

The term, *working landscape*, can mean many things to many people; it is a subjective term. However, for the purposes of this proposal, the term represents a concept or vision of the Working Landscapes Subcommittee that has been defined in the proposed December 5, 2002 Subcommittee Description (Appendix C), as follows:

"A working landscape is a place where agriculture and other natural resource-based economic endeavors are conducted with the objective of maintaining the viability and integrity of its commercial and environmental values. On a working landscape, both private production, as well as public regulatory decisions account for the sustainability of families, businesses and communities, while protecting and enhancing the landscape's ecological health. The working landscape is readily adaptable to change according to economic and ecosystem needs.

With respect to CALFED, a working landscape is both an objective and a means to achieve it. A working landscape is efficiently managed largely by private agricultural landowners and managers who are supported and encouraged to manage their lands in ways that fulfill CALFED goals, allowing them to pursue ecological health goals while yielding economic returns on investments, and generating tax revenues that support their local governments."

AN OPPORTUNITY: MAKING THE WORKING LANDSCAPE WORK. Funding to develop and demonstrate the working landscapes approach to Bay-Delta Program implementation is available from a variety of sources within and outside of the Bay-Delta Program (e.g., the 2002 Farm Bill). Proposition 50, enacted by voters in 2002, provides a unique funding opportunity. Proposition 50 (Chapter 7) earmarks \$180 million for Ecosystem Restoration Program (ERP) projects. Of that amount, "not less than \$20 million is directed for projects that assist farmers in integrating agricultural activities with ecosystem restoration." The following proposal includes recommendations for the use of the \$20 million of Proposition 50 funds, as well as other Proposition 50 and state and non-state funds that are available, or that can be leveraged, to implement a working landscape strategy to accomplish ERP and other Bay-Delta Program goals.

General Recommendations:
Implementing a Bay-Delta Program Working Landscapes Strategy

To support a working landscapes approach to Bay-Delta Program implementation, the Working Landscapes Subcommittee recommends the following:

1. OFFER A FOCUSED ERP PROPOSAL SOLICITATION PROCESS (PSP) FOR WORKING LANDSCAPES. An anticipated approach to the Bay-Delta Program ERP project funding is to release a series of targeted Program Solicitations for ecosystem restoration actions. The Subcommittee recommends that one such solicitation be released to call for projects that embody the *working landscapes* approach to achieving ERP milestones. Qualified peer reviewers familiar with

agricultural practices, as well as ecosystem restoration should evaluate proposals solicited under the focused PSP.

2. ADOPT A WORKING LANDSCAPE APPROACH FOR ALL BAY-DELTA PROGRAM ELEMENTS. The Bay-Delta Program, through the use of Proposition 50 and other funding sources, should actively support a *working landscape* approach to Bay-Delta Program implementation across all pertinent program elements. This approach is based on locally developed and directed projects that foster positive partnerships with private landowners, land managers and local communities, and that achieve Bay-Delta Program goals and objectives.

3. TARGET LANDSCAPE SCALE “OPPORTUNITY AREAS.” The funding available through Proposition 50 working landscape projects is limited. The Subcommittee, therefore, recommends that it support projects in areas where there are high ecosystem, natural resource and agricultural values to protect or restore. The Subcommittee refers to these as “opportunity areas.” They are also areas where resource and ecosystem values are threatened or degraded, or both. Further, they are areas where significant restoration and conservation investment by Bay-Delta Program or others has already been made, local capacity and momentum has been established, work is ongoing, and the potential for success is high. Finally, these areas are of “landscape scale”; i.e., typically made up of multiple landowners and communities that share common resource concerns, watersheds or land management practices.

4. DEVELOP FLEXIBLE PROGRAM SOLICITATIONS. Bay-Delta Program solicitation guidelines should include enough flexibility to recognize the variety of local conditions including, but not limited to, land ownership, the breadth and extent of coordination of resource management activities, the capacity to develop and implement projects, and existing efforts.

5. PROVIDE ADEQUATE TECHNICAL AND REGULATORY ASSISTANCE. The Bay-Delta Program agencies should assure adequate staff and coordination of staff to provide scientific, technical and regulatory assistance to expedite the implementation and monitoring of Bay-Delta Program-supported projects.

6. LEVERAGE NON-BAY-DELTA PROGRAM FUNDING. The Bay-Delta Program’s programs and implementing agencies, both state and federal, should actively seek out, develop and implement co-funding and leveraging opportunities that support the *working landscapes* approach and further Bay-Delta Program implementation.

Recommendations for a Focused Working Landscapes PSP

OFFER A FOCUSED ERP PSP: The proposed project development and selection process should aim to support projects that *directly assist farmers and ranchers* to integrate agricultural activities with ecosystem restoration. (Refer to the Bay-Delta Program ERP Stage 1 Implementation Plan and the milestones of the Bay-Delta Program’s Multiple Species Conservation Strategy.) The intent of the proposed focused ERP PSP is to target three to five landscape scale “opportunity areas” within which one or more projects would be selected. In general, the highest priority for funding should be given to projects that enable agricultural producers and their communities to improve aquatic and terrestrial habitats and natural processes to support stable, self-sustaining populations of diverse and valuable plant and animal species, and addresses the largest number of the following intentions:

1. Rely on locally-based collaborations that aim to integrate and harmonize ERP goals with agricultural practices and economic sustainability.
2. Improve the viability and sustainability of landowners’ use of their lands.
3. Enhance local economic conditions via value-added land and water improvements.
4. Generate *multiple benefits* by addressing one or more of the following resource objectives: wildlife habitat; water quality; water supply and conveyance infrastructure and management; levee integrity; floodplain protection and management
5. Make full use of the variety of conservation policies, programs and practices that currently exist by compiling and offering a *conservation tool box*, customized at the project level to assist landowners and communities meet Bay-Delta Program goals. (See Appendix A for a sampling of the kinds of tools and outcomes expected to derive from the “*tool box*.”)
6. Address ecosystem restoration goals on a landscape scale; examples of landscape scale projects might include a watershed group or a Conservation Reserve Enhancement Program area.
7. Build on past restoration investments that further Bay-Delta Program ERP goals and objectives.
8. Use Bay-Delta Program funds to leverage federal state and other conservation funds, such as U.S. Department of Agriculture’s (USDA) Farm Bill conservation program funds.
9. Employ science-supported monitoring and adaptive management to define the current and future role of working landscapes in meeting Bay-Delta Program ecosystem restoration and water quality objectives.
10. Demonstrate effective permit assistance to landowners participating in ecosystem restoration on their lands.
11. Provide protection to landowners, and to the extent possible, neighboring landowners, who participate in on-farm ecosystem restoration (e.g., opportunity area-based biological opinions, Safe Harbor, DFG Voluntary Local Program, (Senate Bill 231), Habitat Conservation Plans, etc.)

APPROACH TO IMPLEMENTATION OF FOCUSED ERP PSP. The following recommended approach builds on the policies and processes previously set forth by the Bay-Delta Program (e.g., ERP Proposal Solicitation Process, Stage 1 Implementation Plan and milestones).

1. Target “Opportunity Areas” from within the Bay-Delta Program’s Solution Area

The focused PSP should target a limited number of opportunity areas within Bay-Delta Program ERP regions for planning and implementation project grants. The Subcommittee recommends that one or more projects be funded from a variety of the Bay-Delta Program regions. Investment in a region should be based on the existence of prior investment, ERP restoration priorities, the existence of organizing entities, and transferability.

2. A Two-Part Proposal Solicitation for Both Planning and Implementation Projects

In order to improve projects and provide project proponents with the necessary resources to develop promising projects, the Subcommittee recommends providing support up-front to local groups. Therefore, the PSP proposal should include both planning and development grants in the \$10,000 to \$50,000 range, as well as larger implementation grants.

Planning grants should be short-duration grants with the expectation that they will lead to implementation proposals. One purpose of the planning grant component is to build capacity of developing local organizations, such as watershed groups, in order to help prepare these organizations for submittal of full proposals for implementation projects. A second purpose is to provide greater access to the ERP PSP process by minority, low-income, Tribal and other traditionally under-served communities.

Also, within the planning grant category would be “adaptive management” grants, where concepts for addressing landowner issues (e.g., adjacent landowner impacts) could be tested with an initially smaller grant, followed by full implementation under a second, potentially larger proposal that incorporated the lessons learned.

Under this proposal, applicants with project implementation proposals ready to submit, and who have the capacity to implement their projects, would proceed directly to the implementation grant component of the PSP. In either type of grant, it is proposed that the process start with the submission of conceptual proposals. Approved concepts would then be approved to proceed with fully developed project proposals.

As recommended, the PSP process would proceed as follows.

a. ***Solicit concept proposals of approximately two to three pages in length.***

Pre-solicitation outreach to local groups, including grower-based groups should be conducted by the California Department of Food and Agriculture, Department

of Conservation and Department of Fish and Game in collaboration with the USDA.

- b. ***Direct applicants of approved concepts to submit fully developed project proposals for evaluation.*** Evaluation should be conducted by reviewers convened by the ERP including the Department of Fish and Game, Department of Food and Agriculture, Department of Conservation and the USDA. The evaluation team should have expertise in both ecosystem restoration and agriculture. (See Appendix B for proposed criteria that could be used in evaluating project concepts and full proposals.)
- c. ***Award project planning and implementation grants.***

From the proposals, the Subcommittee recommends that one or more opportunity areas from throughout the ERP regions, projects be selected for planning and implementation funding. The two-stage process (i.e., concept and full proposals) should minimize the potential wasted time on unpromising proposals; provide local groups the support they may need to fully develop projects and partnerships; support the development of scientifically-sound monitoring and evaluation programs; and, maximize opportunities for projects that achieve the Working Landscape Subcommittee's objectives.

