



Board of Directors Communication, Outreach and Legislation Committee

August 20, 2001 Board Meeting

9-10

Subject

Adopt resolution in support of legislation to assist in implementation of the Quantification Settlement Agreement, California's Colorado River Water Use Plan, and reclamation of the Salton Sea

Description

For the reasons outlined in the recitals of the proposed resolution contained in **Attachment 1**, federal legislation to facilitate the implementation of the proposed Quantification Settlement Agreement (QSA) has been introduced in the House of Representatives by Congressman Duncan Hunter (H.R. 2764) on August 2, 2001. Recently, the Coachella Valley Water District (CVWD), Imperial Irrigation District (IID), Salton Sea Authority, and San Diego County Water Authority (SDCWA) have each adopted resolutions indicating support of the legislation and reclamation of the Salton Sea.

Without specific guidance from Congress, it is expected that the QSA environmental reviews and associated approvals involving the Imperial Valley and Salton Sea would likely lead to (i) delays that would cause the QSA to terminate on December 31, 2002, or (ii) mitigation costs in excess of the IID environmental cost ceiling that could lead to IID terminating its 1998 water conservation and transfer agreement with SDCWA. Should either event occur, the interim surplus guidelines recently adopted by the Secretary of the Interior (Secretary) may be suspended for failure to meet the required reductions in California's agricultural use of Colorado River water. To avoid such an outcome, staffs of and consultants for IID, CVWD, Metropolitan, and SDCWA participated in the drafting of H.R. 2764 which includes the following two features:

- 1. <u>Authorization of Salton Sea related projects</u> The Secretary would be authorized to undertake actions related to the Salton Sea in an amount totaling \$60 million. The funds would be utilized for implementation of what would be considered the first phase of a project to reclaim the Salton Sea if Congress enacts additional legislation authorizing such a project by a defined date. Should Congress not authorize implementation of such a project by then, the Secretary would be directed to take all necessary actions and proceed as soon as practicable to construct Salton Sea habitat enhancement based on the \$60 million authorization.
- 2. <u>Compliance with the federal Endangered Species Act</u> The Secretary would accept and approve the draft Habitat Conservation Plan (Plan) prepared by IID in accordance with the federal Endangered Species Act. Also, the Secretary would issue related incidental take permits and all other approvals required so as to provide for compliance with the Act for covered activities within the Plan area.

To address the need to enhance Colorado River management, which is a matter separate from the QSA, passage of the legislation would also authorize \$53 million for the Secretary to construct off-stream water management reservoirs and associated facilities near the All-American Canal. These reservoirs would facilitate water conservation, enhance hydroelectric power generation, and conserve Lake Mead storage by improving the U.S. Bureau of Reclamation's (Reclamation) ability to regulate river flows. Should Mexico and the United States so desire, the associated facilities could include improvements in the water supply infrastructure serving the Imperial and Mexicali valleys along the international boundary.

A copy of H.R. 2764 is not yet available from the Government Printing Office and will be mailed separately.

Policy

By Minute Item 44278, dated December 12, 2000, the Board authorized the Chairman to execute the joint CVWD, IID, Metropolitan resolution releasing the proposed QSA for public review pending resolution of the remaining outstanding issues and the concurrence of the Board Negotiating Committee. By Minute Item 43042, dated June 9, 1998, the Board expressed support for enactment of H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act as reported by the Committee on Resources of the House of Representatives with the understanding that the reliability of Metropolitan's Colorado River supplies not be diminished with its enactment.

CEQA

Metropolitan, as joint co-lead agency with CVWD, IID, and SDCWA, is currently assisting in the preparation of environmental documentation associated with the implementation of the QSA. IID and Reclamation are jointly processing an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the IID Water Conservation and Transfer Project. In addition, IID is preparing the Habitat Conservation Plan in support of this project to address biological resources impacts. Thus, the environmental analyses relating to significant physical adverse impacts are being carried out in compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act. Adopting a resolution in support of Congressional funding and federal Endangered Species Act compliance determination tied to QSA, California Plan, and Salton Sea reclamation is not defined as a project under CEQA because the proposed action involves continuing administrative activities such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA per Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and the attached resolution (Attachment 1) in support of legislation to assist in implementation of the QSA, California's Colorado River Water Use Plan, and reclamation of the Salton Sea.

