



Agenda Item 7

2003 Annual Report and Approval
of the Progress and
Balance Statement

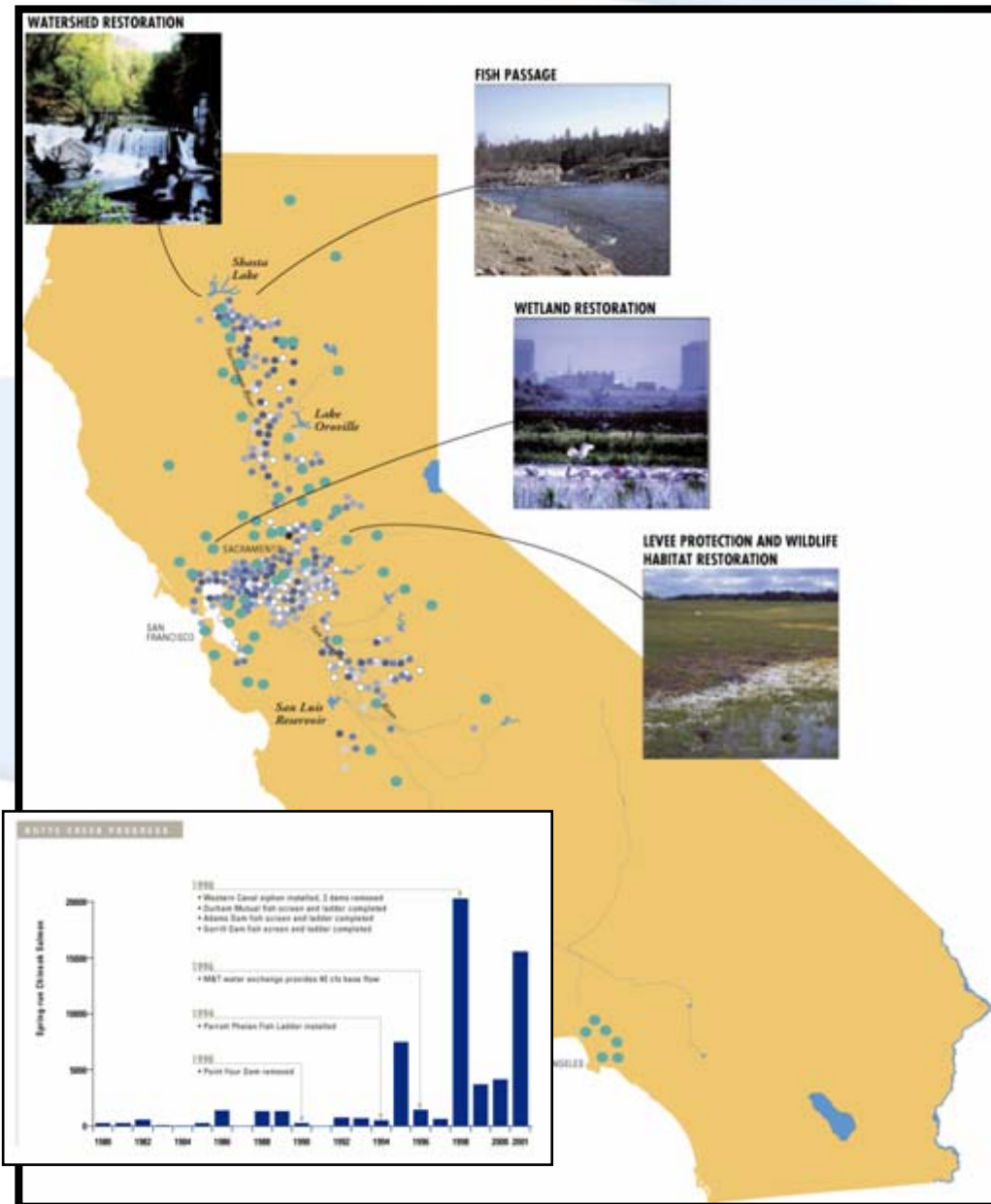
BDPAC & Authority Actions

- **BDPAC: Consider Recommendation to Authority to Adopt Resolution 03-12-03**
- **Authority: Consider Resolution 03-12-03 Adopting the 2003 Statement of Progress and Balance for Inclusion in the Annual Report and Endorsing the Annual Report for Submittal to the Governor, Secretary of the Interior, the Legislature, and the Congress of the United States, as well as Other Interested Parties.**

