Jehama-Colusa Canal Authority

Officers:

Robert Williams

Ken LaGrande Vice Chairman

Shelly Massa Secretary

Michael D. Hagman

Arthur R. Bullock
General Manager
& Ch of Engineer

Member Agencies:

Directors

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Corning Water District
Burbara Patton-Sichel

Cortina Water District

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Kanawha Water District Ronald W. Vickery

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Larry Brockman

LaGrande Water District
Ken LaGrande

Orland-Actors Water District

John Enoy

Proberta Water District
John Greuen

Thomes Creek Water District
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Westside Water District Robert Harper

5513 Highway 162 P.O. Box 1025 Willows, CA 95988

Phone: (530) 934-2125 Fax: (530) 934-2355 EMAIL: tcwaterman@aol.com May 3, 2002

Mr. Dan Ray CALFED 1416 Ninth Street, Room 630 Sacramento, CA 95814

Re: Ecosystem Restoration Program Proposal Review, Proposal #163, Appeal for Reconsideration

Dear Mr Ray

The Tehama-Colusa Canal Authority (TCCA) is writing this letter in response to the CALFED Bay-Delta 2002 ERP PSP, Fish Screen and Passage Technical Review (Review). The Review was given in response to TCCA's Proposal #163 (Proposal) for the Fish Passage Improvement Project at the Red Bluff Diversion Dam, Phase III (Project). The overal evaluation summary rating for the project was "Not Recommended" based on the finding "That proceeding with the final design and land acquisition may be premature. The final alternative should be chosen prior to committing funding to this next phase design and land acquisition. Also, the cost estimate justification needs to be more detailed and thorough."

TCCA and the Bureau of Reclamation (Reclamation) have been working aggressively together over the past several years to develop the best possible solution to the fish passage and water supply reliability problems at the Red Bluff Diversion Dam (RBDD) on the Sacramento River. Additionally, both agencies have worked closely with a Technical Advisory Group (TAG) on a monthly basis for the past two years. The TAG consists of representatives from many key agencies, all of which have a significant stake in the outcome of this effort. The agencies include the U.S. Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), the California Department of Fish and Game (CDFG) and others

As previously stated in Proposal #163, the purposes of the Project are to 1) significantly improve fish passage at the RBDD, and 2) significantly improve the reliability of TCCA's water supply during periods when normal gravity water diversions at the RBDD are precluded by the removal of the dam gates

Mr. Dan Ray May 3, 2002 Page

from the river. TCCA concurs with and would like to re-emphasize CALFED's statement in their Review that the Fish Passage Improvement Project is "an integral part of the overall ecosystem restoration program for the mainstem Sacramento River". This importance was also recognized in the Central Valley Project Improvement Act by specific reference in Section 3406(b)(10)

One of the most important elements of the Fish Passage Improvement Project is the momentum and spirit of cooperation between agencies that we have developed. Arranging funding in advance for subsequent Phases of the Project is the only way in which the Project can move from one Phase to the next without interruption. Any break in the funding path at this time will completely stall the Project for at least 12 months while other sources of funding are developed (if such funding sources can be located at all). Any delay in moving directly into the Phase III design and land acquisition process will result in an critical, unmeasurable loss in momentum with the following probable consequences:

