Central Valley Project Improvement Act

Funding projects supporting the protection, mitigation and restoration of fish and wildlife impacted by the operations of the Central Valley Project (CVP)

February 9, 2012
Presentation Overview

- CVPIA purposes
- Activities
- Costs
- Priorities
- Funding
- Decision making
- Information online
- Public meeting 3/15/12
Section 3402 Broad Purposes

- Protect, restore, and enhance fish, wildlife, and associated habitats in the Central Valley and Trinity River basins of California;
- Address impacts of the CVP on fish, wildlife, and associated habitats;
- Improve operational flexibility of the CVP;
- Increase water-related benefits provided by the CVP to the State of California through expanded use of voluntary water transfers and improved water conservation;
- Contribute to the State of California’s interim and long-term efforts to protect the San Francisco Bay/Sacramento-San Joaquin Delta Estuary;
- Achieve a reasonable balance among competing demands for use of CVP water, including the requirements of fish and wildlife, agricultural, municipal and industrial, and power contractors.
## CVPIA Program Activities

### Ongoing Programs

**Fisheries Resources**
- Central Valley
  - 3406 (bc1) Anadromous Fish Restoration Program
  - 3406 (bc2) Dedicated Project Yield
  - 3406 (bc3) Instream Water Acquisition Program
  - 3406 (bc4) Tracy Pumping Plant Program
  - 3406 (bc10) Red Bluff Diversion Dam
  - 3406 (bc12) Clear Creek Restoration Program
  - 3406 (bc13) Spawning and Rearing Habitat Restoration Program
  - 3406 (bc15) Head of Old River Bypass
  - 3406 (bc16) Comprehensive Assessment and Monitoring Program
  - 3406 (bc21) Anadromous Fish Screen Program
  - 3406 (sp) Ecosystem and Water System Operations Models
  - Trinity River Basin
  - San Joaquin River Basin
  - 3406 (ci) San Joaquin River Restoration Program

**Refuges Resources**
- 3408 (bi) (c) (3) and 3406 (dc2) Refuge Water Acquisition Program
- 3408 (bi) (1), (bi) (2), and (bi) (5) Monitoring and Conveyance
- 3408 (bi) (6) Facilities Construction and San Joaquin Basin Action Plan Lends

**Other Resources-Terrestrial Habitat and Species & Water Quality and Conservation**
- 3408 (bi) (17) "Other" Habitat Restoration Program
- 3408 (bi) (18) Land Retention Program

### Completed Programs

- 3408 (bi) (15) Contra Costa Canal Pumping Plant
- 3408 (bi) (16) Shasta Temperature Control Device
- 3408 (bi) (17) California National Fish Hatchery
- 3408 (bi) (18) ACE Diversion Dam
- 3408 (bi) (19) Glenn-Colea Storage Capacity Program
- 3408 (bi) (20) Water Efficiency Incentive Program

**CVP Water Operations Resources**
- 3408 (bi) (18) Modified CVP Operations
- 3408 (bi) (19) Flow Standards and Objectives
- 3408 (bi) (20) Short Pump Surges
- 3408 (bi) (21) Flow Fluctuations
- 3408 (bi) (22) Reservoir Storage

### Inactive Programs

- 3408 (bi) (16) Delta Grass, Channel and Gourmetta Slough
- 3408 (bi) (18) Restore Striped Bass Fishery
Costs

- **Reimbursable** – Costs associated with project purposes required by law to be reimbursable by project beneficiaries and recovered through water and power rates (i.e. municipal and industrial water, power, and irrigation) or through repayment contracts with water users.

- **Non-reimbursable** – Costs associated with a non-project specific activity as determined by law or policy, or (2) a non-reimbursable project purpose (i.e. Federal portion of recreation, flood control, navigation, and fish and wildlife enhancement), or (3) a reimbursable project purpose but subsequently authorized by law or policy as non-reimbursable.
State Cost Share

- 25 percent to 50 percent required on some activities
- June 27, 1994, California and U.S. entered Sharing of Costs Agreement for Mitigation Projects and Improvements (SCAMPI) covering mandatory cost-share activities
- Amended (#6) June 16, 2011, through December 31, 2014
- Historical State funds from propositions passed by State voters, primarily Propositions 204 and 13
- As of FY 2010 need $38,975,347 of State funding to balance cost share
Activities with State Cost Share

