REPORT

DATE: Energy and Environment Committee

TO: Daniel Griset, Senior Planner, (213) 236-1895, griset@scag.ca.gov

FROM: August 5, 2004

SUBJECT: Bay-Delta Improvements Package

EXECUTIVE DIRECTOR'S APPROVAL: _____

RECOMMENDED ACTION:

The Energy and Environment Committee recommends that the Regional Council approve Resolution #04-454-1 in support of the CALFED Bay-Delta Improvements Package. The draft resolution urges all participating agencies, including the federal government, to authorize and fund the measures required to maintain operational balance in the CALFED Bay-Delta Program.

BACKGROUND:

The CALFED Bay-Delta Program began in 1995 to deal with a wide array of water issues and unfavorable trends affecting California's water future. The Bay-Delta area is the largest estuary in North America and is the heart of California's statewide water system. The Delta provides drinking water for two-thirds of the state's population and irrigation water to more than seven million acres of farmland. In the years leading up to the start of the Program the Delta was adversely affected by on-going deadlocks between competing water interests. These deadlocks exacerbated problems that took on statewide significance: fish species were disappearing, water quality was declining and water supplies were increasingly unreliable.

The Program's study process started in 1995 represented a new approach in which state and federal agencies, along with other key stakeholders, began a collaborative process to find and implement solutions for the Delta. In 2000 a comprehensive, 30-year Plan was completed for restoring the health of the Bay-Delta ecosystem and improving the reliability and quality of the state's water supply. The Plan, finalized in the September 2000 CALFED Record of Decision (ROD), identified a number of projects including ecosystem restoration, surface and groundwater storage, and water quality improvements. With extensive input from stakeholders and the public, the ROD reflected a commitment to move ahead simultaneously on environmental, water supply and water quality objectives.

Since the release of the ROD, CALFED has begun implementation of local and regional projects at a cost of more than $2 billion. These projects have been implemented under the guidance of the CALFED mandates to improve water supplies and water quality in California and to improve the ecological health of the Bay-Delta and its levee system.

The first seven years of the Program, know as "Stage 1", had specific milestones for progress in ecosystem restoration, water quality, water supply and levee integrity. Ecosystem restoration has seen substantial progress with the investment of nearly $700 million in Delta projects including efforts to improve fish and other wildlife populations. Certain regional water recycling and groundwater management efforts have made some progress as well. Other Stage 1 programs such as conveyance, water quality and surface storage have fallen behind Stage 1 goals, however.

These delays that created a troubling imbalance in Program implementation led to a series of stakeholder meetings in the summer of 2003 at Napa in which a "Delta Improvements Package" was formulated. This Package of programs and projects is a 2004 priority of CALFED and the California Bay-Delta Authority and includes:

1. Improving water supply reliability through a conveyance (water movement) program;
2. Restoring ecosystems through a long-term environmental water account; and
3. Enhancing water quality through various Delta and South Delta protection measures.

Together, the package elements would provide benefits for local Delta users and the broader community of statewide water users. As such it is the first major implementation package of statewide significance within the CALFED Program, moving a series of statewide water and environmental projects from planning to actual implementation.

Improving Water Supply Reliability. One of the key programs within CALFED is improved conveyance of water through the Delta. Water travels through the state's largest watershed, providing water for much of California, yet the Delta's conveyance ability is limited and outdated. The proposed Package calls for a conveyance program that entails three major changes to the conveyance system as follows: a) an increase State Water Project pumping through the Delta from the current level of 6,700 cfs (cubic feet per second) to 8,500 cfs; b) construction of a State Water Project/Central Valley Project Intertie; and c) implementation of a state/federal project integration plan.

The SWP/CVP Intertie: The State Water Project (SWP) and the federal Central Valley Project (CVP) are separate water supply systems that essentially run parallel to each other up and down the state, and are operated by different government agencies, one state and the other federal. The systems are vastly different from each other in their operating plans and regulatory paths. The SWP is storage poor and conveyance rich, while the CVP has plenty of storage capacity, but lacks the ability to move its water effectively. Further, the lack of coordination and cooperation between the state and federal projects has stalled progress in implementing CALFED water supply improvements. It's significant, then that these agencies have agreed to support the SWP Aqueduct and CVP Delta-Mendota Canal Intertie (SWP/CVP Intertie). The Intertie is a short canal that will be built south of the Delta, where the SWP and CVP canals are in close proximity. The Intertie will allow the SWP and CVP to share water, so that both systems will work more effectively to deliver water to various areas of the state for a variety of uses at different times.