- NMFS, DFG, and USF&WS have all delayed proposing and advancing any new changes in gate operations at the RBDD to benefit endangered fish species in anticipation that we were working towards a real, implementable solution to the fish passage problems. Loss of momentum will undoubtedly trigger a reconsideration of their positions. Any further increase in the "gates out" period at the Red Bluff Diversion Dam without a corresponding immediate increase in pumping capability at the Dam will exacerbate the already tenuous water delivery situation to our 17 districts making full summer water deliveries essentially impossible.
- It is unknown how long the temporary water supplies at the Black Butte Reservoir will be available for rediversion from Stony Creek into the Tehama-Colusa Canal. These temporary supplies have allowed us to partially maintain water deliveries in the spring months each year when the dam gates are out and the water demands are increasing. There is a current, significant effort on the part of NMFS to create a habitat for steelhead in Stony Creek and to utilize part, if not all of the available water for that purpose. Their recent 3-year Final Biological Opinion (BO) for Lower Stony Creek sets conditions and goals to accomplish this to the detriment of rediversions for agriculture. The short 3-year life of the BO is based at least in part on the assumption that the fish passage and water supply reliability issues at the RBDD will be resolved as currently scheduled and that water in Black Butte Reservoir currently used for agriculture will soon be available for fisheries restoration purposes.
- A one or two year delay in acquiring the land for the pumping plant site adjacent to the Red Bluff Diversion Dam could be disastrous. The property is currently for sale and Shasta Community College has expressed interest in at least a portion of the land and has funding approved through the voter process for the purchase. If this property is not secured very soon either through direct purchase or an option to purchase, another more remote site for the pumping plant would need to be located and this would add significantly to the overall facility requirements and cost of the Fish Passage Improvement Project.

Mr. Dan Ray May 3, 2002 Page

Following our current schedule, we anticipate that the Record of Decision will be issued in the first quarter of Calendar Year 2003. Once we have reached this milestone, we will be ready to proceed with Phase III - the Final Design of the Selected Alternative and the acquisition of land for the pumping facility which is required under <u>any</u> of the three Alternatives being considered. Since we have less than 12 months to the Record of Decision and the scheduled start of Facilities Design, your reconsideration of our funding request would be greatly appreciated.

The TCCA, together with the Technical Advisory Group, would like to extend an invitation to yourself, Rebecca Fris or any other appropriate CALFED representative, to attend our next monthly TAG meeting or our monthly Stakeholders Working Group meeting. This will enable CALFED to see the rapport and project support that TCCA has developed with the TAG agency members and also with local agency interests represented on the Stakeholders Working Group. The interest and support that the TAG has shown in the monthly Stakeholders Working Group meetings indicates that the Fish Passage Improvement Project is on the right track with our efforts. It is critical to understand that the regulatory agencies in the TAG have started developing their own future plans and efforts based on the belief that we will be successful in completing and implementing a program that will once and for all solve both the fish passage and water supply reliability problems at the RBDD.

It should also be noted that without improving the fish passage situation at the RBDD, the benefits of the millions of dollars that CALFED alone has already spent on fish benefit-based ecosystem improvements upstream of the RBDD will not be fully realized. CALFED has previously demonstrated its strong support for this Project recognizing the importance of a RBDD solution to the overall environmental health of the upper Sacramento River System. With the Project to solve the RBDD fish passage problems this far along, it would be a shame to drop the ball now.

Your favorable reconsideration of our proposal is requested.

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Sincerely,

Arthur R. Bullock

General Manager & Chief Engineer

Redding, CA 96001



May 8, 2002

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Mr. Dan Ray CALFED Bay-Delta Program 1416 9th Street, Suite 630 Sacramento, California 95814

Subject: Fish Passage Improvement Project at the Red Bluff Diversion Dam

Dear Mr. Ray:

Enclosed, please find a memorandum prepared by the Technical Advisory Group for the Fish Passage Improvement Project at the Red Bluff Diversion Dam, which I am sending to you on behalf of Art Bullock, General Manager and Chief Engineer of the Tehama Colusa Canal Authority. This memorandum was prepared in response to the 2002 Proposal Solicitation Package Initial Recommendation and Proposal Reviews.

If you have any questions, please contact Art Bullock at 530/934-2125.

Sincerely,

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Mike Urkov Project Manager

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Patrick Wright/CALFED Kirk Rodgers/USBR Mike Ryan/USBR Denny Bungarz/BD-PAC Gary Hunt/BD-PAC Art Bullock/TCCA

TECHNICAL MEMORANDUM

Fish Passage Improvement Project at the Red Bluff Diversion Dam

PREPARED FOR:

Art Bullock/TCCA

PREPARED BY:

Technical Advisory Group

DATE:

May 6, 2002

This memorandum is written on behalf of the Fish Passage Improvement Project at the Red Bluff Diversion Dam. We recently learned that this project did not receive CALFED funding for the next phase, Phase III, Final Design. This is potentially a significant setback to this much-needed project that affects restoration of fish habitats throughout the upper Sacramento River and its tributaries.