- Tracy Pumping Plant – 25%
- Contra Costa Pumping Plant – 25%
- Red Bluff Fish Passage – 25%
- Clear Creek – 50%
- Delta Cross Channel – 25% (inactive)
- Georgiana Slough – 25% (inactive)
- Old River Barrier – 25%
- Refuge Water Supply – 25%
- Fish Screens – 50%
- Monitoring – 25%
- Modeling – 25%
Program Priorities

- Generally consider doubling of anadromous fish top priority
  - associated programs implementing Section 3406(b)(2), (b)(3), (b)(4), (b)(5), (b)(10), (b)(12), (b)(13), (b)(15), (b)(21)
  - difficult technical problem due to the large number of variables in the Central Valley rivers and Bay-Delta ecosystem
- Another top priority providing water and infrastructure to Central Valley wildlife refuges (incl. Fed., State, Private)
- Trinity River Restoration Program and San Joaquin River Restoration Program (SJRRP) also priorities
  - Friant Surcharges dedicated to SJRRP
- Coordinate with and support other programs with co-equal or overlapping objectives
Fish Doubling - 3406(b)(1)

- “...all reasonable efforts to ensure that, by the year 2002, natural production of anadromous fish in Central Valley rivers and streams will be sustainable, on a long-term basis, at levels not less than twice the average levels attained during the period of 1967-1991...”
  - does not apply to the San Joaquin River between Friant Dam and the Mendota Pool
  - anadromous fish - stocks of salmon (including steelhead), striped bass, sturgeon, and American shad that ascend the Sacramento and San Joaquin rivers and their tributaries and the Sacramento-San Joaquin Delta to reproduce after maturing in San Francisco Bay or the Pacific Ocean;
  - natural production - fish produced to adulthood without direct human intervention in the spawning, rearing, or migration processes
- Costs reimbursable
Fish Restoration Plan

- 289 actions and evaluations through the Central Valley
- Planned and implemented by Habitat Restoration Coordinators at watershed level with State and local partners and cost share
- Adaptive management applied
- Bay-Delta actions focus on flow and fish screens
- 2009 independent review
  - Science-based decision making process
  - Update plan with information from past 15 years
  - Seek balance watershed and Bay-Delta investments
Refuge Water - 3406(d)

- By 2002 deliver approximately 555 TAF to refuge boundaries
  - Approx. 422 TAF Level 2 - *project water*
    - Level 2 costs reimbursable
  - Approx. 133 TAF of Incremental Level 4 - *acquired water*
    - Incremental Level 4 costs 75% non-reimbursable and 25% State cost share

- Construct or acquire from non-Federal entities water conveyance facilities, conveyance capacity, and wells necessary to deliver water
  - “...Provided, That such authorization shall not extend to conveyance facilities in or around the Sacramento-San Joaquin Delta Estuary.”
  - Construction or acquisition costs dependent upon whether Level 2 or Incremental Level 4 water
Sources of Funding

- Funding for CVPIA activities from several sources:
  - Water and Related Resources
  - Restoration Fund
  - Bay-Delta
  - American Recovery and Reinvestment Act (one time)
  - State of California
  - Local entities
## Funding Obligations Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 08</th>
<th>FY 10</th>
<th>FY 11</th>
<th>FY14-FY11</th>
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<tbody>
<tr>
<td>Description</td>
<td>Actual Obligations</td>
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<td>(State Trust Current Portion)</td>
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<td>(Restoration Fund Donation)</td>
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<td>-</td>
<td>-</td>
<td>1,090,000</td>
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<td>1,505,504</td>
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<td>(Bay-Delta Fund Portion)</td>
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<td>(Bay-Delta Fund Portion)</td>
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<td>2,433,346</td>
<td>236,612</td>
<td>8,806,212</td>
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<td>2,898,808</td>
<td>8,725,969</td>
<td>2,254,496</td>
<td>23,401,885</td>
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<td>(Restoration Fund Portion)</td>
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<td>11,367,908</td>
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<td>(Restoration Fund Portion)</td>
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<td>30,819,735</td>
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<td>(Water and Related Portion)</td>
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<td>(Water and Related Portion)</td>
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<td>(ARRA Portion)</td>
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<td>6,057,693</td>
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<td>110,947,087</td>
<td>(1,606,034)</td>
<td>131,833,502</td>
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What is the Restoration Fund?

