

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		Completed Programs
Fisheries Resources	Refuges Resources	3406 (b)(5) Contra Costa Canal Pumping Plant
Central Valley	3406 (b)(3) and 3406 (d)(2) Refuge Water Acquisition Program	3406 (b)(6) Shasta Temperature Control Device
3406 (b)(1) Anadromous Fish Restoration Program	3406 (d)(1), (d)(2), and (d)(5) Wheeling and Conveyance	3406 (b)(11) Coleman National Fish Hatchery
3406(b)(2) Dedicated Project Yield	3406 (d)(5) Facilities Construction and San Joaquin Basin Action Plan Lands	3406 (b)(17) ACID Diversion Dam
3406(b)(3) Instream Water Acquisition Program		3406 (b)(20) Glenn-Colusa Irrigation District Program
3406 (b)(4) Tracy Pumping Plant Program	Other Resources- Terrestrial Habitat and Species & Water Quality and Conservation	3406 (b)(22) Waterfowl Incentive Program
3406 (b)(10) Red Bluff Diversion Dam	3406 (b)(1) "other" Habitat Restoration Program	3406 (c)(2) Stanislaus River Basin Water Needs Program
3406 (b)(12) Clear Creek Restoration Program	3408 (h) Land Retirement Program	3406 (d)(6) Central Valley Wetlands Supply
3406 (b)(13) Spawning and Rearing Habitat Restoration Program		3406 (e) Supporting Investigations
3406 (b)(15) Head of Old River Barrier	CVP Water Operations Resources	3406 (f) Project Fisheries Impact Report
3406 (b)(16) Comprehensive Assessment and Monitoring Program	3406 (b)(1)(B) Modified CVP Operations	3408 (i) Water Conservation Program
3406 (b)(21) Anadromous Fish Screen Program	3406 (b)(7) Flow Standards and Objectives	3408 (j) Water Augmentation (Yield Study)
3406 (g) Ecosystem and Water System Operations Models	3406 (b)(8) Short Pulse Flows	
Trinity River Basin	3406 (b)(9) Flow Fluctuations	Inactive Programs
3406 (b)(23) Trinity River Restoration Program	3406 (b)(19) Reservoir Storage	3406 (b)(14) Delta Cross Channel and Georgiana Slough
San Joaquin River Basin		3406 (b)(18) Restore Striped Bass Fishery
3406 (c)(1) San Joaquin River Restoration Program		

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 555TAF to refuge boundaries
 - Approx. 422TAF Level 2 - *project water*
 - Level 2 costs reimbursable
 - Approx. 133TAF 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

CVPIA Section	Category	Description	FY 09	FY 10	FY 11	FY94-FY11
			Actual Obligations	Actual Obligations	Actual Obligations	Actual Obligations
		TOTAL	102,001,067	200,115,010	92,212,995	1,407,917,317
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		<i>(State Trust Past Cost Portion)</i>	5,209,675	-	-	29,972,709
		<i>(State Trust Current Portion)</i>	9,997	2,228,091	1,555,504	52,459,744
		<i>(Restoration Fund Donation)</i>	-	-	-	1,000,000
		Total	5,219,672	2,228,091	1,555,504	83,432,453
		<i>(Bay-Delta Fund Portion)</i>	174,960	9,291,623	2,017,784	14,595,673
		<i>(Bay-Delta Fund Portion)</i>	2,721,228	2,433,345	236,612	8,806,212
		Total	2,896,188	11,724,968	2,254,396	23,401,885
33 %Share		<i>(Restoration Fund Portion)</i>	6,968,870	11,387,998	7,196,299	171,520,548
67 %Share		<i>(Restoration Fund Portion)</i>	57,290,171	30,818,725	41,685,032	620,081,904
		Total	64,259,041	42,206,723	48,881,331	791,602,452
33 %Share		<i>(Water and Related Portion)</i>	9,063,506	15,423,258	25,445,661	237,040,435
67 %Share		<i>(Water and Related Portion)</i>	7,069,929	8,584,565	15,682,637	140,606,489
		Total	16,133,435	24,007,823	41,128,298	377,646,924
33 %Share		<i>(ARRA Portion)</i>	13,472,858	114,909,486	(1,606,534)	126,775,810
67 %Share		<i>(ARRA Portion)</i>	19,873	5,037,919	-	5,057,792
		Total	13,492,731	119,947,405	(1,606,534)	131,833,602



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

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



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

- <http://www.usbr.gov/mp/cvpia/index.html>



Contact

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