The members of TAG, which include representatives of the National Marine Fisheries Service, the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service, the California Department of Fish and Game, and the California Department of Water Resources, were disappointed that this project did not receive higher consideration and are very concerned that the investments made in developing the project and establishing rapport with the Stakeholder Working Group (SWG) will be negatively impacted, perhaps irreparably. Those relationships are invaluable to the overall success of the project, which in turn, significantly impacts the restoration efforts for spring-run chinook, steelhead, and green sturgeon in the upper Sacramento River.

The analysis conducted by TAG has shown that the project improvements proposed in Alternatives 2 and 3 (annual 2-month gate operation and 0-month gate operation, respectively) would provide significant improvements to fish passage at the Red Bluff Diversion Dam, but the fish passage components of these alternatives cannot be unilaterally implemented without detrimental impacts to irrigation water deliveries. Additionally, the current 4-month gate operations (as defined in the Winter-run Chinook Biological Opinion) require supplemental irrigation deliveries from a temporary, unreliable, and unscreened source (Stony Creek) that the National Marine Fisheries Service is allowing to operate under the assumption that a permanent solution at the Red Bluff Diversion Dam is pending. This funding decision suggests that a solution may not be pending.

We understand that the denial of funding was driven by the absence of a single preferred alternative. TAG understands the rationale for such a determination but believes it does not apply in the present case. The designation of a preferred alternative, by federal law governing water projects, must be preceded by specified economic analyses. These analyses have recently been completed, and the designation of the preferred alternative is expected just prior to the release of a public draft of the Environmental Impact Statement/ Environmental Impact Report (EIS/EIR) in June 2002. The Record of Decision is scheduled to be issued January 2003, and final design could start immediately thereafter on the selected alternative, provided that funding is available. Resubmittal for the next round of funding would delay the project a minimum of 1 to 2 years, with significant loss of project

momentum. TAG unanimously supports continued funding of this project. If funding is not available, the opportunity and momentum for substantial improvements could be lost.

TAG believes that a preferred alternative will be designated within a matter of weeks that will substantially improve fish passage and the reliability of water deliveries, with the chief uncertainty being the mix of features involved, not the level of fishery benefit. TAG, which has been meeting for over 3 years and has established a consistent and active participation, has worked through many issues associated with the project and will continue to do so throughout the project. SWG has been active for about 8 months and has provided valuable input regarding local impacts of the project. The continued involvement of the two groups will ensure expeditious implementation. Indeed, one of the local community's initial criticisms was regarding the time it has taken to reach a conclusion on this project, and interest in reaching resolution remains high. Perhaps most importantly, this project is related to efforts to restore fish habitat in the upper Sacramento River basin. Current estimates for these related efforts run into the hundreds of millions of dollars.



To promote the economic, social and environmental viability of Northern California by enhancing and preserving the water rights and supplies of our members

May 10, 2002

Mr. Patrick Wright
Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, CA 95814

RE: CALFED ERP 2002 PSP Selection Panel Recommendations

Dear Patrick:

The Northern California Water Association (NCWA) is very concerned with the CALFED Ecosystem Restoration Program 2002 PSP Selection Panel Recommendations. We are particularly concerned with the apparent disregard for local input from the Sacramento Valley.

As you know, NCWA represents 68 water suppliers and individual farmers who collectively irrigate 860,000 acres of fertile Northern California farmland. Several of our members also deliver water to state and federal wildlife refuges and a large portion of this land serves as important seasonal wetlands for migrating waterfowl, shorebirds and other wildlife.

