

Delta Flood Management Investment Strategy Principles

Requested Action: The staff recommends the Council adopt the revised *Delta Flood Management Investment Strategy Principles* as interim guidance, to be considered together with the State interests the Council identified in March, to guide next steps in the development of the Council's Delta Flood Management Investment Strategy. The revised principles include revisions to address Council discussion at its June meeting and oral and written comments received from stakeholders.

An update on other activities in the development of the Delta levees investment strategy is also included in the staff report.

Recommendation

Adopt the principles as interim guidance, to be considered together with the State interests the Council identified in March, for the next steps in the development of the Council's Delta Flood Management Investment Strategy.

The Council may choose to reconsider these principles in light of results of stakeholder discussion and evaluation of alternative investment priorities using the project's computer-supported decision support tool and environmental impact assessment, in its future considerations of the Delta Flood Management Investment Strategy.

Background

Over the past few months, staff has provided updates on the development of the Delta levees investment strategy (DLIS) and ARCADIS' proposed risk and investment evaluation methodology. In March, the Council approved a list of State interests for further consideration during development of the DLIS. In May, Vice Chairman Isenberg and Council members Tatayon and Johnston proposed a statement of principles to guide further development of the DLIS and other potential Delta Plan revisions that contribute to the plan's comprehensive flood management strategy. The proposed principles reflected discussions among Council members at the March and April meetings and advice from the Council's March 11, 2015 risk management/levee expert workshop, as well as from stakeholders and staff. The proposed principles for Delta flood management were reviewed during the May 28 Council meeting and the public was given an opportunity to comment during May and June. A summary of stakeholders' comments was presented at the June Council meeting, when additional public testimony on the principles was also received. Attachment 2 presents a matrix of written comments on the principles.

The principles included in this staff report reflect revisions based on public comment and Council direction. Staff will use the adopted principles to guide the development of the DLIS, including completion of the project's computer-supported decision support tool and alternative levee and flood management investment portfolios for evaluation by the Council this fall.

In addition, at this meeting staff will provide general project updates and discuss upcoming project milestones.

Revised Delta Flood Management Investment Strategy Principles

Revised *Delta Flood Management Investment Strategy Principles (Principles)* are presented In Attachment 1. Revisions proposed in response to Council discussion and public comments include:

- State Interests to be Furthered and/or Considered in Developing the Investment Strategy. In response to comments seeking clarification of the State interests to be furthered by the investment strategy, the principles have been revised to emphasize the importance of the coequal goals of a more reliable water supply and protecting, restoring, and enhancing the Delta ecosystem. The principles and the narrative about further guidance have been carefully crosschecked with the initial list of State interests approved in March, so that each State interest identified then is noted. For example, the principles and further guidance now specifically call out the need to consider how investments benefit important infrastructure.
- Urbanization and Flood Management. In response to comments that the draft principles inaccurately portrayed reclamation districts' role in urbanization of floodprone areas, the updated principles focus on the role of State flood management investments, rather than actions of reclamation districts and local governments. The principle, together with existing Delta Plan provisions restricting most urban development to areas already planned for urban use in cities and their spheres of influence, constrains development of flood prone Delta lands.
- Flexible risk reduction approaches. The importance of flexible approaches to reducing flood risks is reemphasized with a reminder that both reducing the probability of flooding and its consequences are important.
- Ecosystem Protection. In response to comments from the Department of Fish and Wildlife and many reclamation districts, the principles now express a preference for a programmatic approach to ecosystem improvement that locates ecosystem enhancements where they provide high benefits.
- Unique Delta Values. In response to comments from the Delta Protection Commission and other in-Delta stakeholders, the section addressing farmlands,

historic communities, and natural and cultural resources provides clearer direction about consideration of these unique Delta values.

- State and Local Responsibilities. The Delta Plan's broad principle that beneficiaries pay is emphasized, while statements about responsibilities of water contractors and other water users for levee improvements protecting water quality and landowners for levee maintenance are adjusted or removed. The importance of considering localities' ability to pay is addressed, reflecting comments from San Joaquin County, other stakeholders, and existing law.
- A Collaborative Approach. A new section of the narrative about further guidance emphasizes development of a strategy that acknowledges and builds upon the roles of the State, local, and federal agencies involved in Delta flood risk management.
- Post-flood recovery. The importance of reasonable rules for federal post-flood recovery programs and for accountability in maintaining eligibility for federal assistance are both noted as examples of issues the strategy should address in considering post-flood recovery.

Other Updates

- CEQA Process - On May 28, 2015, Council staff filed a Notice of Preparation (NOP) with the State Clearinghouse stating that the Council will prepare an Environmental Impact Report (EIR) for the update to the Delta Levee Investment Strategy. Comments were solicited through July 1. Fourteen written comments were received. They are being posted on the DLIS website (<http://deltacouncil.ca.gov/delta-levees-investment-strategy>). In addition to written comments, the project team held two scoping meetings in West Sacramento and Stockton on June 30, 2015. Comments on the NOP are used by ESA, Arcadis' environmental consulting partner on the DLIS, in proposing the scope of the DLIS' programmatic EIR.
- Review of Proposed DLIS Methodology - The report of the Independent Scientific Review Panel will be posted on the Council website as soon as it is available. Council staff will review the Panel comments with our interagency partners and determine an agreed upon course of action for addressing any recommendations proposed by the Panel. Staff anticipates bringing a summary of the recommendations received to the Council in August.
- Outreach and Coordination - Since the last Council briefing, staff has reached out to several stakeholder groups to exchange thoughts on the development of the DLIS, data accuracy, and the proposed methodology. In addition to regularly scheduled interagency coordination, staff met with representatives from the Department of Water Resources' (DWR's) to discuss comments received on the proposed methodology and to coordinate project related activities. Staff will continue to meet

with key stakeholders and technical experts to solicit input on the information being assembled as the project moves towards the analytical work phase.

- Project Schedule and Milestones - Attachment 3: *Delta Levees Investment Strategy - Project Schedule* is included as a standing item for the DLIS monthly updates.

List of Attachments

Attachment 1: Revised Draft *Delta Flood Management Investment Strategy Principles*

Attachment 2: Comments Received on the Draft *Delta Flood Management Investment Strategy Principles*

Attachment 3: Delta Levees Investment Strategy - Project Schedule

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