The SWP/CVP Integration Plan: The historic lack of coordination between the SWP and the CVP led to the negotiation between state and federal officials, along with other CALFED stakeholders, to negotiate an agreement at the meetings in Napa. Called the "Napa Proposal," the proposed SWP/CVP Integration Plan lays out the parameters to better operate and integrate the two projects, seeking to increase efficiencies, storage opportunities and water supply. The Napa Proposal provides a plan that proposes to moderately increase water supplies for both projects. By better managing risk, it will allow higher water allocations earlier in the year, increasing certainty for both SWP and CVP contractors.

Restoring Ecosystems. One of the essential goals of the CALFED ROD is a resolution of the conflict between improving water supply reliability and providing environmental protections for fish and other wildlife living in the Delta ecosystem. CALFED established a new national model for conflict resolution with the creation of the innovative Environmental Water Account (EWA), which can purchase water and supply it to the conveyance system when fish protection required system pumps to be shut down. The pilot, four-year EWA, has been a success but is currently scheduled to expire in 2004. The Delta Improvements Package will establish a long-term EWA that is to be proposed by federal and state agencies for public comment in 2004.

Enhancing Water Quality. Accompanying protections for Delta fish and wildlife, the proposed Delta Improvements Package also includes protections for local in-Delta and South Delta water users who would be impacted by the conveyance of more water through the Delta. These impacts would involve maintenance of water quality and water levels in the Delta. Accordingly, a series of regional meetings have been held with local Delta interests and Delta exporters to identify and agree upon a series of improvements and protective measures, including water quality and water level standards and the management of agricultural drainage. These measures are to be considered by state and federal agencies and, with approval, will be included in the list of conveyance projects as a part of the Delta Improvements Package.

The core principle of the ROD that created the common ground for stakeholder commitments to the Program is that all CALFED components are interrelated and interdependent. This involves a linkage between all projects in the Program. Investments and implementation in one Program area must be tied politically and programmatically to investments and implementation in other areas of the Program. This orientation to balance between the various priorities also emphasizes the role for the use of sound scientific investigations and research.

The governance of the CALFED program became formalized in January 2003 with the creation of a new state agency called the California Bay-Delta Authority. This Authority provides a permanent governance structure for the collaborative state/federal effort. The Authority will sunset on January 1, 2006, unless federal legislation has been enacted authorizing the participation of appropriate federal agencies in the CALFED Program.

FISCAL IMPACT: SCAG's support of the Bay-Delta Improvements Package will have no fiscal impact on SCAG. The staff expense related to work on these water issues is supported by funding from work element 05-320.

DOCS #101165 v2

RESOLUTION No. 04-454-1

A RESOLUTION OF
THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
IN SUPPORT OF
CALFED BAY-DELTA IMPROVEMENTS

WHEREAS, the Southern California Association of Governments (SCAG) is the Metropolitan Planning Organization (MPO) for six counties: Los Angeles, Orange, San Bernardino, Riverside, Ventura, and Imperial;

WHEREAS, the SCAG region is expected to experience substantial growth in population, housing, and employment in the coming decades;

WHEREAS, this growth will require a reliable supply of water to augment local water supplies and on-going conservation efforts;

WHEREAS, a wide collaboration of interests – federal and state agencies, water agencies, business groups, environmental organizations, labor, agricultural industry and local communities – have proposed a comprehensive, long-term plan for improved water resources management in California's Bay-Delta;

WHEREAS, the CalFed Record of Decision was published in August 2000, laying out a blueprint for the successful implementation of water supply, water quality, ecosystem restoration and levee integrity programs; and

WHEREAS, during its first three years, the CalFed program has invested nearly $2 billion to meet its program goals, scattered over hundreds of local and regional projects throughout the state; and

WHEREAS, the Delta Improvements Package is the first major implementation package of statewide significance within the CalFed Program, moving a series of statewide projects from planning to actual implementation; and

WHEREAS, implementation of these program components will help ensure CalFed's achievement of the Program milestones established for Stage 1 (years 1-7); and

WHEREAS, in order to ensure ongoing, balanced implementation of the CalFed Record of Decision, improvements in all CalFed components [water quality, ecosystem restoration, water supply reliability and levee integrity] need to advance, tasks requiring political will and critical funding; and

WHEREAS, efforts such as the Delta Improvements Package will assist in the balanced implementation of designated CalFed improvements and will improve water supply reliability, protect water quality and restore the impaired estuary ecosystem;

NOW, THEREFORE, BE IT RESOLVED by the Regional Council of the Southern California Association of Governments, that SCAG does hereby urge all CalFed participating agencies, including the federal government, to authorize and fund the measures required to maintain operational balance in the CALFED Bay-Delta Program; and

BE IT FURTHER RESOLVED that SCAG urges all CalFed agencies to establish the kinds of cooperation and coordination between State Water Project and Central Valley Project operations that will assure improved water supply and quality and will protect and enhance the Bay-Delta ecosystem.