Fiscal Impact: None

Option #2

Adopt the CEQA determination, recommend amendments to H.R. 2764 and modify the attached resolution (Attachment 1) in support of legislation to assist in implementation of the QSA, California's Colorado River Water Use Plan, and reclamation of the Salton Sea.

Fiscal Impact: None

Staff Recommendation

Option #1

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Date

Manager, Water Resource Management

Ronald R. Gastelurn

8/6/2001 Date

Chief Executive Officer

Attachment 1 - Resolution in support of legislation to assist in implementation of the Quantification Settlement Agreement, California's Colorado River Water Use Plan, and reclamation of the Salton Sea

BLA #1252

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA IN SUPPORT OF LEGISLATION TO ASSIST IN IMPLEMENTATION OF THE QUANTIFICATION SETTLEMENT AGREEMENT, CALIFORNIA'S COLORADO RIVER WATER USE PLAN, AND RECLAMATION OF THE SALTON SEA

WHEREAS, the Coachella Valley Water District (CVWD), Imperial Irrigation District (IID), The Metropolitan Water District of Southern California (Metropolitan), and San Diego County Water Authority (SDCWA) are undertaking cooperative efforts to reduce the State of California's consumption of Colorado River water known, in part, as the proposed Quantification Settlement; and

WHEREAS, in May 2000 the Colorado River Board of California released a working draft document entitled *California's Colorado River Water Use Plan* (hereinafter referenced as "California Plan") that documents a framework by which programs, projects, and other activities would be coordinated and cooperatively implemented allowing California to most effectively satisfy its annual water supply needs within its annual apportionment of Colorado River water; and

WHEREAS, on January 16, 2001 the Secretary of the Interior adopted Colorado River Interim Surplus Guidelines in recognition of California's plan to reduce reliance on Colorado River water, to assist California in moving toward use of only its normal apportionment of Colorado River water, and to avoid hindering such efforts; and

WHEREAS, the Salton Sea lies at the bottom of a closed basin and is sustained by drainage from within the Salton Sea Basin, 90 percent of which is due to drainage from imports of Colorado River Water by CVWD, IID, and Mexico for agricultural irrigation and domestic uses; and

WHEREAS, the Salton Sea supports an abundant fishery ecosystem and associated environs which provides resident and migratory habitat for over 400 bird species, making it one of the most diverse avian habitats in the United States; and

WHEREAS, the Salton Sea's importance to the Pacific Flyway has increased with time with the destruction and reduction of other wetland habitats along the Pacific Flyway; and

WHEREAS, today's Salton Sea supports agriculture, recreation and related industries, resulting in annual multi-billion dollar benefits to the economy and the region; and

WHEREAS, the Salton Sea loses water by evaporation only and therefore dissolved salts carried into the Sea by way of drainage from the surrounding watershed concentrate in the Salton Sea with the Sea currently being approximately 25 percent more saline than the Pacific Ocean; and

WHEREAS, the Salton Sea Authority, comprised of CVWD, IID and Riverside and Imperial Counties, is undertaking efforts with the U.S. Bureau of Reclamation to reclaim the Salton Sea; and

WHEREAS, there are environmental, water management, political, and other considerations in implementing the Quantification Settlement Agreement, California Plan and reclaiming the Salton Sea; and

WHEREAS, the federal Salton Sea Reclamation Act of 1998 (Public Law 105-372) directed the Secretary of the Interior, in cooperation with the Salton Sea Authority and the Governor of California, to prepare a feasibility study of options to reclaim the Salton Sea and to present the findings to Congress not later than January 1, 2000 for its evaluation; and

WHEREAS, in crafting options to reclaim the Salton Sea, Public Law 105-372 specifically directed the Secretary to apply assumptions regarding water inflows into the Salton Sea Basin that encourage water conservation, account for transfers of water out of the Salton Sea Basin, and are based on a maximum likely reduction in inflows into the Salton Sea Basin which could be 800,000 acre-feet or less per year, and to not develop options that rely on importation of any new or additional water from the Colorado River or that are inconsistent with "The Law of the River"; and

