



**CALFED
BAY-DELTA
PROGRAM**

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Date: January 22, 1997
To: CALFED
From: Lester A. Snow, Executive Director
CALFED Bay-Delta Program
Subject: Upcoming CALFED Management Team Meeting

The CALFED Management Team will meet on **Friday, January 31, 1997, from 9:30 am to 12:30 pm in room 1142** of the Resources Building. Attached is a draft agenda for this meeting (Attachment 1).

As requested at the last meeting, we have attempted to categorize agenda items to help CALFED Management Team members prepare for the meetings. The three categories are discussion, status/update, and review/concurrence. A more detailed description of the agenda items and attachments follows:

A. Flood Update (Discussion)

CALFED agencies will provide a general update on the recent floods. CALFED staff will initiate a discussion regarding flood management opportunities which may be integrated with the long-term program including levee integrity, ecosystem restoration, and storage.

B. Cost-share agreement (Status/Update)

A subgroup comprised of Federal and State members has been established to begin work on a cost-share agreement. Currently the cost-share agreement is envisioned in three components: short-term issues relative to Proposition 204, long-term issues related to the CALFED Bay-Delta Program and integration of user fees.

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
Department of Commerce
National Marine Fisheries Service

C. Funding (Status/Update)

Roger Patterson and Patrick Wright will provide a general overview on the status of federal funding efforts.

D. Ecosystem Roundtable

Roles and Responsibilities (Review/Concurrence) - Clarification is needed regarding the roles and responsibilities of the Ecosystem Roundtable members and CALFED in the process of implementing short-term ecosystem restoration activities. Cindy Darling will lead a discussion on this issue.

Implementation Strategy (Review/Concurrence) - A draft Implementation Strategy has been prepared that identifies near term priorities for habitats, species, and ecosystem processes. This document has been circulated to the agency Program Coordination Team Liaisons and to the Ecosystem Roundtable. It is being revised based on comments received from these groups and the most current draft is included in this package (Attachment 2). Several issues of importance have been identified:

- Currently, aquatic species are the focus, not terrestrial species. Some stakeholders would like to add a focus on terrestrial species including waterfowl that use seasonal wetlands. CALFED staff recommend that the early focus remain on aquatic species.
- Others have asked that vernal pool habitats also be given a priority. Although this habitat type has declined, it is not central to the CALFED Program and as such staff does not recommend that it be included at this time.
- Currently, based on the rationale presented in the document, striped bass are a priority species and Sacramento River fall run chinook salmon are not. The Roundtable discussed the striped bass priority and agreed that it was appropriate. DFG has raised the issue of whether Sacramento River fall run chinook salmon should be added. Is it appropriate to have striped bass as a priority but not Sacramento River fall run chinook salmon? CALFED staff continue to recommend that fall run chinook salmon not be included as a priority species.

Administrative Entity (Review and Concurrence) - The stakeholders are close to reaching consensus on the use of the National Fish and Wildlife Foundation (NFWF) for administration of stakeholder contributions to Category III. The stakeholders have also inquired if a portion of state bond funds and federal appropriations could be administered through NFWF. CALFED should be prepared to discuss and provide input on the on the adequacy of NFWF as an administrative entity.

NFWF is a 501(c)(3) nonprofit organization established by Congress in 1984. NFWF has agreed that if they become the administrator of Category III funds, they will not have the option of disapproving specific projects that have been selected by CALFED. They have also agreed that any funds on deposit will be expeditiously transferred back to any new entity established as part of the long term program. The overhead rate they have quoted is 5% which would include treasury functions and contract administration.

Reserve/Contingency Funds (Discussion) - As shown by the New Year's Day floods, new opportunities and challenges in ecosystem restoration can develop quickly. To give CALFED the flexibility to respond to these types of opportunities, we may want to consider allocating the majority of the funds through the planning process but reserving perhaps 5 or 10% of the funds for "opportunity" projects.

E. 97 Forecast and AFRP (Status/Update)

Roger Patterson and Laura King will provide an overview of the CVP 97 forecast. The Service and Reclamation will also provide an update on the status and allocation of the 800,000 AF, stakeholder issues and concerns, and the status of the AFRP.

F. Implementation Agreement (Status/Update)

Tom Hagler has received comments from agencies on the letter describing implementation of the Program and related activities. As agreed at the last meeting, the agreement will be in the form of a letter from Bob Perciaseppe and Doug Wheeler to the members of CALFED. Tom is also completing a Memorandum of Understanding between the Federal agencies which updates the original agreement by adding new members to the Federal side and reorganizing the FED (Federal Ecosystem Directorate) to be more effective. This MOU will be finalized over the next several weeks. Tom will revise the letter for CALFED before the February 19 CALFED Policy Group Meeting. Tom will provide an overview of the revisions proposed for the letter agreement.

G. Fish Screen Issues (Status/Update) - As discussed at December 18 Management Team meeting, an issue paper is being developed to address a process for criteria and assurances. A status of this effort will be provided by NMFS and FWS.

H. CALFED Issues

Schedule (Status/Update) - CALFED staff will provide an overview of the schedule and milestones for the development of the EIS/EIR. It is critical that all agency managers understand the importance of various milestones in allowing us to keep this schedule.

Purpose and Need Statement (Review/Concurrence) - Attached (Attachment 3) is a memorandum describing the Phase II approval process and the milestones that must be addressed. The first of those milestones is the Purpose and Need Statement. The memorandum describes the development and review of the Purpose and Need Statement over the past year. CALFED staff will seek approval of the final Purpose and Need Statement.

Water Use Efficiency (Review/Concurrence) - At the request of EPA and the Bureau of Reclamation, we will present the proposed program for Water Use Efficiency. Rick Soehren, will present an overview of the program, outline the primary issues, and present the approach that CALFED Program staff have developed and recommended to address some of those issues. We will discuss concerns that CALFED agencies have identified and discuss ways to address these concerns. We would like to determine if the current approach we have proposed is appropriate or if substantial modifications need to be made to address agency concerns. An issue paper on the Water Use Efficiency Component is attached (Attachment 4).

GIS Development (Status/Update)- At the last CALFED Management Team, the CALFED Program distributed a letter to CALFED requesting that each agency designate a staff member to work with the program regarding GIS needs. Although we have not had responses from all the agencies, we have set up a team to begin working on this issue. We are developing a proposal to address short and long term GIS needs and will be sending out this document in the near future.

Institutional Assurances (Discussion) - Discussions in various forums including the Ecosystem Roundtable, the stakeholders federal funding group, and the BDAC Assurances Work Group have focussed on the development of a long-term entity to provide institutional assurances for the CALFED program. CALFED staff will provide a brief overview of the nature of those discussions.

Procurement of Consultant Services (Status/Update) - A new Statement of Qualifications (SOQ) process will be initiated to obtain consulting service through the state side of the contract. CALFED staff will explain the proposed process and ask for Agencies to assign staff to be involved in the review of the SOQ's.

I. Stakeholder Coordination

There is a need to provide for stakeholder coordination relative to several areas including CALFED, CVPIA, federal funding efforts, and water rights deliberations. Many of the stakeholders (some from the original stakeholder group) are interested in finding the proper forum for discussing/resolving issues with the CALFED agencies.

J. CALFED Policy Group Meeting - February 19 (Discussion)

The CALFED Policy Group will meet on Wednesday, February 19, 1997, from 1:00 pm to 4:00 pm in Room 1131 of the Resources Building. We will discuss potential agenda items for that meeting.