



Agenda Item No. 9.
 Meeting Date: June 18, 2003
 Resolution: (X) Yes () No

AGENDA DOCKET FORM

SUBJECT: RESOLUTIONS PROVIDING COMMITMENTS FOR PARTICIPATION IN, AND CALLING FOR AN ADVISORY VOTE ON, THE CALFED BAY-DELTA PROGRAM PROPOSAL FOR EXPANSION OF LOS VAQUEROS RESERVOIR

SUMMARY: CALFED Agencies have, through a seven-year effort costing over \$57 million, studied the environmental impacts of the CALFED Program and the details of a potential expansion of Los Vaqueros Reservoir. The five-year, \$50 million CALFED Bay-Delta Program Programmatic EIS/EIR constituted the first tier of environmental analysis, addressing the effects of the CALFED Program as a whole, including the Los Vaqueros Reservoir expansion. CALFED has now completed the 2.5-year, \$7 million Studies on the details of a Los Vaqueros expansion and presented the results through an extensive public outreach program that included over 36 public meetings in the community, before the Board and at stakeholder meetings. Hundreds of comments and questions were received and responded to. The Board received each of these comments and responses prior to the nine Board meetings on this subject. The Draft Briefing Papers, the Draft Planning Report, the Fact Sheets, and the Draft Comment Response Report have been made available to the public on the project web site (www.lvstudies.com) and at 24 local libraries and repositories. A summary is provided in the Staff Report (Attachment 2).

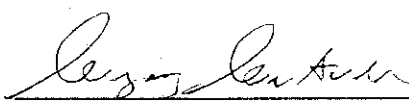
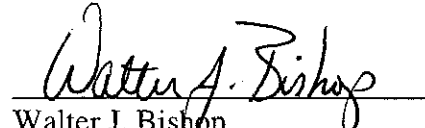
The Studies were focused on providing the information needed to determine that the Board Principles are satisfied by an expansion of Los Vaqueros Reservoir while meeting the CALFED objectives to improve Bay Area drought reliability and water quality, and while helping CALFED Agencies to enhance the Delta environment. The Studies have identified key benefits to District ratepayers of: 1) improved drought reliability; 2) improved water quality, especially in extended droughts; 3) improved ecosystem restoration and improvements for the Delta; 4) enhanced recreational opportunities in the watershed; and 5) potential reimbursement of up to \$200 million to the District.

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FISCAL IMPACT: None. The CALFED Los Vaqueros Reservoir Expansion Studies are entirely funded by the state (California Department of Water Resources) and federal (U.S. Bureau of Reclamation) CALFED Agencies.

RECOMMENDED ACTION:

- A) Adopt a Resolution Making Determinations and Adopting Conditions for District Participation in and Support for Implementation of the CALFED Bay-Delta Program Proposal for Expansion of Los Vaqueros Reservoir
- B) Adopt a Resolution Determining that an Advisory Election Should Be Called Concerning the CALFED Bay-Delta Program Proposal for Expansion of Los Vaqueros Reservoir, and Determining the Ballot Measure Language.

	 Gregory Gartrell Assistant General Manager	 Walter J. Bishop General Manager
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The next step is to consider an advisory vote, as required by the Board Principles and the CALFED ROD. The CALFED Programmatic EIS/EIR and the Studies have provided the details on environmental impacts, costs, and benefits of an expansion of Los Vaqueros Reservoir. The Studies have established that an expansion project meeting CALFED objectives can also meet the Board Principles. A vote at this time will clearly establish the assurances, requirements and conditions that must be met by a CALFED expansion project before the permitting process is started.

Two resolutions have been prepared for the Board to consider. The first resolution (Attachment 3) sets forth the assurances, requirements and conditions the District would impose that have to be followed in any CALFED expansion proposal. It includes assurances that would protect the District's interests and customers, such as the Board Principles, and other important issues regarding environmental protections and benefits. The second resolution (Attachment 4) establishes the advisory ballot language and calls for an election.