WHEREAS, in January 2000 the Salton Sea Authority and the U.S. Bureau of Reclamation released a Draft Environmental Impact Statement/Draft Environmental Impact Report for the Salton Sea Restoration Project, and, in consideration of comments received on that document during its public review period and further engineering review of the document, the Bureau of Reclamation and the Salton Sea Authority announced plans to revise and supplement the Draft Environmental Impact Statement/Draft Environmental Impact Report, which is anticipated to be released in early 2002; and

WHEREAS, the Quantification Settlement Agreement has a deadline of December 31, 2002 for the completion of actions necessary to effectuate the agreement-including environmental compliance; and

WHEREAS, it had been the understanding of CVWD, IID, Metropolitan, and SDCWA that Congress would address implementation of a Salton Sea reclamation project prior to execution of the Quantification Settlement Agreement and implementation of the features identified in the California Plan, and that such authorized reclamation project would incorporate the effects of reduced inflows that would be due to the implementation of the features identified in the California Plan; and

WHEREAS, because of delays that have prevented the Secretary from completing the feasibility studies and environmental reviews by January 2000 as directed by Congress in Public Law 105-372, it appears that Congress will not authorize a Salton Sea reclamation project prior to December 31, 2002; and

WHEREAS, the California agencies have proposed specific measures to ensure that the Endangered Species Act and other environmental compliance requirements for implementing the Quantification Settlement Agreement are met, including a Habitat Conservation Plan and proposed habitat enhancement projects that would benefit species using the Salton Sea; and

WHEREAS, continuation of Interim Surplus Guidelines is contingent upon California reducing its agricultural water usage under the first three priorities of the 1931 Seven Party Agreement by 110,000 acre-feet per year by 2003, as well as other demonstration of progress in implementing the California Plan; and

WHEREAS, reclamation of the Salton Sea is as much a federal and State priority as a regional one and that governments within the Salton Sea region cannot bear the full financial burden of reclaiming the Salton Sea; and

WHEREAS, the ability to meet the Quantification Settlement Agreement and the Colorado River water use reduction deadlines and to ensure that the Quantification Settlement Agreement and the California Plan are implemented requires immediate federal regulatory direction and funding assistance for habitat enhancement projects which will benefit wildlife using the Salton Sea; and

NOW THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California does hereby resolve, that the foregoing recitals are true and confirm the good faith commitment of Metropolitan; and

BE IT FURTHER RESOLVED to support the expeditious reclamation of the Salton Sea; and

BE IT FURTHER RESOLVED to support efforts by the Congressional Salton Sea Task Force and the Salton Sea Authority to sustain and increase appropriations to partnering federal agencies, particularly the Bureau of Reclamation, or to the Salton Sea Authority for Salton Sea reclamation activities; and

BE IT FURTHER RESOLVED to support efforts by state legislators and the Salton Sea Authority to seek and pass state legislation providing funding and other support for Salton Sea reclamation activities; and

BE IT FURTHER RESOLVED to support efforts by the Salton Sea Authority and its member agencies to establish local financing mechanisms to provide funding for some of the annual operation and maintenance costs of reclaiming the Salton Sea; and

BE IT FURTHER RESOLVED to offer technical and other staff support to the Salton Sea Authority and the Bureau of Reclamation to support Salton Sea reclamation planning and environmental compliance activities; and

BE IT FURTHER RESOLVED to seek progress with the Salton Sea Authority, its member agencies, SDCWA, and the Bureau of Reclamation to develop viable alternatives to reclaim the Salton Sea; and

BE IT FURTHER RESOLVED to support habitat conservation and enhancement projects associated with the Salton Sea; and

BE IT FURTHER RESOLVED that the Board of Directors of The Metropolitan Water District of Southern California supports the Colorado River Quantification Settlement Facilitation Act; and

BE IT FINALLY RESOLVED that the Executive Secretary provide certified copies of this resolution to the General Manager-Chief Engineer of CVWD, the Chief Executive Officer of IID, the Executive Director of the Salton Sea Authority, Senator Dianne Feinstein, Senator Barbara Boxer, members of the Congressional Salton Sea Task Force, the Secretary of the Interior, the Director of the California Department of Water Resources, and the Executive Director of the Colorado River Board of California.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on August 20, 2001.

Executive Secretary
The Metropolitan Water District
of Southern California