3. Favor Co-Funded Projects that Leverage other State and Federal Funds

Funds allocated under this process should be used, to the maximum extent possible, to leverage other federal, state or local program funding streams whose purposes are consistent with the Subcommittee's vision and mission (see Appendix C, *Subcommittee Description*). Examples of such opportunities include, but are not limited to: USDA's Farm Bill conservation programs, which include funds for cost-share on the installation of conservation practices, technical assistance for planning, and acquisition of easements; U.S. Department of Interior Fish and Wildlife Service non-regulatory incentive programs; Department of Water Resource's Flood Protection Corridor Program; Department of Conservation's Resource Conservation District, watershed and agricultural land conservation easement programs; nonprofit organization foundation funds; etc. In-kind contributions should be accepted as local matches in order to encourage local organization and landowner contributions to projects.

Appendix A: Examples of Potentially Funded Projects and Practices

Consistent with the previously stated objectives for the proposed focused ERP Working Landscapes PSP, projects that employ a “conservation tool box” approach should be favored for funding under this process. A tool box approach is one that makes use of a variety of site-appropriate conservation tools to accomplish multiple purposes and generate multiple public benefits. To illustrate, following are several examples of the intended type and scale of landowner/manager actions.

- a) Native riparian habitat enhancement
- b) Floodplains and bypasses as working landscape features
- c) Water quality improvement (e.g., riparian buffer strips)
- d) Native upland, aquatic and terrestrial habitat and habitat corridors
- e) Fish screens and fish passages
- f) Participate in regulatory assistance and/or permit streamlining programs to facilitate affirmative steps to restore habitat; e.g., DFG Voluntary Local Program for ESA provisions and private conservation planning (Senate Bill 231), federal ESA Safe Harbor provisions, and biological opinions under the Bay-Delta Program’s Multiple Species Conservation Strategy.
- g) Actions to avoid or mitigate impacts on adjacent landowners from restoration on participating lands
- h) Agricultural land conservation easements
- i) Adaptive management through scientifically sound monitoring of the effectiveness of conservation actions
- j) New market development to capitalize on the added value of project benefits (e.g., agri-tourism, hunting, flood protection, wildlife viewing, carbon credits, etc.)
- k) Field practices and farm management improvements that help enhance ecosystem function.

Appendix B: Proposed Working Landscapes PSP Ranking Criteria

The Subcommittee recommends that the proposed local projects be evaluated and ranked based on the degree to which they fulfill Bay-Delta Program ERP goals and as many of the following proposed criteria as possible:

- a) The proposed project will demonstrate a working landscape approach where agricultural activities are integrated with ecosystem restoration;
- b) Ultimate use of the funds supports the conservation work of owners of privately held working farms and ranches;
- c) Provides multiple public benefits and contributes to other Bay-Delta Program goals;
- d) Leverages additional cost-share funding from private, non-profit, and/or public sources;
- e) Project development, direction and implementation are supported by local involvement;
- f) Scientific planning, performance evaluation, (including measurable outcomes) and adaptive management is a project component;
- g) Qualified technical expertise is brought to bear on project planning, implementation and monitoring, as appropriate;
- h) The geographic scale of the project is appropriate to deliver cumulative conservation benefits on multiple agricultural operations;
- i) Evidence of ability to acquire needed permits and/or other regulatory approvals is demonstrated;
- j) Project outcomes are transferable to other lands in the region or state;
- k) Project addresses its potential impacts on neighboring landowners;
- l) Project benefits are “durable”; i.e., investments in improvements occur on lands that are protected from conversion to non-working landscape uses by long term land use restrictions;
- m) Conservation actions result in environmental improvements that are economically feasible; local land use and conservation policies are supportive of project sustainability, etc.;
- n) Project demonstrates the use of regulatory assurances to protect landowners from ESA liability by the use of tools such as DFG’s Voluntary Local Program, Safe Harbor, and biological opinions in exchange for habitat enhancement;
- o) Applicant has a record of success, demonstrates adequate organizational capacity to successfully carry out proposed project, and/or otherwise demonstrates that proposed project can be successfully implemented with grant funding, leveraged funds and in-kind services and materials; and,
- p) Project provides benefits to minority, low-income, Tribal or other traditionally under-served communities.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 6

Integrated Key Milestones Update

Description: A status report on discussions on key decisions concerning water facility operations, the Environmental Water Account, related environmental documentation and Science Program review.

Recommended Action: Committee Discussion and Comment

Staff Recommendation: Staff recommends the Committee discuss the implications of future decisions related to the integrated key milestones on implementation of the Program and provide advice on integrating science into decision and policy-making. Decisions on these milestones will determine future operations of the State and Federal water projects, contracts with the State and Federal water contractors, protection and recovery of endangered species, and achievement of water supply, water quality, ecosystem restoration and levee system integrity goals and objectives.

Background

At the September 18, 2002 meeting, Bay-Delta Program agencies informed the Committee on upcoming decisions on the South Delta Improvement Program (SDIP) including increasing pumping at the Banks plant to 8,500 cfs, operations criteria and planning (OCAP), and the Environmental Water Account (EWA). To meet the milestone deadlines agency and stakeholder interests are beginning a new coordinated process (Attachment 1) involving State and Federal regulatory agencies, water districts, and environmental interests. The attachment includes a new Integrated Key Milestones schedule.

The Committee also learned that the agencies and stakeholder interests requested Science Program review prior to preparation of related environmental documents and possible establishment of new policy through the agency decisions on the milestones. The Science

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Program is devoting 27% of its total Year 4 Program-wide budget on water operations and biology. Part of this budget is for a symposia on OCAP and related issues in June 2003 and review of the EWA in October 2003. Such rigorous scientific review of current and future policy decisions sets the stage for a new and integrated role for science.

During the March 25, 2003 Committee meeting, members, while discussing Science Program priorities and budget, addressed the continuing need to effectively integrate scientific findings or conclusions into regulatory decision-making. At the June 5, 2003 meeting, the Committee is being asked for advice on integrating science into the decision-making processes.

Committee Role

The Committee has been kept up-to-date on progress being made on the integrated key milestones. Although many of the discussions needed to ensure the milestones are achieved will occur in other venues, the participants would benefit from Committee advice on the role of science in policy making and discussion on implications of milestone decisions on implementation of the Program.

Attachment:

Attachment 1 – Mid-Stage One Package Coordination Process and SDIP 8500 Stakeholder Process Summary Sheet and Schedule

Mid-Stage One Package Coordination Process and SDIP 8500 Stakeholder Process Summary Sheet

The CALFED Bay-Delta Program (Program) is in the third phase of an ambitious, collaborative effort to implement a long-term, comprehensive plan to restore the ecological health of the Bay-Delta system and improve water quality and water supply reliability. The broad goal for Phase III is implementation of the Record of Decision (ROD) signed at the conclusion of Phase II. The first seven years of Phase III are designated Stage 1, and will lay the foundation for future years. A key focus of this stage is site-specific environmental review of multiple proposed actions intended to implement the ROD. These proposed actions currently are in varying stages of environmental review and have been discussed within CALFED as the Integrated Key Milestones (A summary diagram showing current projected dates for key milestones in the environmental review processes appears in an accompanying document entitled "Integrated Key Milestones."). CALFED agencies have exclusive or shared jurisdiction over their own review and decision making processes, but each set of decisions associated with the environmental review process has potentially significant implications for the overall CALFED program.

Coordination Process Actions and Programs. The California Bay-Delta Authority (Authority) is initiating a Coordination Process for this Mid-Stage 1 "package" of actions and environmental reviews that include South Delta Improvement Program (SDIP) 8500, Operations Criteria and Planning (OCAP)/Long-term Contract Renewal, the Freeport Regional Water Project, Environmental Water Account (EWA), Water Quality Control Plan, and Delta Mendota Canal (DMC) /California Aquaduct (CA) Intertie. The package also includes the Science Program because of its significance for environmental decision making.

Purposes. The Coordination Process will serve as a forum for CALFED agencies and key stakeholders to identify and discuss issues with crosscutting implications for elements of the Mid-Stage 1 package, and jointly explore options for resolving those issues consistent with NEPA, CEQA, Federal Advisory Committee Act (FACA), and other laws. CALFED Agencies will retain their decision making authority and meet on a separate agency track, and will be actively soliciting the perspectives of stakeholders regarding issues, key needs, and potential solutions to inform their decision making processes. The Coordination Process also will provide a consistent point for communication of accurate information about these concurrent processes.

Integration of SDIP 8500/Other forums. The second phase of the SDIP 8500 stakeholder process will proceed on a separate track and will be integrated with the larger Coordination Process. The intent is that issues with crosscutting implications, such as the future of EWA, will be addressed within the Coordination Process, and that participants will bring the results of these discussions to the 8500 forum. Issues that are specific to the 8500 process, e.g., technical issues related to operations, will be the focus of the 8500 process, and participants will bring the results of these discussions to the Coordination Process. Other forums may be created to promote joint issue exploration and resolution as opportunities arise and needs are identified.

Technical/Scientific Support. The Coordination Process will invite CALFED Agencies and stakeholders to work jointly on key technical and scientific issues as a way of promoting shared understanding and high-quality decision making.

Participants. All CALFED constituencies will be invited to participate.

Kickoff Meeting. The Coordination Process will begin formally with a kick off meeting for CALFED agencies and other key stakeholders on [DATE]. The SDIP 8500 process will also have a kickoff meeting, potentially in conjunction with the Coordination Process.

Integrated Key Milestones

2003

2004



2003

2004

* Trinity included.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03
Agenda Item: 7

Bay-Delta Program Executive Science Board Update

Description: Executive Science Board charge and desired qualifications of individuals.

Recommended Action: Committee Discussion and Recommendation

Staff Recommendation: Staff recommends the California Bay-Delta Public Advisory Committee discuss the charge of the Executive Science Board, qualifications, desired balance between local knowledge and external experience, and the ultimate goal of balance across disciplines spanning core CALFED technical issues.

