

AG/URBAN COMMENTS ON AUGUST 5, 1998 DRAFT
"DEVELOPING A DRAFT PROGRAM ALTERNATIVE"
SECTION 3 - STAGE 1 IMPLEMENTATION

DRAFT

September 1, 1998

The following are Ag/Urban's comments to CALFED's August 5, 1998 Draft, Developing a Draft Preferred Program Alternative. The comments, indicated in italicized type below, are on the actions outlined in Section 3 and Attachment A of the August 5 Draft. Specific language changes are suggested where possible. The key changes and additions represented by the comments are to:

- *separate the Stage 1 actions into several substages, creating within each substage a balanced group of projects from the eight program elements that must move forward together;*
- *add extension of the Accord and Assurance Package under the 1998-1999 Actions;*
- *provide for an independent entity responsible for ecosystem restoration and advance its creation to the 1998-1999 Actions.*
- *provide detail for the Ecosystem Restoration actions;*
- *provide detail for the Water Quality actions;*
- *add definition of the decision process for the Isolated Facility;*
- *strengthen South-of-Delta Groundwater Banking and Conjunctive Use Actions; and*
- *add Joint point of diversion under Conveyances and under the 1998-99 Actions.*

Assurances & Institutional Arrangements

1. Complete programmatic implementation plan (yr 1)

Comment: Must complete programmatic implementation agreement and assurance package at time of ROD prior to yr1. (Add this to 1998-1999 actions listed in Attachment A). "Implementation Agreement," "Implementation Plan," and "Long-term Implementation Plan" plan are referenced throughout the document; need definition of each.

2. Finalize coordination among agencies or new entity (yr 1-3); e.g., provide for ecosystem restoration authority within the individual CALFED agencies or in a new organization with responsibility for ecosystem restoration

Comment: Creation of a new, independent entity responsible for the ecosystem restoration element should begin prior to yr 1. (Add creation of the ecosystem restoration entity to the 1998-1999 Actions in Attachment A.) Replace the above action with "Complete establishment of the ecosystem restoration entity and transition

responsibility for ecosystem restoration and monitoring, research, and adaptive management elements from the individual CALFED agencies (yr 1-2).

3. Refine conservation strategy (yr 1-3); e.g., incidental take will be provided, where necessary, for those actions identified in the ROD to be completed during Stage 1

Comment: This action requires clarification.

4. Recommend legislation, if necessary, to implement new institutional arrangements or facilitate program implementation (yr 2-3); e.g., legislation to create a new entity or legislation to modify water transfer law and statutes to facilitate an appropriately protective water transfer framework recognizing law that may exist at that time

Comment: Any legislation to implement new institutional arrangements that would facilitate increased water transfers out of the Delta must include reaffirmation and enhancement of existing assurances such as the Delta Protection Act.

5. Incorporate the final State Board's water rights decision for allocation of responsibility to meet flow requirements for Water Quality Control Plan 95-IWR (May 1995) in water transfer and operational rules
6. Implement a CALFED environmental documentation and permit coordination process (yr 1-7)
7. Implement and revise contingency response as needed (yr 1-7)

Comment: Add the following action:

- X. *Implement Accord extension and assurance package as developed under the 1998-99 Actions that provides for no net loss, no uncompensated takings, no actions resulting in added risk of loss through operating rules, full regulatory protection for in-Delta and upstream diverters that participate in restoration actions, safe harbor, and operational regulatory certainty. (yr 1-7)*

Finance

1. Establish reliable short-term and long-term funding for each program element (1-7)

Comment: Revise this action to read "...for each program element within each Substage" to reflect the grouping and funding of the Stage 1 program actions within discrete substages.

- Finalize cost-share agreements (yr 1)
- Finalize user fees (yr 1)

Comment: Should define cost-share agreement and users fees linked to long-term assurances prior to yr1 as part of completing implementation agreement. (Add to the 1998-1999 actions listed in Attachment A an action "Complete Finance

*Package." which would include finalizing cost-share agreement and user fees).
Revise above to read "Finalize user fees linked to long-term assurances (yr 1)."*

- Seek federal authorization/appropriation and seek authority to sell state bonds (yr 1-7)

Monitoring, Research, and Adaptive Management

1. Refine monitoring plan (CMARP) including all elements of the Program (yr 1)

Comment: Refining the monitoring plan should be an on-going review activity. Because of the likely breadth and complexity of this monitoring program, the action should be reworded as "Periodic review and refinement of the monitoring plan (CMARP) including all elements of the Program (yrs 1-7).

