

March 1, 2000

TO: Federal-State Management Group

FROM: Mary Selkirk

SUBJECT: February 22, 2000 Meeting Outcomes

The following is a brief summary of discussions and outcomes or actions taken at the February 22, 2000 meeting of the CALFED Federal-State Management Group:

Water Management Strategy Evaluation Framework

CALFED staff Mark Cowin and consultant Paul Brown briefed the Management Group on progress to date on developing a "report card" on the relative performance and costs of different sets of water management tools in achieving the objectives of the CALFED Program. They sought guidance from the Group on what specific questions the Management Group wants answered and the possible trade-offs for public discussion.

Paul Brown provided sample questions, e.g.:

1. What alternative provides the greatest reduction in salinity in the Delta?
2. Is there any alternative that simultaneously improves water quality, water supply reliability and flexibility for fisheries management?
3. What are the effects of each scenario on agricultural land use?

Outcome: Management Group directed CALFED staff and consultants to use their suggested questions and generate outcomes for review by the Management Group and the Federal and State discussion participants as soon as possible.

Water Use Efficiency Program Briefing

CALFED staff Tom Gohring provided a progress report and discussion of outstanding issues to the Management Group. The key issues yet to resolve include the following:

1. Define the incentive grant program
 - a. Resolve the definition of water conservation beneficiaries (e.g., lining canals can have direct water quality benefit, which is a CALFED benefit, even if water remains in the district of origin)
 - b. Resolve inconsistencies in ag and urban cost and conservation estimates
 - c. Establish incentive criteria for RFPs for ag and management wetlands and urban recycling incentive criteria
2. Establish Water Use Efficiency assurances (quantifiable objectives)
3. Urban BMP certification

4. Create Evaporation Reduction Technical Committee
5. Measurement
6. Governance/Agency Coordination
7. Negotiate CALFED/Ag Water Management Council Cooperative Agreement
8. Choose FY 2000 pilot projects

Mike Spear commented that the Program needs to make sure to separate out ag and managed wetlands criteria.

Tom noted that the first 10-20 quantifiable objectives will be developed by the end of February, and half completed by the summer.

Patrick Wright commented that it is critical to have the bulk of these issues resolved by summer; e.g., with regard to measurement we may just have to make a decision.

Outcome: No action, information only.

Preferred Alternative Discussion

In response to recent requests to re-visit a Central Delta intake alternative, Ron Ott presented a review of the multiple Central Delta intakes that were considered in the alternative screening process two years ago. Jerry Johns asked why this was back on the table. Lester Snow responded by noting that there was a near-disaster for water quality in December, and that the modeling in the current proposal shows a real water quality benefit to in-Delta storage.

Mike Spear commented that a key issue for the fisheries agencies is that if the right screens are installed and you have tidal action, are the fish better off?

Bruce Herbold encouraged CALFED to look at this proposal.

Significant discussion ensued regarding how this proposal would fit into the current EIS/R scope and the current schedule for release of the EIS/R. Mark Cowin commented that the current final EIS/R impact analysis does not analyze shifting the location of the Delta intakes. How fatal that was he said he did not know.

Bruce Herbold stated that from his perspective there is no documentation stating the reasons why this alternative (Alternative 2c) was not carried forward. Mary Scoonover replied that the revised EIS/R does a better job of tracking the screening process. Lester Snow added that he did not see that this proposal would compete with the South Delta Program.

Mike Spear stated that from his point of view there was enough here to warrant renewed analysis. He urged a second look over the next 2-3 weeks to see what is there. Concern was raised about re-circulation of the EIS/R.

Patrick Wright commented that if the Federal and State agencies were o.k. with this going forward through site-specific environmental process, then it would be easier to address. Kathy Kelly requested clarification as to whether this analysis can be covered under site-specific analysis so that what we are doing in the South Delta is clear.

Mark Cowin commented that it would be difficult to do the water quality modeling in the three-week period.

Action: CALFED team will report back to the Management Group in three weeks on March 14th.

Staff lead: Ron Ott, with the WMCT and CVFFT.

Long-Term Governance

Kate Hansel provided an update on development of CALFED's long-term governance proposal. She noted that the Assembly and Senate Water Committees would be holding a hearing on CALFED governance and finance on February 29th. She commented that the directive from Secretary Babbitt has been to make the Commission concept work. She reminded the Management Group that David Cottingham had requested a Federal attorney to look at the question of whether a joint Federal-State commission is constitutional.

Kate stated that the question of who manages each program element is still under discussion, and is being addressed on a case-by-case basis.

She requested Management Group concurrence on this proposal before the legislative hearing on February 29th.

Regarding finance, Kate added that the long-term Commission cannot have the purse strings over the ERP and not the other programs. Another outstanding issue is the relationship of CALFED to the potential Proposition 13 funds: how to ensure that expenditure of that money is consistent with CALFED Program objectives and actions.

Action: No action, information only.