

Executive Director's Report



Memorandum

Date: August 4, 1999
To: CALFED Policy Group
From: Lester A. Snow
Executive Director
Subject: Executive Director's Report

Summary

The next ten to twelve months of the CALFED Program represent a period of change, both in terms of increasing public access to decision-making and in moving from draft to final program decisions and implementation. As part of this transition we are establishing a standing agenda item, the Executive Director's report, as a means of providing progress reports to both the Policy Group and the public. This report will be a template for subsequent reports, which may also include any program areas or actions requiring special focus from the Policy Group.

In this first report we will highlight recent major activities, milestones and accomplishments of the CALFED Program.

Detailed Report

The Phase II Report of the EIS/R describes the various CALFED program elements and highlights a number of activities to be addressed prior to the Record of Decision (ROD). The following are highlights of milestones and current activities of several of the programs.

1. Schedule for EIS/R Completion

The draft revised EIS/R was released on June 25. The public comment period will be ninety days in length, and will continue until September 23. Fifteen public hearings are scheduled throughout the state. The hearings will begin in Stockton on August 18. The final public hearing will be held in Sacramento on September 22. We have encouraged and requested Policy Group participation at these hearings. The final EIR is expected to be completed by April 2000 and ready for final decision in June 2000.

Much of the focus of CALFED staff in the fall will be on review of public comments and integration of those comments into the final EIR.

CALFED Agencies

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

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

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

2. Restoration Coordination projects and the Ecosystem Restoration Program

As of August 1, 1999, CALFED has approved over 200 environmental restoration projects for a total of \$234.7 million. These projects extend throughout the CALFED solution area, from the upper reaches of the Sacramento and San Joaquin Rivers out to the Pacific Ocean.

The Ecosystem Roundtable met on July 6 to complete its funding recommendations for 1999. In addition, per direction from the Policy Group, the Roundtable Amendment Subcommittee met on July 22 and developed amendments to eight previously approved projects.

The Policy Group will receive an extensive briefing on August 12 on the amended process for FY 2000 project selection and priority setting, which CALFED has developed with extensive input from both CALFED agencies and members of the public.

The Restoration Coordination program will host a public workshop on August 31 to review the FY 2000 ecosystem restoration priorities.

CALFED is in the process of developing a comprehensive work plan for the Stage 1 actions of the Ecosystem Restoration Plan. As part of this effort, the Ecosystem Restoration Program is sponsoring the production of eight scientific white papers. The purpose of these papers is to identify highest priority and scientifically based ERP actions for early Stage 1 of the program. Teams of scientists will be convened for each of the topic areas, which include salmonids, Delta smelt, splittail, open water processes, tidal wetlands, DEFT/EWA, aquatic toxicity and riverine processes and habitats. These papers will be completed by early November of this year.

In addition, the CALFED program staff have been identifying opportunities for incorporating non-structural flood management actions into early ERP actions in the South Delta.

3. Water Quality Program

At its July 9 meeting in San Diego, the Bay Delta Advisory Council concurred with CALFED's proposal to establish a Delta Drinking Water Council. The Council will include drinking water experts and members of the public whose task will be to monitor CALFED's progress during Stage 1 in making the necessary progress in improving source water quality in the Delta. Staff of the Water Quality Program have been working with members of the public to develop guidelines for the Council and a list of potential members for the council, which will include local representative from the Delta. Proposed guidelines and a proposed membership roster will be brought to the next Policy Group meeting for approval.

CALFED will develop measurable drinking water quality milestones. These milestones will be used to evaluate the feasibility and effectiveness of Stage 1 drinking water quality actions, including source pollution control actions, source water supply exchanges and state of the art treatment technologies.

In partnership with other environmental health and drinking water agencies and with extensive public involvement, CALFED recently began a study of the environmental and public health impacts of mercury in Bay-Delta waters.

4. Water Management Strategy

The CALFED Water Management Strategy is a broad framework for integrating and choosing among diverse water management tools, all of which will be necessary to accomplish the objectives of the CALFED Program. A draft framework will be completed and ready for Policy Group and public review this fall.

