



### ● **Bay-Delta Management Report**

#### **Summary**

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This report provides the status of various processes and activities related to the Bay-Delta.

#### **Detailed Report**

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##### **Delta Vision**

The Delta Vision Cabinet Committee (comprised of the Secretaries for Resources, Environmental Protection, Food and Agriculture, Business, Transportation and Housing, and the President of the California Public Utilities Commission) released recommendations contained in the *Delta Vision Implementation Report* on January 2, 2009. This report considered the recommendations detailed in the Delta Vision Blue Ribbon Task Force (BRTF) *Delta Vision Strategic Plan* (October 2008) report. The Committee's report recommends a comprehensive solution that includes dual conveyance (construction beginning in 2011), water use reductions, additional groundwater storage, completion of surface storage investigations, a commitment to local resource development, habitat improvements, and commitments to the Delta as a "unique and valued place". In addition, the report recognizes the urgency of the water supply crisis facing the state and that action must be taken immediately to ensure a sustainable future for California's water supply.

Metropolitan will continue to review Delta Vision related legislation and coordinate agency positions toward forming common positions where possible. Key Delta Vision related issues that will likely become the focus for legislation in 2009 include water conservation, governance, State Water Resources Control Board (SWRCB) water rights authority issues and funding. The SWRCB staff has asked for input in crafting proposals to improve SWRCB functions and authorities, including removal of current exemptions for water use reporting (particularly in-Delta), and how their decision making process can be made more expeditious without compromising due process concerns.

##### **Bay Delta Conservation Plan**

For its December 19 meeting, the Bay-Delta Conservation Plan Steering Committee released *An Overview of the Draft Conservation Strategy for the Bay Delta Conservation Plan*. This document provides an overview and synopsis of the draft proposed Conservation Strategy, including core components identified as being the cornerstone actions of the BDCP. It is intended to enable the Steering Committee to confirm a number of the key components of the draft Conservation Strategy as currently envisioned and help guide the remaining work that is necessary to complete a proposed conservation plan by June 2009. Over this last month the BDCP participants continued efforts to define a governance structure for the BDCP, develop water operations parameters, and refine other stressors conservation actions. BDCP efforts also focused on defining the adaptive management, research, and monitoring program to address the uncertainties surrounding the science of the Delta and expected ecosystem changes over the next 50 years. Efforts were renewed to develop a comprehensive write-up on SWP/CVP facilities, operations, and water programs to ensure the characterization of "Covered Activities" provided the necessary ESA authorizations for the BDCP 50-year permit term.

Metropolitan is continuing to participate in all BDCP-related workgroup efforts. Staff's work over the next month will focus on further defining the conservation actions, developing operations criteria, and continuing the development of a governance structure for the implementation of the BDCP.

##### **Delta Operations**

###### Endangered Species Act Consultations Regarding SWP and CVP Operations

The U.S. Fish and Wildlife Service (USFWS) issued its Operations Criteria and Plan Biological Opinion (OCAP BiOp) for Delta smelt on December 15, 2008. The OCAP BiOp concludes that operation of the SWP and CVP would cause jeopardy to the Delta smelt and would adversely modify its critical habitat. The BiOp includes a

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Reasonable and Prudent Alternative (RPA) that prescribes Old and Middle River (OMR) reverse flow restrictions in the winter and spring that are designed to minimize entrainment of Delta smelt at the project pumps, and includes Fall X-2 Delta outflow requirements and certain habitat project requirements which are designed to address the adverse habitat impacts of project operations. On December 15, 2008, the Bureau of Reclamation sent a letter to the USFWS stating that it was provisionally accepting the RPA conditioned upon further development and evaluation of the Fall X-2 and habitat project components of the RPA. Metropolitan is conducting its own assessment of the components of the RPA and their impact on water supply, and considering potential next steps.

The National Marine Fishery Service (NMFS) is scheduled to issue the BiOp for protection of salmon and steelhead by March 2, 2009. NMFS has requested a 90-day extension of the deadline. DWR has supported the extension request and the SWC has not opposed the request. A federal court hearing to consider whether or not to grant the request is scheduled for February 23. The draft salmon BiOp without the RPAs has been released, in which the NMFS concludes that operation of the SWP and CVP would cause jeopardy to salmon and steelhead. On January 8, the CALFED Science Program hosted a scientific review of the draft BiOp for salmon and steelhead. This meeting was the first opportunity for Metropolitan staff to learn about the NMFS analyses of SWP and CVP effects on salmon and steelhead. Staff is working with SWP and CVP contractors to prepare comments on the draft salmon BiOp. While staff has not had the opportunity to review the NMFS RPAs for salmon and steelhead, staff anticipate that the salmon BiOp may impose additional water supply restrictions over and above the Delta smelt BiOp.

### **Near-Term Delta Actions**

#### Two-Gates Project

As a part of the USFWS OCAP BiOp, released on December 15, 2008, the USFWS has imposed restrictions on reverse flows in the south Delta toward the export pumps to ensure protection of the Delta smelt from entrainment. The proposed Two-Gates Project includes the installation of new temporary gates in central Delta channels that would be operated in real time to reduce fish take, minimize water supply restrictions at the State and Federal export facilities, and improve Delta water quality. An Administrative Draft Mitigated Negative Declaration/ Environmental Assessment and an Administrative Draft Biological Assessment have been prepared for the project. The drafts are currently undergoing revisions to address comments from the Department of Water Resources (DWR). It is anticipated that DWR and the US Bureau of Reclamation (USBR) would act as the CEQA and NEPA leads for the project. Metropolitan staff is working with a project team with expertise from the State Water Contractors (SWC), CVP contractors and the Contra Costa Water District to conduct an initial review of the OCAP BiOp with respect to its relation to the Two-Gates Project. The review suggests that the project can operate compatibly with the BiOp to beneficially affect Delta smelt salvage, and help maintain Delta smelt and its preferred habitat further downstream from the export pumps.

Metropolitan, the San Luis & Delta-Mendota Water Authority (SLDMWA), and the SWC have developed a draft Cooperation Agreement for the Two-Gates Project to define certain implementation and management responsibilities. The Two-Gates Project would operate together with San Joaquin River flows resulting from operational protocols of the BiOp, creating a flow and physical barrier to Delta smelt movement toward the export pumps.

#### Two-Gates Funding

Metropolitan and the other contractors have identified project funds through Category III of the 1995 Bay-Delta Accord, and are pursuing funds through Proposition 13 and Proposition 84 funding through the Governor's recent enactment of SBXX 1 (Perata). The availability of Proposition 13 and Proposition 84 funding is contingent on resolution of the State's budget crisis and the State deciding to resume issuing bonds. The total estimated capital cost of the Two-Gates Project is approximately \$29 million.