

Friends of the River  
American Lands ~ American Land Conservancy ~ American Whitewater  
The Bay Institute ~ Butte Environmental Council  
California Sportfishing Protection Alliance ~ California Trout  
California Wilderness Coalition ~ Center for Sierra Nevada Conservation  
Chico Area Fly Fishers ~ Clean Water Action ~ Natural Resources Defense Council  
Northern California Council Federation of Fly Fishers  
Pacific Rivers Council ~ Sacramento River Preservation Trust  
Save The San Francisco Bay Association ~ Shasta Paddlers ~ Sierra Club  
South Yuba River Citizens League

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Please Reply To: Friends of the River, 915 20th Street, Sacramento, CA 95814

February 22, 1999

The Honorable Bruce Babbitt  
Secretary of Interior  
U.S. Department of Interior  
1100 L Street NW  
Washington DC 20240

The Honorable Mary Nichols  
Secretary of Resources  
The Resources Agency  
1416 Ninth Street  
Sacramento, CA 95814

**Re: CALFED surface water storage project screening**

Dear Secretary Babbitt and Secretary Nichols:

The conservation community is concerned that the CALFED Bay Delta Program is proposing to increase surface water storage in the Central Valley. As you know, we believe that it is premature to move forward with planning and constructing new surface water supply projects without first determining the program's measurable water supply reliability objectives and without first ensuring the maximum efficient use and conservation of current water supplies by all sectors of society.

We also must share our concerns about the process used by CALFED to screen potential surface storage projects, and we have serious reservations about the environmental, economic, and political feasibility of several of the projects identified by CALFED. In its revised Phase II Report (December 1998), CALFED identified for further evaluation 14 potential surface water storage projects out of a list of 51 (pgs. 82-83). Several of the 14 projects identified for further evaluation and screening fail to meet CALFED criteria and goals, conflict with existing law and regulations, and are certain to generate broad public opposition.

Some of these projects include:

Red Bank Project -- This offstream storage project in Tehama County would divert water from the Cottonwood Creek watershed for storage in the adjacent

Red Bank watershed. Contrary to the Phase II Report's assurance that "CALFED will not pursue storage at new on-stream reservoir sites" (Phase II Report pg. 82), the project requires the construction of the 250 foot-high Dippingvat dam on the South Fork Cottonwood Creek, creating a 104,000 acre-foot reservoir.

The South Fork is a free flowing perennial stream that supports habitat for threatened and endangered steelhead and spring run chinook salmon. The dam would partially drown and block access to more than 15 miles of this critical holding and spawning habitat. The dam would also restrict downstream gravel recruitment into a segment of the Sacramento River that provides critical spawning habitat for the endangered winter run chinook salmon. Cottonwood Creek is regarded by the U.S. Fish and Wildlife Service as "one of the most important sources" of spawning gravel for Sacramento River salmon (Anadromous Fish Restoration Plan, USFWS, May 1995). The California Department of Fish and Game (CDFG) considers spawning gravel to be a "finite resource in the Sacramento River system and Cottonwood Creek contains one of the most important reserves" (Restoring Central Valley Streams, CDFG, November 1993).

In addition, the dam and reservoir would inundate a segment of the South Fork determined eligible by the Bureau of Land Management (BLM) for National Wild & Scenic River status in recognition of its free flowing character and outstanding recreation, scenic, and geologic values (Redding Resource Area Plan, BLM, July 1992). The South Fork is also included in the National Park Service's Nationwide Rivers Inventory (September 1996).

Shasta Dam Raise -- In response to public concerns about the environmental and economic impacts of raising Shasta dam by up to 200 feet, CALFED's Phase II Report identified for further evaluation a 6.5 foot raise of the dam. Although this alternative certainly has less impact than the 200 foot raise originally contemplated by CALFED, its implementation is contrary to state law and an existing federal management plan, and poses a serious threat to upstream fisheries.

The California Public Resources Code (Sec. 5093.542) declares that the McCloud River directly upstream of the existing Shasta reservoir "possesses extraordinary resources" and "supports one of the finest wild trout fisheries in the state." The code expressly prohibits the construction of any "dam, reservoir, diversion, or other water impoundment facility" on the McCloud upstream of the McCloud River bridge (near the current upper limit of Shasta reservoir). Although the code permits the California Department of Water Resources (DWR) to participate in "technical and economic feasibility" studies concerning the potential enlargement of Shasta dam, all state agencies are forbidden to permit, assist, or cooperate in the "planning or construction of any dam, reservoir, diversion, or other impoundment facility that could have an adverse effect on the free flowing condition of the McCloud River, or on its wild trout fishery."