Comment: Add the following actions:

- X. *Define conceptual model of delta watershed as it relates to fish survival. Include model variables for all significant stressors, such as diversion effects, commercial fishing, hatchery impacts, and fish barriers on tributaries. (yr 1)*
 - X. *Refine monitoring program based on conceptual model to acquire data needed to test model elements and guide investment strategy. (yr 1)*
2. Define adaptive management process for making adjustments as better information becomes available, including who makes future decisions, for all elements of the Program (yr 1); e.g., define triggers and time periods necessary for deciding need for change in management direction

Comment: Define the adaptive management process prior to yr 1 (Move Item 2 as written to 1998-1999 actions listed in Attachment A). The adaptive management process decision should be part of the final negotiations and therefore should be well defined by the time of the ROD and yr 1 implementation. CMARP Task 5 and the ERPP Core Team are both addressing parts of this issue currently and should be setting the stage for policy consideration in late 1998-1999. Item 2 could be reworded to call for a "review and refinement of the adaptive management process" at some milestone in Stage 1, say yr 3 or 5

3. Implement baseline monitoring plan under direction of a single umbrella entity as defined in CMARP with linkage to adaptive management process and provision for stakeholder input but provide for responsible agencies to conduct additional monitoring to meet their obligations in the event that needs cannot be met by baseline monitoring plan (yr 1-7)

Comment: This action is confusing and needs clarification. What is the definition of a baseline monitoring program and why would it not meet responsible agency needs? What are the underlying agency concerns implied by the statement as currently worded? "Linkage" is too weak a word to define the needed relationship between monitoring and the adaptive management process; they should be integral. In a similar vein, the phrase

"provision for stakeholder input" implies a regulatory, command and control mind-set that is totally inappropriate for a successful adaptive management process. Instead, stakeholders should be integrated as partners in the process.

Comment: Add the following action:

- X. *Implement the Isolated Facility decision process as developed under the Conveyance Element and refine adaptive management and monitoring programs as needed to accommodate the decision process needs. (yr 1)*
- 4. *Annual reports on status/progress and need for adjustments (yr 1-7)*
- 5. *Analysis of status and need for adjustments of actions for stage 2 (yr 5-7)*
- 6. *Provide input to assist adaptive management in program elements (yr 1-7); e.g., adaptive management for ecosystem restoration and water quality*

Comment: "Providing input to assist" is the wrong perspective. Monitoring and adaptive management must be "joined at the hip." This task should be deleted as it is an integral component of the Adaptive Management Program.

- 7. *Complete monitoring studies identified by diversion effects on fisheries team to provide feedback on actual diversion effects of south Delta pumps (yr 2-7)*
- 8. *Provide available data on need to reduce bromides, total dissolved solids, total organic carbon, pesticides and heavy metals (yr 5)*

Comment: Why wait until yr 5 to provide available data? Not really sure what this means. Need rewording of this task to clarify its purpose and importance.

- 9. *Provide available data on water quality in south Delta and lower San Joaquin River (yr 1-7)*

Comment: This task should be deleted as it is an integral part of the Adaptive Management Program

Comment: Add the following task:

- X. *Expand real-time monitoring for enhanced fish protections and flexible operations for water suppliers.*

Water Transfer Framework

- 1. *Establish water transfer clearinghouse to ensure public participation, disclose information, and monitor actual transfer impacts (yr 1)*

Comment: Develop prior to yr 1 (Move Item 1 to 1998-1999 actions listed in Attachment A)

- 2. *Continue clearinghouse functions to provide information on environmental, economic and water resource protections (yr 2-7); e.g., third-party impacts, groundwater resource protection, instream flow [1707] transfers, and environmental protection in source areas*

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"Developing a Draft Program Alternative"
Section 3 - Stage 1 Implementation

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Comment: With early establishment of clearinghouse, continuation of functions should be in yrs 1-7, not yrs 2-7.

3. Coordinate with SWRCB, DWR, and USBR to formulate policy, under their existing authorities, for required water transfers analyses (yr 1)
Comment: Coordinate prior to yr 1 (Move Item 3 to 1998-1999 actions listed in Attachment A)
4. Refine technical, operational, and administrative rules that govern water transfer transactions for all uses (yr 1-4); e.g., area of origin/watershed priorities, rules/guidelines for environmental water transfers, transferable water and the "no injury rule", operations criteria and/or carriage water requirements, reservoir refill criteria, and streamlined permitting process
Comment: Revise to read "...area of origin/watershed priorities and Delta Protection Act commitments, rules/guidelines..." to include reference to Delta Protection Act.
5. Refine disclosure process that provides information regarding potential access to state and federal water facilities for movement of water transfers (yr 2); e.g. forecast opportunities to transfer water in existing project facilities, priority of transferred water in new facilities, and wheeling and power costs
Comment: Disclosure process should be developed by yr 1.
6. Resolve allocation of available transfer capacity (yr 1)
Comment: Identify responsible party.
7. Develop rules for allocation of wheeling and power costs in state and Federal conveyance facilities in compliance with CALFED "beneficiary pays" principle (yr 1)

Water Use Efficiency

1. Expand DWR and USBR programs to provide technical and planning assistance to local agencies and explore new ways of developing assistance and involving other CALFED agencies (yr 1-7)
2. Develop mechanisms for approval authority for urban water management plans (yr 1-3); e.g., approved plans would be a condition for urban areas receiving CALFED benefits
3. Implement urban MOU process fully with certification of agency implementation plans (yr 3-7)
Comment: Revise to read "Coordinate implementation of urban BMP performance certification process fully with certification of agency implementation plans through a new entity with a broad stakeholder base (yr 1-2)"
4. Implement the Agricultural Water Management Council (AB 3616) process fully with endorsement of agency plans under AB3616 and CVPIA (provided that the Council achieves broad stakeholder support) (yr 1-7); e.g., rely on Council to endorse plans of signatory member agencies as condition for receiving CALFED benefits; explore additional ways to build consensus on the process