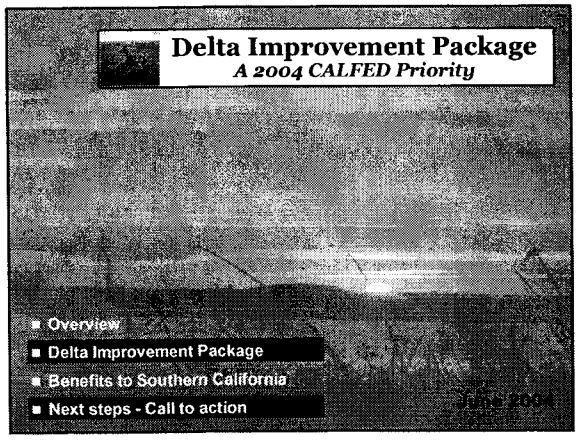
APPROVED AND ADOPTED by the [vote] of the Regional Council of the Southern California Association of Governments at a regular meeting this 2nd day of September, 2004.

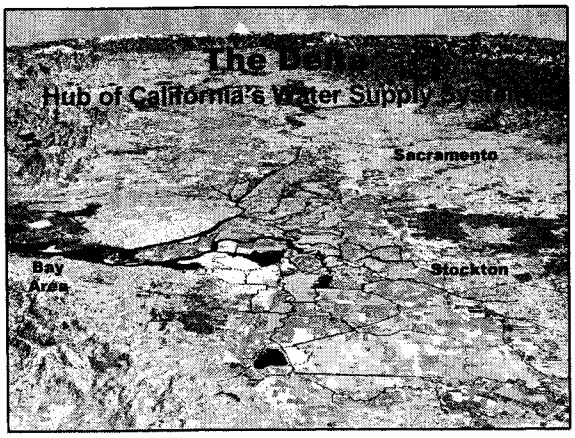
RON ROBERTS
President, SCAG
Councilmember, City of Temecula

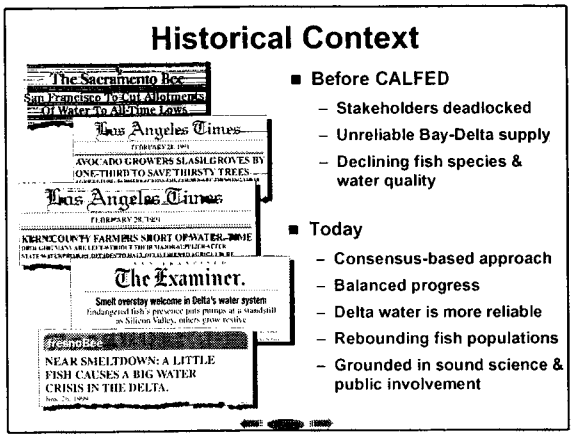
Mark Pisano
Executive Director

Karen Tachiki
Chief Legal Counsel

DOC# 100874v1
Griset


Delta Improvement Package
A 2004 CALFED Priority
Overview
Delta Improvement Package
Benefits to Southern California
Next steps - Call to action
June 2004


The Delta
Hub of California's Water Supply System
Sacramento
Bay Area
Stockton

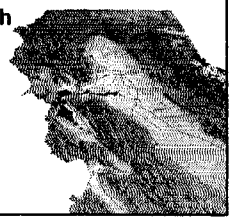

Historical Context
The Sacramento Bee
San Francisco To Cut Allotments Of Water To All-Time Lows
Los Angeles Times
AVOCADO GROWERS SLASH GROVES BY ONE-THIRD TO SAVE THIRSTY TREES
Los Angeles Times
KERN COUNTY FARMERS SHORT OF WATER
The Examiner.
Smelt overstay welcome in Delta's water system
Endangered fish's presence pain pumps at a standstill as Silicon Valley, others grow restive
fresnoBee
NEAR SMELTDOWN: A LITTLE FISH CAUSES A BIG WATER CRISIS IN THE DELTA.
Before CALFED
Stakeholders deadlocked
Unreliable Bay-Delta supply
Declining fish species & water quality
Today
Consensus-based approach
Balanced progress
Delta water is more reliable
Rebounding fish populations
Grounded in sound science & public involvement

