

November 3, 1999

TO : Federal-State Small Group

FROM : Mary Selkirk

SUBJECT: Outcomes from Small Group meeting, November 2, 1999

The following are outcomes from the Federal-State Small Group meeting held on November 2, 1999.

CALFED Response on Water Supply Impacts

Steve Ritchie revisited Patrick Wright's discussion of a new water users' brochure that describes their views of the water supply impacts of the CALFED Program. There had been a proposal that a USBR-DWR version should be developed. Lowell Ploss said he and Steve Hirsch had been speaking with USBR modelers about this subject. Steve Macaulay offered that Kathy Kelly would be the DWR lead. Lester Snow suggested that the brochure be from a CALFED point of view--"This is how we look at it", and would need to be perceived as a neutral piece.

Outcome: Steve Ritchie said Mary Selkirk will follow up on this with DWR and USBR.

Ecosystem Restoration Coordination

Wendy Halverson Martin discussed the decisions regarding CALFED Ecosystem Restoration Coordination, which the Policy Group will be asked to make at its meeting on November 17th. She reported on the outstanding issues on which the Ecosystem Roundtable, BDAC and/or other interested stakeholders could not reach agreement. Wendy reported that both the Roundtable and BDAC expressed general consensus on the CALFED staff recommendation for \$14.9 million for projects, out of the total Federal appropriation of \$30 million for FY 2000 ecosystem activities.

Outstanding issues identified were as follows:

1. **Environmental Water Acquisition:** Disagreement persists on the amount of money CALFED should designate in FY 2000 for environmental water acquisition. The range preferred by the stakeholders is \$3-4 million. Wendy noted that CALFED will continue to initiate efforts to develop a long-term environmental water acquisition plan that will achieve broad support. Significant discussion ensued. There was agreement that long-term environmental water acquisition needed to be addressed by either the Roundtable or the newly formed ERP Focus Group. Wendy noted that long-term water acquisition will be on the Ecosystem Roundtable agenda next Tuesday, November 9th.

Outcome: Steve Ritchie requested that this issue be on the agenda again next week at Small Group.

2. **South Delta planning:** While the environmental community acquiesced on utilizing some ecosystem money for South Delta planning, they opposed utilizing any ecosystem monies except what might be available in the "special support" category.

Outcome: Steve Ritchie requested that DFG provide a firm actual amount needed for South Delta planning.

DFG Lead:

3. **Fish screens:** Some stakeholders, as well as NMFS, insisted that this year's funding cycle include funding for fish screens.

Outcome: Steve Ritchie requested that NMFS bring a specific proposal on fish screens, including locations and costs, to Small Group next week.

NMFS Lead: Jim Lecky

Wayne White committed that USFWS would make a recommendation for any Restoration Fund monies that could be used for screening.

Steve Ritchie emphasized the importance of wrapping up resolution on FY 2000 priorities, so that CALFED can rapidly move into FY 2001 priority-setting, which is a necessity for stabilizing future Congressional authorization and appropriation.

Report on Assemblyman Machado's Delta October 26th field trip

Wayne White, Stein Buer and Rob Cooke reported on a field trip taken in the Delta on October 26th with Assemblyman Mike Machado. Participants on the tour were briefed by a Delta landowner who is investigating shifting from corn to rice-growing as a means to creating multiple benefits: reducing the rate of soil subsidence, providing good wildlife habitat; and keeping private ag land in the Delta in production. Both NRCS and DFA were encouraged to visit the site and investigate the project. Stein Buer strongly encouraged CALFED agencies to be responsive to Assemblyman Machado's interest in this project.

Action: Luana Kiger, NRCS, and A.J. Yates, DFA, pledged to follow up.

Update on Water Management Strategy

Mark Cowin provided an update on all of the several work efforts currently underway that will provide the foundation for the overall CALFED Water Management Strategy.

Lester Snow noted that USBR will be initiating a supplement to its Least Cost Analysis of Hydro Project Yield, and that the Bureau intends to do this in "lock-step" with the finalization of the CALFED Water Management Strategy. The Bureau intends to have a report to Congress before CALFED goes to its Record of Decision.

Report on Resources/DFA November 1 meeting

Patrick Wright reported on a meeting on November 1st with the Secretaries of Agriculture and Resources and others to begin to resolve some of the habitat conversion/ag land preservation conflicts, which have emerged within the CALFED Program. Patrick Wright reported that it was agreed the State needs to define not only what CALFED is doing, but what all agencies are doing regarding ag land conversion. Lester Snow pointed out that there is an urgent need to define a State policy so that CALFED can complete its response to comments. Patrick noted that a team needs to be set up within CALFED agencies to deal with this issue.

Outcome: Steve Ritchie committed CALFED staff to take the lead on the effort to expand on the NCWA report on land acquisition proposed/made by CALFED agencies.

CALFED lead: Wendy Halverson Martin

Next Federal-State Small Group meeting:

Tuesday, November 9, 1999

9-11 a.m.

Room 1142

Agenda to include:

WMDT Update

2000 Water Operations Plan update

November Policy Group meeting preparation

EIR/S Common Responses

Follow-up on Ecosystem Restoration Coordination:

--South Delta planning costs

--Environmental Water Acquisition

--Fish screen proposal