OVERVIEW
ECOSYSTEM RESTORATION COORDINATION PROGRAM

This paper provides an overview of the Ecosystem Restoration Coordination Program which includes the process for selecting environmental restoration projects for early implementation and for coordinating other restoration programs so they are consistent with the long term ecosystem restoration program of the CALFED Bay-Delta Program. It describes the roles and responsibilities for each of the groups involved in this effort.

INTRODUCTION

The December 15, 1994 Bay-Delta Accord included a commitment to fund $180 million in non-flow related ecosystem restoration actions to improve the health of the Bay-Delta ecosystem, commonly referred to as "Category III". To date, urban water users have contributed $21.7 million and Proposition 204 included $60 million in state contributions. Specific factors identified as part of the Category III mandate include unscreened water diversions, waste discharges and water pollution prevention, impacts due to harvest, poaching, land derived salts, exotic species, fish barriers, channel alternations, loss of riparian wetlands, and estuarine habitat degradation.

In 1996, the CALFED Bay-Delta Program (Program) identified two important needs with respect to current ecosystem restoration activities. The first need was to improve coordination of existing state and federal habitat restoration programs so they could efficiently provide greater ecosystem benefits. The second need was to administer the Category III program so it was integrated with other habitat restoration efforts.

The broad consensus on the need to coordinate near-term habitat restoration efforts led to the creation of the CALFED Ecosystem Restoration Coordination Program. This program will address both of the identified needs: administration of the Category III program and coordination with other programs, such as Central Valley Project Improvement Act (CVPIA), involved in the restoration of the Bay-Delta ecosystem.

In addition to these efforts to coordinate near-term habitat restoration, the CALFED Bay-Delta Program is also working to coordinate on-going CALFED agency activities that can address other long-term program elements such as water quality and levee system integrity.

RELATION TO LONG-TERM CALFED BAY-DELTA PROGRAM

The CALFED Bay-Delta Program is developing a long term program to address four major areas

in the Bay-Delta including ecosystem health, water quality, water supply reliability and levee system integrity. Alternatives will be evaluated in a Programmatic Environmental Impact Report/Statement (Programmatic EIR/EIS) that is scheduled for public release in November 1997. A solution that addresses the four resource areas must also meet six solution principles: it must be affordable, equitable, durable, implementable, reduce conflicts in the system, and have no significant redirected impacts.

As part of the development of the Bay-Delta solution, a comprehensive ecosystem-wide plan for restoration and management of the Bay-Delta ecosystem is being developed. The resulting Ecosystem Restoration Program Plan (ERPP) will provide the foundation for the **long-term** ecosystem restoration effort that may take several decades to implement. The ERPP will be included in each of the alternatives being evaluated in the Programmatic EIR/EIS.

The ecosystem restoration strategy articulated by the ERPP is designed to reverse the decline in ecosystem health by reducing or eliminating factors which degrade habitat, impair ecological functions, or reduce the population size or health of species. The ERPP will focus on those factors that cause direct mortality of plants and animals in the system, or cause indirect mortality by degrading habitat conditions or functions.

The **Ecosystem Restoration Coordination Program** is directly related to this effort. It is developing a planning and project selection process to begin early implementation of the ERPP using existing programs and commitments. This process focuses primarily on Category III funding decisions for 1997 and 1998 and coordination with CVPIA, but also begins to integrate restoration efforts of other closely related restoration programs such as the Four Pumps Agreement and the Tracy Fish Agreement. Potential near-term projects include fish screens and ladders, riparian habitat restoration, wetlands development, ecosystem restorative watershed management actions, and other Bay-Delta ecosystem restoration actions.

Near-term restoration actions will be evaluated to ensure that they do not prejudge the selection of the long-term program alternatives being evaluated in the Programmatic EIR/EIS. They will also be evaluated against solution principles where appropriate to guide near-term restoration actions. For example, effective restoration actions should be durable, implementable, and cost-effective. Because the near-term restoration actions and other early implementation opportunities can only occur through existing programs and must not prejudge the selection of the long-term alternative, it may not, however, be possible to fully satisfy the equity solution principle. For example, the storage and conveyance components of each alternative vary considerably and so they could not be the subject of early implementation.