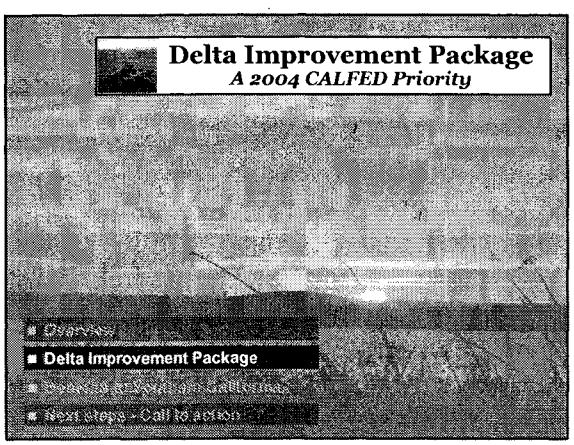
CALFED Accomplishments
2001 - 2003

- Increased emphasis on local & regional programs
- Invested $2 billion over hundreds of projects
- Established California Bay-Delta Authority
- Established science program to guide actions
- Increased coordination among CALFED agencies

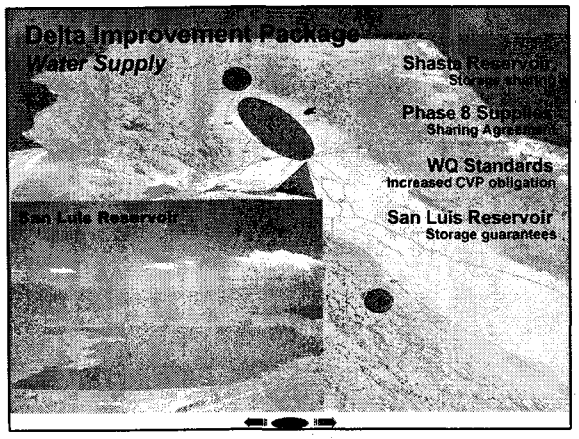
2004 – A Critical Year for CALFED

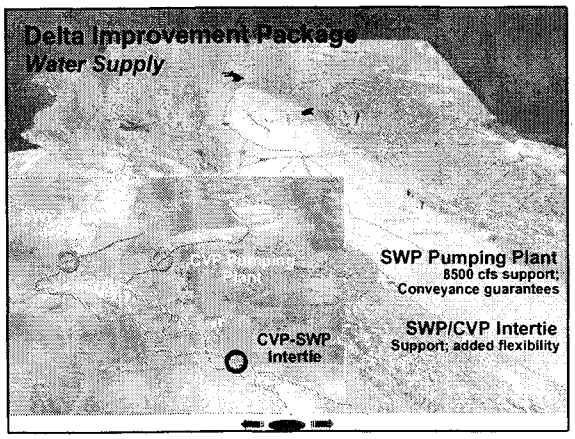
- First major CALFED implementation package of statewide significance
- Moves CALFED from planning to implementation
- Promotes balanced approach
  - Water supply
  - Water quality
  - Environmental protection & restoration
  - Science



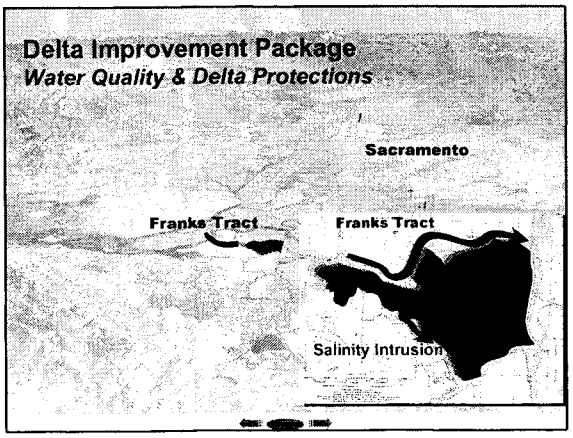


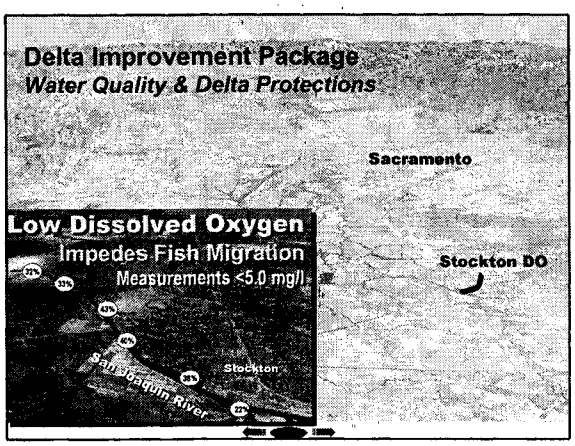
Water Supply Elements
Delta Improvement Package





