

## DEPARTMENT OF FOOD AND AGRICULTURE



1220 N Street, Room 409  
Sacramento, California 95814  
(916) 654-0321

August 5, 1999

Mr. Lester Snow, Director  
CALFED Bay-Delta Program  
1416 Ninth Street, Room 1155  
Sacramento, California 95814

Dear Mr. Snow:

Pleased find attached a summary of a meeting concerning potential impacts to agricultural resources resulting from Ecosystem and Flood Plain Restoration Associated with the South Delta Improvements Program. This meeting was called as the result of a Small Group discussion on July 20, 1999 concerning implementation of the above referenced program. Participants included Steve Shaffer, CDFA, Rick Soehren, CALFED, and Frank Wernette, DFG. The attached summary has been reviewed by all participants.

I am hopeful that these meetings in conjunction with on-going discussion between Secretary Lyons and Secretary Nichols will result in a agricultural mitigation policy and implementation framework that will serve CALFED and California agriculture well as CALFED moves forward.

Sincerely,

A. J. Yates  
Deputy Secretary

Attachment

Copy:  
Mary Nichols  
Tom Hannigan  
Ryan Broddrick  
Steve Ritchie  
Patrick Wright

Summary of July 27, 1999 meeting concerning potential impacts to agricultural resources resulting from Ecosystem and Flood Plain Restoration Associated with the South Delta Improvements Program. This meeting was called as the result of a Small Group discussion on July 20, 1999 concerning implementation of the above referenced program.

Participants: Steve Shaffer, CDFA; Rick Soehren, CALFED; Frank Wernette, DFG

Key Discussion Items:

Rick summarized organization of the Ecosystem and Flood Plain Restoration Program – Stein Buer, Implementation Coordinator; Rick as ERP implementation coordinator under the direction of Dick Daniel; and Frank as the State lead agency representative.

Rick indicated the need for habitat development in South Delta due to conveyance improvement actions. Problem is that there is not much publicly owned land in South Delta. Land acquisitions are foreseen. Driving forces are:

- FWS/NMFS jeopardy opinion for delta smelt and splittail
- MSCS
- CMARP
- Stage 1 South Delta ERP vision being developed by Terry Mills

Steve asked how these all integrate into an implementation plan. Rick will lay that out in a future communication.

Steve indicated that land acquisitions need to be prioritized according to the South Delta Stage 1 ERP. This SDERP needs to be developed based on the ERPP but with significant external input to CALFED. Get the locals (RCDs, RDs, Farm Bureau, SDWA, etc.) involved early and often. Criteria for acquisition need to be established, based on measurable objectives and testable hypotheses. Frank indicated that further dialog among scientists is needed to help develop a vision for Stage 1 ERP actions in light of the SDIP. For instance, the geographic scope of where habitat should be developed could be influenced based on at least two legitimate hypotheses. One hypothesis supports a vision to avoid developing aquatic habitat in areas near the export facilities. Perhaps aquatic habitat would then be restored in the central or even north Delta. Frank mentioned that if this is the case there are more public lands available in that portion of the Delta. This lead to a discussion of willing seller land acquisitions. Steve recommended that CALFED map current public lands and previously approved Category 3 projects to form the "foundation" of a restoration plan. Steve expressed concerns over the lack of scientific justification for a massive permanent reallocation of agricultural resources for habitat purposes. If it can be scientifically demonstrated that reasonable benefits to water supply reliability will result from these actions, agriculture as a whole is more likely to support them. Steve also mentioned that CALFED needed to remember that there are many things that can be done to help restore the ecosystem besides land acquisition. Steve listed exotic species as an example.

We then discussed CEQA issues. Steve expressed that it is the CDFA view that for an agricultural land acquisition project, the impact occurs at the time of acquisition, and

therefore, the proper environmental documentation must be prepared at that time. Frank said that in the past neg decs were completed for acquisitions with the understanding that when a change in land use was proposed an EIR would likely be needed. We also briefly discussed whether or not Categorical Exemptions from CEQA are appropriate for these projects. We also discussed the linkage between land and water and the effort to develop an accounting method or process that could lead to reasonable agricultural mitigation assurance. We discussed various other potential mitigation strategies. One idea Steve presented was to use an approach similar to USDA-NRCS Conservation Reserve Program that does not remove land from agricultural production permanently.

Steve also voiced agricultural concerns and CDFA concerns that the treatment of agricultural mitigation and cumulative impacts in the PEIS is not adequate. There are no real assurances that agricultural mitigation will in fact be incorporated into specific CALFED projects.

We also discussed a potential role for CDFA is assisting CALFED in building stronger relationships with the agricultural community. This would entail CALFED informing CDFA very early in the process of a potential land acquisition. As a CALFED agency, CDFA would be bound by confidentiality provisions while the lead agency was negotiating the acquisition. CDFA would alert CALFED to potential issues of concern, identify potential agricultural cooperators in an area and serve as a liaison. CDFA would then be a positive, timely information source for the agricultural community concerning CALFED activities affecting agriculture. To that end we agreed to meet on a regular basis to ensure good communication and coordination with CDFA.

Steve reminded Rick that CALFED has been asked to provide a summary of the status of Category 3 projects.

Steve left with Rick and Frank a one pager, "What Does Agriculture Want" for discussion purposes.

Action Items:

- Steve will keep Rick and Frank informed as to the progress of the effort to develop an agricultural mitigation and accounting process.
- Steve will discuss the relationship building activities and confidentiality issue with CDFA management and report back. Rick and Frank will do likewise on the CALFED side.
- Steve will review and compile current agricultural mitigation language in the PEIS/R, Phase II Report, etc. This compilation will be submitted to Rick for response as to how existing language is envisioned to be implemented in the context of the South Delta Program.
- Next meeting is tentatively scheduled for August 13<sup>th</sup> at 9 am.