

Presentation and Discussion of Levee Investment Issue Paper

Summary: At the Council's direction, the staff has 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.

Staff requests the Council review the attached draft and invite public comments on it, as a first step in a 30-day public review period for the draft paper. At the conclusion of the review period, staff will consider the comments received, revise the draft issue paper, and return it to the Council at a subsequent meeting for consideration and request endorsement of the paper.

Staff also will report on progress to date on efforts related to communication strategy and public outreach, the independent scientific review panel, and data compilation and review.

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 commence 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.

Through this assessment, the issue paper would identify issues that will need to be considered as the Council updates these Delta Plan provisions, as well as set a policy framework for technical work to be undertaken by its consultants.

Delta Levees Investment Strategy

A 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, 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.

Delta Levees Draft Investment Strategy Issue Paper

The draft paper attached to this memo outlines 15 issues that will need consideration as the Council updates the Delta Plan's provisions regarding State investment in the Delta's levees. It summarizes background information about these issues, provides references for further information, and highlights key points that will need to be addressed over the coming months. The issues are:

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?

Staff invites input on this draft issue paper from the Council and the public. In addition to this September meeting, staff will accept additional public comment over the next month through Monday, Oct. 27, 2014. A revised version of the paper will be presented at a subsequent Council meeting. Once accepted by the Council, this paper will guide and 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.

Questions for Council Consideration

As the Council reviews the draft issue paper, it may wish to consider:

- Is the draft issue paper's list of key questions complete? Are there other important questions that ought to be considered?
- What issues warrant early consideration by the Council, and which should be incorporated into the technical work to be undertaken the Council's consultants?
- What agencies and other stakeholders have expertise and viewpoints that are especially important to consideration of these issues?

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; data gathering, and preparation for independent scientific review.

Independent Scientific Review Panel

- The Delta Science Program has responsibility for convening the independent scientific panel that will review the project methodology in accordance with the Delta Science Plan's provisions for independent scientific review.

Dr. James Mitchell has agreed to chair the panel and staff is close to securing the remaining members. Additionally, a charge for the independent scientific review panel has been drafted and is currently under review. This independent review is scheduled for spring 2015.

Communication Strategy and Outreach Efforts

- The consultants have developed a detailed communication plan that is being reviewed by Council staff. It identifies key stakeholders who should be engaged in this process, a schedule of key events and milestones, and a description of future outreach meetings.
- Initial outreach meetings began after the August Council meeting. These small group meetings are informal listening sessions to begin engaging key stakeholders.
- Launched a webpage on the Council's website dedicated to this project. The page can be viewed at (<http://deltacouncil.ca.gov/delta-levée-investment-strategy>).

Data Compilation and Review

- Staff has coordinated with the Department of Water Resources to obtain various data sources for this project. ARCADIS is currently reviewing and organizing the data to identify adequacy of the data and any gaps that exist. Staff has also contacted the Delta Protection Commission to obtain data from the Economic Sustainability Plan and will be inquiring with other entities for additional pertinent information.

List of Attachments

Attachment 1: Draft Delta Levee Investment Strategy Issue Paper

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