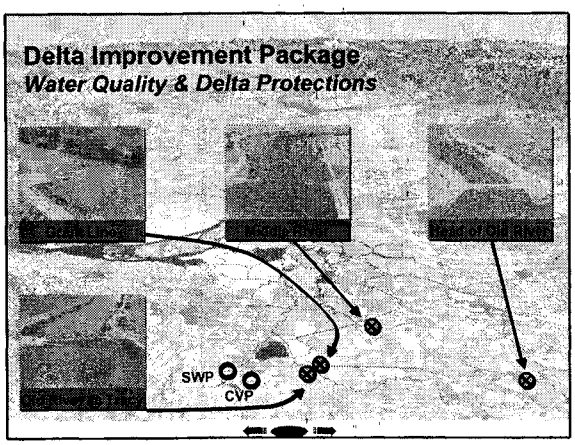
Water Quality Elements
Delta Improvement Package

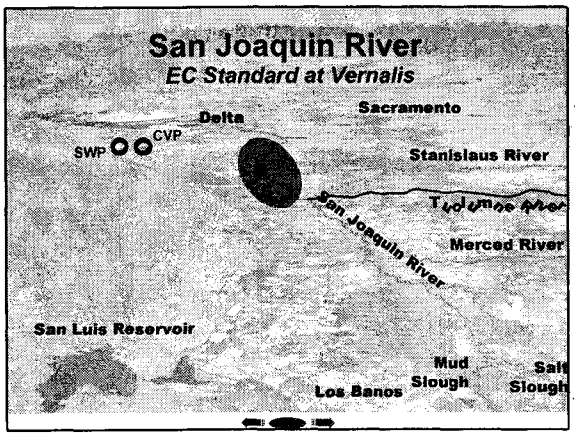


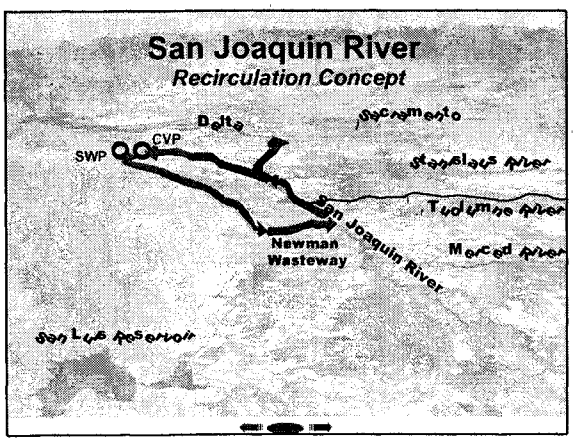

Delta Improvement Package
Water Quality & Delta Protections
Sacramento
Low Dissolved Oxygen
Impedes Fish Migration
Measurements <5.0 mg/l
Stockton DO
Stockton
San Joaquin River

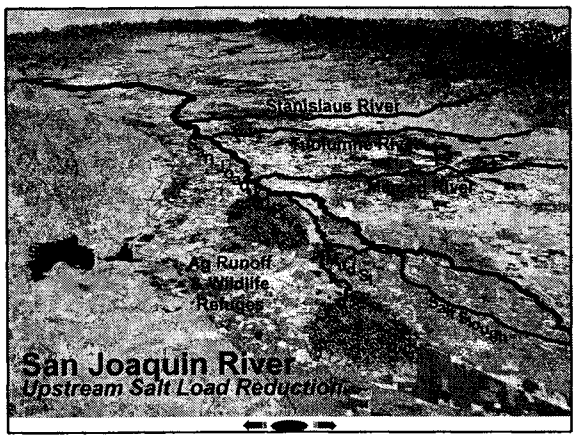
Delta Improvement Package
Water Quality & Delta Protections
Sacramento
Veale & Byron Tract
drain relocations
Drainage
(80 cfs)

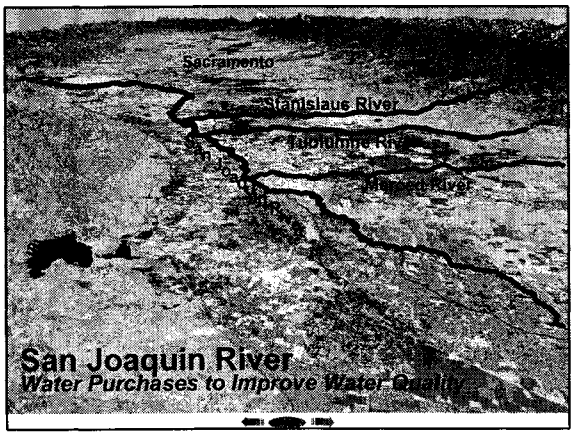
Delta Improvement Package
Water Quality & Delta Protections
Sacramento
Proposed Contra Costa WD Intake
Old River