Background

The Executive Science Board, as intended by the Bay-Delta Program agencies and specifically called for in the Record of Decision, will provide an ongoing, independent assessment and expert insight into the complex issues addressed by the California Bay-Delta Authority. The charge to the Board, its relationship to the Authority and existing independent panels, how it functions, general qualifications of nominees, desired balance of expertise across the Board, and the individuals nominated by the Lead Scientist are summarized in the supporting material below.

Executive Science Board Charge

The Executive Science Board is designed to be a standing board of distinguished experts (scientists and engineers) made up of individuals with a range of multi-disciplinary expertise balanced among those with local experience and those with external relevant expertise. These experts will help the Authority establish a balanced view of the science issues that underlie important policy decisions. The Executive Science Board is not asked to pass direct judgment on the success or failure of the Authority's programs, but to provide insights that can make the science underlying those programs, the application of that science, and the technical aspects of

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

those programs the best they can be. This includes overseeing the goal of explicitly characterizing the status of knowledge and identifying assumptions and uncertainties. The Executive Science Board as a whole will include the necessary expertise to cover the breadth of CALFED Program issues.

The Executive Science Board members will be charged with undertaking the following tasks (described in more detail in Attachment 1):

- Understand the technical underpinnings of the Bay-Delta Program.
- Evaluate and provide insights on progress toward addressing underlying premises of the Bay-Delta Program.
- Annually evaluate the science agenda.
- Assure balance and credibility of analyses and reviews conducted by other standing panels and boards.
- Review and approve performance measures.
- Assure science is used in all programs.
- Identify impending issues and significant interconnections.
- Work with the National Research Council.
- Help select the Lead Scientist in the event of a vacancy.

The Executive Science Board will formally report directly to the Authority. It will be expected to produce a written report once every two years on the state of science across all Program efforts. Executive Science Board members may be asked to testify on their evaluations before the legislature.

The Executive Science Board is one element of the independent review system the Authority and Bay-Delta agencies are using to integrate review and advice across the Program. There are three levels of working groups: Technical Panels, Standing Boards and the Executive Science Board (Attachment 2). The Executive Board focuses on cross-program issues and assure that reviews conducted by other Boards and panels are balanced. Some members of the existing Boards and panels have been nominated to the Executive Board to facilitate communication across the review system. The Science Program and Lead Scientist manage this current system. This system came about due to the number of technical issues that the Bay-Delta Program confronts, and the complexity of these issues.

The Executive Science Board will meet approximately three times per year unless experience dictates a greater or lesser meeting frequency. Membership on the Executive Science Board will be constant for the first four years, then a progressive rotation of 5 board members per year will begin. Executive Science Board membership for an individual may be renewed up to two times at the request of the Lead Scientist, with concurrence from the Authority.

Board Member Qualifications

Independent experts are agents for facilitating communication between the Authority and the scientific and management community. Therefore they must have the highest level of expertise and stature so that their advice is respected by the public, scientists, agency technicians, Bay-Delta Program staff, and management. The ability to sustain a balanced view of issues is just as

important as stature in an independent expert. It is critical that the expert (or advisor) have a reputation for willingness to listen to opposing views, willingness to change one's mind in the face of evidence contrary to an original view, and willingness to separate one from biases associated with employment or professional associations. Thus, for an independent expert to be nominated by the Lead Scientist requires the individual have a track record of all or most of the following (described in more detail in Attachment 1): scientific stature; advisory experience; technical publications; relevant knowledge; people skills; reputation for achieving balance; and interdisciplinary skills.

Program staff has spent considerable time and energy in their search for the initial appointees to the Executive Science Board to attain a multidisciplinary, balanced approach and a balance between local and external experience. A slate of nominees, most of whom have direct experience in the Bay-Delta Program's science review system, are currently being contacted by the Lead Scientist to determine their willingness to serve the Program in this capacity and will be presented to the California Bay-Delta Authority for confirmation at its first meeting. We expect the Executive Science Board membership to grow beyond this initial panel to address additional needed expertise -- and that future nominations will take place as more programs begin to use advisory and review panels and appropriate individuals and gaps in expertise are identified. The Board, however, will be no larger than 25 members total.

Attachments:

Attachment 1 - Use of Technical Experts by California Bay-Delta Authority's CALFED Bay-Delta Program

Attachment 2 - CALFED Science Board Organization

Use of Technical Experts by the CALFED Bay-Delta Program

An important function of the CALFED Science Program is to provide an on-going assessment and analysis of use by the California Bay-Delta Program of “world class science” and adaptive management, as mandated by the Record of Decision (ROD) that defines the program. The use of technical experts is critical to accomplishing that goal. This document justifies that need and explains the strategy used to incorporate expert insights into the many, complex issues being addressed by the CALFED Bay-Delta Program.

Role of Science in the Activities of the CALFED Program

The ROD mandated creation of a “CALFED Science Board” (i.e., California Bay-Delta Authority Executive Science Board). The concept was that incorporating review, insights and/or advice from independent experts with knowledge and experience relevant to a specific Bay-Delta issue would benefit the actions necessary to achieve CALFED’s multiple goals. The precedent for obtaining advice from academic experts was begun before the signing of the ROD by the CALFED Ecosystem Restoration Program. Subsequently (after September 2000) a formal process for obtaining input from independent experts was developed and now is being progressively implemented by the Authority’s Science Program.

As the actions of the ROD are being implemented, the CALFED agencies intend to incorporate stakeholder participation and science-based adaptive management. The goal is to ensure that the best possible scientific information guides decision-making within every aspect of the program, while results of CALFED activities are closely evaluated. Thus oversight of data collection and ecosystem monitoring, along with scientific review of actions and decisions is essential. To cite the ROD, “The highest quality and credibility of science-based decision making will be assured by the integration in the Program of an independent board of scientific experts.”

The ROD specifically designated that the California Bay-Delta Authority (Authority) appoint a Lead Scientist, who is supported by an explicitly defined “Science Program” (a standing program). To facilitate the integration of sound science into CALFED operations and management decisions, the Science Program strives to

1. Enhance communication about the status of critical scientific knowledge among scientists, management, and the public (including recognition of assumptions and uncertainties).
2. Increase the body of credible scientific knowledge (research, monitoring, assessment and data interpretation to narrow uncertainties).
3. Advance and sustain the credibility of the science that is used to evaluate and/or support the actions of the Program.

Improved communication is being accomplished through workshops, conferences, white papers, creation of an online journal, and increased science collaboration with program managers. To

increase the body of knowledge of long-term monitoring, applied research and academic research are supported by the Authority and CALFED agencies; and collaboration among scientists from agencies, universities, and the private sector is encouraged. Millions of dollars of new studies are awarded each year in both competitive grants programs and “directed” actions. Credibility is established and sustained through extensive use of independent experts in the peer review of both competitive and directed action proposals. Proposals are awarded only if they are technically competent and relevant. Extensive review by independent experts of technical products, projects, programs, and actions is also common practice.

Existing Structure for Scientific Review

The CALFED Science Program’s existing approach for incorporating independent expertise involves three levels of working groups. This somewhat complex system is necessary because of the number of technical issues that are confronted, the depth required to confront each issue effectively, and the different approaches sometimes necessary to obtain review, advice and insights. The Authority’s Science Program and Lead Scientist manage the overall system. A single science board, even with subcommittees, would be overwhelmed by the combination of the number of issues, the immediacy of many needs for review or advice, and the depth of advice the Authority requires. Therefore, the working groups best suited to the needs of the CALFED Program are Technical Panels, Standing Boards, and the Authority’s Executive Science Board. All members of panels, standing boards and the Executive Science Board must meet the criteria for independent experts described above.

Technical Panels

Technical Panels provide expert input on individual issues, most of which have a finite timeline. Although these are ad hoc groups (each will eventually sunset), they meet and re-meet over the full term of the issue they are addressing. These groups work at the greatest level of detail. Each panel includes the full range of disciplinary expertise that spans the particular issue. Balanced perspectives will be a key in all groups. Some members will participate in Standing Boards and some will not. Three examples of issues that are being (or have been) addressed using such panels follow. Other examples are available if desired.

Actions to address the barrier to salmonid migration from the San Joaquin River created by seasonal low dissolved oxygen conditions in the Stockton Ship Channel. The ROD advised that \$40M be spent to bring a solution to this issue and funding was passed in Proposition 13, in FY2000. A review panel conducted three reviews (to date) of proposals for studying the problem, made progress in identifying the causes of the problem and proposals for solutions. The panel was comprised of academics of international stature with expertise in eutrophication and water quality management. The panel was not asked to recommend a solution; but to advise on the progress toward identifying causation, solution proposals and implementation. The first review was a mail review of the proposals; the second was a written review of proposals with a synthesis by a leading local independent expert. The third involved facilitated public presentations of progress and proposals for solutions in front of the review panel, followed by a written review and analysis by the panel. The reviewers first recommended an entire revision of the proposals (no funding). The second and third reviews recommended that specific (not all) studies proceed. They specifically suggested substantial redirection of water quality modeling, helped with data interpretation, and provided insights on a proposed pilot program to install aeration as a temporary solution. The agencies responded by competitively funding two new water quality

modeling studies, dropping some of the old studies, and proceeding with the pilot program (whose outcomes will be reviewed in 2003).

Mercury. Because of the long history of mercury mining in this watershed and the potential of restored wetlands to methylate mercury, this is deemed a major issue in the Bay-Delta watershed. About \$2M per year is now being invested in understanding the significance of the mercury threat and monitoring changes. It is anticipated that will grow to \$3M to \$4M per year for five years. Since 1999, a team of academic experts in mercury issues have conducted three reviews of progress in programs funded to advance understanding of the mercury issue in the Bay-Delta watershed. They provided insights on program direction and interpretation in the first two years and the programs were modified accordingly. The panel was specifically instructed not to judge whether the existing studies were successes or failures (in general), but to identify weak links in the existing work and make constructive recommendations about future studies and directions. Most recently they convened a public workshop bringing in national experts on mercury issues to work with local scientists in developing a comprehensive, unified, regional-scale strategy for understanding and monitoring mercury problems. That strategy will be released in February 2003, with RFPs for multi-disciplinary team investigations to follow.

