



February 18, 2015

**Attention: Imported Water Committee**

**Adopt Proposed 2015-2016 Bay-Delta Workplan. (Action)**

**Staff Recommendation**

Adopt the proposed 2015-2016 Bay-Delta workplan.

**Alternatives**

1. Modify the proposed Bay-Delta workplan.
2. Do not adopt the proposed 2015-2016 Bay-Delta workplan.

**Fiscal Impact**

There is no fiscal impact associated with this action.

**Discussion**

The Water Authority has been very active in matters pertaining to the Bay-Delta for the past several years, and has engaged in a years-long Board and staff education process on the Bay-Delta Conservation Plan (BDCP) proposal and its potential effects on the San Diego region. Since 2011, the Board has conducted more than 31 public meetings on Bay-Delta and BDCP-related issues. In addition, an intensive, multi-disciplinary staff analysis of the BDCP environmental and planning documents was undertaken and shared with the Board over the course of 2013 and 2014, culminating in formal Water Authority comment letters submitted on the BDCP effort in Spring and Summer 2014.

Over the course of 2015 and into 2016, significant activity is expected related to the BDCP. In April 2015, it is anticipated that the BDCP will recirculate the environmental documents, including the EIR and EIS, and Implementing Agreement, for further public comment. The BDCP program has identified September 2015 as the projected timeframe for release of the final EIR/EIS, and October 2015 is identified as the projected timeframe for issuance of the federal Record of Decision and the state Notice of Decision on the environmental documents, thereby allowing construction to proceed in the 2016 timeframe.

This report presents a proposed Bay-Delta workplan for calendar years 2015 through 2016. The Bay-Delta workplan is intended to guide staff and the Water Authority Board of Directors in its actions on Bay-Delta issues over the next two years.

Staff recommends that the Board adopt the proposed 2015-2016 Bay-Delta workplan.

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Attachment: Proposed 2015-2016 Bay-Delta Workplan

## **PROPOSED 2015-2016 BAY-DELTA WORKPLAN**

**Objective: The Water Authority will actively engage at various decision-making levels to ensure the development and implementation of a cost-effective Delta solution that will stabilize its environment and provide improved water quality and water supply reliability, and ensure that the Water Authority's share of the financial obligations match with the benefits provided by the selected Delta solution. The Water Authority staff will provide timely information and recommendations about Bay-Delta and Bay-Delta Conservation Plan (BDCP) activities to the Board of Directors.**

### **Oversight of Bay-Delta Activities**

- Advise the Board on Bay-Delta activities through regular reports to the Imported Water Committee – hold Board workshops on specific issues, as appropriate.
- Monitor activities related to the Bay-Delta, such as the BDCP and the Delta Stewardship Council.
- Actively participate, to the extent possible, in the governance, oversight, finance and funding, ecosystem restoration, facilities operations, and public advisory structures that emerge as a result of the BDCP and related forums.
- Provide input to the Water Authority's delegation to the MWD Board of Directors regarding decisions to be made about MWD's participation in Bay-Delta actions and solutions.

### **Development of Water Authority Positions Related to the Bay-Delta**

- Upon publication of BDCP cost allocation data, staff will review and analyze the fiscal and cost allocation data presented to evaluate the potential BDCP fiscal impact on San Diego ratepayers, and to evaluate the BDCP project's cost-benefit to Water Authority ratepayers as compared to other supply alternatives.
- Review and provide comments on the BDCP re-circulated EIR/EIS and Implementing Agreement, as appropriate.
- Monitor the State Water Resources Control Board's process to develop new flow objectives for the Delta and assess potential impact from that process to Delta export as it relates to supply benefit described in BDCP.
- Actively engage in the development of new BDCP governance structures and parameters to ensure balanced and fair representation of interests.

- Educate San Diego business, community, legislative, civic, and opinion leaders, and the media, regarding the Water Authority positions related to the BDCP.

### **Bay-Delta Program Financing**

- Advocate that the costs and sources of funds of any Bay-Delta solution be identified and funding committed before project commences.
- Monitor BDCP pre-construction cost to ensure it is shared equally by all project proponents.
- Monitor and analyze development of any short- or long-term finance plan that:
  - Provides adequate and stable funding to accomplish the co-equal goals of providing a reliable water supply and restoring the Bay-Delta ecosystem.
  - Ensures Bay-Delta solutions proportionately allocate the costs to all those that benefit from the program's actions, so that financial support for the program reflects benefits received.
  - Links water user funding to the accomplishment of specific water supply reliability and water quality goals.
- Work with other stakeholders to secure and maximize appropriations of state and federal funding for necessary Bay-Delta improvements.
- Educate San Diego business, community, legislative, civic, and opinion leaders, and the media, regarding financial implications and potential water supply and water quality benefits of BDCP to San Diego ratepayers.
- Continue to actively advocate for a BDCP financing model that requires firm financial commitments – through take-or-pay contracts or legal equivalent – from member agencies or units of the State Water Project and Central Valley Project contractors, to pay the fixed costs of BDCP, and that utilizes appropriate back-stop financing mechanisms to ensure payment, before bonds are issued and commencement of project construction.

### **Advocacy for Near- and Longer-Term Bay-Delta Improvements Necessary to Restore and Improve Water Supply Reliability**

- Engage Water Authority directors in direct advocacy efforts in Sacramento and Washington, D.C. to communicate the San Diego region's interests in a Delta solution and Bay-Delta improvements.

- Engage directly to secure the support of San Diego business, community, civic, and opinion leaders, and the media, for any Delta solution supported by the Water Authority.
- Monitor MWD's positions and recommendations on Bay-Delta issues and provide recommendations to the Water Authority's delegation to the MWD Board of Directors.
- Recommend to the Water Authority board positions of support or opposition to legislation concerning the Bay-Delta and the BDCP.
- Monitor and report the progress of Bay-Delta water rights hearings and settlement discussions as they affect the quality, reliability, and cost of State Water Project supplies.
- To the extent possible, participate in any forums related to BDCP to advance and protect the San Diego region's interests.

### **Participation and Outreach to Member Agencies and the Public**

- Advise the member agencies on Bay-Delta activities through periodic reports at member agency general manager meetings; make informational presentations at member agency Board meetings and interested community organizations, as requested.
- Represent Water Authority positions at meetings in public forums related to the Bay-Delta, as appropriate; inform Board members and member agency managers of opportunities for their participation in the process and assist in the development of letters and public testimony.
- Provide briefings and written updates, as appropriate, on Bay-Delta issues and San Diego region concerns to local legislators and elected officials, business and community groups, and other interested parties.