FUNDING SOURCES

Funding sources for near-term restoration activities include $60 million in state Proposition 204 funds and an expected additional stakeholder contribution of $10 million to fund the ecosystem

restoration commitments in the Bay-Delta Accord (Category III). In addition, Congress authorized $430 million over the next three years to fund the federal share of Category III and the ERPP. The President's Budget for federal FY 1998 proposes appropriation of $143 million under this authorization for Bay-Delta ecosystem restoration. Expenditure of these Federal funds will be coordinated in the process described below.

ROLES AND RESPONSIBILITIES

The roles of each group involved in the allocation of funding from stakeholder Category III contributions, state funding from Proposition 204 for Category III, and federal funding appropriated under the authorization for $430 million are detailed below. Some of the roles and responsibilities described are interim and will probably be replaced when the long-term alternative is selected and implemented.

Bay-Delta Advisory Council (BDAC) - BDAC is a federally chartered advisory committee. Its mission is to provide policy advice on the development of the long term program. It has established several fact-finding Work Groups to address differing issues associated with the long-term program. In addition, BDAC has appointed a subcommittee, the Ecosystem Roundtable, to provide advice on near-term ecosystem restoration efforts. The CALFED Bay-Delta Program Restoration Coordination Program staff will provide BDAC with regular updates on the planning and project selection process as well as advice from the Ecosystem Roundtable.

Ecosystem Roundtable - The Ecosystem Roundtable is a subcommittee of BDAC. The Ecosystem Roundtable provides stakeholder input on the coordination of existing and anticipated state and federal ecosystem restoration management programs including ecosystem restoration projects to be funded by the state, federal, and stakeholder contributions to Category III. This will be done in a manner that fosters cooperative planning and implementation with all agencies and stakeholders, that addresses high priority environmental needs, and that informs future restoration efforts. Specifically, the Ecosystem Roundtable will provide advice on:

- coordinate CALFED ecosystem restoration and management projects and programs with other complementary environmental programs being implemented in the Bay-Delta ecosystem, and
- establish priorities for near-term ecosystem restoration and selection of projects based on those priorities.

CALFED - CALFED agencies will select projects and programs for implementation. The Secretary for Resources and the Secretary of the Interior will have final fiscal responsibility for State and Federal funds respectively. CALFED agencies will be regularly updated on the progress of the Restoration Coordination Program as the planning process is implemented and CALFED agencies will attend the Ecosystem Roundtable meetings.

CALFED Bay-Delta Program Restoration Coordination Program - The Restoration Coordination Program staff will be responsible for the day-to-day management of the planning process. This includes seeking technical input from experts, preparing reports, and coordinating the project selection process.

Restoration Technical Teams - Technical teams consisting of agency, academic and stakeholder specialists will provide input on what stressors and limiting factors are most affecting the priority species and habitats, and the types of restoration actions needed to address these stressors and limiting factors and alleviate their impacts. The teams will be organized by geographic area such as the San Joaquin River and tributaries, Sacramento River and tributaries, Delta/Suisun Bay, American River, and North Bay. Additional issue based teams, such as water quality, may be needed. An umbrella team, representing stakeholder and agency biologists, will provide the continuity between the technical teams.

PROJECT SELECTION PROCESS

With the ERPP providing the foundation for the **long-term** ecosystem restoration, the Restoration Coordination Program is focused on those restoration actions in the ERPP that can be started in the **near-term**. The Restoration Coordination Program will use the following four step planning and project selection process. Each step of this process will be reviewed and updated as needed so projects can be funded on a semi-annual basis. The attached figure provides an overview of the process.