5. Seek resolution to legal, institutional, and funding limitations for agricultural and urban water recycling (yr 1-3)
Comment: Replace above with "Sponsor state and federal participation in water use efficiency investment programs in both watershed and export areas. Obtain state and federal funds to be matched by local funds in recognition of the broad benefits of conservation, recycling, and groundwater recovery (yr 1-2).
6. Participate in conservation and water recycling projects (yr 3-7); e.g., preferential funding assistance for projects providing multiple CALFED benefits such as agricultural tail water recycling which could benefit fish by reducing diversions, reduce pollutant loading, etc.
7. Implement a methodology for refuge water management, including preparation of an Effective Water Use Plan and annual reports by each refuge manager (yr 1-7). Consistent with assurance mechanisms for urban and agricultural water users, access to CALFED benefits will be contingent upon continued implementation of the Effective Water Use Plan (yr 1-7).

Levees

1. Develop and implement an outreach, coordination, and partnering program with local landowners including individuals, Reclamation Districts, Resource Conservation Districts, Water Authorities, irrigation districts, Farm Bureaus, etc. to assure participation in planning design, implementation, and management of levee projects
Comment: Should complete prior to yr 1. (Move Item 1 to 1998-1999 actions listed in Attachment A)
2. Obtain short-term federal and state funding authority as a bridge between the existing Delta Flood Protection Authority (AB360) and long-term levee funding (yr 1-5)
3. Obtain long-term federal and state funding authority (yr 1-7); e.g., the Corps of Engineers' current Delta Special Study would develop into a long-term Delta levee reconstruction program and the state would be the local cost-sharing partner
4. Maintain current federal cost-sharing of 65% and establish state and local cost-sharing percentages for all Program work (yr 1)
5. Conduct project level environmental documentation and obtain appropriate permits (yr 1-7)
Comment: Revise to read: "Conduct project level environmental documentation and obtain appropriate permits for each substage."
6. Implement demonstration projects for levee designs that minimize the need for continuous disruption of habitat from levee maintenance and minimize the need for ongoing mitigation from disrupted habitat (yr 1-7)

Comment: Implementation of demonstration projects should be in yrs 1-3, not 1-7.

7. Coordinate Delta levee improvements with ecosystem improvements (yr 1-7); e.g., coordinate improvements, modify maintenance manuals as appropriate to accommodate ERP actions near levees, separately track levee mitigation costs and ERP costs
8. Fund levee improvements up to PL84-99, approximately \$114 million [\$74 million during years 1 through 5 and \$40 million during years 6 through 7] in first stage (yr 1-7); e.g., proportionally distribute available funds to entities making application for cost sharing of Delta levee improvements

Comment: Funding level probably too high considering the lack of benefits to other CALFED participants. Funding level also needs to be identified by sub-stage and should be reduced if subsequent sub-stages do not proceed.

9. Further improve levees which have significant statewide benefits, approximately \$82 million [\$58 million during years 1 through 5 and \$24 million during years 6 through 7] in first stage (yr 1-7); e.g., statewide benefits to water quality, highways, etc.
10. Coordinate Delta levee improvements with Stage 1 water conveyance improvements and with potential conveyance improvements in subsequent stages (yr 1-7)

Comment: Revise to read "...water conveyance and water quality improvements and with potential conveyance and quality improvements..." to reflect linkages between program elements.

11. Institute Advanced Measures Plan and Emergency Management Plan (yr 1-7); e.g., establish \$10 million revolving fund, refine command and control protocol, stockpile flood fighting supplies, establish standardized contracts for flood fighting and recovery operations, outline environmental considerations during an emergency
12. Initiate a subsidence control program to develop and implement BMP's for lands adjacent to levees, approximately \$11 million for Stage 1 (yr 1-7)
13. Continue evaluation of seismic risk to integrity of the levee system and effective ways to mitigate that risk (yr 1-7)

Comment: Evaluation of seismic risk should be complete by yr 3, not yr 7

Comment: Add the following action:

- X. Complete conservation plan providing for defined permitting conditions and "No Surprises" protection for levee owners.

Ecosystem Restoration

1. Develop and implement an outreach, coordination, and partnering program with local landowners including individuals, Reclamation Districts, Resource Conservation Districts, Water Authorities, irrigation districts, Farm Bureaus, etc. to assure participation in planning design, implementation, and management of ERP projects.