The Water Management Strategy embraces several CALFED Program efforts. Recent progress in each of these efforts include the following:

a. Environmental Water Account

An environmental water account is a significant component of the Water Management Strategy. A separate agenda item and memo are included in this packet to provide a status report on development of the account.

b. Water Use Efficiency

Subsequent to the expert panel on water use efficiency which CALFED convened last winter, the program has sponsored a facilitated, interest-based process to bring together traditionally opposing stakeholders with the goal of developing measurable and achievable objectives in agricultural water conservation. This focus group, comprised of agricultural water representatives, environmentalists and others from around the state, has met approximately two dozen times since January. By October 1 of this year, with the assistance of this focus group, CALFED will propose measurable objectives for agricultural water conservation in several different geographic regions around the state.

By the time of the ROD next year, CALFED will establish overall measurable objectives for agricultural water conservation.

In addition, by the end of this year CALFED will establish a certification process for urban water conservation best management practices.

c. Water Transfers

The CALFED Transfer Agency Work Group has been meeting regularly since the beginning of this year to resolve several outstanding issues as establishing reservoir refill criteria, tracking ecosystem water transfers, and developing third party impact disclosure requirements.

CALFED staff will continue to work closely this year with the U.S. Bureau of Reclamation. Over the next few months CALFED staff will work with DWR and other agencies and will present a straw proposal for streamlining transfers approvals to the Policy Group by the end of this year.

d. Economic Evaluation of Water Management Alternatives

At a workshop on June 22, 1999, CALFED released a draft report on its EEWMA Screening Analysis and Scenario Development effort. This analysis provides information about the mix of supply enhancement and demand reduction measures that would be selected under a least-cost planning approach. The analysis was conducted on a regional basis, under various sets of assumptions grouped in preference sets. The draft report is available on CALFED's web page.

Comments were received from the Natural Resources Defense Council, Save San Francisco Bay Association, Central Valley Water Project Association, Northern California Water Association, State Water Contractors Association, California Urban Water Agencies, Metropolitan Water District, UC Davis, Natural Heritage Institute, Kern County Water Agency and the San Diego County Water Authority. These comments were reviewed at a workshop on July 20th. While most reviewers agreed that additional refinement was needed, they also expressed strong support for the framework of the analysis. CALFED intends to refine the draft report over the next one to two months, incorporating as many of the comments as possible, and release a final draft. Additional work will continue over the coming months to support development of the Water Management Strategy.

e. Integrated Storage Investigation

CALFED is in the process of undertaking a comprehensive study of the role of groundwater and surface storage in the state's overall water management strategy. This series of studies will be completed by the end of this year and will be incorporated into the final EIS/R.

(1) Riverine Processes Study

A core work team of CALFED staff and outside experts is being established to identify a range of flows in the Sacramento River that will restore a functioning riparian ecosystem in the reach of the river between Red Bluff and Chico Landing. An initial workshop will be held on August 4. Experts from universities, public agencies and consulting firms have been invited. The workshop will be led by Matt Kondolf, Professor of Environmental Planning and Geography at UC Berkeley. Peer review will follow completion of a white paper, with a public workshop expected in October.

The panel will host a public meeting on their findings in mid-October, and make its final report to CALFED by the end of this year.

(2) Fish Barrier Removal or Modification

By the end of this year CALFED will have compiled a preliminary listing of dams diversion and other obstructions which would be viable candidates for modification or total removal to help in rebuilding upstream habitat for the state's endangered salmon populations.

(3) Hydroelectric Facilities Re-operation Investigation

By mid-October CALFED will have some preliminary answers on the potential benefits that hydropower re-operation may hold for local water supplies, environmental benefits and statewide water supply.

As an initial step, re-operation of PG&E facilities in the Feather River basin will be evaluated in consideration of three primary objectives:

1. local water supply reliability
2. system-wide water supply reliability; and
3. changes in timing of flows for environmental enhancement.