Listing of the Sacramento splittail under the ESA. A panel composed of local experts on one of the species considered for listing under the ESA (the Sacramento splittail) by the U.S. Fish and Wildlife Service (USFWS), was convened in a public workshop in early 2001 to provide input to the agency during the window for public comment. Questions for the panel were assembled from the USFWS and an organizing committee (comprised of the Lead Scientist and some splittail experts). The panel was specifically instructed not to draw judgments about the splittail biological opinion itself or whether the species should be listed. The panel provided insights about the status of knowledge of the species, including threats, restoration needs and new interpretations of existing data. A population model was used in real time to evaluate the needs of the species and the probability of extinction under different climate scenarios. A written summary of the workshop was provided to the USFWS and is available on the Science Program website: (<http://www.calfed.water.ca.gov/Programs/Science/Science.shtml>).

Standing Boards

Standing Boards combine the expertise and experience of individuals who together can represent the range of interdisciplinary knowledge of the variety of issues and challenges that converge in a program, a complicated issue, a specific region (e.g., the Delta), or a circumstance where multiple issues collide. It is expected that many of these individuals will or will have participated in detailed analyses of narrower issues (e.g., on the Technical Panels). Thus the Standing Boards will bring to bear the nation's best expertise on the Bay-Delta's most complicated and many-faceted issues, and bring continuity to that effort. Each Board will be composed of experts appointed by the Lead Scientist in collaboration with the particular CALFED program. Standing Boards (or members) review, advise, provide insights, and raise questions that help the CALFED Agencies anticipate upcoming issues; evaluate scientific practices or issues; and help develop scientifically sound programs to complement each standing program's actions. Board members are paid but may participate in studies or projects where those activities do not directly conflict with any specific advisory or review role. Examples of standing boards are outlined below.

Independent Science Board of the Ecosystem Restoration Program. This board of 13 international experts (identified at the Ecosystem Restoration website) was convened in 1999 by

the Ecosystem Restoration Program. It meets four times per year to discuss program activities in public session with ERP staff and the Science Program. Subcommittees of the board have aided in implementation of the ERP Strategic Plan (which some board members were invited to write); helped design early work plans that developed solicitations for restoration (and associated science) proposals; anticipated or initiated heightened discussion of issues relevant to successful implementation of the ERP (e.g. the need for studies to evaluate the value of fish screens); participated in or facilitated progress of reviews (white papers) of major issues that ERP needs to address; developed a system wide conceptual model to guide systematic implementation of restoration; advanced adaptive management practices by leading workshops in local settings; designed several alternative large scale adaptive management experiments (in a workshop setting); sponsored national gatherings of experts to discuss implementation of adaptive management; and promulgated understanding of adaptive management among stakeholders and the CALFED implementing agencies.

Review Panel for the Environmental Water Account. This panel was convened in October 2001 to annually review and provide expert advice during the four year trial period of the Authority's innovative Environmental Water Account (EWA). The panel is composed of 12 experts from throughout the United States (institutions range from Stanford University to Louisiana University Marine Consortium; expertise ranges from fisheries biology and hydrodynamics to environmental law and social science). The experts were explicitly asked not to determine if the EWA was a success or a failure (a policy judgment), but to address fundamental assumptions and uncertainties and ways that the EWA could be improved. In its two reports (see the Science Program website), the panel has identified strengths (e.g., daily collaboration in managing water and environmental resources in tandem) and weaknesses (questionable commitment of resources and need for greater ecological knowledge, with specific recommendations) in the EWA. In its second meeting the panel recommended some specific management, research, and adaptive management endeavors that could be undertaken to improve the EWA and asked for responses from the agencies with regard to these suggestions. In addition, the Science Program has contracted two independent experts to work directly with the water and wildlife managers who cooperatively manage, on a day-to-day basis, water diversions, environmental resources, and environmental water. The advisors report to the Lead Scientist. They provide broad scientific advice to the agency managers (but do not oversee daily decisions) and provide inside, independent knowledge of the system for the EWA panel and the Lead Scientist. They also have played a major role in communicating and advancing the state of science underlying water management.

Definition of "Independent Expert"

Independent experts are defined by their academic credentials in specific areas of needed expertise. Except in specifically defined circumstances, they have little or no direct stake in the issue for which they are advisors. The experts are typically paid for their work by the Authority, unless they are federal or state employees (whose hours may be reimbursed to their employer). Typical activities of independent experts include the following.

1. Bringing detailed expertise to bear on scientific issues of concern to CALFED. This may include characterizing the status of knowledge about critical issues; identifying key scientific issues, or helping staff prioritize issues. Other duties include organizing or participating in workshops on critical subjects, and/or identifying, proposing, prioritizing, or writing white papers or reviews. Some expert advisors have identified

pending issues before they become critical or worked directly with managers, staff biologists, or operating engineers to help them take into account broader scientific practices, principles and implications.

2. Reviewing, advising or providing technical insights for documents, proposals or programs. Programs can include either issues that require multiple studies or proposals for an action by CALFED implementing agencies , such as changes in conveyance, threats to levees, and restoration strategies.
3. Analyzing existing data related to specific actions or programs as relevant to reviews or advising as described above.
4. Designing, conducting, or leading studies relevant to accomplishing CALFED goals that are not in conflict with review roles.

Qualifications of Independent

Independent experts are agents for facilitating communication between the Authority and the scientific and management community. Therefore they must have the highest level of expertise and stature so that their advice is respected by the public, scientists, agency technicians, CALFED staff, and management. The ability to sustain a balanced view of issues is just as important as stature in an independent expert. It is critical that the expert (or advisor) have a reputation for willingness to listen to opposing views, willingness to change one's mind in the face of evidence contrary to an original view, and willingness to separate one from biases associated with employment or professional associations.

Thus, invitation to be an independent expert requires all or most of the following:

- Scientific stature. Evidence of stature in the broad scientific community (invited contributions to workshops, conferences or panels; evidence of scientific leadership; awards, membership, or important committee assignments in prestigious organizations).
- Advisory experience. Experience advising top managers and promoting constructive uses of environmental science, especially in arenas relevant to water management and/or ecosystem restoration.
- Technical publications. A strong record of publication in peer-reviewed scientific literature in an area of expertise relevant to the issues at hand.
- Relevant knowledge. Evidence of extensive and/or intensive working knowledge of a scientific field related to the specific issues of concern.
- People skills. Evidence of abilities to work and communicate well with people.
- Reputation for achieving balance. Evidence of ability to weigh issues in a balanced manner when in an advisory capacity.
- Interdisciplinary skills. Evidence of ability to work and think across disciplines, and/or experience in working with and advising on complex issues that integrate multiple disciplines.

Charge to the Executive Science Board of the CALFED Bay-Delta Authority.

The Executive Science Board for the CALFED Bay-Delta Program is called for in the CALFED ROD (August 2000) to ensure the application of world-class science to the California Bay-Delta system. The authorizing State legislation for the California Bay-Delta Authority also identifies the Executive Science Board.

The Executive Science Board is a standing board of distinguished experts (scientists and engineers) whose role is to directly advise the Authority on the application of science and the effectiveness of science practices across the Bay-Delta Program. The Executive Science Board is not asked to pass direct judgment on the success or failure of CALFED programs, but to provide insights that can make the science underlying those programs, the application of that science, and the technical aspects of those programs the best they can be. This includes overseeing the goal of explicitly characterizing the status of knowledge and identifying assumptions and uncertainties. Executive Science Board members are paid. Many of the members of the Executive Science Board will also be members of existing Standing Boards and Technical Panels. The Board as a whole should thus include the necessary expertise to cover the breadth of CALFED issues. It is expected that the Executive Board will grow beyond the initial appointees to address the necessary expertise, but will be no larger than 25 members total. The specific charge of the Executive Science Board is outlined as follows.

The specific charge of the Executive Science Board is outlined as follows.

1. Understand the technical underpinnings of the CALFED Bay-Delta Program. Work with the Lead Scientist and the Science Program to effectively incorporate science into large scale water management and restoration programs. As a group the Executive Board should have and sustain an up-to-date understanding of the Authority's proposed actions and the state of the science applicable to those actions.
2. Evaluate and provide insights on progress toward addressing underlying premise's of the Bay-Delta program. Implicit in the CALFED ROD are basic premise's about balanced progress toward achieving the four goals of the program. Can outcomes of ecosystem restoration balance outcomes of modifications of water diversion? Should ecosystem restoration proceed across the Delta or avoid areas influenced by stressors such as the diversion pumps? How does the program balance the benefits of bioavailable carbon genesis in restoration projects with the adverse consequences of DOC for drinking water? An important mission of the Board is to explicitly identify the fundamental premise's and help the program track progress toward addressing the technical aspects of these.
3. Annually evaluate the science agenda. Annually provide insights and evaluation on the implementation of a strategic, balanced, and proactive science agenda across the entire program. Evaluate technical priorities, adequacy of funding, peer review, use of outside experts, and the successes and weaknesses of the investments in gaps in scientific knowledge. Evaluate progress on the development of an authoritative body of knowledge relevant to each goal and program of the Authority. Help identify where important gaps in knowledge or the science effort might exist, with an emphasis on considering interconnections among different elements of the program.

4. Assure balance and credibility of analyses. Provide insights in an annual report as to whether the analyses of the state of the science being applied to specific issues under the purview of the Authority are balanced and credible, including insights on how to improve such analyses in general or in the case of specific issues.
5. Approve performance measures. Evaluate and provide final approval of performance measures for the Bay-Delta Program, assuring scientific rigor and balanced interpretation of each measure and its updates.
6. Assure science is used in all programs. Compare development of science in different standing programs of the Authority and give advice on how to move science forward in all programs (including advice on selection of experts of advisory functions or standing boards; evaluation of science priorities).
7. Identify impending issues and significant interconnections. Help the Authority anticipate issues and identify areas of interconnection among programs that might otherwise be missed by more specialized boards and panels; and suggest solutions, where needed, to interconnecting issues (e.g., technically-based actions, workshops, reviews, RFPs, program collaborations, or new research).
8. Work with the National Research Council. Work with National Academy of Sciences and National Research Council board representatives to develop broad questions suitable for outside review by the National Research Council.
9. Help select the Lead Scientist. Working closely with the Director, the Executive Science Board will lead and oversee the selection process when the Lead Scientist position is vacant. This will include making a recommendation to the Authority on the nomination of potential candidate(s).