The assurances and commitments include a specific commitment that the expansion project will not be operated in conjunction with a Peripheral Canal or to increase exports of Delta water from Northern California. It also has commitments that an expansion must meet the Board Principles (Attachment 1), as well as commitments regarding establishing a long-term environmental benefit as part of the project, a commitment to follow the CALFED ROD commitment of "beneficiaries pay" and commitments on mitigating impacts of an expansion project. The assurances and commitments reflect the input from the public meetings and workshops and discussions with stakeholders, including representatives of the environmental community.

The election would be advisory: it would not authorize a project nor would it bind the District to a project. The District would retain the right to withdraw support if the Board Principles and the assurances are not met. A positive vote would allow CALFED to continue with the environmental documentation necessary for project approval by regulatory agencies. Project authorization would come from CALFED Agencies and project partners who fund the project. If the vote is negative, it will effectively stop the project as CALFED has pledged in the CALFED ROD to respect the results of the vote.

Among the items of interest to customers and stakeholders concerns the requirement for a vote. Some have assumed that the 1988 Bond Measure required an additional vote if the Los Vaqueros Project were to be expanded or changed; this is incorrect. In fact, the 1988 Bond Measure provided for a larger reservoir if CCWD were able to find partners; that Bond Measure requires an additional vote only if the Los Vaqueros Project were to be operated in conjunction with a Peripheral Canal or to increase exports from Northern California.

CCWD Criteria regarding CALFED Proposal for Enlarged Los Vaqueros Project

Contra Costa Water District will not support a proposal involving the existing Los Vaqueros Project or use of the Los Vaqueros or Kellogg reservoir sites without the following assurances:


1. The project improves water quality and reliability for CCWD;
2. The project enhances the Delta environment;
3. The project protects and enhances the fisheries and terrestrial species benefits provided by the existing Los Vaqueros Project;
4. The project preserves and increases the recreational opportunities of the Los Vaqueros Project;
5. CCWD must retain control of the watershed and operation of the reservoir;
6. The project protects and reimburses the financial investment made by the CCWD customers who financed the existing \$450 million Los Vaqueros Project;
7. The proposal would be placed before the voters of the Contra Costa Water District.

Adopted by the Contra Costa Water District Board of Directors on April 19, 2000.

CONTRA COSTA WATER DISTRICT
Staff Report

DATE: June 18, 2003

TO: Board of Directors

FROM: Walter J. Bishop 

SUBJECT: Resolutions Providing Commitments for Participation in, and Calling for an Advisory Vote on, the CALFED Bay-Delta Program Proposal for Expansion of Los Vaqueros Reservoir

INTRODUCTION

CALFED Agencies have, through a seven-year effort costing over \$57 million, studied the environmental impacts of the CALFED Program and the details of a potential expansion of Los Vaqueros Reservoir. The five-year, \$50 million CALFED Bay-Delta Program Final Programmatic EIS/EIR (CALFED Final PEIS/R) constitutes the first tier of environmental analysis, addressing the effects of the CALFED Program as a whole, including the Los Vaqueros Reservoir expansion. In accordance with the CALFED Bay-Delta Program Programmatic Record of Decision (CALFED ROD) adopted on August 28, 2000, CALFED Agencies and the District formed a Study Team for the purpose of carrying out the CALFED Los Vaqueros Reservoir Expansion Studies (Studies), which started in January 2001. The 2.5-year, \$7 million Studies provide detailed analyses of facilities, costs, benefits, environmental impacts and mitigation strategies.

CALFED has now completed the presentation of the results of the Studies through an extensive public outreach program that included 36 public meetings in the community, before the Board and at stakeholder meetings. Hundreds of comments and questions were received and responded to. The Board received each of these comments and responses prior to the nine Board meetings on this subject. The Draft Briefing Papers, the Draft Planning Report, the Fact Sheets, and the Draft Comment Response Report have been made available to the public on the project web site (www.lvstudies.com) and at 24 local libraries and repositories. Very positive feedback has been received on the public process.