2. Project level environmental documentation and permitting as needed (yr 1-7)
Comment: Revise to read: "Conduct project level environmental documentation and obtain appropriate permits for each substage."
3. Full coordination with other ongoing activities which address ecosystem restoration in the Bay-Delta system (yr 1-7); e.g., CVPIA, Four Pumps Agreement, etc.
4. Restore three major habitat corridors in the Delta (Yolo Bypass, Mokelumne, and San Joaquin - approximately 25,000 acres) with a mosaic of habitat types to improve ecological function and facilitate recovery of endangered species (yr 1-7)
Comment: Identify the specific actions proposed. Actions of the first substage should be focused on those projects that are currently defined and can be successfully carried out through existing agencies. Initial actions should also include planning and feasibility studies for larger projects that will be implemented in later substages. This group of actions should be linked with South Delta Conveyance Improvements and North Delta Conveyance Improvements. Linkage with actions in other program areas such as levees, water use efficiency, water quality, etc., are also desirable.
5. Implement three large-scale, whole-stream restoration adaptive management (pilot) projects to inform Stage 2 decisions. Each pilot project will be structured according to adaptive management methodologies and monitored and evaluated to determine the ecosystem response throughout the Bay-Delta landscape.
 - Select three streams that meet adaptive management testing criteria (possibly Clear Creek, Deer Creek, and Tuolumne River) and implement all long-term restoration measures in the ERPP to determine the effectiveness of similar restoration for other streams in Stage II
 - Coordinate stream restoration with the watershed management common program strategy*Comment: Identify the specific actions proposed. Actions of the first substage should be focused on those projects that are currently defined and can be successfully carried out through existing agencies. Initial actions should also include planning and feasibility studies for larger projects that will be implemented in later substages. This group of actions should be linked with storage feasibility actions in the South-of-Delta and North-of-Delta action areas. Linkage with actions in other program areas such as levees, water use efficiency, water quality, etc., are also desirable.*
6. Develop an ecosystem water market (potentially \$20 million per year) (yr 1-7); e.g., acquire 100,000 acre-feet of water for critical ecosystem and species recovery needs
Comment: Replace above with "Provide funding for ecosystem participation in water market. Nature and scope of ecosystem water transaction to be negotiated on a case-by-case basis according to the need for water for the environment and the impact on the water market for water users and other environmental water purchases."

7. Pursue focused research to resolve the high priority issues and uncertainties associated with instream flow, exotic organisms, Bay-Delta food web dynamics, and other issues to inform the adaptive management process and make critical decisions in Stage 2 (yr 1-7)
8. Establish partnerships with universities for focused research
9. Complete the remaining 60% of the easements and/or acquisition for the Sacramento River meander corridor [approximately \$30 million required] (yr 1-7).

Comment: Should be linked with assurances for Sacramento River users as part of an ESA conservation plan and demonstration project that includes evaluation of flooding, impacts on neighboring landowners, and impacts on water diverters. Development of conservation plan should probably occur in yr 1-3, with acquisitions in yr 4-7.

10. Acquire flood plain easements, consistent with ecosystem needs, along San Joaquin River (yr 4-7); e.g., there may be more opportunities for easements if Corps of Engineers proceeds with flood plan

Comment: Revise to read "Upon completion of Corps of Engineers flood plan, acquire flood plain easements, consistent with plan and ecosystem needs, along San Joaquin River (yr 4-7)..."

11. Continue high priority actions that reduce stressors of direct mortality to fishes (yr 1-7):
 - Aggressively screen existing unscreened or poorly screened diversion on the Sacramento River, San Joaquin River, and tributary streams
 - Remove select physical barriers to fish passage

12. Continue gravel management (yr 5-7); e.g., isolate gravel pits on San Joaquin River tributaries and relocate gravel operations on Sacramento River tributaries (most gravel work would be implemented in subsequent stages with designs and plans for ecosystem reclamation of gravel mining sites)

Comment: Revise to read "Continue implementation of gravel management projects (yr 1-4) and continue gravel management (yr 5-7)..." to reflect the continuation of current projects under Category III.

13. Improve research, monitoring, detection, and control of exotic species (yr 1-7); e.g., border inspections, balanced management, water hyacinth control, funded early response

- Implement invasive plant management program in Cache Creek

Comment: Why implement invasive plant management just for Cache Creek?

- Develop ballast water management program
14. Continue scientific evaluations (yr 1-7); e.g., evaluation of instream flow needs
 15. Explore ways to provide incremental improvements in ecosystem values throughout the Bay-Delta system in addition to habitat corridors described above (yr 1-7); e.g., pursue actions that are opportunity-based (willing sellers, funding, permitting, etc.), provide

incremental improvements on private land through incentives, develop partnerships with farmers on "environmentally friendly" agricultural practices, etc.

16. Incorporate ecosystem improvements with levee associated subsidence reversal plans (yr 1-7)

Comment: Add the following actions:

- X. *Implement South Delta facilities for fish passage, fish screen, and salvage improvements as listed under the "Conveyance" element.*
- X. *Develop and implement, as adaptive management actions, operational modifications to enhance fish protections and increase water user flexibility.*

Water Quality

Comment: In the introductory paragraph, change the last sentence that reads "The Stage 1 water quality effort focuses on reducing constituents contributing toxicity to the ecosystem and affecting water users" to read "The Stage 1 water quality effort focuses on reducing constituents contributing toxicity to the ecosystem (including BOD) and on reducing total organic carbon loading, salinity, and pathogens that degrade drinking water quality. In addition, research and pilot studies are recommended to obtain information prior to implementation of some actions."

