

FILED
 By the Board of Directors of
 The Metropolitan Water District
 of Southern California
 at its meeting held

9-17

FEB 14 1995

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Barton E. Davis
 EXECUTIVE SECRETARY

January 24, 1995

To: Board of Directors (Water Problems Committee--Information)
 (Executive Committee--Information)

From: General Manager

Subject: Feasibility Assessment of Alternative Management Strategies
 for Endangered Species Issues in the Lower Colorado River
 Basin

Report

The U.S. Fish and Wildlife Service (Service) designated critical habitat for four endangered fish species in the Colorado River Basin, effective April 20, 1994. The General Manager informed you of the Service's proposal, and of comments provided by Metropolitan, the Colorado River Board of California, and the Six Agency Committee by letters dated February 23, April 27, and December 21, 1993.

In response to the proposed critical habitat designation, representatives of Arizona, California, and Nevada, and their water and power resource users formed the Lower Division States/Tribes Steering Committee (Steering Committee) to explore the possibility of pursuing a proactive ecosystem-based approach to endangered species management in the Lower Colorado River Basin (Lower Basin). The Steering Committee has completed its first two goals. The first was to prepare a Memorandum of Understanding (MOU) among representatives of Lower Basin state water and power interests, and wildlife management agencies, and the U.S. Department of the Interior to create an interstate forum for consideration of all matters related to the effects of water and power resource utilization on endangered species in the Lower Basin. To date, the MOU has been executed by six of the seven parties. The Arizona Game and Fish Commission is scheduled to consider approving the MOU on January 27.

The Steering Committee's second goal was to conduct a feasibility assessment study of alternative management strategies for resolving potential conflicts between use of Lower Basin water and power resources and implementation of federal and state endangered species acts. A consultant, SWCA, Inc., has been chosen by the Steering Committee to conduct the study. The consultant's final

Feasibility Assessment report was submitted to the Six-Agency Committee¹ on behalf of the Steering Committee, on December 21, 1994. The report assesses the feasibility of nine alternative strategies for endangered species management in the Lower Basin, along with associated relative merits and costs. Costs shown are total estimated costs. The manner in which costs would be allocated among the beneficiaries and agencies responsible for recovering endangered species remains to be determined. Attachment 1 is a matrix summarizing each of the alternatives and evaluation criteria used in the assessment. Alternatives were evaluated using a five-point relative rating scale ranging from lowest to highest. The alternatives are:

- 1) No Action, which consists of a continuation of present policies relative to Endangered Species Act compliance, i.e., individual federal Endangered Species Act Section 7 consultations would be conducted as necessary on an individual project and species basis. Costs to develop and implement this alternative are uncertain at this time as they would be project and species specific. No planning or regulatory certainty is provided by this alternative.
- 2) Litigation, which entails pursuing legal remedies to reverse species listings, critical habitat designations, or unfavorable Section 7 opinions. Costs to develop this alternative are estimated at \$ 0.5-1 million per case. Costs to implement are uncertain at this time.
- 3) Programmatic Section 7 Consultation Agreements, which consist of developing a framework agreement for future Section 7 consultations for one or more classes of projects or activities. Cost to develop this alternative is estimated at approximately \$2 million over two years. The cost to implement is uncertain at this time. This alternative could provide limited planning certainty for a given class of activities by including incidental take provisions, establishing consultation and mitigation protocols, and developing mitigation banking provisions.

¹ Coachella Valley Water District, Imperial Irrigation District, Los Angeles Department of Water and Power, Metropolitan, Palo Verde Irrigation District, and San Diego County Water Authority.

- 4) Recovery Implementation Program (RIP) - Endangered Fish Only, which entails developing a comprehensive, cooperative implementation strategy and agreement to recover the four endangered fish species based on a Service approved recovery or management plan. Cost to develop this alternative is estimated at \$3 million over 3 years. The cost to implement is estimated to be \$142.5 million over 50 years. This alternative could provide a limited degree of planning certainty, to offset any jeopardy biological opinions for the covered species. Previous RIPs have not provided incidental take authorizations; however, this may be possible for a Lower Colorado River program.

Estimated implementation costs for Alternatives 4 - 9 are modeled after the Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin. For the purposes of the assessment, potential implementation measures for the Lower Basin management alternatives were assumed to include native fish hatcheries, isolated grow-out facilities, aquatic and riparian habitat acquisition and restoration, establishment and management of habitat preserves, control of nonnative species, and monitoring and research programs.

