



Memorandum

Date: December 10, 1999

To: Policy Group

From: Steven R. Ritchie *Handwritten signature*
Acting Executive Director

Subject: Long-Term Governance

Summary

Attached for your review are the Principles for Long-Term Governance (Attachment 1). The Principles incorporate the basic framework for a long-term governance structure for CALFED. Policy Group will be asked at their December meeting to approve the Principles. For additional information and background, a more detailed proposal is enclosed (Attachment 2). The Proposal is not for Policy Group action in December.

Detailed Discussion

Background. Since the release of the Draft EIS/EIR, significant progress has been made with regard to a framework for CALFED Long-Term Governance. CALFED, in cooperation with the California Environmental Trust, developed a Straw Proposal that has been circulated and discussed with BDAC, Policy Group, and at numerous agency and stakeholder meetings. As a result of these discussions, agreement has been reached in several critical areas including the need for:

- A strong Federal and State partnership to carry out the CALFED Bay-Delta Program
- A new CALFED Commission with state, federal and public members

However, several fundamental issues remain open, such as:

- How much authority should a new Commission have over each of the CALFED Programs, and what funding authority should it have?

CALFED Agencies

California
The Resources Agency
Department of Fish and Game
Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board
Department of Food and Agriculture

Federal
Environmental Protection Agency
Department of the Interior
Fish and Wildlife Service
Bureau of Reclamation
U.S. Geological Survey
Bureau of Land Management
U.S. Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
U.S. Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Long-Term Governance

December 10, 1999

Page 2

- Should the Ecosystem Restoration Program be managed by the Commission or should it be managed by a new separate entity?

CALFED Governance Principles. CALFED has developed the attached *Principles for Long-Term Governance of the CALFED Bay-Delta Program* to guide the resolution of open issues. The Principles include:

- Establishment of a new Commission to direct the CALFED Program. The Commission will not exercise or supplant any regulatory authority but should assume the necessary funding and program authorities to ensure the CALFED Program can achieve its objectives.
- Assigning management responsibility to the new Commission for the overall Program and for each Program Element, but delegate management responsibilities to existing or new agencies as appropriate. The level of delegation would vary between Program Elements.
- Establishment of a new entity, under the authority of the Commission, to manage the Ecosystem Restoration Program.

CALFED Staff Proposal. Based on the Principles, CALFED staff have prepared a more detailed *Proposal for CALFED Long-Term Governance* (Attachment 2) which incorporates and expands on the earlier Straw Proposal. The Proposal will need further discussion and refinement with agencies, stakeholders and the state and federal Legislatures over the coming months in order to include a Governance Proposal in the Record of Decision. The Proposal provides a framework to understand how the Principles may be applied to a governance structure. For example, the Proposal specifies a level of program delegation for each Program Element, and possible funding sources that may come under the authority of the Commission.

Action

Policy Group will be asked to approve the Principles for Long-Term Governance at their December meeting