The Studies were focused on providing the information needed to determine that the Board Principles (see below) are satisfied by an expansion of Los Vaqueros Reservoir while meeting the CALFED objectives to improve Bay Area drought reliability and water quality, and while helping CALFED Agencies to enhance the Delta environment. The Studies have identified key benefits to District ratepayers of: 1) improved drought reliability; 2) improved water quality, especially in extended droughts; 3) improved ecosystem restoration and improvements for the Delta; 4) enhanced recreational opportunities in the watershed; and 5) potential reimbursement of up to \$200 million to the District.

The extensive public outreach process, including the public workshops, has identified the issues. Responses have been prepared for all the comments and the Draft Planning Report has incorporated them. The most significant issue raised involves the assurances that the interests of the District and its ratepayers will be protected and that the benefits of an expansion project will be realized.

The next step is to consider an advisory vote, as required by the Board Principles and the CALFED ROD. The CALFED Programmatic EIS/EIR and the Studies have provided the details on environmental impacts, costs, and benefits of an expansion of Los Vaqueros Reservoir. The Studies have established that an expansion project meeting CALFED objectives can also meet the Board Principles. A vote at this time will clearly establish the assurances, requirements and conditions that must be met by a CALFED expansion project before the permitting process is started.

A resolution that establishes assurances, requirements and conditions that the District would impose and that would have to be followed in a CALFED proposal for expansion of Los Vaqueros Reservoir is being presented to the Board for its consideration. The resolution addresses the concerns that were raised regarding assurances and incorporates the comments received at the public workshops as well as specific suggestions from stakeholders, including the environmental community.

The next step in the process is to place the proposal before the voters of the District, as required by the Board Principles and as expressly incorporated into the CALFED ROD. A second resolution calling for an advisory vote and presenting the ballot language is also being presented to the Board for its consideration.

RECOMMENDATION

- A) Adopt a Resolution Making Determinations and Adopting Conditions for District Participation in and Support for Implementation of the CALFED Bay-Delta Program Proposal for Expansion of Los Vaqueros Reservoir
- B) Adopt a Resolution Determining that an Advisory Election Should Be Called Concerning the CALFED Bay-Delta Program Proposal for Expansion of Los Vaqueros Reservoir, and Determining the Ballot Measure Language

SUMMARY

CALFED Agencies have, through a seven-year effort costing over \$57 million, studied the environmental impacts of the CALFED Program and the details of a potential expansion of Los Vaqueros Reservoir. The Studies have provided the details on the CALFED proposal, including facilities, costs, environmental impacts and benefits. The Studies show that an expansion project that meets the CALFED objectives would meet the Board Principles and would provide substantial benefits to the District. An expansion project would provide a substantial improvement in drought reliability and water quality for District customers, and would provide a

an increasing population in the Central Valley that will result in increased water diversions upstream of the Delta and increased pollution into the Delta. An expansion project would provide an opportunity for improved drought reliability and water quality for the Bay Area, and it would help CALFED meet its goals for restoring the ecosystem of the Delta.

The Studies have shown the Board Principles can be met and that substantial benefits will accrue to the District's customers from an expansion project. District policies regarding an expansion project have been incorporated into a resolution. The resolution will provide the assurance that, for an expansion project to go forward, the Board Principles must be met, District and ratepayer interests must be protected, and the benefits of an expansion, including long-term benefits to the environment, will be realized. A second resolution establishes ballot language and calls for the advisory vote required by the Board Principles and CALFED Record of Decision.

DISCUSSION

Background

On August 28, 2000, the CALFED Agencies signed the CALFED ROD, which sets forth a seven-year balanced plan for restoring the Bay-Delta ecosystem and improving water supply reliability and water quality (this seven-year effort is referred to as Stage 1).

The CALFED ROD describes the expansion of water storage as critical to the successful implementation of all aspects of the CALFED Program. The CALFED ROD identified five projects for augmenting water storage: expanding Los Vaqueros Reservoir, enlarging Shasta Lake, a new Sites Reservoir or equivalent in the Sacramento River Valley, new in-Delta storage, and enlarging Friant Dam or a functional equivalent. The CALFED Agencies are now conducting separate studies for each of these five potential water storage projects.