1. Project level environmental documentation and permitting as needed (yr 1-7)
2. Support ongoing (Department of Pesticide Regulation/State Water Resource Control Board MAA, the SWRCB nonpoint source Program, etc.) and develop new educational programs relating to urban and agricultural runoff (yr 2-7); e.g., point-of-sale literature packaged with pesticide and herbicide materials, educate applicators on proper use of pesticides and herbicides, etc.
3. Initiate high priority water quality improvement actions (yr 1-7); e.g. for mercury, copper, selenium, pesticides, organic carbon, and improved salt management from agricultural drainage (including constituents such as bromide).

Comment: Identify the specific source control and operational actions proposed. Include actions to address total organic carbon as a disinfection by-product precursor within Stage 1, including in-delta actions and on-site treatment. Recommended actions to address total organic carbon and salinity include:

In-Delta Actions:

- *Relocate agricultural drains that currently discharge to Rock Slough and unlined portion of Contra Costa Canal (yr 1-2)*
- *Implement Barker Slough Watershed Management Plan (yr 1-2)*
- *Store summer drainage on individual islands in Central Delta and release on ebb tide (yr 1-2)*

- *Where feasible, store winter drainage on individual islands in Central Delta and release on ebb tide (yr 1-2)*
- *Develop and implement South Bay Aqueduct Watershed Management Plan (yr 3-7)*

San Joaquin Actions:

- *Encourage source reduction programs such as tiered pricing for control of salinity (yr 1-2)*
 - *Expand on-farm water conservation programs without adversely affecting root zone salinity (yr 1-2)*
 - *Expand drainage system recirculation programs (yr 1-2)*
 - *Expand San Joaquin River Real-Time Monitoring program, including Grassland Drainage Area and Grassland wetlands (yr 1-2)*
 - *Expand and fund active land management programs to reduce volume of subsurface drainage. Assess economic success while reducing drainage quantity and improving drainage quality (yr 1-2)*
4. Studies/testing/pilot evaluations (yr 1-7); e.g., research Cache Creek mercury issues including habitat restoration potential for contributions to methyl mercury formation, research ecological effects of toxicants, research impacts of ecosystem restoration on organic carbon, research on reducing impacts of agricultural and urban discharges, conduct field level selenium exposure response studies

Comment: Revise above to state "...research impacts of ecosystem restoration on organic carbon and other water quality constituents,...". Identify the specific studies/testing/pilot evaluations proposed. Recommended actions include:

In-Delta Actions:

- *Investigate additional measures to reduce impacts of discharges on water quality (yr 3-7)*
- *Obtain data on delta drainage volume in cooperation with Delta farmers and in coordination with the levee program. (yr 1-2)*
- *Pilot studies on the feasibility of removing TOC in agricultural drainage. Focus on Twitchell Island and Central Delta (yr 1-2)*
- *Investigate feasibility of expanding drainage storage to additional Central Delta Islands (yr 3-7)*

San Joaquin Actions:

- *Pilot studies of the economic viability of active land management projects in the Central Delta that reduce drainage flows and improve water quality. (yr 1-2).*
- *Expand and fund agroforestry pilot studies (yr 1-2)*

- *Conduct pilot studies on selenium removal/reduction so that drainage can be discharged to evaporation ponds (yr 1-2)*
- *Develop workplans for pilot studies for salinity removal treatment of drainage water (yr 1-2)*
- *Conduct pilot studies for salinity removal treatment of drainage water (yr 3-7)*
- *Investigate feasibility of recirculating water from the Delta Mendota Canal to the San Joaquin River to reduce salinity in San Joaquin River and South Delta (yr 3-7)*
- *Conduct research on the sources of bromide in the San Joaquin River (yr 1-2)*

Watershed-Wide Actions

- *Develop workplan for evaluation of sources of pathogens in Delta and tributaries (yr 1-2)*
 - *Conduct study of sources of pathogens in Delta and tributaries and evaluate BMPs (yr 3-7)*
 - *Conduct study of sources of TOC (yr 1-2)*
5. Implementation (and continued refinement) of needed actions based on results of the studies/testing/pilot evaluations (yr 3-7)
 6. Continue to clarify use of and fine-tune water quality performance targets and goals (yr 1-7)
 7. Participate in toxic site remediation if federal "Good Samaritan" protections are obtained (yr 3-7)
 8. Coordinate with other programs (yr 1-7); e.g., recommendations of San Joaquin Valley Drainage Implementation Program, CVPIA) for retirement of lands with drainage problems that are not subject to correction in other ways
 9. Develop a plan sufficient to meet forthcoming EPA and Department of Health Services standards for bromide (by yr 7)

Comment: Revise to read "Follow up on recommendation of CALFED Bromide Expert Panel (yr 1-2) and develop a plan to reduce bromide and TOC concentrations in water diverted or exported from the Delta to enable urban water users to meet forthcoming EPA and Department of Health Services drinking water standards (by yr 7)." This comment reflects that there may not be any bromide standards as such; the standard will likely be in terms of bromate and pathogens.

