

## **CALFED PROGRAM PRIORITIES FEDERAL FY 2000**

### **INTRODUCTION**

The CALFED Bay-Delta Program seeks to develop a long-term comprehensive plan that will restore ecological health and improve water management for beneficial uses of the Bay-Delta system. Implementation of the preferred alternative, which includes hundreds of actions over a period of 30 years or more will be staged, based on clearly established priorities, with opportunities for adaptive management to assure that the Program implementation is guided by the best available information and experience.

The cornerstone of CALFED's implementation strategy is to identify and set priorities for those actions in a fair, open process involving agency and stakeholder participants. Each of the eight Program elements includes broad and intensive outreach and coordination with interested agencies and stakeholders, through technical advisory groups, BDAC, the Policy Group, public workshops, and other forums. During program implementation this outreach, coordination, and decision making framework will need to be further refined to assure that actions selected for implementation are broadly supported and are likely to be the most cost effective at each stage of the Program.

The eight draft CALFED Program element reports, taken together, constitute the broad vision for long-term implementation of the Program. Based on extensive coordination efforts to date, additional details have been proposed for Stage 1 of Program implementation, which is expected to comprise the first 7 years.

Substantial additional effort has gone into describing those actions which are already underway or need to be initiated immediately after the Record of Decision is completed. This additional effort is needed to support advance planning, including budgeting and agency staffing to allow these actions to proceed without delay after the ROD. These actions have been grouped into bundles in order to assure that they provide appropriate geographic and programmatic balance. The Stage 1a actions are those which have been proposed for implementation funding in the federal fiscal years 2000 and 2001.

The projected cost for the first two years of implementation is in excess of \$700 million, of which, more than \$300 million is projected as necessary for implementation in FY 2000. Because of the expected limitations on funding expected in FY 2000 it is necessary to make decisions on a Program wide basis as to how the FY 2000 implementation plan will be further refined and what priorities will guide the expenditure of limited FY 2000 funds.

### **CALFED FY 2000 PROGRAM PRIORITIES**

The CALFED FY 2000 Program priorities are based on the Stage 1A actions and

information contained in the Phase II Report and the Draft Implementation Plan which are appendices to the Revised Draft Programmatic Environmental Impact Statement/ Environmental Impact Report. The Stage 1A actions which are referenced in these documents are derived from the individual Program plans which are scientifically and technically based and which have had broad distribution for scientific and public review and comment.

All of the actions contained in Stage 1A are expected to lead to broad Program benefits in diverse areas. Any of the actions identified in Stage 1A could be justified as being effective for first year implementation. Based on the current activities of the Program and the ongoing input of CALFED agencies and others, CALFED is proposing a preliminary list of priorities to more narrowly define FY 2000 expenditures. These priorities are focused on improvements in the Delta and areas immediately adjoining the Delta as well as certain system wide priorities which address critical uncertainties or begin the planning and feasibility work for future implementation.

Focusing on the Delta is crucial because the Delta is the CALFED problem area. It is where the greatest conflicts over water management exist. While many Delta problems must be addressed upstream, by focusing on direct solutions within the Delta the greatest opportunities for all program elements to move forward in a synergistic fashion can be achieved. Substantial progress towards addressing problems in the Delta is expected to be made with the priorities which have been identified.

CALFED's proposed funding priorities for FY 2000 are shown in Attachment 1. A brief justification for each of the identified priorities is given below. Attachment 2 presents the current status of Federal funds that are proposed in Congress for appropriation for the CALFED program. Both the Senate and House versions specify an ecosystem/non-ecosystem breakdown. Attachment 2 presents a further breakdown by program area for proposed CALFED funding.

