

# Madera Ranch



## Memorandum

Date: October 8, 1998  
To: CALFED Policy Group  
From: Lester A. Snow *IC Handed  
for L. Snow*  
Executive Director  
Subject: Funding for Madera Ranch

### Summary

Should the CALFED Policy Group recommend approval of \$14.5 million in FY 99 federal Bay-Delta Act funds for land acquisition at Madera Ranch as part of the development of a conjunctive use project?

### Action -- Decision Item

Policy Group will be asked to recommend approval of \$14.5 million of FY 99 funds for Madera Ranch land acquisition subject to resolution of certain issues.

*Management Team Recommendation:* The Project has merit and the sponsors should continue to pursue its development and work to resolve the issues. The CALFED Management Team recommends that Policy Group recommend approval of \$14.5 million of FY 1999 funds for the project, subject to resolution of certain issues. The funds should be recommended for final approval only if funds from other sources are also available, and uncertainties regarding project feasibility and impacts on the local area are resolved to the Policy Group's satisfaction after review by the BDAC Ecosystem Roundtable and BDAC. Staff also recommends that the project sponsors make every effort to find other funding sources.

At the Policy Group meeting, staff will present a list of the issues that should be considered by Policy Group at the time of final funding approval for the Project.

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#### CALFED Agencies

**California**  
The Resources Agency  
Department of Fish and Game  
Department of Water Resources  
California Environmental Protection Agency  
State Water Resources Control Board

**Federal**  
Environmental Protection Agency  
Department of the Interior  
Fish and Wildlife Service  
Bureau of Reclamation  
U.S. Army Corps of Engineers

**Department of Agriculture**  
Natural Resources Conservation Service  
Department of Commerce  
National Marine Fisheries Service

## **Background**

At the last Management Team and Policy Group meetings, the potential use of federal Bay-Delta Act funding for land acquisition at Madera Ranch as part of the development of a conjunctive use project was discussed. While the Policy Group supported the project, a major concern was the overall risk associated with proceeding with land acquisition on the project while planning is still in the early stages and many questions remain unresolved. In addition, the appropriateness of using Bay-Delta Act funding was also raised.

The Roundtable discussed this issue at its meeting on September 21. Most Roundtable members indicated that the project may ultimately prove to be a good project and that it may be acceptable to use FY 99 funds if this is the case. However, several Roundtable members felt very strongly that it was unacceptable to proceed with the land acquisition at this time, given the early planning stage of the project and the significant number of issues that still need to be resolved. They felt the risk that the issues could not be resolved was too great. They also had concerns about the process followed in approving the project.

In addition to the input from the Roundtable, Madera Irrigation District and Merced County have expressed concerns about moving forward with the project until the local concerns have been satisfactorily addressed.

The major issues that need to be resolved include project cost, yield, and feasibility, impacts on local and upstream water users, relationship with CVPIA, commitments from cost-sharing partners, compliance with the National Environmental Policy Act and environmental impacts and benefits.