

#### 4. Levee Integrity

- a. PL-99 Funding Program. Provide funding to local agencies for improvements to the PL-99 standard.
- b. Implement special levee stabilization projects according to priorities based on island importance relative to water quality, ag production, life and personal property, recreation, cultural resources, ecosystem, local and statewide infrastructure, and impacts to adjacent islands.
- c. Control and reverse effects of subsidence through shallow flooding of between 30 - 60,000 acres of central and western Delta farmland.
- d. Establish and implement emergency response program.
- e. Incorporate seismic risk retrofit elements into levee stabilization program.
- f. Incorporate flood conveyance alternatives to safely pass inflow into the Delta from the Cosumnes, Sacramento, San Joaquin rivers and other Delta tributaries. Includes levee modifications, setback levees, and conversion of islands to bypass systems.
- g. Establish and implement long-term maintenance and subsidence management plan
- h. Seepage flood remediation program (mitigation for isolated system).

#### 5. Conveyance -- Dual conveyance facility. 5,000 cfs capacity for isolated portion

- a. Screened intake.
- b. Operations.
  - i. SWRCB standards similar to existing standards with following changes:
    - (1) Standards are written so as to incorporate real time hydrological conditions -- i.e., a shift away from existing year type classifications (the X2 standard is an example of how this can be done), but will generate approximately the same average flow and diversion levels as current standards
    - (2) Some mechanism is put in place to allow future modifications of flow and diversions patterns, if warranted. The exact mechanism and associated assurances will be part of the implementation plan.
    - (3) Standards allow for greater real-time flexibility in operations.
    - (4) Diversions into the isolated facility are included within the export/inflow ratio calculation.
    - (5) Minimum pumping in the south Delta is 0 cfs from April - June and 1 kcfs during other months.
  - ii. Through Delta portion.
    - (1) Screened intake on Sacramento River.
    - (2) Operational rules as with isolated portion.
  - iii. Coordinated operations of the two facilities.
    - (1) South Delta pumping increases as required to meet south Delta salinity standards.
    - (2) Given, that isolated facility diversions will be curtailed occasionally for biological reasons for because insufficient water is available, the facility will be kept as full as possible at all times.
    - (3) Water diverted through the isolated facility will be channeled to urban areas

#### F. Water Use Efficiency

1. Most of the implementation of the Efficient Water Use Component will be at the local agency level. DWR and USBR will provide technical support and financial assistance for locally implemented water conservation and efficiency improvement programs.
2. The Principles Agreement will include a general statement of agreement on water management and conservation efforts.
3. Assurance of compliance with urban and agricultural water conservation and efficiency programs is provided by a certification process administered by the urban and agricultural conservation/ efficiency councils. Local agencies which do not have certified plans are not eligible for benefits from the CALFED Program. This would include access to and use of new facilities, the water transfer market or water bank, or financial incentive and technical assistance programs.
4. Facilities construction bond language will prohibit the use of new facilities to convey either project or purchased water for any urban or agricultural agency which is not certified as efficient.
5. The Principles Agreement will include a proposal that the SWRCB promulgate rules and regulations on water management and water use efficiency as a condition of water rights. These rules would include sanctions or penalties for those water users who are not certified or failed to satisfy implementation criteria.
6. As an additional assurance to the basic approach of voluntary or conditions based compliance, state legislation will be proposed to make water management planning mandatory for all water suppliers which meet certain criteria.

#### G. Levee Stability

1. Local reclamation districts will continue to maintain the levees within their jurisdictions, with financial and technical support from DWR and the US Army Corps of Engineers (USACE), and emergency assistance from the Federal Emergency Management Agency (FEMA).
2. The Principles Agreement will include a proposal or agreement on the need for funding, by state and federal appropriations or bonds, for initial levee improvements to bring them up to USACE/FEMA standards.
3. DWR will administer and allocate to the Districts funds provided by federal or state appropriations or state bonds, for the initial phase of levee improvements required to bring designated levees up to USACE/FEMA standards.

4. Program phasing and sequencing will ensure the critical levee improvements will be completed before the construction of the isolated facility.

5. DERA will work with DWR and local reclamation districts to establish a process for integrating ERPP actions on levees with the levee maintenance programs.

6. DERA and the ESA regulatory agencies will provide "safe harbor" agreement for Delta landowners and Reclamation Districts who agree to operate and maintain levees in accordance with ERPP.

#### H. Funding

1. The Principles Agreement will include the basic agreement on allocation of costs and sources of revenues.

2. Funding for implementation of the CALFED solution will require general obligation bonds, state revenue bonds, federal appropriations, and water user fees.

3. The distribution of costs among various participants remains to be worked out, but will be based on a benefit analysis.

### **III. DRAFT ASSURANCES PROPOSAL 2**

The distinguishing characteristics of this proposal are a CALFED implementation plan that identifies the assurance tools, the sequence for implementation and the entities responsible for each, as well as a CALFED joint authority to implement the ecosystem restoration actions and agreements among the CALFED agencies to coordinate operational decisions. There will also be a stakeholder advisory body.

#### A. Implementation plan.

The implementation plan would be included in the final Programmatic Environmental Impact Report and Statement. It would include the actions necessary to implement each program component and provide assurance that the solution will be implemented and operated as agreed. In addition, the plan will include a process to address unforeseen circumstances that arise making implementation of a key program component impossible.

Specifically, the implementation plan will include the following:

A financing package.

The programmatic HCP/NCCP and federal agency consultation. This will include the actions and entities covered; the avoidance, minimization strategies required; the recovery plans and actions included; the nature of the "no surprises" policy and the definition of