Ecosystem Restoration & Watersheds

Accomplishments

- Established first-ever "single blueprint" for coordinating resource management, conservation and regulatory actions among state and federal agencies
- Funded more than 400 ecosystem projects for about \$476 million
- Supported installation or improvement of 68 fish screens to protect fish
- 100,000 acres of habitat protected or restored
- Conducted 23 comprehensive scientific studies
- Funded 83 watershed projects for more than \$25 million



Water Supply Reliability

Accomplishments

Surface Storage

- Planning and feasibility studies on five projects underway

Groundwater

- Provided more than \$130 million to assist in planning and implementing groundwater projects
- Completed 16 groundwater partnership MOUs with local agencies

Water Transfers

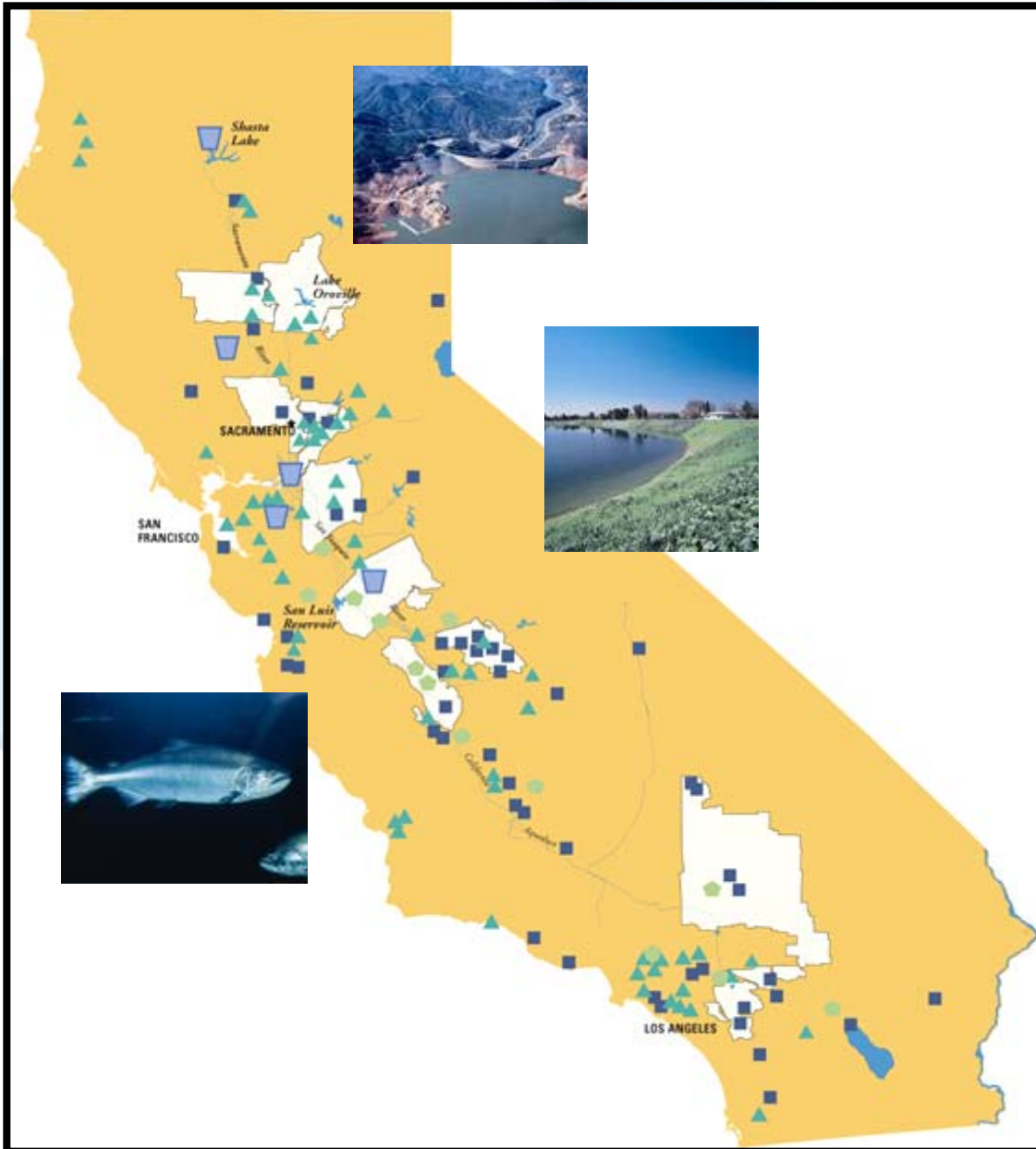
- More than 600,000 af last year

Environmental Water Account

- Provided 250,000-300,000 af for fish without reducing allocations to farmers and cities

Water Use Efficiency

- Awarded \$68 million in first 2 years



Water Quality

Accomplishments

- \$34 million invested in 21 Drinking Water Quality projects for:

Source Protection