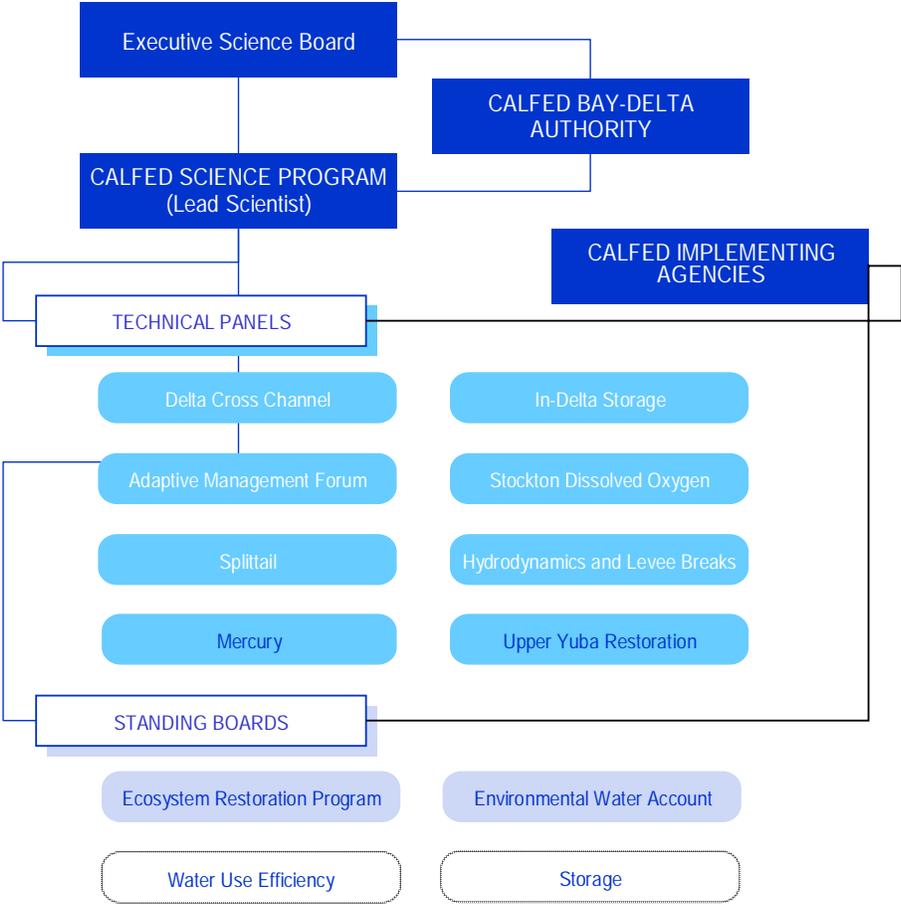
The Executive Science Board's proposed role is one of overview rather than initiating reviews. The Executive Board cannot rescind the technical results of Standing Boards or Technical Panels or any other working group. But the Executive Board will review the activities of those groups for balance, rigor and use of authoritative science. It is expected that individual Standing Boards will continue to act with independence with regard to their areas of assignment; although they might consult with the Executive Science Board for insights and suggestions to aid these activities. Like all technical expert bodies, the Executive Science Board will not be asked to make policy decisions, but it will provide insights on how to improve credibility, improve clarity, and advance the debate about Bay-Delta issues, as well as how to better connect science and management.

The Executive Science Board will formally report, directly, to the Authority's governing body. It will be expected to produce a written report once every two years on the state of science across the entire CALFED Program. Board members may be asked to testify on their evaluations before the legislature on the request of Commission. The Board will meet approximately three times per year unless experience dictates a greater or lesser meeting frequency. Membership of the Board will be constant for the first four years, then a progressive rotation of 5 board members per year will begin. Board membership for an individual may be renewed up to two times at the request of the Lead Scientist, with concurrence from the Director and the Commission.

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- Missouri River Ecosystem: Exploring the Prospects for Recovery (WSTB 2002)
- Riparian Areas: Functions and Strategies for Management (WSTB/BEST 2002)
- Envisioning the Agenda for Water Resources Research in the Twenty-First Century (WSTB 2001)
- Watershed Management for Potable Water Supply: Assessing the New York City Strategy (WSTB, 2000)
- New Strategies for America's Watersheds (WSTB 1999)
- Ecological Indicators for the Nation (BEST/WSTB 2000)
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- Restoration of Aquatic Ecosystems: Science, Technology, and Public Policy (WSTB 1992)
- Strengthening Science at the U.S. Environmental Protection Agency: Research Management and Peer Review Practices (BEST 2000)
- Science and National Parks (BEST 1992)
- Review of EPA's Environmental Monitoring and Assessment Program: An Overall Evaluation (WSTB/BEST 1995)

CALFED Science Board Organization





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Notice of Public Meeting
California Bay-Delta Authority, CALFED Bay-Delta Science Program
Science Symposium on Environmental and Ecological Effects of Proposed Long-term Water Project Operations

Meeting Date and Location: 8:00 a.m. - 5:00 p.m., June 19 - 20, 2003
California State University, Sacramento
University Union, Redwood Room
6000 J Street, Sacramento, CA 95819

Purpose of Public Meeting:

1. Provide a forum for balanced and open discussions of several key environmental and ecological factors affected by water project operations. These discussions will aim to further our understanding of how water project operations and water management activities fit into a larger context of natural and anthropogenic factors affecting populations of fish species of concern and their habitats.
2. Pursue a common understanding of the state of knowledge and important assumptions and uncertainties associated with the effects of water project operations on several key environmental and ecological factors. Work to clarify how changes in these factors can contribute to effective environmental management of the Delta and upstream project areas.
3. Provide managers and policy makers a synopsis of the information presented during this Symposium, and describe how this information could apply to modifications of existing management practices as well as decisions on future CALFED projects.

The Symposium will begin with descriptions of the ecological context within which the State Water Project (SWP) and Central Valley Project (CVP) water operations occur. Next, research scientists will discuss the state of knowledge associated with several scientific issues related to water project operations. Scientific issues considered will include:

- Upstream flow fluctuations and barriers to fish migration.
- Direct and indirect SWP and CVP fish mortality.
- The Vernalis Adaptive Management Plan (VAMP) and Delta flows.
- X2, outflows, and influences of habitat variability vs. stability.

Summaries of the scientific information and its implications for managers will be presented at various times over the two-day Symposium. Members of the public will have an opportunity to ask questions and provide comments.

This Symposium is NOT to critique the environmental or regulatory documents associated with the Operations Criteria and Plan (OCAP) or South Delta Improvement Program (SDIP). The Symposium will not judge these documents or any proposed regulatory actions, nor will the Symposium serve as a public comment forum for presentation of these documents or proposed regulatory actions.

Background:

The US Bureau of Reclamation (USBR) and the CA Department of Water Resources (DWR) are working together to complete the environmental documentation for two major water operation projects: 1) the OCAP for the SWP and CVP and 2) the SDIP. The OCAP is a detailed description of existing SWP and CVP facilities and their proposed long-term operations. The SDIP is a collection of projects aimed at improving water supply and environmental conditions in the South Delta. The draft biological assessment for OCAP is expected in May, while the draft EIR/S for SDIP is not expected until September 2003. Together, these documents will provide a detailed assessment of proposed long-term water operations, the environmental impacts of these projects, and the effects these projects will have on fish species of concern, including winter-run, spring-run, and fall-run Chinook salmon, central valley steelhead, delta smelt, and splittail.

For More Information: *Please forward this to other colleagues, affiliates, associates and staff.*

- Registration for the event is not required. For more information, please contact Kristen Honey at (510) 622-5686 or kh@rb2.swrcb.ca.gov.
- A written summary of the Symposium will be prepared. Interested parties not able to attend the Symposium should contact Kristen Honey after July 7, 2003, for a meeting summary and/or further information.
- If you need reasonable accommodation due to a disability, please contact Pauline Nevins, California Bay-Delta Authority Science Program at (916) 445-5511, TDD (800) 735-2929.

California Bay-Delta Public Advisory Committee

Meeting Date: 6/5/03

Agenda Item: 8

Colorado River Quantified Settlement Agreement and Related Actions Panel Discussion

Description: Panel discussion on the implications of the Colorado River QSA, related legislation, north to south water transfers and recent Newhall appellate court decision, collectively, on the Bay-Delta and the Program.

Recommended Action: Committee Discussion and Comment

Staff Recommendation: Bay-Delta Program staff recommend the California Bay-Delta Public Advisory Committee discuss the Colorado River Quantified Settlement Agreement and related actions in the context of potential effects on the Bay-Delta Program solution area. Staff recommends the purpose of the discussion is not to argue the merits of the Agreement or related actions.

Background

Since September 2002 the Committee has received updates on the status of negotiations on the Colorado River Quantified Settlement Agreement (QSA). It has heard from representatives of negotiating parties of the far-reaching effects of executing and not executing the Agreement. Chair Gary Hunt asked at the March 25, 2003 meeting that the Committee discuss the implications of several recent or upcoming decisions, including the QSA, status and implications of related legislation, water transfers involving the Metropolitan Water District and water districts north of Sacramento, and the recent appellate court decision of Santa Clarita Organization for Planning the Environment, et al v. County of Los Angeles and The Newhall Land and Farming Company, et al.

Background on the QSA, water transfers and legislation are in attachments 1-4. A brief summary of the Newhall decision is provided below.

