

II. Executive Summary

a. Project title: Opening Up Butte Creek Canyon To Salmon and Steelhead Fish Passage
Applicant name: Institute for Fisheries Resources

b. Project description and primary biological/ecological objectives.

The goal of the project is to prepare a fish passage plan for reaches of Butte Creek now blocked by both natural barriers and hydroelectric dams so that salmon and steelhead, particularly spring-run chinook salmon, may use the stream for migration, holding, spawning and rearing. This proposal seeks funding to match 56% of the total cost of an ongoing project for which funds have already been committed from other non-State sources (44%).

c. Approach/tasks/schedule

The project will be carried out in three general phases, as follows:

- Organize a Project Advisory Committee (PAC) of Upper Butte Creek watershed community representatives and representatives of local, State and federal agencies having expertise and jurisdiction. Involve the PAC in the final development and adoption of the project work-plan and Upper Butte Creek policy. Complete this task within a month of initiation
- In collaboration with the PAC, develop a policy for Upper Butte Creek regarding introduction of spring-run salmon based on the evaluation of the salmon and steelhead habitat restoration potential, ecological considerations, land/property owners' concerns, the ESA and "safe harbor" protections. To assist in the formulation of the policy and future planning, organize the information in a map-based information system (GIS). Based on the policy, integrate the information into an Upper Butte Creek Salmon and Steelhead Fish Passage Plan. Complete all information gathering within eleven months of project initiation, complete draft GIS within twelve months, complete draft Plan within 13 months of project initiation.
- Obtain community and peer review of the draft policy and Plan. Prepare appropriate environmental documentation. Circulate draft and environmental document for review by public and agencies. Prepare responsiveness summary. Complete, deliver final Plan. Plan review will be completed within 15 months of project initiation, environmental documents with 16 and a half, the final Plan will be completed within 18 months of project initiation.

Details of the project tasks may be found at Section IV.b. of this proposal.

d. Justification for project and funding by CALFED

The restoration of Upper Butte Creek salmon and steelhead habitat is called for in the CALFED ERPP, the California Department of Fish and Game's 1995 Restoring Central Valley Streams Plan, the Central Valley Project Improvement Act Anadromous Fish Restoration Program

(AFRP), and CALFED's June 5, 1997 "Summary of Technical Team Reports - Stressors and Example Restoration Actions". Spring-run chinook salmon populations have been severely diminished through hydro-modification of the species' homestream habitats and of their rearing and migration habitats through the San Francisco Bay-Delta watershed.

e. Budget costs and third party impacts

The cost of the proposed project is estimated to be \$278,500. The proposed CALFED portion of the cost is \$156,780. Details of the budget are presented in Section V, Table 1, page 13.

The third party impacts that can be identified at this time are:

- Likely decrease in Pacific Gas and Electric Company's (PG&E) DeSabra-Centerville Hydroelectric System output due to reallocation of streamflow to improve salmon and steelhead instream habitat conditions. These impacts will be the subject of a fair and reasonable agreement with the Company to be established as part of the overall project.
- Possible interference with present-day suction gold-dredging in the Upper Butte Creek canyon reaches. If these reaches can be restored as spring-run chinook summer holding habitat, the dredging activity will have to be moderated. In any case, if the spring-run are listed under State or federal endangered species acts, the gold-dredging will likely be banned.

f. Applicant qualifications

The Institute for Fisheries Resources has successfully completed six fish conservation projects, including analyses of salmon restoration costs and benefits in the Columbia, Klamath and Sacramento river basins, in the past two years. Kier Associates has successfully completed large-scale anadromous fish habitat evaluation, restoration planning, and data management projects for the U.S. Fish and Wildlife Service (Klamath River), the U.S. Bureau of Reclamation (Trinity River), and for the Mendocino County Resource Conservation District (Garcia River). Mr. Reisner directed the NFWF-funded Butte Creek Fish Access project.

g. Monitoring and data evaluation

Project information will be organized in an easy-to-use geographic information system (GIS). See section IV for details of the system and plans for its coordination with others, such as CMARP.

h. Local support/coordination with other programs/compatibility with CALFED objectives

Support for the proposed project has been expressed by the Butte Creek Watershed Conservancy, the U.S. Fish and Wildlife Service (Anadromous Fish Restoration Program) and the California Department of Fish and Game. Support for the Butte Creek Fish Access project is currently being provided by PG&E and Sierra Pacific Industries.

Letter from Yuba-Bear River Project regarding Proposal 98-A1005 Upper Yuba
River Salmon and Steelhead Restoration, Study Englebright Decommissioning

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YUBA-BEAR RIVER PROJECT

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October 14, 1998

Mr. Lester Snow
Director CALFED
1416 Ninth St. Suite 1155
Sacramento, Ca. 95814

Re: Meeting to Discuss Proposal for Reintroduction of Anadromous Fish above Englebright Reservoir in Yuba County

Dear Mr. Snow:

Nevada Irrigation District has learned that the South Yuba River Citizens League (SYRCL) in cooperation with the Yuba Watershed Restoration Group, the California Hydropower Reform Coalition and the Planning and Conservation League are requesting CALFED funding. The purpose of this funding is to conduct a "Cooperative" study to determine the feasibility of removing Englebright Dam on the Yuba River to allow Chinook Salmon and Steelhead access to historical spawning and rearing habitats.