- Agriculture Drainage Treatment

Water Management

- Water Quality Exchanges for So. Calif (Friant-Met)
- Bay Area Water Quality and Supply Reliability Project

Treatment Technology

- Desalination Research and Innovation Partnership (MWR)
- Bromate Control with Carbon Dioxide Addition
- Integrating UV light for Multiple Treatment Objectives

North Bay Aqueduct (incorporates all three WQ improvement approaches)

Ecosystem Water Quality

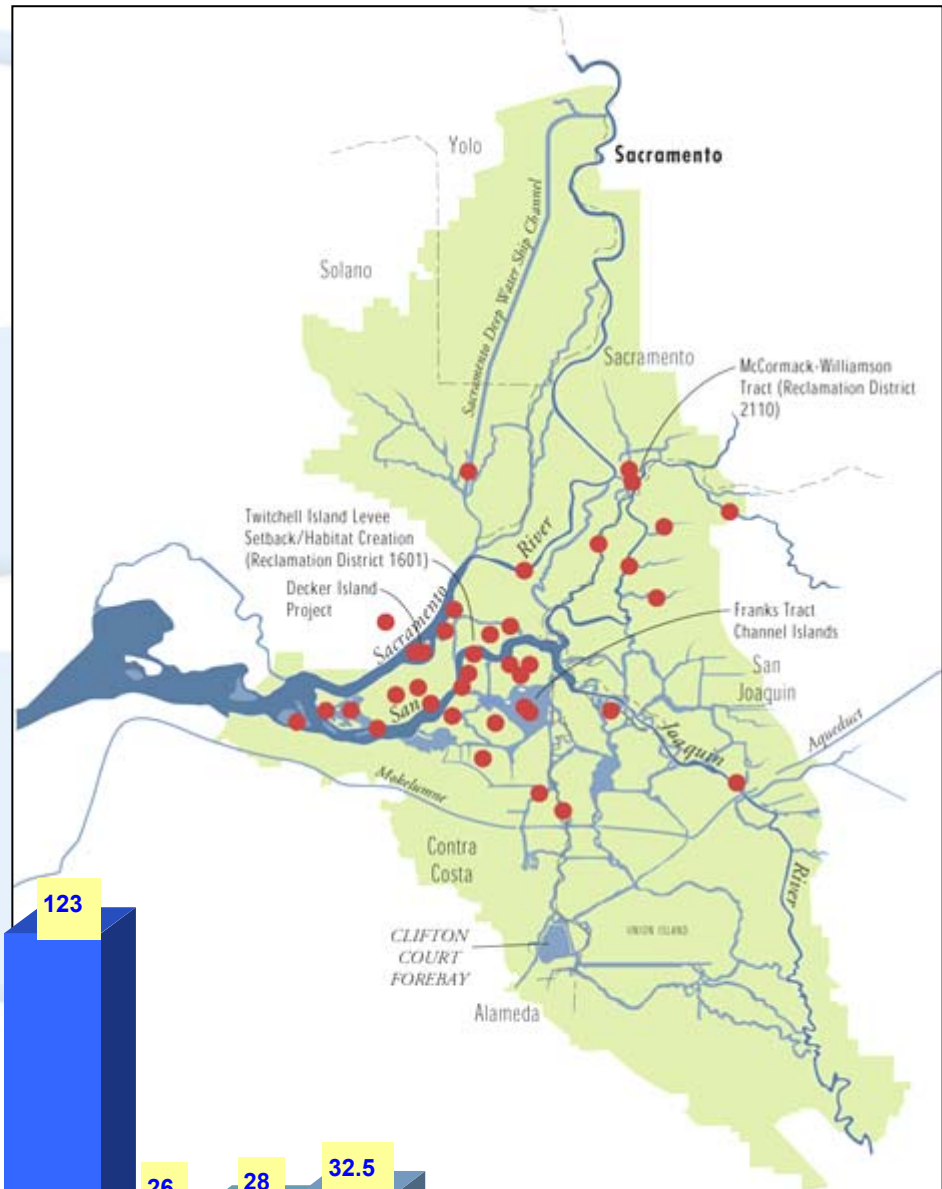
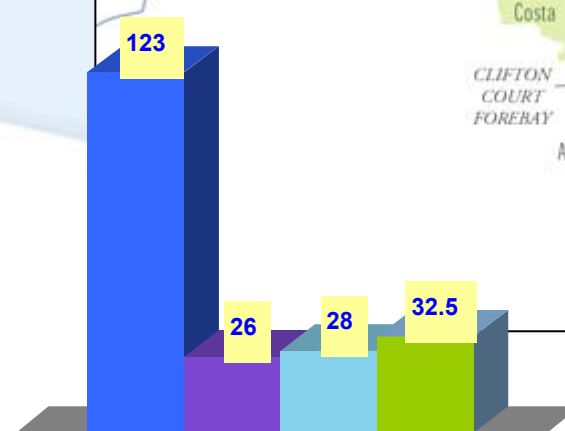
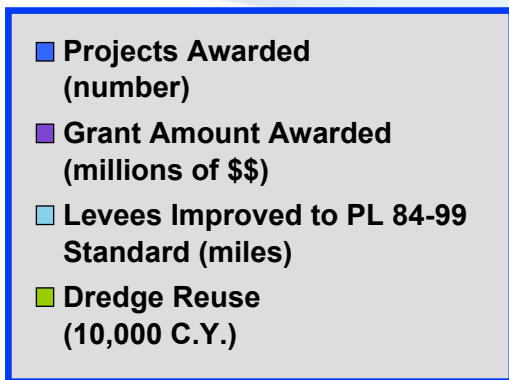
- San Joaquin River Dissolved Oxygen



