

Delta Levee Investment Issue Paper

Requested Action: Staff is returning with the final draft Delta Levee Investment Issue Paper for consideration and acceptance by the Council. Once accepted by the Council, this paper will guide additional discussion and deliberation by the Council in the near term to help further inform efforts to update the Delta Plan's provisions regarding State investment in the Delta's levees and other aspects of Delta Plan's levees investment strategy.

Recommendation

At the Council's direction, staff prepared a draft issue paper summarizing key topics to be addressed during the development of updated Delta Plan provisions and other recommendations regarding State investments in Delta levees. The issue paper will be used to inform updates to the Delta Plan's provisions regarding State investment in the Delta's levees and development of the Council's Delta levees investment strategy.

A draft of the issue paper was submitted to the Council at its September meeting and a 30-day public review was held. Eight comment letters were received in addition to the Council's own comments and public comments at the Council meeting and helped shape the final draft (Attachment 1).

Comments included adding additional historical context and information to help frame the discussion of Delta levees and issues; requests for clarification and expansion of specific issue paper topics; suggestions for staff to conduct more in-depth analysis on specific topics, and; comments that were not directly related to the issue paper, but broader in scope and nature. In addition, a chronology of events was developed and an analysis of cost estimates for levee improvements by different programs was provided.

Staff requests the Council's acceptance of the final draft issue paper, and will also report on progress to date on other efforts related the Delta Levee Investment Strategy.

Background

The Delta Reform Act states "The Delta Plan shall attempt to reduce risks to people, property, and state interests in the Delta by promoting effective emergency preparedness, appropriate land uses, and strategic levee investments" (Water Code section 85305(a)). In addition, "The council, in consultation with the Central Valley Flood Protection Board, shall recommend in the Delta Plan priorities for State investments in levee operation, maintenance, and improvements in the Delta, including both levees that are a part of the State Plan of Flood Control and non-project levees" (Water Code section 85306).

The Delta Plan adopted in May 2013 established interim priorities for State investment in Delta levees (RR P1 and 23 CCR Section 5012). It also recommended that the

Council, in consultation with the Department of Water Resources (DWR), the Central Valley Flood Protection Board (CVFPB), the Delta Protection Commission (DPC), local agencies, and the California Water Commission, promptly update those interim priorities (Delta Plan recommendation RR R4 Actions for the Prioritization of State Investments in Delta Levees).

In January the Council entered into an interagency agreement with the Department of Water Resources to begin development of these updated priorities. In May, the Council approved a contract with ARCADIS to assist the Council in development of the updated priorities. At the time of its approval, the Council directed the staff to return with an issue paper that assesses key policy questions to be addressed in the update.

Delta Levees Investment Strategy

The Delta levees investment strategy that the Council is developing will incorporate a new approach for investing State funds in Delta levees. This new approach should guide the ongoing investment of State funds in a way that considers the interconnection of assets protected by levees, the exposure of these assets to different risk factors, beneficiaries of levee protection and appropriate cost share allocation for this protection. This approach also must recognize that assets such as water supply, ecosystem health, and the unique values of the Delta are not only valuable to the State of California and residents of the Delta, but to a range of beneficiaries.

This new approach will be developed by working together with other affected State and local agencies, Delta residents, and a wide variety of Delta stakeholders. The Delta levees investment strategy will use a comprehensive methodology that considers the assets protected by Delta levees, the threats to Delta levees, the multiple beneficiaries of Delta levee investments, and both structural and non-structural approaches for reducing risk.

The outcome of the project will be a final report that proposes updated priorities for State investments in Delta levees, including revisions to the Delta Plan's flood risk regulatory policies, recommendations, and narrative, and related Delta Plan revisions. The strategy may also be submitted to the California Legislature to help guide future decisions about funding.