Step 1: Identify Near Term Priorities - The CALFED Restoration Coordination Program staff, assisted by technical teams, will prepare an implementation strategy which identifies the near-term priorities. The strategy will provide guidance on which species, habitat types, and ecosystem processes should be included in the next funding cycle and how they should be prioritized. The strategy will look toward the long-term implementation needs detailed in the ERPP but will focus on those of greatest urgency and those providing the greatest early benefits considering the availability of funds.

The initial priorities for allocating ecosystem restoration funds in 1997 have been identified as: 1) actions to assist in the recovery of aquatic species that are listed as threatened or endangered, of special concern, or desirable and in "greatest need"; and 2) actions to assist in the restoration of habitat types that have experienced the greatest decline, and which are important to the priority species.

Step 2: Identify Limiting Factors and Stressors and Actions to Address Them - The CALFED Restoration Coordination Program staff, assisted by the technical teams, will prepare a workplan based the near-term priorities developed in Step 1. Beginning with this strategy, the work plan will identify:

- a summary of the strategy including priorities for funding;
- a summary of the limiting factors or stressors that need to be addressed to achieve those priorities; and
- specific actions or the types of actions that need to be undertaken to further define and address the limiting factors.

Semi-annual updates of the work plan will be prepared to respond to additional priorities, changes in funding levels, and progress made in earlier years. CALFED agencies will approve the initial work plan and the semi-annual updates.

Step 3: Prepare Package to Solicit Grant Applications and Development of Evaluation Criteria - The CALFED Restoration Coordination Program staff, assisted by agency personnel and by outside technical experts where possible, will prepare a package to guide selection of individual projects and programs consistent with the work plan.

Project and program proposals can come from a variety of sources including special districts, state and federal agencies, local governments, non-profit organizations and other organizations interested in ecosystem restoration. A package will be prepared to solicit grant applications from outside parties and will be widely advertised and circulated. Guidance will also be developed for state and federal agency programs. Criteria for selection of restoration actions will be prepared and applied to grant applications from outside parties as well as proposed agency programs. The criteria will be used to guide selection of actions to address the priority species and habitats. The CALFED agencies will approve the final evaluation criteria and the package soliciting grant applications.

Step 4: Recommend Projects and Programs -The CALFED Restoration Coordination Program staff, working with technical experts, will review and rank the proposals using the evaluation criteria developed in Step 3. An overall draft list of recommended projects and programs, including "agency directed" and those proposed by outside parties, will be forwarded to the Ecosystem Roundtable for its consideration.

The list of recommended projects and programs along with the advice from the Roundtable will be forwarded to BDAC for its consideration. BDAC will relay its advice to the CALFED agencies who will make the final decision.

RESTORATION RESERVE

As shown by the 1997 New Year's Day floods, new opportunities and challenges in ecosystem restoration can develop quickly. To provide resource flexibility to take advantage of opportunities, the Restoration Coordination Program will maintain a restoration reserve fund for the purpose of providing funding flexibility to respond to opportunities which occur out of phase with the normal funding cycle. These funds shall be for projects which are related to an

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emergency, unique opportunity, or can leverage matching monies which are time sensitive. When the restoration reserve fund is used, the program will identify the rationale for providing funding outside the normal funding cycle. Any projects funded through the restoration reserve will receive public review through the Roundtable and BDAC.

COORDINATION

The Restoration Coordination Program will also seek to maximize the cost sharing opportunities between CALFED/Category III and other ecosystem restoration funding sources. For instance, Restoration Coordination staff have identified many Central Valley Project Improvement Act (CVPIA) restoration activities that are closely aligned with those of CALFED. They have been working with CVPIA staff on a variety of tools that can be used to better coordinate these two large restoration efforts. Some of the concepts being developed include joint development of priorities and joint solicitation and review of projects to address these priorities. Staff are also working with other programs such as the Four Pumps Program administered by DWR and DFG and the Tracy Fish Agreement program administered by USBR and DFG. Coordinating various restoration programs in the Bay-Delta ecosystem will maximize the effectiveness of available funding and will jumpstart ecosystem recovery.

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