The U.S. Forest Service determined the McCloud River upstream of Shasta reservoir to be eligible for National Wild & Scenic River status in recognition of its free flowing character and outstanding cultural/historical, geological, and wild trout fishery values. The Forest Service chose not to recommend to Congress that the McCloud be added to the National Wild & Scenic River System, in favor of participating with private land owners in the implementation of a Coordinated Resource Management Plan (CRMP) intended to protect the free flowing character and outstanding values of the river. The Forest Service noted that if "the CRMP fails to protect the values which render the river suitable for designation, then the Forest Service will consider recommendation to the National Wild & Scenic Rivers System" (Shasta-Trinity National Forest Plan Record of Decision, USFS, April 1995). Members of the McCloud River CRMP are on record opposing raising of Shasta dam, but if CALFED chooses to move forward on dam enlargement, it would do so without a state partner, and the decision would necessarily trigger the appropriate management action by the Forest Service.

Thomes-Newville, Sites, & Colusa Projects -- These offstream reservoir projects on the west side of the Sacramento Valley would all depend on diversions from the Sacramento River to supply water. The diversion to supply the offstream reservoirs has been characterized by CALFED as a 5,000 cubic feet per second (cfs) diversion during flood flows. However, flow analysis by DWR indicates that this diversion could reduce the annual monthly flow of the Sacramento River by 14 percent in January to 67 percent in April (DWR Offstream Storage Investigation, September 1998). Since the mean annual flow in the Sacramento River has already been reduced by 35 percent by existing dams and diversions (CALFED Strategic Plan for Ecosystem Restoration, December 1998), additional diversions to supply new offstream storage reservoirs could significantly reduce flows needed to maintain the ecological functions of the river.

The State of California recommended the establishment of a Sacramento River Riparian Conservation Area where "the natural river process of erosion and deposition would be allowed to occur" (Upper Sacramento River Fisheries and Riparian Habitat Management Plan, January 1989). This was adopted as a major goal of CALFED's ecosystem restoration plan, which proposes to protect, enhance, and restore the Sacramento River's riparian meanderbelt. The meanderbelt depends, in part, on natural flows to dynamically erode banks and create new habitat. New diversions from the river to supply offstream storage reservoirs, without ensuring the maintenance of sufficient natural flows to support the ecological functions of the meanderbelt, could prevent attainment of this critical CALFED restoration goal. In some years, operational criteria to eliminate or reduce these impacts would significantly reduce the viability of these sites as water storage facilities.

Garzas, Orestimba, and Quinto Projects -- These are offstream storage reservoir projects on the west side of the San Joaquin Valley that would store surplus water from the California Aqueduct. All three projects failed to pass CALFED's water yield and economic feasibility screening, but were included in the ultimate list of 14 projects for further evaluation due to "special considerations" (CALFED Surface Water Storage Screening Process, January 1999). All or portions of these reservoirs would impact property recently acquired by The Nature Conservancy to protect rare sycamore alluvial woodlands, as well as habitat for California red-legged frog, western spadefoot toad, and Western pond turtle -- all species and habitats specifically targeted by CALFED for protection and restoration. The projects would not only drown these sensitive habitats and species under large reservoirs, but the reservoirs would also act as vectors for invasive non-native species such as bullfrogs that both displace and predate on native amphibians.

Panoche Project -- This is also an offstream storage reservoir project on the west side of the San Joaquin Valley that would store surplus water from the California Aqueduct. It too failed to pass CALFED's water yield and economic feasibility screening, but was included in the final list of 14 projects. Depending on its ultimate size and location, the project could encroach on the Panoche Hills South Wilderness Study Area (040-301B), which is provided interim protection of its wilderness character by the BLM under the Federal Land Policy and Management Act (FLPMA). Section 603 of FLPMA requires the BLM to protect the wilderness suitability of Study Areas such as Panoche Hills South until Congress acts on the BLM's recommendation.

In addition, the Panoche project would encroach on public lands managed by the BLM as Areas of Critical Environmental Concern (ACEC) to protect significant paleontological values, rare plants, and sensitive, threatened, and endangered species, including the San Joaquin kit fox, blunt-nosed leopard lizard, giant kangaroo rat, and San Joaquin antelope squirrel. The project is also located in the Panoche/Silver Creek watershed, which is a significant natural source of toxic selenium (San Joaquin Valley Drainage Program Management Plan pg. 28, USDI/Resources Agency, September 1990) that could pollute the water stored in the proposed Panoche reservoir.

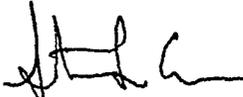
## Conclusion

This is a brief and preliminary assessment of the environmental, economic, and legal implications of some of the most flawed components of CALFED's surface storage program, and in no way should be construed as a comprehensive critique. Much remains unknown about these projects. But what is known should be used to effectively screen the projects and remove those that have obvious environmental, economic, and legal conflicts from any further consideration.

These important issues simply underscore the inadequately evaluated and controversial nature of CALFED's surface storage program. The simplest way to

resolve this debate is to pursue a variety of non-storage water supply reliability alternatives such as increased water efficiency and conservation as outlined in the Blueprint For An Environmentally And Economically Sound CALFED Water Supply Reliability Program (November 1998) developed by conservation organizations. Even if CALFED chooses to pursue surface storage options, it should at least eliminate those projects that clearly conflict with its ecosystem restoration goals, as well as with existing law and regulations.

Sincerely,

  
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