- 5) Recovery Implementation Program - All Listed Species (Aquatic and Terrestrial), which would provide a comprehensive plan and agreement to recover all listed aquatic and terrestrial species in the plan area. Cost to develop this alternative is estimated to be \$3.75 million over 3.5 years. The cost to implement this alternative is estimated to be \$175 million. This alternative could provide a moderate degree of certainty relative to future Section 7 consultations, subject to a sufficient progress agreement, for included terrestrial and aquatic species. Pre-listing agreements have not been included in previous RIPs; however, this should be possible in such a comprehensive program.
- 6) Habitat Conservation Program (HCP) - Endangered Fish Only, which entails developing and implementing a comprehensive conservation program for the four listed fish species. Cost to develop

this alternative is estimated at \$5 million over four years. The cost to implement is estimated to be \$142.5 million over 50 years. This alternative would focus on, and provide planning and regulatory certainty relative to, the listed fish. However, less benefit or regulatory certainty would be gained relative to other listed and candidate aquatic or terrestrial species, or their habitats.

- 7) Habitat Conservation Program - All Listed and Candidate Species (Aquatic and Terrestrial), which includes developing a comprehensive ecosystem based program to benefit a larger array of aquatic and terrestrial species. Costs to develop and implement this alternative are estimated at \$7.5 million (over five years), and \$185 million, respectively. This alternative (along with Number 9) would provide the greatest amount of long-term planning certainty relative to current and future activities, by providing for incidental take authorization for included species and pre-listing assurances for candidate species.
- 8) Legislation, which would entail development of a regional comprehensive conservation program, and enactment of enabling legislation through Congress. Cost to develop this alternative is estimated at \$1.02 million over 3 years. The cost to implement is estimated to be \$142.5 million over 50 years. This alternative, if successfully implemented, could provide for a high degree of long-term planning certainty. However, the risks associated with introducing a bill of this broad scope would suggest a low chance of success.
- 9) Modified Habitat Conservation Plan, which comprises attributes of a comprehensive HCP and other of the alternatives. Cost to develop this alternative is estimated at \$7.5 million over five years. The cost to implement is estimated to be \$185 million over 50 years. Similar to the HCP for All Listed and Candidate Species, this alternative would provide for the highest level of planning certainty for the largest number of species and projects.

The next step is for the individual states and the Steering Committee to reach agreement on whether, and how, to proceed, based on the consultant's assessment of

alternatives. It is anticipated that consensus will be reached to proceed with one of the proactive management alternatives. Several alternative funding scenarios will be developed by California Steering Committee members and your Board will be apprised, accordingly.

Recommendation

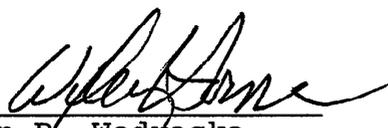
For information only.

John R. Wodraska
General Manager

Submitted by:


Debra C. Man, Chief
Planning and Resources

Concur:


John R. Wodraska
General Manager

MRM:as

Attachment

ATTACHMENT 1

Table 6. Evaluation of Alternatives Matrix

CRITERIA	ALTERNATIVES								
	A: No Action	B: Litigation	C: Program. Section 7's	D-1: RIP Listed Fish	D-2: RIP All Spp.	E-1: HCP Listed Fish	E-2: HCP All Spp.	F: Legislation	G: Modified HCP
Long-term planning certainty	Lowest	Low	Moderate	Moderate	Moderate	High	Highest	High	Highest
Ability to develop	High	Low	Moderate	High	High	High	High	Low	High
Prelisting agreements	Lowest	Low	Moderate	Low	Moderate	Moderate	High	Low	High
Effectiveness in avoiding or resolving findings of adverse mod. to critical habitat and/or jeopardy opinions	Lowest	Low	Moderate	Moderate	High	High	Highest	High	Highest
Ability to obtain incidental take	Moderate	Lowest	Moderate	Moderate	Moderate	High	Highest	Moderate	Highest
Ability to coordinate or reduce need for actions of other parties	Lowest	Low	Moderate	Moderate	High	High	High	Moderate	Highest
Influencing outcome of the compliance process	Lowest	Low	Moderate	Moderate	Moderate	High	Highest	Moderate	Highest
Estimate cost to develop (million \$)	Uncertain	.5-1/case	1.948	3	3.75	5	7.5	1.02	7.5
Estimate time to develop	50 years	50 years	2 years	3 years	3½ years	4 years	5 years	3 years	5 years
Estimate cost to implement (million \$)	Uncertain	Uncertain	Uncertain	142.5	175	142.5	185	142.5	185
Estimate time to implement	50 years	50 years	50 years	50 years	50 years	50 years	50 years	50 years	50 years
Precedent	High	Low	High	High	High	Moderate	Moderate	High	Moderate
Authority	High	Moderate	High	High	High	High	High	High	High
Provision of current operational flexibility	Low	Lowest	Moderate	Moderate	Moderate	High	Highest	High	Highest
Provision of future operational flexibility	Lowest	Low	Moderate	Moderate	Moderate	High	High	High	High
Certainty during plan development	Low	Lowest	Moderate	Moderate	Moderate	High	High	Low	High
Ability to Develop a Comprehensive, Coordinated Conservation Strategy	Low	Low	Moderate	High	High	High	Highest	High	Highest

41274