Levee System Integrity

Accomplishments

- Awarded more than \$25 million to improve Delta levees on over 50 Delta islands, resulting in better water quality protection and greatly enhanced habitat conditions.
- Began Delta Risk Management Strategy and developed Emergency Management Plan.
- Preserved 700 miles of levee
- Reused more than 324,000 cubic yards of dredged material



Year 3 conclusions

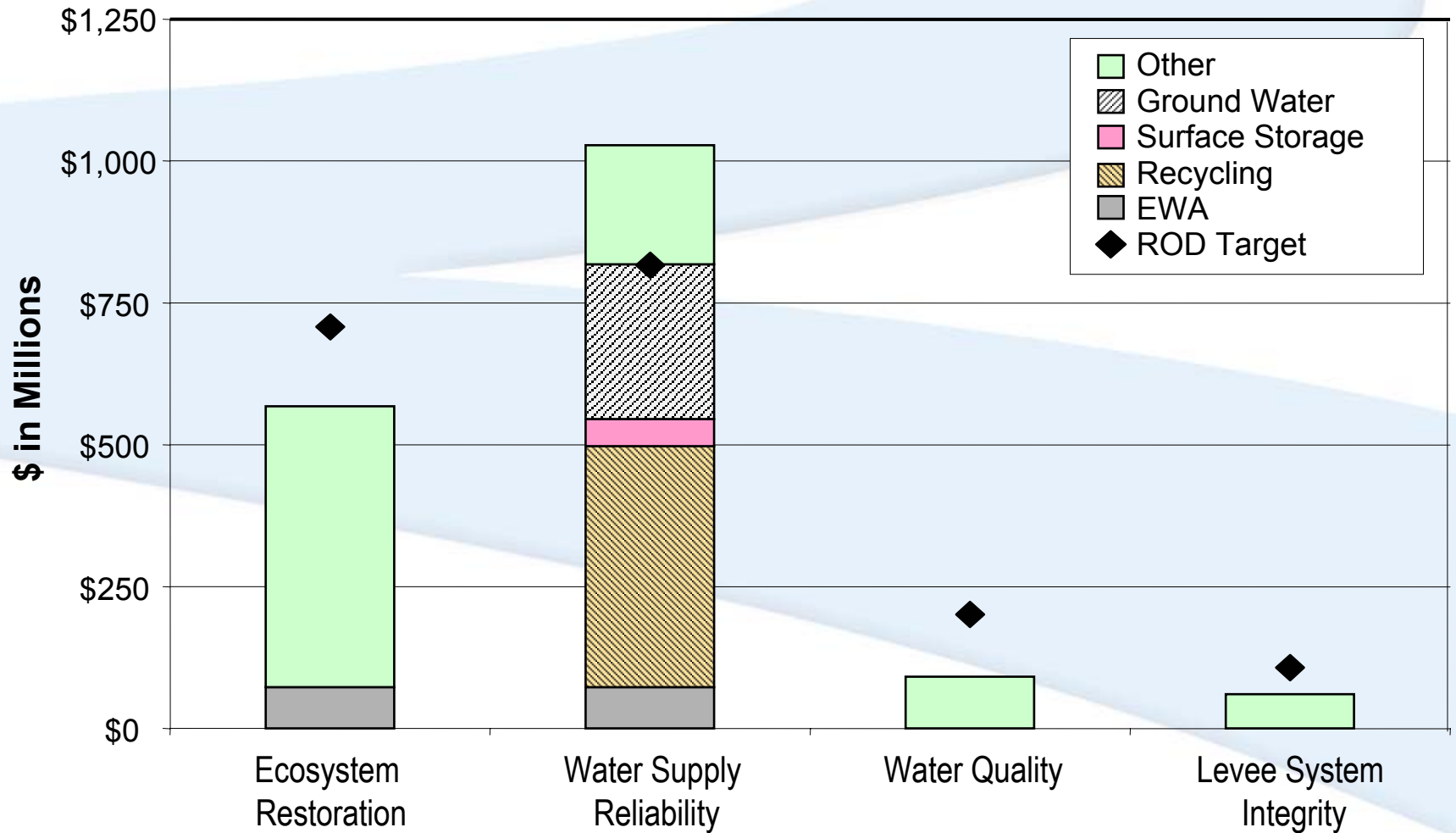
- Invested \$2 billion in Bay-Delta Program projects and activities
- Reduced conflicts over Delta operations
- Increased coordination among agencies
- Established governance structure
- Expanded science program
- Passed water bond

Year 3 challenges

- Staffing
 - Vacancies eliminated, layoffs, hiring freeze
- General Fund reductions
- Delays in Program Commitments
- Contract Delays
- Lack of federal authorization