### **South Delta and Lower San Joaquin River Improvements**

The South Delta and Lower San Joaquin River Improvements are proposed for high priority for implementation because they will incrementally address some of the primary conflicts in the Bay-Delta system, which are critically important to the ecological health of the estuary, to the water supply reliability and water quality for 2/3 of the state's population and to agricultural production on 4.5 million acres of irrigated land. The Improvements are designed to address the regional concerns regarding south Delta and lower San Joaquin River and south Delta fisheries, water quality, water supply reliability, recreation, flood control, and wildlife habitat. The preliminary actions include conducting feasibility and environmental evaluations and implementing corrective actions in the region as well as in upstream watersheds which affect the quality and quantity of flows in the San Joaquin River.

In order to reduce the impacts of state and federal diversions from the Delta while modestly increasing water supply reliability, diversions need to be timed to coincide with those periods in which ecological impacts are minimized. The fundamental approach is to export somewhat more water during times of low impact, and to export less during times of high impact. In order to accomplish this goal, the export facilities must have the physical capacity to export greater flows than currently possible, from both a physical and regulatory standpoint, during the appropriate periods. The additional flexibility provided by the new facilities is essential to the success of the proposed Environmental Water Account.

Long-standing concerns about impacts to local agricultural users due to operation of the Central Valley Project and the State Water Project need to be concurrently addressed in order to achieve a balanced regional solution. Therefore the Improvements include a proposal for channel control structures (barriers), dredging, and modifications to agricultural intakes in the south Delta region to assure local water supply availability.

Coincident with these water management actions, the Improvements provide for commensurate progress in in-Delta and near-Delta ecosystem restoration measures, as well as water quality improvements for drinking water (salinity management) and the environment (dissolved oxygen improvements).

The actions described above are all inter-related and only a comprehensive regional solution is implementable from both the technical and public policy standpoints.

### **North Delta Improvements**

The North Delta Improvements primarily tie together ecosystem restoration and flood control actions in the North Delta and include assessment of the effects of the operation of the Delta Cross Channel. Many of these activities build around the recent acquisition of the McCormick-Williamson Tract along the Mokelumne River.

### **Water Management**

Consistent with direction given by Governor Davis and Secretary Babbitt, in FY 2000 CALFED must show progress in implementing all of the component pieces of the Water Management Strategy. These include Water Use Efficiency, Water Transfers, the Integrated Storage Investigation (particularly including Groundwater Pilot Projects), and development of the Environmental Water Account. The proposed FY 2000 budget breakdown provides money for each of these except water transfers, as it is not capital intensive.

## **Ecosystem Restoration Continuity**

The Draft FY 2000 Program priorities were used as the basis for identifying FY 2000 ecosystem restoration priorities. All of the actions proposed within the FY 2000 ecosystem restoration priorities are also consistent with the priorities identified in the 1999 Proposal Solicitation Package. FY 2000 priorities will be carried out by funding proposals submitted under the 1999 solicitation to the greatest extent possible.

CALFED is proposing revisions to the project selection process which require the development of clear and specific annual priorities. Annual priorities are based on the goals and programmatic actions contained within the ERP combined with public, agency, and stakeholder input, policy decisions and the CALFED solution principles. Annual priorities must be sufficiently detailed to form the basis for project selection. As the long-term plan is implemented, every project approved should make measurable progress towards its implementation. The process by which annual ecosystem restoration priorities are set will include:

- The development of draft scientifically based priorities. This will occur in the first quarter of the year prior to the year being funded. For example, FY 2001 priorities will be developed in the first quarter of FY 2000. A group of independent scientists, such as those who worked on the Ecosystem Restoration Core Team, or who would staff a CALFED Science Panel as discussed under long-term governance, would be provided policy guidance and constraints and be asked to develop scientifically based priorities. The scientist would also be allowed to provide additional comments or thoughts regarding the policy constraints or other ideas regarding the development of annual priorities.
- The public will be provided with the opportunity to provide input on the annual priorities each year during their development. Once the scientists prepare a draft list of priorities, a public workshop would be held to discuss the priorities and receive public comment.
- The draft priorities and public comment would be submitted to the Ecosystem Roundtable, BDAC and the CALFED Policy Group for their consideration and approval and would form the basis for the identification of potential ecosystem restoration projects.