Delta Improvement Package
Water Quality & Delta Protections
SWP
CVP


San Joaquin River
EC Standard at Vernalis
Delta
Sacramento
SWP
CVP
Stanislaus River
Tuolumne River
San Joaquin River
Merced River
San Luis Reservoir
Mud Slough
Salt Slough
Los Banos

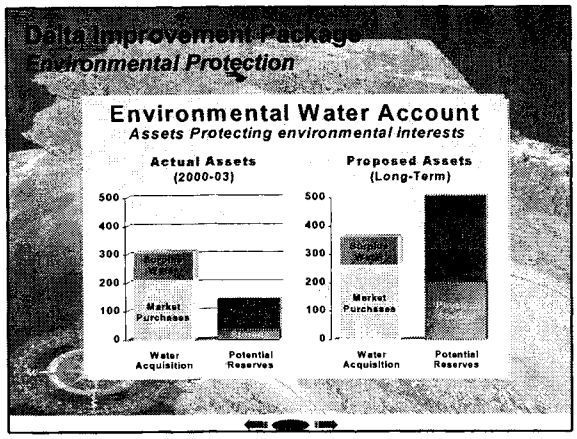

San Joaquin River
Recirculation Concept
Delta
Sacramento
SWP
CVP
Stanislaus River
Tuolumne River
San Joaquin River
Newman Wasteway
Merced River
San Luis Reservoir

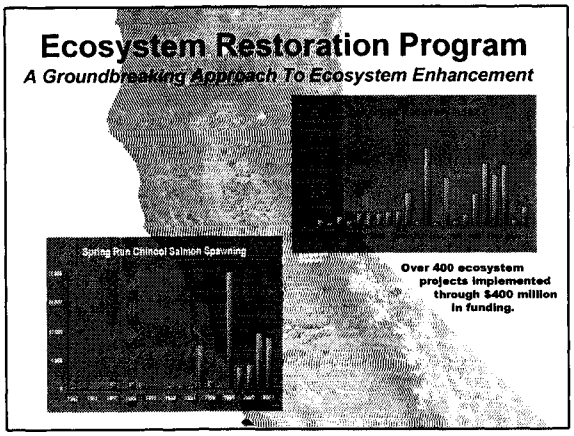


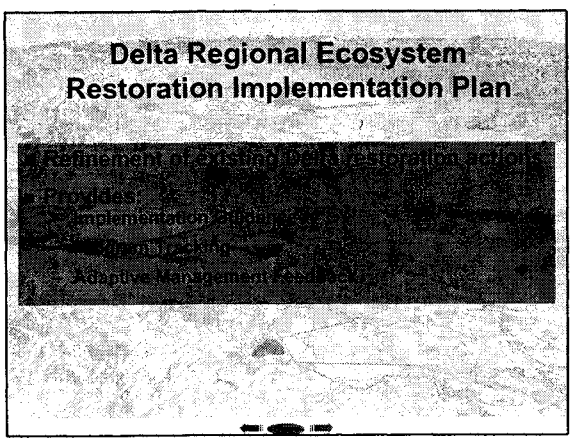


Ecosystem Restoration Elements

Delta Improvement Package


Delta Improvement Package
Environmental Protection
Environmental Water Account
Assets Protecting environmental interests
Actual Assets
(2000-03)
Proposed Assets
(Long-Term)
500
400
300
200
100
0
Market Purchases
Water Acquisition
Potential Reserves


Ecosystem Restoration Program
A Groundbreaking Approach To Ecosystem Enhancement
Spring Run Chinook Salmon Spawning
Over 400 ecosystem projects implemented through $400 million in funding.


Delta Regional Ecosystem Restoration Implementation Plan

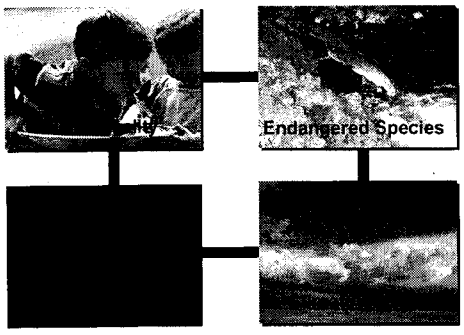
Science Element

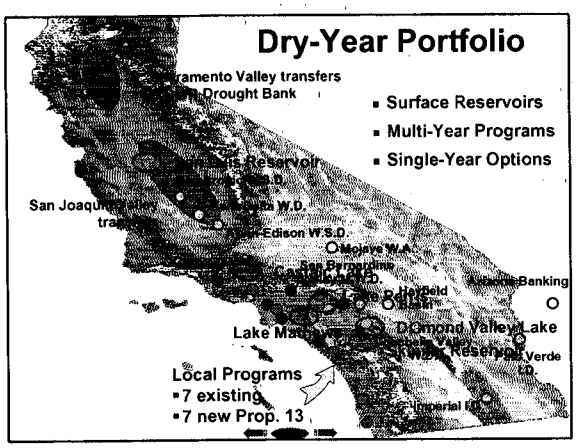
[redacted]