Comment: Add the following actions:

- X. *Develop a strategy in coordination with State Water Resources Control Board, Regional Water Quality Control Board, and Department of Health Services to address projected*

impacts on water quality from increased municipal water discharges and urban runoff to the Delta and its tributaries. (yr 1-2)

- X. *Water quality monitoring to determine effectiveness of program actions and need for facilities to meet water quality objectives. (yr 1-7)*
- X. *Coordinate with other common programs to ensure that in-Delta modifications for ecosystem restoration and levee stability maximize the potential for improvements in Delta water quality (1-7 yr).*

Watershed Program

Comment: To the introductory paragraph, add "While these activities are viewed as continuing over the full Stage 1 program (yrs 1-7), the funding of specific planing activities and demonstration projects should commence in Years 1-2."

1. Implement an outreach, coordination, and partnering program with local watershed groups including landowners, Resource Conservation Districts and watershed councils (yrs 1-7)
2. Provide watershed stewardship funds to local watershed groups (yrs 1-7)
Comment: Revise to read as "Provide watershed stewardship funds to local watershed groups (yrs 1-7), including the Baker Slough Watershed (yr 1-2) and the South Bay Aqueduct Watershed (yrs 3-7)."
3. Fund existing watershed clearinghouse functions to ensure public participation, disclose information, and monitor watershed projects (yrs 1-7)
4. Implement watershed restoration activities and/or demonstration projects, including those in the upper watershed, which demonstrate a benefit to restoring the Bay-Delta system (yrs 1-7)

Comment: Add the following actions:

- X. *Implement funding and facility planning program for securing existing water conveyance facilities against system losses and water quality degradation (yrs 1-2)*
 - X. *Implement long-term water supply needs assessments and facility plans in watershed and upper watershed areas in coordination with Stage 1 storage and conveyance element activities.*
 - X. *Provide opportunity to participate in north-of-delta surface storage reservoir.*
5. Implement project level environmental documentation and permitting as needed (yrs 1-7)
 6. Pursue and fund focused research to resolve the high priority issues and uncertainties associated with watershed restoration (yrs 1-7)

7. Develop and refine watershed conceptual models to quantify economic and non-economic benefits that accrue from watershed management or restoration activities (yr 1-3)
8. Establish and fund a watershed restoration project review panel to assist local watershed groups and private landowners in restoration project concept, design, and implementation (yrs 1-7)
9. Fund coordination with other CALFED and non-CALFED programs on watershed related activities (yrs 1-7)

Storage

South-of-Delta Groundwater Banking and Conjunctive Use

1. Develop and implement a framework for groundwater banking and conjunctive use projects (yr 1)
Comment: We don't need to devote one year to developing a framework; we have south-of-delta experience and loose time that could be used for implementation. (Move Item 1 to 1998-1999 actions listed in Attachment A)
2. Provide funding assistance for groundwater plan development (yr 1-7)
3. Identify potential projects and local cooperating entities and define CALFED role (yr 1-3)
Comment: Replace "Identify" with "Finalize selection" and delete "and define CALFED role" to reflect that potential projects and CALFED's role should be defined before Stage 1 begins.
4. Conduct baseline monitoring and modeling (yr 1-5)
5. Conduct field and pilot studies (yr 2-7)
Comment: Delete "and pilot studies" to reflect that most of the known groundwater banking projects south-of-delta do not need pilot studies. Field studies are appropriate and would include pilot studies if necessary.
6. Project environmental documentation and permitting (yr 3-7)
Comment: Project environmental documentation and permitting should be in yr 1-3, not yr 3-7; this entire component is moving too slowly into implementation.
7. Project design (yr 4-7)
Comment: Project design should be in yr 2-4, not yr 4-7.
8. Conduct demonstration projects and construct two to three production facilities with target volume of 500,000 acre-feet storage (yr 1-7); e.g., potential options include Madera Ranch, Stockton East, expanded Kern Water Bank, and others

Comment: Delete "conduct demonstration projects" to reflect that demonstration projects are not necessary for the known groundwater banking projects. "Construct two to three..." should be in yr 3-5, not yr 1-7.

9. Study additional potential project sites (yr 2-7)

North of Delta Groundwater Banking and Conjunctive Use

1. Develop and implement a framework for groundwater banking and conjunctive use projects (yr 1)
2. Provide funding assistance for groundwater plan development (yr 1-7)
3. Identify potential projects and local cooperating entities and define CALFED role (yr 1-3)
4. Initiate baseline monitoring and modeling (yr 1-7)
5. Initiate field and pilot studies (yr 2-7)
6. Project environmental documentation and permitting (yr 3-7)
7. Project design (yr 4-7)

Surface Storage

1. Identify local cooperating entities and CALFED role (yr 1-3)
2. Environmental documentation (yr 1-5)
3. Feasibility studies (yr 1-5)
4. Field and pilot studies (yr 1-5)

Comment: Delete "and pilot"; field studies are appropriate and would include pilot studies if necessary.

5. 404(b)(1) analyses: project site screening, least cost evaluations, and equivalency analyses (yr 1-5)

Comment: The project-level 404 (b) (1) analysis should be confined to storage location and configuration alternatives only; all other 404 alternatives analysis must precede the project-level and be addressed at the Stage 1 Programmatic level, including the "LEDPA" test and equivalency analysis relative to water use efficiency, water marketing/transfers and groundwater storage.