Based on the above, the Program has developed the draft priorities shown in Attachment 3 for ecosystem restoration funding.

### **Other Investigations**

Further development of the details of the Comprehensive Monitoring Assessment and

Research Program is necessary in FY 2000. At the same time, emphasis must be placed on implementing investigations necessary to build the basis for future Program actions. Thus, funding for such investigations is appropriate.

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**ATTACHMENT 1**  
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**CALFED Priorities For FY 2000**

1. SOUTH DELTA AND LOWER SAN JOAQUIN RIVER IMPROVEMENTS
2. NORTH DELTA IMPROVEMENTS
3. WATER MANAGEMENT
  - Water Use Efficiency
  - Water Transfers
  - Integrated Storage Investigation
  - Groundwater Pilot Projects
  - Environmental Water Account
4. ECOSYSTEM RESTORATION CONTINUITY
5. OTHER INVESTIGATIONS

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## ATTACHMENT 2

FEDERAL FY 2000 BUDGET	House version	Senate version
<b>Total appropriation</b>	<b>75 million</b>	<b>50 million</b>
<b>Bay/Delta Authorization</b>	<b>45 million</b>	<b>30 million</b>
Ecosystem Restoration	30 million	20 million
Environmental Water Account	10 million	5 million
Special Support	5 million	5 million
<b>Other Program Area Authorizations</b>	<b>30 million</b>	<b>20 million</b>
Conveyance & Screens	6 million	6 million
Conservation	5 million	2 million
Recycling	4 million	2 million
Groundwater Projects	3 million	2 million
Delta Levee Improvements	2 million	1 million
Integrated Storage Investigation	2 million	2 million
Water Quality	2 million	1 million
Watershed Mgmt.	1 million	1 million
CMARP	2 million	1 million
CALFED administration	3 million	2 million

Conveyance & Screens: Begin planning and design of barriers and new Tracy and Clifton Court fish screens.

Conservation: Expand technical and planning assistance and grants/loans.

Recycling: Expand technical and planning assistance and grants/loans.

Groundwater Projects: Begin planning and modeling studies and provide local assistance.

Delta Levee Improvements: Begin North Delta investigations and planning.

Integrated Storage Investigation: Further pursue the ISI. State budget includes 10 million.

Water Quality: Perform investigations on a number of pollutants and begin organic carbon controls.

Watershed Mgmt.: Assist local groups in planning and design of watershed management demonstration projects.

CMARP: Baseline monitoring and research increase.

CALFED administration: Support of CALFED baseline effort.

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**ATTACHMENT 3**  
**DRAFT ECOSYSTEM RESTORATION FY 2000 PRIORITIES**

**A. PRIORITIES IN THE DELTA**

1. Creation and Evaluation of the Ecological Benefits of Fresh Emergent Wetland Habitat in the South Delta
2. Restore Tidal Habitats Along Georgiana Slough
3. Ecosystem Restoration Levee Setback Feasibility Study
4. Evaluate the Need to Screen Small Diversions in the South Delta

**B. PRIORITIES FOR MAJOR FLOODPLAIN CORRIDORS ADJOINING THE DELTA**

1. Integrate Ecosystem and Flood Control Improvements in the Lower Mokelumne River
2. Provide Needs and Opportunities Analysis for Improving Ecosystem Restoration and Flood Bypass Habitat in the Yolo Bypass Area
3. San Joaquin River Floodplain Corridor

**C. SYSTEM-WIDE PRIORITIES**

1. Develop a Long-Term Plan for In-stream Flows and Environmental Water Purchases
2. Watershed Management
3. Cache Creek Mercury Source Control
4. Provide Subsequent Phase Funding for Ecosystem Restoration Projects that have Received Previous Funding
5. Agricultural Issues

**D. PRIORITIES FOR THE LONG-TERM IMPLEMENTATION OF THE ECOSYSTEM RESTORATION PROGRAM**

1. Ecosystem Science Program
2. Ecosystem Monitoring Program

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