The CALFED ROD specified the following for the Los Vaqueros Reservoir:

“Expand Los Vaqueros Reservoir by up to 400 thousand acre-feet with local partners as part of a Bay Area water quality and water supply reliability initiative. As part of a Bay Area initiative, an expanded Los Vaqueros Reservoir would provide water quality and water supply reliability benefits to Bay Area water users. As an existing reservoir operated by the Contra Costa Water District (CCWD), the Los Vaqueros Reservoir is subject to a number of mandates and agreements. DWR and Reclamation will work with CCWD and interested stakeholders to assure that previous commitments, including local voter approval required for expansion, are respected.”

Among the mandates and agreements expressly recognized by CALFED in the CALFED ROD are the following set of Principles, adopted by the CCWD Board of Directors on April 19, 2000, that must be assured in order for CCWD to support a CALFED proposal to expand Los Vaqueros:

1. The project improves water quality and reliability for CCWD.
2. The project enhances the Delta environment.

3. The project protects and enhances the fisheries and terrestrial species benefits provided by the existing Los Vaqueros Project.
4. The project preserves and increases the recreational opportunities of the Los Vaqueros Project.
5. CCWD must retain control of the watershed and operation of the reservoir.
6. The project protects and reimburses the financial investment made by the CCWD customers, who financed the existing \$450 million Los Vaqueros Project.
7. The proposal would be placed before the voters of the Contra Costa Water District.

Public Process

CALFED and CCWD have committed to an open process with an extensive public outreach program to ensure that all stakeholders, including the District's customers, are informed and included in the planning process. A four-part series of CALFED public workshops were held in 2003 to inform the public. The first series of workshops covered detailed information on how a potential reservoir expansion would operate, the facilities required for an expansion, and the updated cost estimate and schedule; the workshops concluded with a presentation of the results at the Regular Board Meeting on February 19.

The second series of workshops covered detailed information on the range of the possible reimbursement to the District from potential project partners, how the project could be financed, owned and operated, and additional information on benefits of an expansion project to the District and its ratepayers and potential project partners and how those benefits would be valued. These workshops concluded with a presentation of the results to the Board on March 19.

The third set of workshops focused on effects, mitigation and enhancement and showed that an expanded Los Vaqueros could protect and enhance the fisheries and terrestrial species benefits of the existing project, and preserve and increase the recreational opportunities of the existing project. The third set of workshops concluded with a presentation of the results to the Board on May 21. The information provided in those workshops demonstrated that the first six of the Board Principles would be met by the CALFED proposal to expand Los Vaqueros Reservoir.

The fourth set of workshops focused on meeting the Board Principles and responses to comments. The Board Principles were reviewed at the workshops, along with a summary of benefits to the District, the Bay Area and the Delta. Areas for assurances were discussed and feedback from attendees was sought. The Customer/Stakeholder Feedback Group meeting was held on Thursday, May 22 and CALFED public workshops were held on Thursday, May 29 in Antioch and on Tuesday, June 3 in Concord (2 meetings). The details on the questions and discussion at the meetings were reported to the Board at the June 4 meeting.

CALFED and the District have received high praise for the public process that has been conducted.

Detailed Information on the CALFED Proposal

CALFED Agencies have, through a seven-year effort costing over \$57 million, studied the environmental impacts of the CALFED Program and the details of a potential expansion of Los Vaqueros Reservoir. The five-year, \$50 million CALFED Final PEIS/R constitutes the first tier of environmental analysis, addressing the effects of the CALFED Program as a whole, including all the storage projects. The Studies have produced detailed information on the facilities, costs, potential partners, financing, institutional arrangements, environmental impacts, mitigation strategies and benefits.

The Studies included a detailed environmental impact analysis and have produced the information needed to determine that the Board Principles are satisfied by an expansion of Los Vaqueros Reservoir that meets the CALFED objectives to improve Bay Area water quality and drought reliability while helping to enhance the Delta environment. The Studies have identified key benefits to District ratepayers of: 1) improved drought reliability; 2) improved water quality, especially in extended droughts; 3) improved ecosystem restoration and improvements for the Delta; 4) enhanced recreational opportunities in the watershed; and 5) potential reimbursement of up to \$200 million to the District.