6. Site selection (yr 4-5)
7. Evaluate improvements to potential conveyance to storage (yr 1-5)
8. Permits and operating agreements (yr 5-7)
9. Begin construction if predefined conditions and linkages are satisfied (yr 6-7)

Comment: "Predefined conditions and linkages" refer to the "Conditions/Linkages for Future Decisions" listed in Section 1, page [15] and states that each must be achieved (a new phrase in this latest version of the draft). The phrases "high level of water use efficiency is achieved" and "demonstrated progress on transfers and groundwater" need definition and acceptance before proceeding into Stage 1. (Add to the 1998-99 actions

listed in Attachment A "Define water use efficiency, transfers, and groundwater acceptance levels as part of Implementation Agreement")

Conveyance

South Delta Improvements

1. Complete environmental documentation and permitting including 404(b)(1) analysis (yr 1-2)

Comment: This action should be well underway in less than two years, if possible; this includes progress in 1998-99 before Stage 1 even begins.

2. Design south Delta improvements (yr 1); among others, such improvements could include:

- Operable Old River fish barrier
- Three south Delta waterway control structures
- Clifton Court Forebay intake structure
- Channel enlargement along Old River
- Modified operation rules

Comment: Revise above to read "Modified operational rules, including increased use of full capacity of Banks Pumping Plant"

3. Implement south Delta improvements [balanced to improve water supply and environmental conditions] (yr 2-4)
4. Implement an intertie between the Delta-Mendota Canal (at approximately Mile 8) and California Aqueduct downstream of export pumps (yr 2-4)

Comment: If joint point of diversion and ISDP are implemented, this action is not needed.

5. Construct fish screen demonstration project [full module of approximately 2500 cfs] for Tracy Pumping Plant (yr 1)
6. Convert fish screen demonstration project at Tracy Pumping Plant to production facility and expand capacity if appropriate (yr 4-6)
7. Implement first increment of new south Delta screening [full module at north end of Clifton Court Forebay] (yr 2-6)
8. Evaluate (and/or pilot test) benefits/impacts of recirculation of a portion of Delta Mendota Canal flows through the Newman Wasteway to the San Joaquin River for water quality and ecosystem enhancement (yr 1-4)

Comment: Delete "(and/or pilot test)." Pilot studies would be part of the evaluation if necessary.

9. Project environmental documentation and permitting for SWP/CVP intertie (yr 2- 4)

10. Design SWP/CVP intertie upstream of export pumps [tie Tracy Pumping Plant to Clifton Court Forebay] (yr 5-6)

Comment: Revise to read "Design SWP/CVP intertie upstream of export pumps [tie Tracy Pumping Plant to Clifton Court Forebay] (yr 5) and construct inter-tie (yr 6)"

Add the following action:

- X. "Implement joint point of diversion for SWP/CVP (yrs 1-2)." (See recommendation in "No Name Group" report)

North Delta Improvements

1. Project environmental documentation (yr 1-5)
2. Feasibility studies for screened diversion and fish passage facilities, channel modifications, and habitat improvements (yr 1-5)
3. Field and pilot studies (yr 1-5)

Comment: Delete "and pilot studies." Field studies are appropriate and would include pilot studies if necessary.

4. Environmental documentation for land acquisition (yr 2-3)
5. Land acquisition (yr 4-6)
6. 404(b)(1) analyses; project site screening (yr 1-6)
7. Permits and operating agreements (yr 4-6)
8. Design of selected improvements (yr 4-6)
9. Construct selected improvements (yr 7)
10. Pilot studies for dredge material reuse (yr 1-7)

Isolated Facility

1. Project environmental documentation (1-7)
2. Feasibility studies (yr 1-6)
3. Field and pilot studies (yr 1-6)

Comment: Combine above actions 2 and 3 as "Feasibility and Field studies (yrs 1-6)"

Comment: Add the following action:

- X. Identify the specific process, timetable, and criteria for the decision on the Isolated Facility.

4. 404(b)(1) analyses; project site screening (yr 1-6)

Comment: The 404 (b) (1) "needs" and alternatives analysis should focus on the two critical topics: (1) public health/drinking water quality and (2) fishery recovery.

5. Assess right-of-way issues that could impact CALFED's ability to maintain a viable contingency for a potential future habitat corridor and facility right-of-way (yr 2-7)

Comment: Add the following action:

- X. *Take appropriate steps to preserve the preferred isolated facility right-of-way, including optioning and/or purchasing land and/or easements from willing sellers (yrs 2-7)*

Comment: The action item "Permits and operating agreements for isolated facility (yr 7+)" in the July 8 draft has been eliminated and should be reinstated.

ATTACHMENT A.