State Investments in Delta Levees Issue Paper

At the Council's direction, staff prepared a draft issue paper that assesses key policy questions to be addressed during the development of updated Delta Plan provisions and other recommendations regarding State investments in Delta levees. Through this assessment, the issue paper identified issues that will need to be considered as the

Council updates Delta Plan provisions, as well as sets a policy framework for technical work to be undertaken by its consultants. The issues identified were:

1. What are the Delta's levees?
2. What goals and objectives should State investments in Delta levees further?
3. What are the State's interests in the Delta?
4. What risks threaten Delta levees?
5. Who is responsible for the Delta's levees?
6. What plans guide the State's investment in Delta levees?
7. How is Delta levee maintenance, operation, and improvement funded now?
8. What level of Delta levee improvement is warranted?
9. How should levee improvement costs be allocated?
10. What is the federal government's role?
11. What conditions should be attached to State funding of levees?
12. What provision should be made to improve habitat for fish and wildlife or provide public recreation?
13. What if local agencies don't act?
14. How should the levee priorities address the risk of State liability for levee failures?
15. What about climate change?

Comments Received and Responses

The Council reviewed the draft issue paper at its Sept. 25 meeting and invited public comments during a 30-day review period that closed on Oct. 27. At the conclusion of the review period, staff reviewed the comments received and, as needed, have revised the draft issue paper accordingly. The document comment letters are on the Council's website.

Eight comment letters were received from the following groups: California Central Valley Flood Control Association; Central Delta Water Agency; Contra Costa Water District; Department of Fish and Wildlife; Department of Water Resources; Local Agencies of the North Delta; National Marine Fisheries Service; and State Water Contractors.

Comments included additional historical context and information to help frame the discussion of Delta levees and issues; requests for clarification and expansion of specific issue paper topics; suggestions for staff to conduct more in-depth analysis on specific topics, and; comments that were not directly related to the issue paper, but broader in scope and nature. In all, revisions to the issue paper were fairly minor and consisted mostly of clarifying edits. For example, total cost estimates for levee improvements used in the paper were revised to so that estimates are now attributed to individual programs or plans and not summed. An additional example includes, at the request of DWR and others, more clearly separating discussion of attributes of the Delta Levees Maintenance Subvention Program or Delta Levees Special Flood Control Projects Program where they do not overlap. In addition, a chronology of events that

prompted various Delta levee initiatives was developed and an analysis of cost estimates for Delta levee improvements by different programs is provided.

The comments, staff responses to comments, and a “track changes” version of the issue paper that responds to the comments are posted on the Council website at <http://deltacouncil.ca.gov/delta-levee-investment-strategy>.

Requested Action

Staff is now returning a final draft issue paper (Attachment 1) to the Council for consideration and acceptance. Once accepted by the Council, this paper will guide additional discussion and deliberation by the Council in the near term to help further inform efforts to update the Delta Plan’s provisions regarding State investment in the Delta’s levees and other aspects of Delta Plan’s levees investment strategy.

Next Steps

In the January through March 2015 timeframe several of the key issues from the paper will be brought to the Council for discussion and deliberation. These questions include, but may not be limited to:

- What goals and objectives should State investments in Delta levees further?
- What are the State’s interests in the Delta?
- Who is responsible for the Delta’s levees?
- What plans guide the State’s investment in Delta levees?
- How is Delta levee maintenance, operation, and improvement funded now?
- How should the levee priorities address the risk of State liability for levee failures?

In addition, a workshop will be held with science and policy experts to further explore and address these questions.

Other Activities

During the past month staff has also been working on other tasks of its Delta levee investment strategy related to outreach and communications and data gathering.

Outreach Efforts

The first public meetings on the Delta Levees Investment Strategy are scheduled for Dec. 8 and 11 in Clarksburg and Brentwood, respectively. Council staff will provide an overview of the project objectives, planning process, timeline, and key study inputs. The project team will be available to discuss project issues and local conditions that influence levee investment priorities.

In addition to these scheduled outreach meetings,

- Staff continues to meet with key stakeholders to provide an overview of the project and to solicit input on the information being assembled for a computer based decision-making tool.
- Currently, there are over 470 subscribers to the Delta Levee Investment Strategy email list.

Data Compilation and Review

- The team has developed a list of islands and tracts to provide a framework for data compilation and analysis along with a preliminary project base map.
- The team continues efforts to develop and identify threats, assets, and beneficiaries to be used in the Delta Levee Investment Strategy.

List of Attachments

Attachment 1: State Investment in Delta Levees Issue Paper (December 2014)

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