CALFED Agencies

California

The Resources Agency
Department of Water Resources
Department of Fish and Game
The Reclamation Board
Delta Protection Commission
Department of Conservation
San Francisco Bay Conservation
and Development Commission

California Environmental Protection Agency
State Water Resources Control Board
Department of Health Services
Department of Food and Agriculture

Federal

Department of the Interior
Bureau of Reclamation
Fish and Wildlife Service
Geological Survey
Bureau of Land Management
Environmental Protection Agency
Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

The Newhall decision ruled that an environmental impact report (EIR) for a housing development must contain a thorough analysis that reasonably informs the reader of the amount of water available. Water entitlements from the incomplete State Water Project (SWP) are no substitute for the reality of actual water the SWP can deliver. The County erred in approving the EIR because the water service portion of the EIR was inadequate.

Committee Role

The following panelists will introduce the topic:

- Ron Gastelum (Metropolitan Water District of Southern California)
- Maureen Stapleton (San Diego County Water Authority)
- David Guy (Northern California Water Association)
- Richard Katz (State Water Resources Control Board)
- Steve Hall (Moderator and Association of California Water Agencies)

Following the panel presentations Committee members will have the opportunity to engage in discussion with the panelists.

Attachments:

Attachment 1 – “Can California Make the 4.4 Plan Work”. Excerpt from *Western Water*, March/April 2003, published by Water Education Foundation

Attachment 2 – “One Year Water Transfers”, from Metropolitan Water District of Southern California

Attachment 3 – SB 117 Bill Analysis

AGENDA ITEM 8

ATTACHMENT 1

“Can California Make the 4.4 Plan Work”. *Excerpt from Western Water – March/April 2003*, published by Water Education Foundation

One Year Water Transfers From Sacramento Valley Interests to Southern California March 2003

This year, the Metropolitan Water District of Southern California and Sacramento Valley water interests negotiated a series of historic one-year water transfer option agreements. This fact sheet addresses some of the most frequently asked questions about these voluntary agreements.

Why is Metropolitan interested in the transfers? To assure reliable water supplies to the people and economy of Southern California, during the past decade Metropolitan invested billions of dollars in a broad-based water management portfolio heavily focused on local and regional investments, including reclamation, conservation, recovery of contaminated groundwater basins, and development of new regional surface and groundwater storage capacity. With historic drought conditions on the Colorado River and a current allocation of 45 percent from the State Water Project (SWP), Metropolitan has chosen to develop additional reliability through water transfer option agreements with interests in the Sacramento Valley.

Why are the Sacramento Valley interests willing to participate? There are three reasons. First, Sacramento Valley growers view voluntary water market transactions as a financial tool to help protect their financial interests under increasingly unstable commodity market conditions. These transactions strengthen family farm businesses, and stronger farm businesses mean a stronger local farm economy. Second, periodic crop idling improves the health of the soil and thereby increases farm productivity and yields. Third, Sacramento Valley leaders believe that the region's participation in statewide programs will result in long-term reciprocal benefits.

What specific transfers are involved? Eleven Sacramento Valley sellers have signed one-year contracts with Metropolitan (see Attachment 1). On February 14, Metropolitan called its options for 97,200 acre-feet (AF) from Glenn-Colusa Irrigation District, Western Canal Water District, and Richvale Irrigation District. In March, we will decide whether to call an additional 50,000 AF of options from seven Sacramento River settlement contractors. On May 1, Metropolitan has an option for an additional 20,000 AF from Placer County Water Agency. These eleven transactions were developed in cooperation with the California Department of Water Resources, United States Bureau of Reclamation, the United States Fish and Wildlife Service, and other state and federal agencies.

Will these transfers harm the local economies? No. All of the transfer proposals were developed locally by local public agencies that purposefully planned the transactions to benefit the local economy. The means for making water available for transfer vary by district and include temporary land idling, crop switching, groundwater substitution, and reoperation of reservoirs. Growers who voluntarily participate in land idling are restricted in their participation to assure that no more than 20 percent of the district's overall land is idled. This reduction in cropped acres falls within the historic operating range of the participating districts.

Will these transfers harm the environment? No. These transactions are restricted to transfers of *conserved water*. Downstream interests, such as wildlife refuges, will not be affected because the return flows they have historically relied upon are not being transferred. Similarly, local environmental concerns, most notably regarding the giant garter snake, have been resolved through a management plan developed in cooperation with the Fish and Wildlife Service. To assure no negative impacts in the Delta, the water will be delivered across the Delta during summer and fall months when concerns about Bay-Delta fisheries are at an absolute minimum.

What does this mean for the future? These transactions are for *one year only* and do not commit the parties to multi-year transfers. However, because these transactions help both the local agricultural economy and the Southern California urban economy, all parties have an interest in exploring longer-term arrangements. Metropolitan and the agricultural interests involved are committed to pursuing such arrangements in an open and public forum.

AMENDED IN SENATE MAY 22, 2003

AMENDED IN SENATE MAY 8, 2003

AMENDED IN SENATE APRIL 22, 2003

SENATE BILL

No. 117

Introduced by ~~Senators Machado and Kuehl~~ Senator Machado

February 3, 2003

~~An act to add Part 4.9 (commencing with Section 12400) to Division 6 of the Water Code, relating to water, and making an appropriation therefor. An act relating to public resources.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 117, as amended, Machado. Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: *Colorado River Quantification Settlement Agreement*.

Under existing law, the United States Department of Interior supplies Colorado River water to various public water agencies.

The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election, authorizes, for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000. *The act requires bond funds made available by the act to be deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, which the act establishes.*

This bill would make statements of legislative intent to establish the Colorado River Quantification Settlement Agreement Account in the State Treasury, to transfer an unspecified amount of funds from the Water Security, Clean Drinking Water, Coastal and Beach Protection

Fund of 2002 to the Colorado River Quantification Settlement Agreement Account, and to establish an entity to administer the environmental mitigation program associated with the implementation of the Colorado River Quantification Settlement Agreement. The Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 contains those funds made available by the initiative measure.

~~This bill would establish the Colorado River Quantification Settlement Agreement Account in the State Treasury, and transfer \$200,000,000 from the fund to the account. The bill would appropriate those transferred funds to the Department of Water Resources to administer a competitive grant program, consistent with the act, for projects located within the service area of the Metropolitan Water District of Southern California and performed under the sponsorship of that district or the San Diego County Water Authority, to further the ability of southern California water users to live within the state's basic annual apportionment of 4.4 million acre-feet of Colorado River water; improve water service reliability, protect communities from drought, increase supplies of clean drinking water, or improve drinking water quality and security. The bill would require specified amounts of those funds to be administered by the department in coordination with the State Department of Health Services and the California Bay Delta Authority. The bill would require unencumbered funds remaining in the account on January 1, 2008, to be transferred to the fund.~~

~~The bill would state the intent of the Legislature to establish an entity, such as a joint powers authority, to administer environmental mitigation programs associated with a Colorado River Quantification Settlement Agreement.~~

~~The bill would provide that the funding and use of Colorado River water, as proposed in the settlement agreement for salinity management of the Salton Sea, does not set any precedent or establish any right, further obligation, contract, or contract purpose for the use of the Colorado River water for the Salton Sea. The bill would require the funding and use of Colorado River water for salinity management of the Salton Sea to be accounted for as part of the Imperial Irrigation District's allocation of Colorado River water, and would prohibit that funding and use from impairing, harming, or diminishing the rights and interests of any state contract user of Colorado River water.~~

~~Vote: majority. Appropriation: yes no. Fiscal committee: yes no. State-mandated local program: no.~~



The people of the State of California do enact as follows:

1 ~~SECTION 1. Part 4.9 (commencing with Section 12400) is~~
2 *SECTION 1. (a) In enacting the act adding this section, the*
3 *Legislature finds and declares all of the following:*
4 *(1) California must live within its 4.4 million acre-foot annual*
5 *allotment of water from the Colorado River as decreed by the*
6 *United States Supreme Court.*
7 *(2) The proposed quantification settlement agreement*
8 *announced on March 12, 2003, is an important element of*
9 *California’s plan to live within the 4.4 million acre-foot limit.*
10 *(3) If the proposed quantification settlement agreement is not*
11 *finalized, the State of California will actively explore other*
12 *approaches to live within its 4.4 million acre-foot limit.*
13 *(b) It is the intent of the Legislature in subsequent amendments*
14 *to establish the Colorado River Quantification Settlement*
15 *Agreement Account in the State Treasury.*
16 *(c) It is the intent of the Legislature in subsequent amendments*
17 *to transfer the sum of _____ dollars (\$_____) from the Water*
18 *Security, Clean Drinking Water, Coastal and Beach Protection*
19 *Fund of 2002 to the Colorado River Quantification Settlement*
20 *Agreement Account.*
21 *(d) It is the intent of the Legislature in subsequent amendments*
22 *to establish an entity, such as a joint powers authority, to*
23 *administer the environmental mitigation programs associated*
24 *with the implementation of the Colorado River Quantification*
25 *Settlement Agreement.*

26 added to Division 6 of the Water Code, to read:

27

28 ~~PART 4.9. COLORADO RIVER QUANTIFICATION~~
29 ~~SETTLEMENT AGREEMENT ACCOUNT~~

30

31 ~~12400. In enacting this part, the Legislature finds and declares~~
32 ~~all of the following:~~

33 ~~(a) California must live within its 4.4 million acre-foot annual~~
34 ~~allotment of water from the Colorado River as decreed by the~~
35 ~~United States Supreme Court.~~
36 ~~(b) The proposed quantification settlement agreement~~
37 ~~announced on March 12, 2003, is an important element of~~
38 ~~California’s plan to live within the 4.4 million acre-foot limit.~~



1 ~~(c) If the proposed quantification settlement agreement is not~~
2 ~~finalized, the State of California will actively explore other~~
3 ~~approaches to live within its 4.4 million acre-foot limit.~~

4 ~~12401. As used in this part, the following terms have the~~
5 ~~following meanings:~~