ACTIONS AND ASSURANCES FOR 1998-1999 UNDER EXISTING AUTHORITIES

Project Specific Actions Include:

- Develop and implement the annual CVP/SWP Operations Plan.
Comment: Add " , including coordinating the implementation of Joint-Point. "
- Expand south of Delta groundwater storage.
- Facilitate additional short term water transfers.
- Coordinate Category 3, Bay-Delta Act, CVPIA and other funds for ecosystem restoration projects.
- Initiate environmental documentation and feasibility analysis for Stage 1 actions including surface storage.

Comment: Replace the above with the following actions:

- *Define process for identifying, evaluating, and approving stages and substages that maintains balance among the Program purposes and disclose in the Revised Draft PEIS/EIR. The process will include:*
 - *Preparation of a supplemental program EIS/EIR for each substage that evaluates cumulative impacts for the substage as a whole.*
 - *Preparation of individual NEPA/CEQA documents and permitting for substage projects.*
 - *Authorize implementation only when all substage projects are ready to proceed.*

Also, add "Attachment B" to list specific environmental documents already underway or needed to begin in 1998-99. See below.

- Increase funding for conservation, reclamation, water quality, and floodplain and watershed management programs. Reauthorize funding for Delta levees program.
- Issue final State Board water right decision to allocate responsibility for meeting the Bay-Delta Accord standards.
- Extend the Bay-Delta Accord to provide operational and environmental stability until the ROD is issued.
- Initiate south Delta improvement actions if permitting issues are resolved.

Comment: Add the following from Section 3:

- *Complete programmatic implementation agreement and assurance package. The assurance package will extend/replace the Accord and include a set of actions and mechanisms to assure that the Program will be implemented and operated to provide for no net loss, no uncompensated takings, no actions resulting in added risk of loss through operating rules, full regulatory protection for in-Delta and upstream diverters that*

participate in restoration actions, safe harbor, and operational regulatory certainty. The following will be part of the assurance package and available at the time of the ROD and Findings:

- programmatic conservation strategy;*
 - description of new institution/entity and how agencies will coordinate*
 - description of process for stakeholder involvement*
 - financial strategy and principles;*
 - conditions and linkages;*
 - final contingency response for unforeseen circumstances;*
 - framework for the many other assurances in the program;*
 - mitigation policy/principles/strategy; and*
 - adaptive management principles for each program element.*
- *Complete the finance package, including a final cost estimate and agreement on the financial principles and cost allocation strategy, including determination of user fees linked to long-term assurances.*
 - *Draft and begin legislative program to create new independent entity wholly responsible for the Ecosystem Restoration element.*
 - *Define adaptive management process for making adjustments as better information becomes available, including who makes future decisions, for all elements of the Program; e.g., define triggers and time periods necessary for deciding need for change in management direction*
 - *Establish water transfer clearinghouse to ensure public participation, disclose information, and monitor actual transfer impacts*
 - *Coordinate with SWRCB, DWR, and USBR to formulate policy, under their existing authorities, for required water transfers analyses*
 - *Develop and implement an outreach, coordination, and partnering program with local landowners including individuals, Reclamation Districts, Resource Conservation Districts, Water Authorities, irrigation districts, Farm Bureaus, etc. to assure participation in planning design, implementation, and management of levee projects*
 - *Develop and implement a framework for groundwater banking and conjunctive use projects.*
 - *Define water use efficiency, transfers, and groundwater acceptance levels as part of the Implementation Agreement.*

Comment: Add the following:

ATTACHMENT B.

ENVIRONMENTAL DOCUMENTATION FOR STAGE 1 ACTIONS

- *Revised Draft Programmatic EIS/EIR to be issued 12/98: Identifies the draft preferred alternative, mitigation policy, and principles.*
- *Supplemental Revised Draft Programmatic EIS/EIR*
 - *Satisfies the 404 alternatives analysis requirements for the overall program elements.*
 - *Measures relating to water supply (conservation, recycling, transfers, and storage) should be grouped together as one supply element.*
 - *To address the staged decision-making for the dual conveyance, the program 404 finding needs to conclude that if the public health or fishery recovery standards established in the Programmatic EIS/EIR are not met during Stage 1 or thereafter, that alternative 3 will constitute the least environmentally damaging practicable alternative.*
 - *Satisfies additional disclosure needed to obtain State and federal endangered species assurances sought in the implementation agreement.*
 - *Defines and discloses process for identifying, evaluating, and approving stages and substages in a manner that maintains balance among the Program purposes.*
 - *Prepare supplemental program EIS/EIR for each substage that evaluates cumulative impacts for the substage as a whole.*
 - *Prepare individual NEPA/CEQA documents and obtain permits for substage projects.*
 - *Authorize implementation only when all substage projects are ready to proceed.*
- *Substage Program EIS/EIRs:*
 - *Evaluate alternative mixes of substage projects formulated using criteria disclosed in the Programmatic EIS/EIR.*
 - *Disclose cumulative impacts of preferred alternative bundle of substage projects.*
- *Project Level Documents: Issue individual project documents as needed for projects within each substage. Utilize existing NEPA/CEQA documents as appropriate. Anticipated project level documents required for the first substage include:*
 - *[Provide listing of all projects/actions anticipated to be covered by new environmental documentation]*
 - *[Provide listing of all projects/actions anticipated to be covered by separate existing and/or revised environmental documentation]*