

**CALFED Policy Group
Meeting Summary
February 4, 1999**

PEIS/R Schedule

- CALFED staff presented the schedule for release of the Revised Draft PEIS/R. The Revised Draft PEIS/R would be released June 1999 and the final would be released April 2000.
- There was general support for the schedule but concern about the large amount of work that needs to be accomplished before the June deadline. The 1999 work effort was discussed under the 1999 Critical Issues agenda item.
- *Action:* Staff will provide a schedule at March meeting on which decisions need to be each month to lead up to the June Draft .
- Staff described the components of the Preferred Alternative and the Record of Decision. The Preferred Alternative/ ROD is made up of the eight program elements and the implementation work efforts such as the Conservation Strategy, governance and financing.

Critical Issues/Work plans

DNCT/EWA

- Staff described the actions that need to occur in 1999 by the time of the draft PEIS/R and by the time of the ROD.

Action: It was agreed that the Quinn/Spear process should begin again and work with DNCT. For the March Policy Group meeting, staff will propose what level of detail will be necessary to describe the EWA in the Public Draft in June.

Water Management Strategy

- Staff presented the tasks and schedule and process for 1999. The concept for an Integrated Storage Investigation was presented which includes four components--groundwater storage, surface storage, power facility reoperation, and fish migration barrier removal prioritization and evaluations.
- Questions were raised about the process for addressing the issues on the water demand estimates. Staff indicated that 3-4 different demand scenarios would be developed and used in sensitivity analyses on integrated implementation of the full spectrum of water management tools (However the current analytical approach for the PEIR/EIS analyses is to evaluate two levels of demand, 1995 and 2020 estimates). Additional agencies (fishery and power agencies) asked to be involved in the water management strategy effort, particularly with attention to the demand estimates.

- The time value of water was discussed and CALFED agreed to conduct a case study which would help provide more detail and understanding of the relationship between new storage and downstream flood flows.

Action: Staff will report on the demand scenarios at the next Policy Group meeting.

Transfers

- Staff presented summary of the priority tasks in 1999, the schedule and process.
- The Policy Group raised concerns that the list of actions to be done before the draft in June was incomplete. The linkage to the Strategic Plan language in the Phase II report needs to be clarified.

Action: CALFED will provide a revised and or clarified short list of priority actions and specify what will be done by the draft and by the final PEIS/R.

Governance

- Staff gave a brief summary on the background on the idea of a new ecosystem entity. Staff indicated that it may be reasonable to pursue a new entity in 1999 with state legislation that incorporates important functions and which are generally supported by stakeholders. CALFED will provide a proposal to Policy Group at the March meeting.

Section 404/section 10 Compliance Strategy

- Staff provided a schedule and list of actions proposed for 1999.
- The Policy Group expressed concerns over the level of detail that would be provided in the 404 compliance strategy by the time of the draft. Federal agencies indicated the 404 MOA would probably have place holders for issues where details could not be worked out by the time of the draft.
- Staff indicated that the reservoir screening process was expected to be completed by the ROD, and probably would integrate evaluation of surface storage, groundwater storage, and reoperation of existing facilities.
- *Action--* staff will provide clarification at the March meeting on how the economic analysis is integrated with the 404 compliance strategy.

Stage 1 Priorities

- Staff described actions, process, and time line in 1999 for developing and bundling Stage I actions.
- Concerns and questions were raised over the definition of bundling.
- *Action:* Staff will provide sample bundles at the March Policy Group meeting.

Water Quality

- Staff provided overview of the actions and process in 1999 to complete Water Quality Plan.
- The Policy Group raised concerns on the work plan. There seems to be redundancy with what other agencies are doing. Figure 1 diagram is not clear.
- *Action:* Agencies will continue discussion in Small Group and with individual conversations with CALFED staff.

Stakeholder Discussion

- Agricultural, Urban and Environmental stakeholders were invited to the Policy Group meeting to comment on the CALFED priorities in 1999. Brief high points are summarized below. Policy Group asked stakeholders for a commitment to help meet the new schedule.

Urban: Byron Buck and Tim Quinn

- Buck--Drinking water quality should not be allowed to be degraded, need action on a governance structure, need definition on high level efficiency as related to WUE, financing needs development, need to push on the 404 level of coverage by time of ROD, concerns about Trinity decision. Quinn-- MWD doing its part for reclamation-- concerned that others aren't. Phase II report includes good ideas but lacked detail, some in Southern California ready to leave CALFED process, need EWA to work in 1999 and need interim drinking water quality standards, MWD will look at out-of-Delta solutions but need to look in-Delta also, does not want user fees for EWA .

Environmental: Gary Bobker and Tom Graff

- Bobker--Three main issues --(1) water management strategy needs objectives and not jumping to a solution, (2) Stage I actions--EWA needs to supplement not replace the baseline, CALFED needs to make decision on baseline and get on with it, (3) ERP-- agree on the approach but also need to complete the Strategic Plan with independent expertise before final. Graff-- distributed his 10 point list of concerns, indicated there was a lot of good in the Phase II Report.

Agricultural--Jason Peltier (provided handout)

- Concern with ROD slipping in the calendar, concern about baseline considering the other factors such as Trinity and splittail listing, Federal Funding Coalition disagreeing over the storage studies is a concern, concern that agriculture may not stay at CALFED table with all these outside factors.

Restoration Coordination

Special Support Funding

- *Action:* Policy Group recommended approval of an additional \$1.751 million for CALFED funding in 1999 to support water quality, levees, water use efficiency/transfers, GIS, and a residual portion of ecosystem restoration.

Environmental Water Acquisition

- *Action:* Policy Group agreed to maintain \$14.5 million from Bay Delta Act Funds in the Restoration Coordination Program for environmental water acquisition in coordination with EWA concepts.

1999 PSP and Designated Actions

- Staff described the proposed funding plan for 1999 including funding for designated action and solicited actions (as part of the Proposal Solicitation Package/PSP).
- *Action:* Policy Group recommended approval of the funding requested for Directed Programs (\$52,461,854) and for the PSP(\$18,717,146). Policy Group directed USBR and CALFED staff to resolve any potential conflicts with CVPIA regarding cost share requirements prior to funding be committed.