The CALFED Final PEIS/R and the CALFED ROD require that project specific environmental documents tier off of the CALFED Final EIS/R and include specific mitigation measures consistent with the programmatic measures of the CALFED ROD. Because of this requirement, the mitigation strategies identified in the Studies have been developed consistent with the mitigation measures and guidance provided in the CALFED ROD.

The Studies have produced Draft Briefing Papers, the Draft Planning Report, the Fact Sheets, and the Draft Comment Response Report, all of which have been made available to the public on the project web site (www.lvstudies.com) and at 24 local libraries and repositories. The extensive public outreach process, including the public workshops, has identified the issues. Responses have been prepared for all the comments and the Draft Planning Report has incorporated them. The Board received each of these comments and responses prior to the nine Board Meetings on this subject. Very positive feedback has been received on the public process.

Assurances

The assurances raised in public workshops and from meetings with stakeholder groups, including those from the environmental community have been incorporated into the resolution on assurances and are discussed below along with the concerns that they address.

- The project purposes of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir are to improve water supply during droughts and water quality for the Contra Costa Water District and for other Bay Area water agencies and to provide fisheries benefits, to provide environmental benefits and to enhance the Delta environment.

This addresses the concern that a CALFED expansion project would be for the purposes stated in the CALFED ROD: improvement of drought reliability and water quality for CCWD and Bay Area water agencies, and to provide environmental and fisheries benefits and to enhance the

Delta environment. Representatives of the environmental community and the public have expressed concerns that an expansion project would be to provide water yield for growth or to export more water out of Northern California. This assurance limits the project purposes to those stated above.

- The Board reaffirms its commitment that the existing Los Vaqueros Project and the expansion project “shall not be operated in conjunction with a Peripheral Canal or to increase the export of Delta water from Northern California without subsequent voter approval.”

This addresses the concern, expressed by many, that the CALFED expansion project would not be operated to increase exports from Northern California. It reiterates a commitment made for the existing project. It also explicitly addresses the concern that the capacity created in an expansion project would be used to export more water from Northern California. This assurance, combined with the project purpose and the long-term environmental benefit assurance below, assure that capacity created would be used to meet the project purposes and not to export more water from Northern California.

- The support of the District for a CALFED Bay-Delta Program proposal for an expanded Los Vaqueros Reservoir is dependent upon the CALFED implementation commitment of “beneficiaries pay” and that the costs of any CALFED project for an expanded Los Vaqueros Reservoir will be borne equitably by the beneficiaries of said project.

This addresses the concern, raised by many District customers, that the District and its ratepayers will not pay for benefits of an expansion that accrue to others. It protects the interests of the District and its ratepayers. It reaffirms the CALFED Agencies’ commitment that beneficiaries of a project pay for the benefits received. It also provides an assurance that project partners equitably reimburse the District for sharing in the existing Los Vaqueros Project.

This also addresses the concern, raised by the environmental community, that the public could pay for the portion of the expansion assigned to environmental benefits, but that the capacity paid for would be used to benefit others rather than the environment. The “beneficiaries pay” commitment addresses this concern and requires that the costs of the project be equitably shared among the beneficiaries. It means that the environmental benefits will be paid for on an equitable basis, commensurate with the benefit received. The “beneficiaries pay” commitment would include the use of water user fees to pay for environmental benefits where appropriate, as determined by CALFED Agencies.

The share of benefits to each partner will depend on what benefits the partner decides to purchase. For each partner, a number of factors will enter the decision, such as the business decision of what it will cost to acquire the same benefits in another way (improved drought supplies through the use of groundwater storage in the San Joaquin Valley, for example). The Studies have shown the impacts and benefits for the range of operating scenarios. This provides the necessary assurances regarding how costs for benefits and mitigation of impacts would be assigned.

- The support of the District for a CALFED Bay-Delta Program proposal for an expanded Los Vaqueros Reservoir is dependent upon authorizing federal and/or state legislation that specifically provides for long-term environmental benefits in the Delta as a project purpose.

