



Memorandum

Date: January 23, 1998

To: CALFED Policy Group

From: Lester A. Snow
Executive Director

Subject: Initial Options for Continuing CALFED Oversight of the Bay-Delta Program

As currently structured, the CALFED Bay-Delta Program expires in May 1999. The work of the Program, however, will continue long after May 1999. At a minimum, if a Final Preferred Alternative is certified, during FY 99 expenditures of the federal CALFED appropriation will continue (year two money) and expenditures from the \$390 million available from Proposition 204 will begin, and likely continue for five or more years. Therefore, maintenance of an ongoing Restoration Coordination component of the Program is necessary beyond next May.

In addition to the funding available for the Restoration Program past May 1999, the actions required to implement the entire Program will need to be underway and managed in some form which continues to satisfy the multi-objective and interagency nature of the CALFED effort. Each of the CALFED agencies has an interest in coordinating the implementation of the program.

Planning for actions next May needs to begin shortly; federal and state budgets are already going to press for the next budget cycles. Following are descriptions of four options which will need to be more fully defined and analyzed:

Option One - ramping down of the Program, reassignment of core Program staff into the source agencies, keeping the staff and function of the Restoration Coordination Program and finding an institutional home for that function. Under this option, continuing oversight of the implementation of the Program would fall back to the CALFED agencies on an agency by agency basis, perhaps keeping the CALFED decision groups intact with staffing coming directly from within the agencies. Funding for this effort would come directly from the existing budgets of the participation CALFED agencies currently projected budgets.

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

Option Two - would be to keep the currently configured Program essentially intact, using the decision-making processes now in place. After May 1999, there is no budget set aside for the Program to continue, so funding sources would need to be identified shortly in order to keep a core Program together past next May. Part of this option could be to use a vehicle such as a Joint Powers Agreement to facilitate Program operations during Phase III. Issues regarding federal authority to engage in such an agreement would need to be worked out.

Option Three - would include obtaining new authorities for existing entities which would enable them (or a single chosen agency) to fully implement the final approved Program.

Option Four - would be to create a wholly new entity which would obtain the necessary regulatory and resource abilities to implement the Program.

While the Assurances Workgroup has given this subject substantial thought, the agencies need to begin analyzing the options and planning accordingly. None of the options listed above are obvious as the correct decision. However, the time is ripe for CALFED to begin a thoughtful analysis of the options for implementing and overseeing the core Program after May of next year.

ACTION REQUESTED OF POLICY GROUP:

Direct the CALFED Management Team to more fully explore the options outlined above and report back to the Policy Group at the February Policy Group Meeting on a refined list of options, with pro and cons, to be considered.