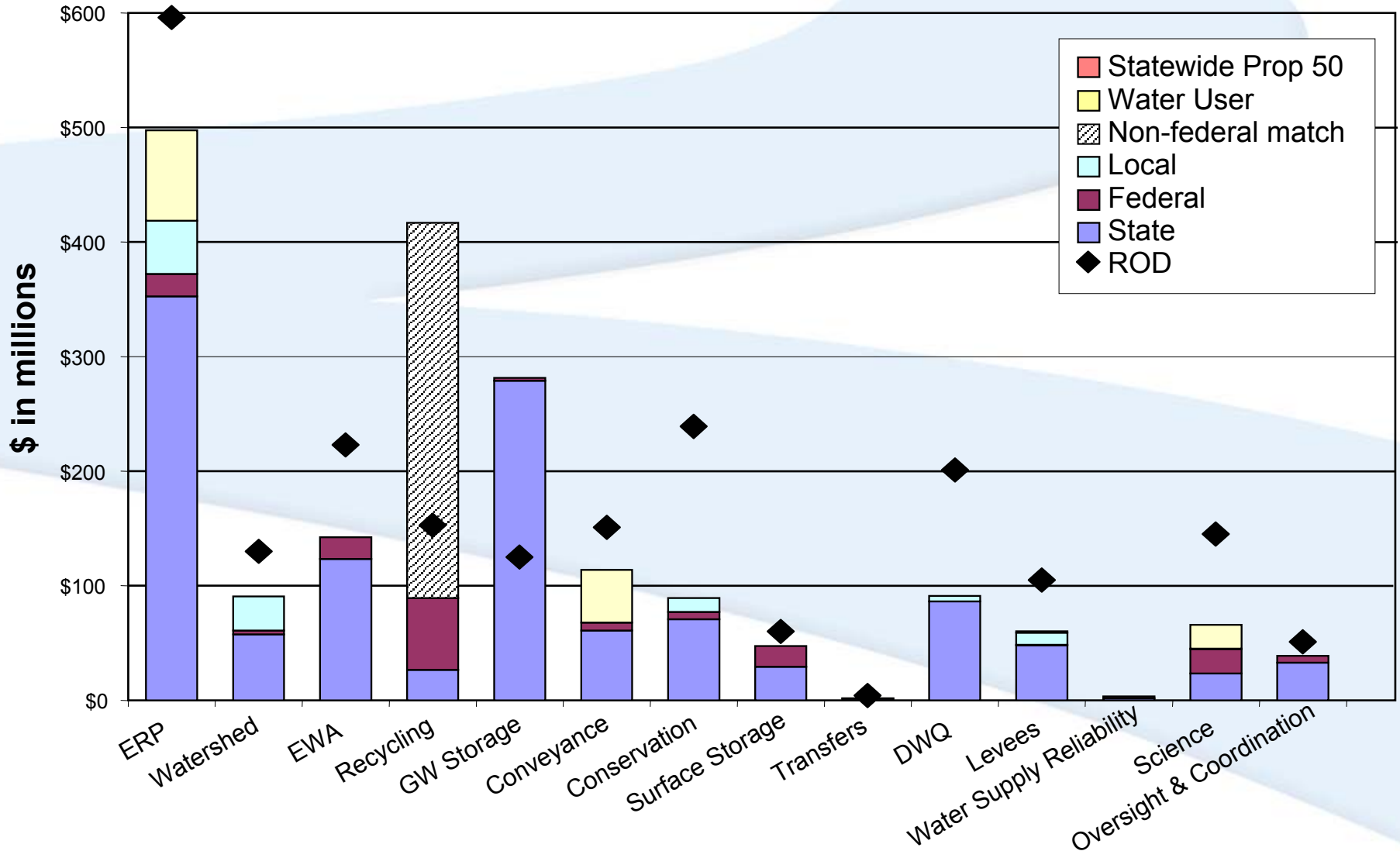
California Bay-Delta Program

Cumulative Funding Years 1-3 by Objective



California Bay-Delta Program

Cumulative Funding Years 1-3 by Element



Year 4 and beyond



- Pursue federal authorization
- Revise targets and develop finance plan
- Complete coordinated package of Delta improvements
- Coordinate Prop. 50 grants and loans, with special emphasis on drinking water quality
- Develop regional profiles in coordination with California Water Plan

Today's Action

BDPAC: Consider Recommendation to the Authority to Adopt Resolution 03-12-03.

Authority: Consider Proposed Resolution No. 03-12-03 Adopting the 2003 Statement of Progress and Balance.