6 ~~(a) “Account” means the Colorado River Quantification~~
7 ~~Settlement Agreement Account.~~

8 ~~(b) “Fund” means the Water Security, Clean Drinking Water,~~
9 ~~Coastal and Beach Protection Fund of 2002.~~

10 ~~(c) “Settlement agreement” means the Colorado River~~
11 ~~Quantification Settlement Agreement.~~

12 ~~12402. The Colorado River Quantification Settlement~~
13 ~~Agreement Account is hereby established in the State Treasury.~~

14 ~~12403. The sum of two hundred million dollars~~
15 ~~(\$200,000,000) is hereby transferred from the Water Security,~~
16 ~~Clean Drinking Water, Coastal and Beach Protection Fund of 2002~~
17 ~~to the account, as follows:~~

18 ~~(a) Of the funds made available pursuant to Section 79530, the~~
19 ~~sum of twenty five million dollars (\$25,000,000)~~

20 ~~(b) Of the funds made available pursuant to subdivision (d) of~~
21 ~~Section 79550, the sum of twenty five million dollars~~
22 ~~(\$25,000,000).~~

23 ~~(c) Of the funds made available pursuant to Section 79560 and~~
24 ~~to be administered by the department pursuant to Section 79560.1,~~
25 ~~the sum of one hundred fifty million dollars (\$150,000,000).~~

26 ~~12404. (a) The sum of two hundred million dollars~~
27 ~~(\$200,000,000) is hereby appropriated from the account to the~~
28 ~~department, as follows:~~

29 ~~(1) Of the funds made available pursuant to Section 79530, the~~
30 ~~sum of twenty five million dollars (\$25,000,000), to be~~
31 ~~administered by the department in coordination with the State~~
32 ~~Department of Health Services, to administer a competitive grant~~
33 ~~program as described in subdivision (b), consistent with the~~
34 ~~purposes identified in Section 79530.~~

35 ~~(2) Of the funds made available pursuant to subdivision (d) of~~
36 ~~Section 79550, the sum of twenty-five million dollars~~
37 ~~(\$25,000,000), to be administered by the department in~~
38 ~~coordination with the California Bay Delta Authority, to~~
39 ~~administer a competitive grant program as described in~~



1 ~~subdivision (b), consistent with the purposes identified in~~
2 ~~subdivision (d) of Section 79550.~~

3 ~~(3) Of the funds made available pursuant to Section 79560 and~~
4 ~~to be administered by the department pursuant to Section 79560.1,~~
5 ~~the sum of one hundred fifty million dollars (\$150,000,000) to~~
6 ~~administer a competitive grant program as described in~~
7 ~~subdivision (b), consistent with the purposes described in Section~~
8 ~~79560.~~

9 ~~(b) The department shall use the funds in the account to~~
10 ~~administer a competitive grant program, consistent with the~~
11 ~~purposes described in subdivision (a), for projects located within~~
12 ~~the service area of the Metropolitan Water District of Southern~~
13 ~~California and performed under the sponsorship of that district or~~
14 ~~the San Diego County Water Authority, that do one or more of the~~
15 ~~following:~~

16 ~~(1) Further the ability of southern California water users to live~~
17 ~~within California's basic annual apportionment of 4.4 million~~
18 ~~acre-feet of Colorado River water.~~

19 ~~(2) Improve water service reliability.~~

20 ~~(3) Protect communities from drought.~~

21 ~~(4) Increase supplies of clean drinking water.~~

22 ~~(5) Improve drinking water quality and security.~~

23 ~~(c) The department may make grants for feasibility studies,~~
24 ~~project design, or project construction.~~

25 ~~(d) The department may make a grant only if it determines that~~
26 ~~the grant meets the requirements of Division 26.5 (commencing~~
27 ~~with Section 79500).~~

28 ~~(e) (1) The competitive process shall include submission of~~
29 ~~application packages that meet requirements prescribed by the~~
30 ~~department, and evaluation of applications against a standardized~~
31 ~~set of criteria that shall include, but is not limited to, all of the~~
32 ~~following:~~

33 ~~(A) Technical adequacy.~~

34 ~~(B) Financial feasibility.~~

35 ~~(C) Economic feasibility.~~

36 ~~(D) Environmental adequacy.~~

37 ~~(E) Readiness to proceed.~~

38 ~~(F) Consistency with California's draft Colorado River Water~~
39 ~~Use Plan.~~



1 ~~(2) The department shall also take into consideration, with~~
2 ~~respect to each proposed project, all of the following:~~
3 ~~(A) Consistency with existing regional water management~~
4 ~~plans.~~
5 ~~(B) Ability to be implemented expeditiously and to provide~~
6 ~~near-term benefits.~~
7 ~~(C) Availability of third-party or local matching funds.~~
8 ~~(D) Potential to alleviate groundwater quality degradation.~~
9 ~~(E) Development or application of innovative technologies.~~
10 ~~(F) Job creation in economically disadvantaged communities.~~
11 ~~(f) Grant agreements entered into pursuant to this section may~~
12 ~~include provisions determined to be necessary by the department.~~
13 ~~All grant agreements pursuant to this section shall include a~~
14 ~~determination by the department that the project is technically,~~
15 ~~economically, and environmentally justified and is feasible.~~
16 ~~Notwithstanding Section 7.32 of the State Contracts Manual, the~~
17 ~~department may make advance payments of funds as established~~
18 ~~in the grant agreements.~~
19 ~~(g) All grant agreements shall include the following language:~~
20 ~~“Recipient is responsible for compliance with all applicable~~
21 ~~competitive bidding and contract administration laws and, before~~
22 ~~awarding any contract for a public works project funded in whole~~
23 ~~or in part under the Water Security, Clean Drinking Water, Coastal~~
24 ~~and Beach Protection Act of 2002 (Division 26.5 (commencing~~
25 ~~with Section 79500) of the Water Code), shall adopt and enforce~~
26 ~~a labor compliance program in accordance with Section 1771.5 of~~
27 ~~the Labor Code.”~~
28 ~~(h) Unencumbered funds remaining in the account on January~~
29 ~~1, 2008, shall be transferred to the fund, for implementation of~~
30 ~~Section 79530, subdivision (d) of Section 79550, and Section~~
31 ~~79560.~~
32 ~~12405. (a) It is the intent of the Legislature to establish an~~
33 ~~entity, such as a joint powers authority, to administer the~~
34 ~~environmental mitigation programs associated with the settlement~~
35 ~~agreement.~~
36 ~~(b) It is the further intent of the Legislature that the entity have~~
37 ~~all of the following characteristics:~~
38 ~~(1) The entity includes the Department of Fish and Game.~~
39 ~~(2) The Metropolitan Water District of Southern California and~~
40 ~~the San Diego County Water Authority is required to pay into an~~



1 ~~account controlled by the entity a dollar amount equal to the~~
2 ~~amount received from all grant agreements executed pursuant to~~
3 ~~Section 12403, within 30 days of the date of receipt of grant~~
4 ~~agreement funding.~~

5 ~~(3) Upon termination of the settlement agreement and payment~~
6 ~~of all costs for outstanding environmental mitigation obligations,~~
7 ~~any funds remaining within the control of the entity are refunded~~
8 ~~to the State of California.~~

9 ~~12406. The Legislature finds and declares all of the~~
10 ~~following:~~

11 ~~(a) That the costs of voluntary water transfers between willing~~
12 ~~sellers and buyers should be borne by the parties to the specific~~
13 ~~transfers, and this state should not utilize state funds to facilitate~~
14 ~~those transfers.~~

15 ~~(b) This legislation and other legislation involving the use of~~
16 ~~state funds for the direct and indirect payment of transportation~~
17 ~~and environmental mitigation costs related to the settlement~~
18 ~~agreement transfers is being done solely in the context of an~~
19 ~~overriding public purpose of meeting the state's overall water~~
20 ~~needs in relation to its commitment to reduce its reliance on~~
21 ~~Colorado River water, and in recognition of the 15-year limitation~~
22 ~~on the need for the settlement agreement transfers to mitigate~~
23 ~~salinity impacts on the Salton Sea, and is neither a precedent nor~~
24 ~~otherwise expresses a state policy to subsidize water transfers.~~

25 ~~(c) No additional state funds will be used to facilitate the~~
26 ~~settlement agreement transfers other than as called for in this part.~~

27 ~~(d) Nothing in this part is intended to limit or affect the~~
28 ~~authority or jurisdiction of the state courts, the State Water~~
29 ~~Resources Control Board, or the appropriate regional water~~
30 ~~quality control board with regard to the Salton Sea.~~

31 ~~12407. (a) The Legislature finds and declares that the~~
32 ~~funding, use, and duration of use, of Colorado River water, as~~
33 ~~proposed in the settlement agreement for salinity management of~~
34 ~~the Salton Sea, is to satisfy the requirement that the settlement~~
35 ~~agreement transfers not materially increase the projected salinity~~
36 ~~level of the Salton Sea for 15 years, while allowing for a phase in~~
37 ~~of the transfers, and providing an opportunity for state and federal~~
38 ~~reclamation decisions regarding the Salton Sea.~~

39 ~~(b) The funding and use of Colorado River water as proposed~~
40 ~~in the settlement agreement for salinity management of the Salton~~



1 ~~Sea does not set any precedent or establish any right, further~~
2 ~~obligation, contract, or contract purpose for the use of the~~
3 ~~Colorado River water for the Salton Sea.~~
4 (e) ~~The funding and use of Colorado River water, as proposed~~
5 ~~in the settlement agreement for salinity management of the Salton~~
6 ~~Sea, shall be accounted for as part of the Imperial Irrigation~~
7 ~~District's allocation of Colorado River water, and may not impair,~~
8 ~~harm, or diminish the rights and interests of any state contract user~~
9 ~~of Colorado River water.~~



California Bay-Delta Public Advisory Committee
Tuesday, March 25, 2003, 11:30 a.m. to 5:30 p.m.
Chico-Leland Stanford Masonic Family Center
1110 W. East Avenue
Chico, California
Draft Meeting Outcomes

Members in Attendance: Gary Bobker, Ryan Brodrick, Denny Bungarz, Dan Fults, Greg Gartrell, Joe Grindstaff, David Guy, Steve Hall, Gary Hunt, Robert Meacher, Jerry Meral, Bill Pauli, Timothy Quinn, Frances Spivy-Weber, Maureen Stapleton, O.L. “Van” Tenney, Thomas Zuckerman

1. Opening Remarks/Introductions

Chair Gary Hunt opened the meeting at 11:30 a.m. and began introductions of the California Bay-Delta Public Advisory Committee and Bay-Delta Program agency representatives. He thanked the regional hosts and sponsors including David Guy (Northern California Water Association) Denny Bungarz (Glenn County), Ryan Brodrick (Ducks Unlimited), and O.L. “Van” Tenney (Glen-Colusa Irrigation District). Patrick Wright (Bay-Delta Program Director) updated the Committee on federal appropriations and grant solicitations.