Nevada Irrigation District, as a matter of record, is notifying you and others in the CALFED process, that we oppose the expenditure of CALFED's scarce financial resources, or moving forward with this application for funding for the following reasons:

1. The Nevada Irrigation District was never given an opportunity to comment or was notified of the so called "Cooperative Effort" to provide input into the process. This project has significant potential impact to our district's operations and others in the watershed.
2. We believe the application for funding from CALFED and from (SYRSL) is seriously flawed, misleading, and lacks input from our District, Yuba County Water Agency, and Pacific Gas and Electric.
3. Historic habitat is reported above Englebright as several hundred miles for anadromous species of fish. We believe the issue is to be disputed, and challenge this fact alone, as not eligible for funding under the CALFED process without undisputed facts.

CALFED has before it a tremendous task and finite resources. Applications for these scarce financial resources must be based on accurate, verifiable facts. We believe the applicants such as SYRCL (and others) have an obligation to first confer with stakeholders to verify the facts and to provide a cooperative, collaborative effort with those stakeholders in the target watershed.

As you are aware, water projects of the NID effect the Middle Yuba River, Canyon Creek, South and North Yuba river, Bear River, and several tributaries to the watershed. Project facilities are located across a four hundred square mile area in Sierra, Nevada and Placer Counties. The water, power, and recreational opportunities made available through our Project have helped make possible the lifestyle and economic

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success enjoyed by the people and businesses of Nevada, Placer, Yuba, and Sierra Counties. We have much to bring to such studies and do not wish them developed by a "closed club".

We recommend that you will take action to deny the application submitted, with the directive to the applicant that its resubmittal will be considered after consultation with NID along with all stakeholders potentially affected to assure the accuracy of the content.

With respect,



Les Nicholson
Hydro Manager

Cc: Noel Folsom, F.E.R.C.
Curtis Banky, CA. Fish & Game
John Hiscox, Fish & Game
Terry Moreford, PG&E
Jim Chatigny, NID
Don Wilson, YCWA

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Memorandum

Date: September 29, 1998

To: CALFED Management Team

From: Lester A. Snow
Executive Director

Subject: Amendment to Project 97-N14, Cosumnes Floodplain

The Nature Conservancy (TNC) project to acquire conservation lands at their Cosumnes River Preserve was recommended for approval by the Policy Group in December 1997 for \$5,375,100, and in January 1998 for an additional \$5 million. \$3.4 million in this original funding was ultimately approved from the federal Bay-Delta Act and the remaining \$6,975,100 was approved from Proposition 204.

This project was amended in July 1998 to add \$100,000 in federal funds to cover an additional part of the Denier and Park parcels and to add \$210,000 in Proposition 204 funds because the January 1998 award was an estimate of the costs associated with acquisition of a parcel known as McCormack-Williamson Tract and, after additional development, there were some additional staff costs and a slightly higher price for the property than was expected in January 1998. This brought the total cost for both the state and federal portions of the project to \$10,685,100.

The US Bureau of Reclamation has entered into a Cooperative Agreement for \$3.5 million for the Denier and Park acquisitions which have been completed. The National Fish and Wildlife Foundation is currently preparing a Recipient Agreement with TNC for \$7,185,100 to cover the remaining tasks, including acquisition of McCormack-Williamson Tract.

TNC has continued to work on the acquisitions involved in this project while the agreement is being written. As TNC has worked on acquisition of the McCormack-Williamson Tract, they submitted the appraisal conducted on behalf of the property owner to the Department of General Services (DGS) through the Wildlife Conservation Board (WCB)

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

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to obtain DGS approval. DGS disapproved the appraisal. TNC is now pursuing a new appraisal which they will submit to DGS. However, the WCB submitted the first appraisal to DGS as a courtesy to TNC and will not be involved in the new appraisal.

In addition to the work on the appraisal, TNC is in the process of identifying potential long-term property management options for the parcel. This is especially important considering that the property is ringed by levees that are important for local flood control and so must be maintained as an interim measure. Because of the levee issue, TNC has been exploring the option of having the Department of Water Resources (DWR) take over the levee maintenance function and possibly take over the management of the property. This is likely to be well supported by adjacent landowners due to DWR's experience at levee maintenance.

Given the possibility of DWR's long-term interest in the property, some DWR staff and TNC have proposed that DWR sponsor the new appraisals going to DGS. They would also like to ensure that other activities such as surveys are acceptable to DWR. This will be discussed with Bob Potter in a briefing on September 28.

If DWR determines that they would like to be involved, CALFED would need to provide funds for DWR's involvement in the project. This memo provides approval of \$24,000 for the DWR tasks described in the attachment, contingent upon approval by Bob Potter for DWR staff to participate in this project. Under the current amendment procedures, CALFED is notifying the Management Team and the Ecosystem Roundtable of this amendment.

If you have any questions about this amendment, please contact Ms. Cindy Darling at 653-5950.

Attachment

cc: Spencer Shepherd, National Fish and Wildlife Foundation
Meaghan Mazzoni, The Nature Conservancy
Curt Schmutte, DWR
Ward Tabor, DWR
Ecosystem Roundtable Members