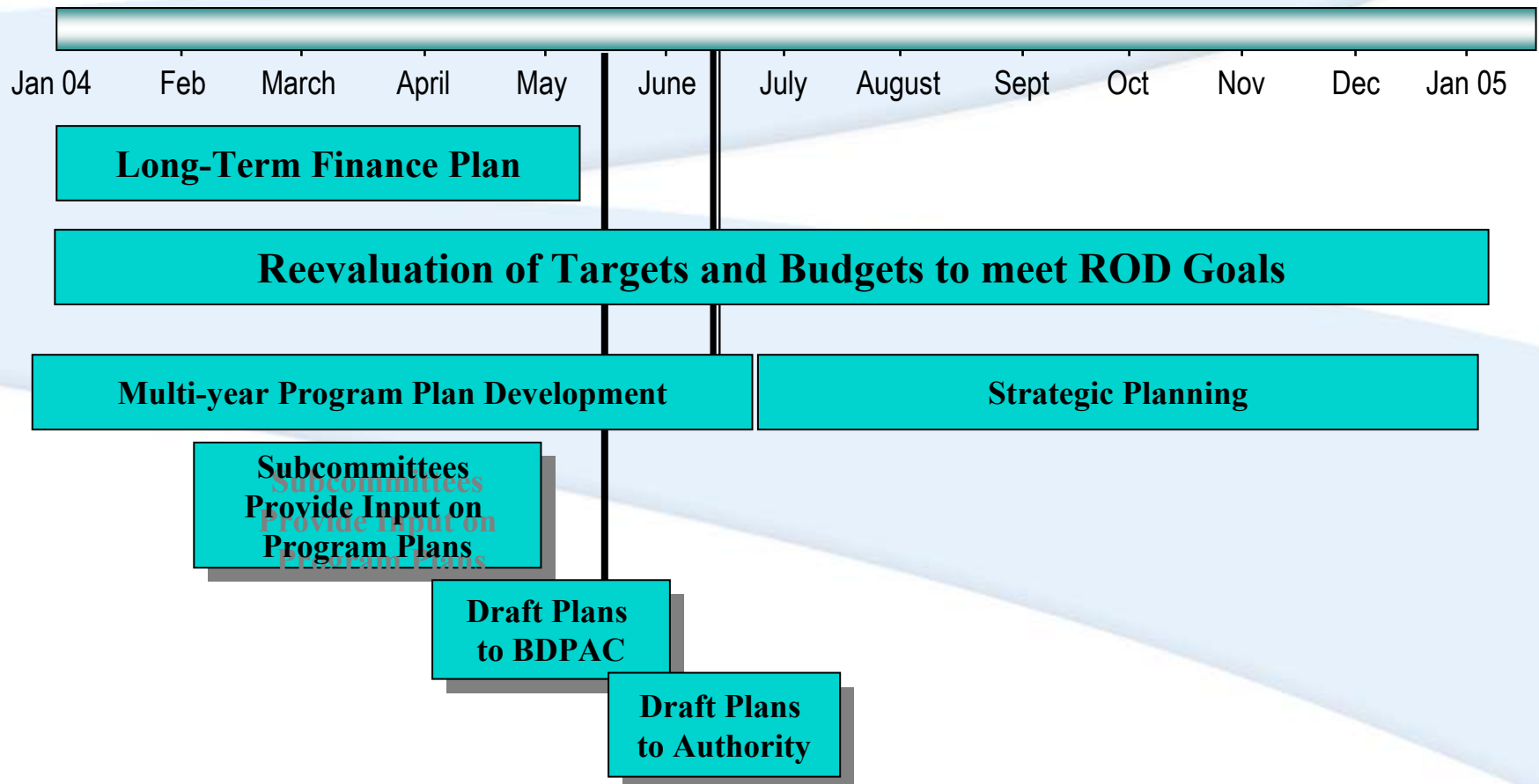


Agenda Item 8
Future Priorities –
Process for Moving Forward

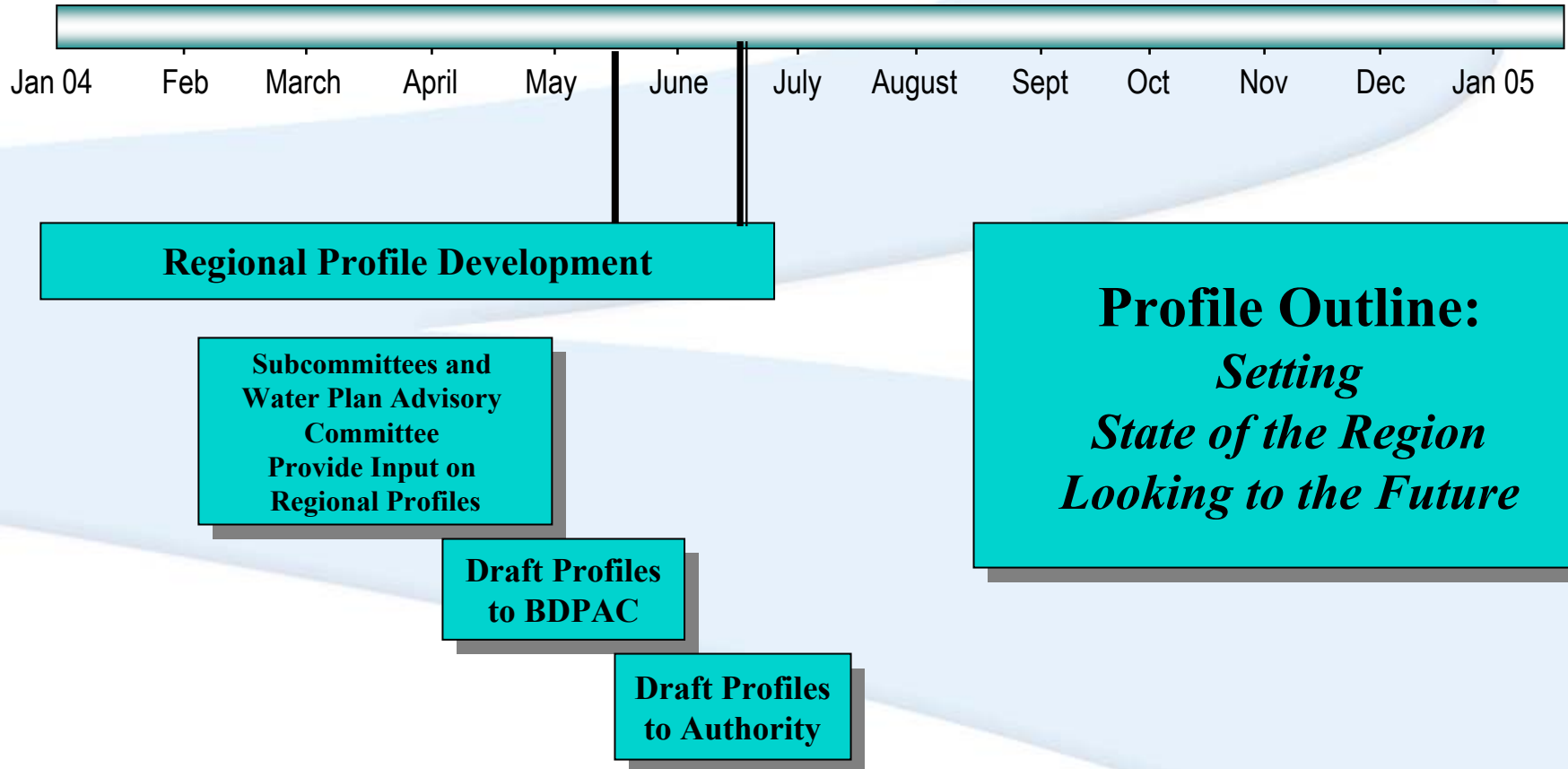
BDPAC & Authority Actions

This is an informational report only.
No action will be taken.

Schedule for Program Plans Reevaluation of Targets and Budgets to meet ROD Goals Long-term Finance Plan



Schedule and Content of Regional Profiles



Finance Plan

- Reasons for Finance Plan:
- Lack of reliable funding after 2006-7
- Benefits-based financing principle
- Water user fee Budget Act requirement
- Avoid disjointed Program Element plans & funding

Finance Plan

Objective:

- Describe State of Knowledge
- Transparent Analysis of Benefits and Costs
- Inform policy level decision makers on Finance Options

Finance Plan

Process:

- Ongoing stakeholder and agency review and involvement
- Independent Review Panel -- review and comment -- Nov. 18th first meeting
- Finance Options Report – Spring 2004
- Future updates of Finance Options

Finance Plan

Key Issues:

- Minimal data to support detailed cost allocation
- How to address baseline views
- Affect on existing cost sharing requirements
- How to include local contributions
- Scope and timeframe

Finance Plan

Independent Review Panel

Next Steps:

- Clarify framework approach with Panelists and Ad Hoc Workgroup
- Develop Options Report for Panel review
February – May 2004

Today's Action

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