Additional work will be developed based on these findings.

(4) Groundwater Investigations

CALFED and DWR are currently developing a work plan to help identify the proper role of conjunctive use in the overall Water Management Strategy and to pursue feasibility evaluations of several conjunctive use and groundwater banking opportunities. Under this plan, groundwater opportunities would be evaluated cooperatively with local stakeholders using a basin by basin approach.

CALFED's principles for implementation of conjunctive use include a commitment to local control of projects and a commitment to meeting current and future in-basin needs as a first priority. These principles will apply to all projects considered in this evaluation. CALFED's Conjunctive Use Advisory Team, consisting of interested stakeholders and agency experts, will help guide development of this work plan.

Concurrently, CALFED is exploring opportunities to provide technical and financial support for locally sponsored conjunctive use pilot projects. In a meeting scheduled for August 20, 1999, the Conjunctive Use Advisory Team will provide input on a possible request for proposals.

(5) North of Delta Offstream Storage Study

DWR is continuing work on its North of Delta Offstream Storage Study. Work anticipated during state fiscal year 1999-2000 will focus on the environmental issues associated with construction of alternative offstream reservoirs. Some additional engineering and economic studies are also planned. A meeting of the Offstream Storage Advisory Technical Advisory Group was held on August 3 to review progress on the study.

(6) On-stream Storage Investigations

The U.S. Bureau of Reclamation recently completed an assessment of the potential for enlarging Shasta Dam and Reservoir. The Bureau concluded that a 6.5-foot rise has the least unit cost and would be the most viable project for further analysis in a feasibility-level investigation. Three public information meetings were held in June with local elected officials, resort owners and operators and other stakeholders. An issue paper will be developed to address the concerns and issues raised at the meetings.

(7) Drinking Water Quality Operations Work Group

A cooperative study lead by CALFED and several urban stakeholders was recently initiated to explore the potential for water quality improvements through management of water project operations. A similar work group is being assembled to further refine and analyze operational concepts and planning tools for water quality improvement, with a special focus on new storage facilities. Representatives from U.S. EPA, DWR, Contra Costa Water District, the Metropolitan Water District of Southern California, Santa Clara Valley Water Authority, California Urban Water Agencies, the State Water Contractors, San Luis Delta Mendota Water Authority and U.C. Davis have been invited to participate. A set of drinking water quality operating rules will be developed by mid-October 1999 for use in preliminary ISI comprehensive planning.

5. CALFED Program Implementation

a. South Delta Improvements

The South Delta program comprises the earliest CALFED Stage 1 actions, and includes ecosystem restoration actions, water quality improvements, floodplain management and modification of major water diversion facilities in the Delta.

Initiation of the essential site-specific environmental studies in the South Delta has begun over the past month. These studies will require an increase in both financial and personnel resources from CALFED agencies over the next two years.

b. Interim Governance

Earlier this year the CALFED Policy Group made a decision to continue its current governance and decision-making structure until a long-term governance structure is developed. Since the beginning of this year the BDAC Governance Work Group has been meeting regularly. The Work Group has focused on developing features of an entity for implementation of the Ecosystem Program and for overall long-term CALFED governance. At the joint meeting of the Policy Group and BDAC on May 13, the Policy Group committed to making a decision on long-term governance by the end of this year.

During the month of July CALFED hosted two facilitated workshops of selected Policy Group members to develop a proposal for long-term governance. The results of their efforts will be presented and discussed at a public workshop on September 8. The proposal will then be reviewed and discussed by BDAC and the Policy Group at their September meetings, with final adoption of a proposal by the end of this year.

6. Conclusion

This report has highlighted some of the key activities of the CALFED Program over the past two to three months. Some of the items mentioned above will be discussed in depth at the Policy Group meeting on August 12. Future Executive Director's reports will highlight activities of the CALFED Levees Program, as well as other CALFED milestones which will mark the path to the Record of Decision and implementation of the entire program less than a year from today.

Action

Information only.