Jason Peltier (U.S. Department of Interior) acknowledged efforts in California to resolve the Colorado River Quantified Settlement Agreement issues. Mr. Peltier announced that the federal administration will be under financing the U.S. Bureau of Reclamation by \$80 million this fiscal year. Effects on the Bay-Delta Program are unknown.

Secretary for Resources Mary Nichols announced the California Senate Pro Tem appointment to the California Bay-Delta Authority: Marc Holmes, The Bay Institute. Secretary Nichols also advised that due to the California State budget situation, all advisory committees are being asked to reduce expenses. Reductions can be made by limiting meetings, reducing travel costs, or encouraging use of teleconferencing. Effects on Committee and subcommittee meetings will be announced at a later date.

Later in the meeting Chair Gary Hunt announced the next meeting of the Committee will be scheduled for Thursday, June 5, in Sacramento.

2. Regional Highlights

Secretary Nichols, Patrick Wright (Bay-Delta Program Director), Dan Castleberry (Program Manager), and Wayne White (U.S. Fish and Wildlife Service) awarded Ecosystem Restoration Program grants to Ducks Unlimited, M&T Chico Ranch, Reclamation District 108, The Nature Conservancy, and Natomas Mutual Water Company for projects located in the Sacramento Valley Region. The projects were six of twelve grants recently awarded.

Mr. Guy, Gary Nuss (CH2M Hill), and Mr. Tenney provided a progress report on the Sacramento Valley Water Management Program, a collaborative agreement to meet Bay-Delta water quality standards and increase water supplies for the 42 water districts and companies that signed the agreement. The ten year Program is designed to be consistent with the Bay-Delta Program goals and objectives and includes surface and groundwater planning, addressing water management institutional issues, and carrying out system improvement and water management projects. Discussion centered on identifying ecosystem restoration benefits of the Program, monitoring effectiveness of projects, improving water quality, bringing more interests into the discussions, and praise for the collaborative effort.

Secretary Nichols and Mr. Peltier provided their perspectives on current negotiations surrounding the Colorado River Quantified Settlement Agreement. Secretary Nichols emphasized a legislative bill to provide \$200 million for projects to facilitate the transfer of water from Imperial Irrigation District to San Diego County Water Authority and suggested that interests carefully consider the bill as the source of funds would be Proposition 50. Mr. Peltier discussed the implications of a recent court ruling on how the District uses water.

Action

- The Committee reached consensus that there should be a satisfactory conclusion to the Colorado River Quantified Settlement Agreement negotiations.
- Chair Gary Hunt asked that the June 5, 2003, Committee meeting agenda include a discussion on the implications of several recent or upcoming decisions, including progress on the Colorado River QSA negotiations, status and implications of SB 317 (Salton Sea), the appellate court decision on *Santa Clarita Organization for Planning the Environment, et al v. County of Los Angeles and The Newhall Land and Farming Company et al*, and recent water transfers involving the Metropolitan Water District.

3. Staff Reports

Mr. Wright and Kate Hansel (Program Finance Director) provided an overview and status report on the Program's newly initiated long-term finance plan.

Action

- Committee members asked staff to consult with the subcommittees and to include a resource economist on the expert review panel.

4. California Bay-Delta Authority Governance

Vice Chair Denny Bungarz presided over selection of the Committee representative to the California Bay-Delta Authority.

Wendy Halverson Martin (Program Chief Deputy Director), referring to materials in the meeting packet, informed the Committee on governance issues related to transition from the CALFED Bay-Delta Program to the California Bay-Delta Authority and related Program. Ms. Martin reviewed administrative issues and proposed schedules for Committee and Authority review of

Program Plans, budgets, and Program balance. Discussion focused on including subcommittee review and deadlines for the review in the schedule, need for multi-year strategic planning and close coordination and communication among subcommittee co-chairs.

The Committee took action on three items to clarify its decision making process and to establish its priorities for 2003.

Action

- On a motion by member Jerry Meral, seconded by member Gary Bobker, the Committee selected Chair Gary Hunt as their representative.
- The Committee unanimously adopted the Schedule and Process for Consideration of Subcommittee Recommendations. The 2003 schedule for Program Plan recommendations calls for Subcommittee recommendations to staff no later than May 22, 2003, and Committee consideration of the recommendations at the June 5, 2003, meeting. Subcommittee recommendations on other topics will be considered according to schedules provided by the subcommittees.
- The Committee unanimously adopted the description of the Committee's Collaborative Process and Definition of Consensus proposed by staff. The Committee and subcommittees will use the process during deliberations.
- The Committee unanimously adopted four priorities for 2003: Balanced Implementation, Federal Authorization, Bay-Delta Program Finance Plan, and Coordination with California Bay-Delta Authority. Mr. Peltier asked that the Federal Authorization priority be amended to state that it is not the role of the Committee to lobby on individual legislation regarding Authorization.

5. Subcommittee Reports

Working Landscapes Subcommittee co-chairs Ryan Broddrick and Denny Bungarz reviewed the Subcommittee Description which highlights the need for coordination with other subcommittees.

Action

- The Committee unanimously adopted the Working Landscapes Subcommittee Description.

6. Water Security, Clean Drinking Water, Coastal & Beach Protection Act of 2002 (Proposition 50) Reports

Kate Hansel (Program Finance Director) reviewed materials in the packet pertaining to the Proposed Governor's Budget for 2003-2004, including allocation of Proposition 50 funds. Members sought to clarify that Proposition 50 funds in related legislation are to identify parameters for expenditure in later years and that some funds will be spent on projects that meet CALFED objectives and some funds will support projects that are beneficial to the State, such as coastal improvements, but will not be counted as addressing the objectives. It was also clarified

that Proposition 50 funds are being used to replace General Fund monies that are being reallocated to meet the State fiscal shortfall.

Mark Cowin (Department of Water Resources) reviewed materials in the meeting packet and reported on integrated regional water management actions by the Department of Water Resources and State Water Resources Control Board to be funded by Proposition 50.

Sam Luoma (Program Lead Scientist) provided detail on the Science Program priorities to be funded by Proposition 50 funds (refer to materials in meeting packet) and summarized recent findings on managing floodplains and the Delta for native species. Discussion addressed topics that will not be funded due to shortage of funds for scientific investigations. Members were asked to consider Science and other Program priorities when developing future bond measures. Discussion also addressed the continuing need to effectively integrate scientific findings or conclusions into regulatory decision-making.

Action

- Committee members asked the June 5, 2003, Committee meeting agenda include a discussion of years 1 through 4 financial assets for long-term infrastructure and for acquiring water.
- Chair Gary Hunt announced that the Steering Committee will be empowered to act as an executive committee of the BDPAC to give advice on allocation of Proposition 50 funds and support allocations proposed in the Governor's budget. The Chair acknowledged that organizations will be protecting their individual interests; however, protection of those interests is not a Steering Committee function.

7. 2003 Water Operations Update

Curtis Creel, Jerry Johns (Department of Water Resources), and Chet Bowling (U.S. Bureau of Reclamation) reviewed water operations events for the first quarter of 2003 and status of the Environmental Water Account. They reported that 2003 would likely be a below normal to dry year and that Central Valley Project allocations would range from 60 to 70 percent and State Water Project allocations would be about 45 percent. In response to questions, they reported that pumping capacity in the Delta is limited and priorities are assigned to the State and federal water projects, their contractors, and then to the Environmental Water Account and wildlife refuges. Discussion continued on the need to not only purchase water for short-term needs, but to also reserve funds for long-term water purchases and necessary infrastructure.

8. Integrated Key Milestones Update

Mr. Wright stated the importance of coordinating decisions on continuation of the Environmental Water Account, South Delta Improvements Program, and assessing operation of the Central Valley Project. Coordination includes scientific review of the necessary biological assessments and preparation of biological opinions.

Public Comment

Comments from Environmental Defense, Friends of the River, and Sierra Club warned about impending court ruling on interpretation of section B (2) of the Central Valley Project Improvement Act and effects on the amount of water available for ecosystem purposes. Requests were also made for balanced implementation and increased public involvement and accountability.

Wednesday, March 26, 2003, 8:00 a.m. to 2:00 p.m.

Tour/Site Visits of Sacramento Valley Region projects and activities

Committee members Denny Bungarz, Ryan Broddrick, David Guy, and O. L. “Van” Tenney hosted an educational tour and site visit of Sacramento Valley region ecosystem restoration, fish passage, flood control, and water management projects. Highlights of the tour included Parrot/Phaelen Diversion on Butte Creek, proposed Sites Reservoir location, Hamilton City J Levee, and Glen-Colusa Irrigation District fish screen.

Subcommittee Meeting Summaries can be obtained from our
website.

For further information, please visit our website at

<http://calwater.ca.gov>.

**Correspondence included in the BDPAC/packet is on
file at the CALFED office.**

**To obtain a copy of the Correspondence Section,
please call (916) 445-5511.**