This addresses the concern, raised by representatives of the environmental community, that environmental benefits be long-term and not simply be used to justify a project, with the benefits later diverted to another purpose. Authorizing legislation providing for a long-term environmental benefit from an expansion would guarantee long-term environmental benefits. This assurance addresses the issue that an expansion project's environmental purposes will continue and not be changed to the benefit of other parties.

- Improves drinking water quality for CCWD customers beyond that available from the existing Los Vaqueros Project.

This assurance derives from the Board Principles and assures that the expansion project will improve drinking water quality for CCWD customers.

- Improves the reliability of water supplies for CCWD customers during droughts

This assurance derives from the Board Principles and assures that the expansion project will improve the reliability of water supplies for CCWD customers.

- Enhances Delta habitat and protects endangered Delta fisheries by installing state-of-the-art fish screens on all new intakes and creating an environmental asset through improved location and timing of Delta diversions and storage of water for environmental purposes.

This assurance derives from the Board Principles and assures that the expansion project will enhance the Delta environment and that it will protect and enhance the fisheries benefits provided by the existing Los Vaqueros Project. It elaborates on the manner in which these Principles will be met: state-of-the-art fish screens assure minimal impacts during reservoir filling; the fish screens, conveyance and storage allow flexibility in the timing and location of diversions that can be used by CALFED Agencies to maximize environmental benefits.

- Increases the protected land and managed habitat for terrestrial species in the Los Vaqueros Watershed and the surrounding region.

This assurance derives from the Board Principles and assures that the expansion project will preserve and enhance the terrestrial benefits provided by the existing Los Vaqueros Project. It assures that an expansion project goes beyond mitigation just as the existing Los Vaqueros Project has done. It expands upon that Principle to include the land in the surrounding region that would be acquired as part of the mitigation program for the expansion project. The Studies have identified a significant amount of habitat that would be required to be protected, and that would include a significant amount of habitat outside the watershed.

- Improves and increases fishing, boating, hiking, and educational opportunities in the Los Vaqueros Watershed, consistent with the protection of water quality and the preservation of the watershed and the watershed's unique features.

This assures that the Board Principle that the expansion project preserve and increase the recreational opportunities of the Los Vaqueros Project. The Studies have identified the recreational facilities that would be affected by an expansion project and have identified the manner in which they would be replaced and enhanced. This assurance identifies the specific recreational opportunities that would be affected, and therefore replaced and enhanced. The District requirements that recreation be compatible with the projects primary purpose of drinking water quality and with protecting the watershed, habitat and species is retained.

- CCWD continues as owner and manager of the Los Vaqueros Watershed.

This assurance derives from the Board Principles and assures that CCWD will retain control of the Los Vaqueros Watershed and reservoir in an expansion project.

- CCWD maintains control over recreation in the Los Vaqueros Watershed.

This assurance derives from the Board Principles and assures that CCWD will retain control of recreation in the Los Vaqueros Watershed as well as control of the Los Vaqueros Watershed and reservoir in an expansion project so that water quality as well as the watershed and its unique features will remain protected.

- CCWD continues as operator of the Los Vaqueros Reservoir system.

This assurance derives from the Board Principles and assures that CCWD will retain control of the operation of the reservoir in an expansion project; this protects the interests of the District and its customers.

- CCWD will be reimbursed for the value of the existing Los Vaqueros Project assets shared, replaced, rendered unusable or lost with the expansion project and said reimbursement will be used to purchase additional drought supply and water quality benefits in the expansion project.

This addresses the concern, expressed by many customers, that the interests of the District and its ratepayers be protected, and that they receive a fair reimbursement for their investment in the existing Los Vaqueros Project. It derives from the Board Principle that the financial investment made by the CCWD customers who financed the existing Los Vaqueros Project will be protected and reimbursed. It specifies that the District be reimbursed for the value of assets shared, replaced, rendered unusable or lost by the expansion project and it further specifies that the District will use the reimbursement to purchase additional drought supply and water quality benefits in the expansion project.

- Water rates for CCWD customers will not increase as a result of the expansion project.

This provides an additional assurance that the financial investment made by the CCWD customers who financed the existing Los Vaqueros Project will be protected and that the expansion project can only go forward if it does not result in an increase in water rates.