We were generally pleased with your utilization of regional panels as part of the Ecosystem Restoration Program (ERP) project selection process, although we believe the earlier CALFED process, including the ecosystem roundtable, was a more meaningful process to assure local and regional input. For regional strategies to succeed in the CALFED process, CALFED must be diligent to assure that projects, including projects to benefit the ecosystem, are locally generated from within the region and have broad local support.

To start, we strongly endorse the selection panel's determination to fund the Meridian Farms Water Company's Positive Barrier Fish Screen Project and the Yuba County Water Agency (YCWA) Narrows 2 Powerplant Flow Bypass System, and partially fund the Sutter Mutual Water Company Tisdale Positive Barrier Fish Screen and Pumping Plant and YCWA's Yuba Goldfields Fish Barrier Replacement Project. These are examples of CALFED support for regional priorities. The regional panel identified each of these projects as "high" priority.

Patrick Wright May 10, 2002 Page 2 of 3

On the other hand, our concerns arise from the full or partial funding solding \$2,216,447 for four projects ranked as "low" priorities by the Sacramento regional panel. Local interests determined that the projects would provide limited or no local value, did not reflect regional priorities, or were poorly written. But, this evaluation was overridden and the projects were nonetheless funded. The funding of these projects does not reflect the role local support should play in the CALFED process as directed in the Record of Decision (ROD).

Our frustration with the selection of these projects is compounded by the fact that there were 19 projects the regional panel determined to be "high" priorities that were not recommended for funding by the CALFED Selection Panel. There are six projects that were not recommended for funding that are of special concern to NCWA. These projects provide considerable regional benefits and, as a result, the Sacramento regional panel considered most of them "high" priorities. The projects include: Ducks Unlimited White Mallard Dam and Associated Diversions Phase III Construction, Orland Unit Water Users' Association Northside Diversion Dam Fish Passage Feasibility Study, Pleasant Grove-Verona Mutual Water Company Positive Barrier Fish Screen Design and Environmental Review, Reclamation District No. 108 Wilkins Slough Positive Barrier Fish Screen Sediment Removal Project Tehama-Colusa Canal Authority Fish Passage Improvement Project at the Red Bluff Diversion Dam. Phase III, and YCWA Narrows 2 Powerplant Intake Extension.

The next step in the selection process—distributing the remaining ERP funding to "Considered as Directed Action" projects—provides CALFED with an opportunity to better incorporate regional panel recommendations in the decision-making process. NCWA is particularly interested in three projects that are "Considered as Directed Action," the M&T Chico Ranch/Llano Seco Fish Screen Facility Short-term/Long-term Protection Project, the Natomas Mutual Water Company American Basin Fish Screen and Habitat Improvement Project, and Reclamation District No. 108 Consolidated Pumping Facility and Fish Screen. Each of these projects received a "high" priority ranking by the Sacramento regional panel, and each is specifically designated as a priority in the Ecosystem Restoration Program Draft Stage 1 Implementation Plan (August 2001).

The "Consider as a Directed Action" category also includes three projects that received a "low" rating from the Sacramento regional panel. They are S.P. Cramer & Associated, Inc. Assessment of Life-History Characteristics and Genetic Composition of Oncorhynchus mikiss Throughout California, The Nature Conservancy's Implementing a Collaborative Approach to Quantifying Ecosystem Flow Regime Needs for the Sacramento River, and U.S. Geological Survey Assessing the hazards of mercury and selenium to the reproductive success of birds. As was the case with funded projects receiving a "low" priority rating from the Sacramento Regional Panel, these projects were determined to provide limited or no local value, did not

Patrick Wright May 10, 2002 Page 3 of 3

reflect regional priorities, were poorly written, or were already being performed through another CALFED program.

As CALFED moves forward with the remaining funding selections for the 2002 PSP and into future funding cycles, we hope that it will reexamine the regional panels and other local input from the Sacramento Valley and, as a result, regional priorities in the CALFED EPR will receive the appropriate consideration as part of the selection process.

Sincerely

David J. Quy

Executive Director

cc: Dan Ray