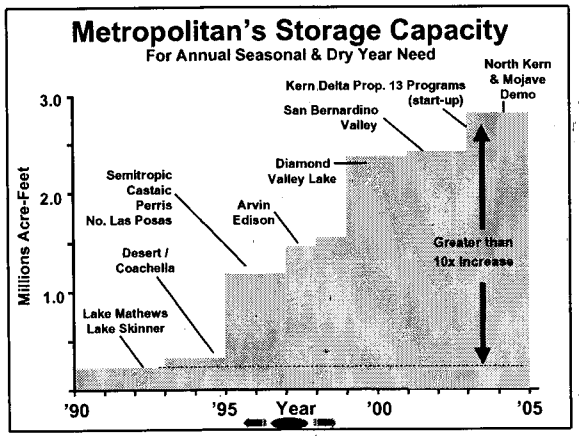
Delta Improvement Package
A 2004 CALFED Priority

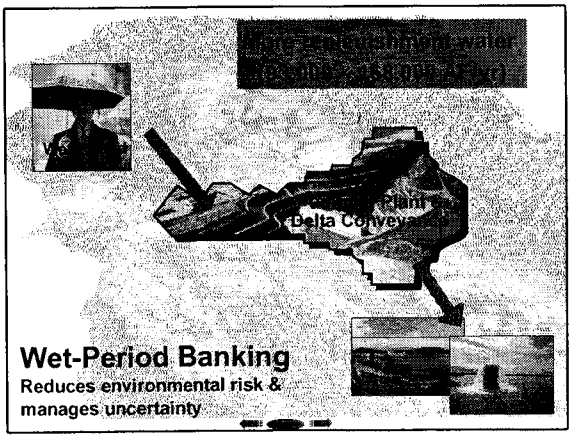
- Overview
- Delta Improvement Package
- **Benefits to Southern California**
- [redacted]

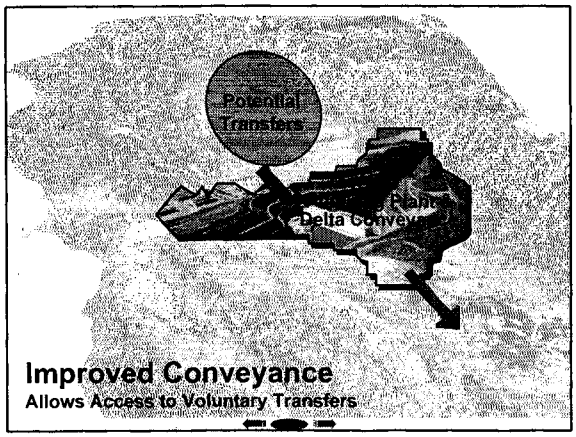
Managing Uncertainties




Dry-Year Portfolio
Sacramento Valley transfers
Drought Bank
Surface Reservoirs
Multi-Year Programs
Single-Year Options
San Joaquin
Edison W.S.D.
Mojave W.A.
Banking
Diamond Valley Lake
Lake Mathews
Local Programs
7 existing
7 new Prop. 13
Imperial I.D.


Metropolitan's Storage Capacity
For Annual Seasonal & Dry Year Need
Millions Acre-Feet
3.0
2.0
1.0
'90
'95
Year
'00
'05
Lake Mathews
Lake Skinner
Desert / Coachella
Semitropic
Castaic
Perris
No. Las Posas
Arvin
Edison
Diamond Valley Lake
San Bernardino Valley
Kern Delta Prop. 13 Programs (start-up)
North Kern & Mojave Demo
Greater than 10x increase


Delta Conveyance
Plant
Wet-Period Banking
Reduces environmental risk & manages uncertainty