- $50 million collected annually from various payments and charges (in 1992 dollars)
- Based on a three-year rolling average
  - i.e. $150M over three years
- Reduced to $35 million per year when Secretary determines all Section 3406 mitigation and restoration actions are completed (in 1992 dollars)
Revenues

- Mitigation and Restoration Payments
- Pre-renewal Charges
- Tiered Rate Revenues
- Friant Surcharges (now dedicated to SJRRP)
- Transfer Revenues
- Municipal & Industrial Surcharge
- Non-Federal Contributions
Mitigation and Restoration Payments

- Collections from three CVP functions (in 1992 dollars)
  - Project M&I water sold and delivered ($12 per AF)
  - Project irrigation water sold and delivered ($6 per AF)
  - Power (difference between $30 million and payment from irrigation and M&I water user payments)
- $30,000,000 payment ceiling
Appropriations

- Annual appropriation bill from Congress provides obligation authority based on *estimated collections*
- Obligation of funds only after collections
- Dynamic constrained Restoration Fund in early years and presents cash flow challenges today
Decision Making Process

- Annual process of funding restoration projects lengthy and complex
- Numerous meetings of various program managers and stakeholders
- Program managers prepare "out year" proposals and budgets reviewed at several levels within agencies
- Reclamation and Service Regional Director’s approve programs to be funded and amount (Federal funding)
# Budget Planning Process

<table>
<thead>
<tr>
<th>Month</th>
<th>Schedule of Activities</th>
</tr>
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<tbody>
<tr>
<td>January</td>
<td>Budget Year ( Appropriation Requests have been made)</td>
</tr>
<tr>
<td></td>
<td>Budget Year +1 (Budget is being formulated)</td>
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<tr>
<td>February</td>
<td>President’s Budget Released (i.e. FY 2013)</td>
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<tr>
<td></td>
<td>Budget needs submitted (Budget Review Committee (BRC) Notebook)</td>
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<tr>
<td>March</td>
<td>Current year Annual Work Plan Public Meeting (i.e. FY 2012)</td>
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<td>BRC Final Recommendations/Draft Budget Proposal</td>
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<tr>
<td>June/July</td>
<td>Call to program managers for Annual Workplan (i.e. FY 2013)</td>
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<tr>
<td></td>
<td>Budget Estimates Prepared</td>
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<tr>
<td>August</td>
<td>Review Annual Workplan</td>
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<tr>
<td></td>
<td>Budget Estimates Submitted</td>
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<tr>
<td>October/November</td>
<td>Current Year Annual Appropriations Received</td>
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<tr>
<td></td>
<td>* Review CUPA Objectives/ Priorities</td>
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<tr>
<td></td>
<td>* Adjust Program Funding as necessary</td>
</tr>
<tr>
<td></td>
<td>Considerations</td>
</tr>
<tr>
<td></td>
<td>1. Long term commitments - fish doubling, refuge water grants</td>
</tr>
<tr>
<td></td>
<td>2. Program coordination with partners</td>
</tr>
<tr>
<td></td>
<td>3. Enhancements</td>
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<tr>
<td></td>
<td>4. Status of Program (i.e. construction, cost share)</td>
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<tr>
<td>September</td>
<td>Public/Stakeholder Meeting on Draft Annual Work Plan</td>
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<tr>
<td>November</td>
<td>Approve and Execute Regional Director’s Interagency Funding Agreement with Service</td>
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<tr>
<td>December</td>
<td>Justifications Submitted</td>
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</tbody>
</table>
Public Meeting

- March 15
- 1:00-4:00p.m.

**Agenda**
- Anadromous fish restoration
- Trinity River Restoration
- Gravel augmentation
- Red Bluff construction
- Refuge water supply
- Federal Building at 2800 Cottage Way, Sacramento
Online

- Annual Financial Report to Congress
- Annual Accomplishment Report to Congress
- Annual Work Plans

Contact

- Reclamation:
  - Shana Kaplan, (916) 978-5190, skaplan@usbr.gov
- Fish and Wildlife Service:
  - Cesar Blanco, (916) 978-6190, cesar_blanco@fws.gov

- State of California:
  - DWR, Kathy Kelly, Mark Holderman, Michelle Wong
  - DFG, Dave Zezulak, Fred Jurick, Brian Cary