- All subsequent environmental documents required for approvals and permitting will tier off the CALFED Final PEIS/R and will incorporate the full range of environmental impacts described in the Draft Planning Report, and that the full range of environmental impacts, and the specific mitigation measures for these impacts consistent with the programmatic measures of the CALFED ROD, will be disclosed in the environmental documents, and that sound science will be used as part of that process.

This assures that the expansion project will be carried out in conformance with the commitments, assurances and mitigation measures as set forth in the CALFED ROD. This is important because it addresses all of the following concerns that have been raised:

- *Redirected impacts.* Concerns have been raised that the expansion project would have direct or indirect adverse impacts on others. CALFED has a specific policy to avoid or mitigate redirected impacts. This assures that redirected impacts will be addressed.
- *Direct or indirect impacts to adjacent public lands, recreation on those lands, habitat protection measures on those lands and cultural resources on those lands.* Concerns have been raised that direct or indirect impacts to adjacent public lands be addressed; in several instances it was stated that CALFED should pay for increased costs associated with any impacts. While the Studies carefully considered those concerns and did not identify any such impacts, this assurance provides that if any impacts were to arise, they will be addressed.
- *Impacts to recreation at Del Valle Reservoir and Shadow Cliffs.* A concern was raised that the expansion project will affect water levels at Del Valle Reservoir and therefore recreation at Del Valle Reservoir and Shadow Cliffs. The Studies carefully considered these issues and found that the expansion project would not adversely affect water levels at Del Valle Reservoir. Mitigation measures under the CALFED ROD provide specific guidance on such issues, if any such impacts were to occur. This assurance provides that if any such impacts were to arise, they would be addressed.
- *Impacts to terrestrial and aquatic species, species of concern, terrestrial and aquatic habitat, mitigation lands and habitat, wetlands and land uses.* The CALFED ROD provides guidance for addressing environmental impacts, including impacts to terrestrial species and habitat. This assurance provides that all such impacts will be addressed in accordance with that guidance. The Studies have described the mitigation strategies that would be followed. Actual mitigation measures would eventually be determined as part of project permitting by the appropriate regulatory agencies (including the U.S. Fish and Wildlife Service and California Department of Fish and Game) in accordance with that guidance.

Procedure for Advisory Vote

The next step is to consider an advisory vote, as required by the Board Principles and the CALFED ROD. The CALFED Programmatic EIS/EIR and the Studies have provided the details on environmental impacts, costs, and benefits of an expansion of Los Vaqueros Reservoir. The Studies have established that an expansion project meeting CALFED objectives can also meet the Board Principles. A vote at this time will clearly establish the assurances, requirements and conditions that must be met by a CALFED expansion project before the permitting process is started.

Two resolutions have been prepared for the Board to consider. The first sets forth the policies of the District that would be followed in any CALFED expansion proposal. It includes assurances that would protect the District's interests and customers, such as the Board Principles, and other important issues regarding environmental protections and benefits as described above. A second resolution establishes the advisory ballot language and calls for an election.

The election would be advisory: it would not authorize a project nor would it bind the District to a project. The District would retain the right to withdraw support if the Board Principles and the assurances are not met. A positive vote would allow CALFED to continue with the environmental documentation necessary for project approval by regulatory agencies. Project authorization would come from CALFED Agencies and project partners who fund the project. If the vote is negative, it will effectively stop the project as CALFED has pledged in the CALFED ROD to respect the results of the vote.

Among the items of interest to customers and stakeholders concerns the requirement for a vote. Some have assumed that the 1988 Bond Measure required an additional vote if the Los Vaqueros Project were to be expanded or changed; this is incorrect. In fact, the 1988 Bond Measure provided for a larger reservoir if CCWD were able to find partners; that Bond Measure requires an additional vote only if the Los Vaqueros Project were to be operated in conjunction with a Peripheral Canal or to increase exports from Northern California.

FISCAL IMPACT

None. The CALFED Los Vaqueros Reservoir Expansion Studies are entirely funded by the state (California Department of Water Resources) and federal (U.S. Bureau of Reclamation) CALFED Agencies.

SCHEDULE

If required

June 25, 2003