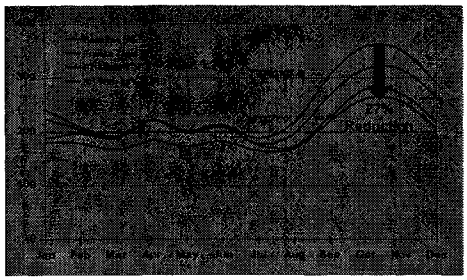


Improved Conveyance

Allows Access to Voluntary Transfers

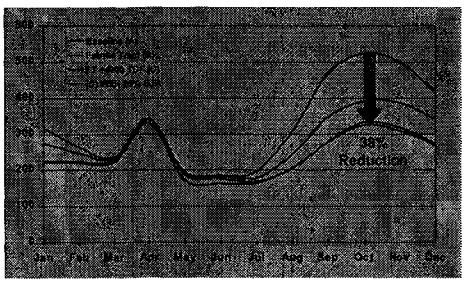
Benefits of Delta Improvement Package

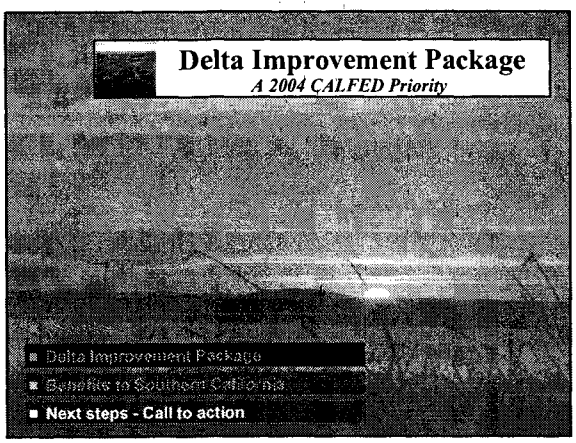
Salinity @ Clifton Court Forebay (mg/l)



Benefits of Delta Improvement Package

Salinity @ Rock Slough Intake (mg/l)





Call To Action

- *California's Water Future* – stakeholder initiative
- Active on several fronts
  - Media
  - Legislative (state & federal)
  - Opinion leaders & decision makers
- Coalition
  - Association of California Water Agencies, Cal Business Properties Assn, MWD, Kern County Water Agency, State Water Contractors, San Luis & Delta-Mendota Water Authority, Westlands Water District, others

Next Steps

- CALFED public review process
- Environmental documents – early 2005

California's Water Future

Coalition Contacts

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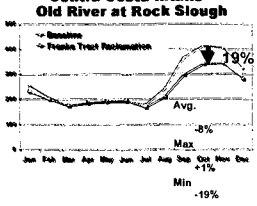
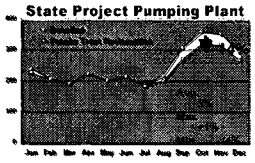
rexhime@cbpa.com

Fiona Hutton
Red Gate Communications
(818) 508-1986
fhutton@redgatecommunications.com

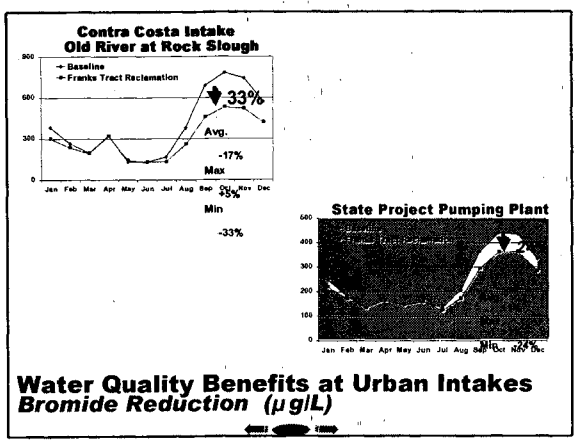
Contra Costa Intake
Old River at Rock Slough

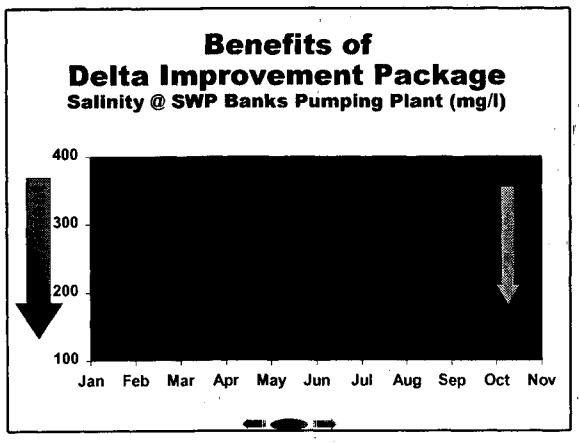


State Project Pumping Plant



Water Quality Benefits at Urban Intakes
Salinity Reduction (mg/L)


Contra Costa Intake
Old River at Rock Slough
Baseline
Franks Tract Reclamation
33%
Avg.
-17%
Max
+5%
Min
-33%
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
State Project Pumping Plant
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
Water Quality Benefits at Urban Intakes
Bromide Reduction (µg/L)


Benefits of
Delta Improvement Package
Salinity @ SWP Banks Pumping Plant (mg/l)
400
300
200
100
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov