



**DELTA STEWARDSHIP COUNCIL**  
A California State Agency

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August 7, 2012

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Hank Nordhoff  
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Mr. Michael Machado  
Executive Director  
Delta Protection Commission  
2101 Stone Blvd., Suite 210,  
West Sacramento, CA 95691

**Executive Officer**  
P. Joseph Grindstaff

Dear Mr. <sup>Mike</sup>Machado:

This letter is to memorialize our agreement about the Delta Stewardship Council's review of the Delta Protection Commission's (DPC) Economic Sustainability Plan (ESP) which was included in the proposal to protect the Delta as an evolving place that the DPC submitted to the Council on January 27, 2012. You are aware that Public Resources Code 29759, 29761 and 29761.5 and Water Code Section 85301 describe procedures for the preparation and review of the DPC's proposal to protect the Delta as an evolving place and the ESP. The purpose of this letter is to describe our agreement about our agencies' actions on the proposal and the ESP.

As you know, the Council considered the DPC's proposal, including the ESP, at public hearings on February 9 and 10, 2010. At that time, the staff recommended that the Council support the DPC's proposal to protect the Delta as a National Heritage Area. We also recommended that the Council determine that twenty four of thirty eight policy recommendations of the ESP appear feasible and consistent with the Delta Reform Act, three are potentially consistent, three are premature, and eight recommendations appear inconsistent or infeasible. Over the following five months, the Council, as it has continued its development of the Delta Plan, has continued to consider the ESP's recommendations as it has responded to comments on the plan from you, other Delta stakeholders, and Councilmember Nottoli.

The final draft Delta Plan approved by the Council on July 12 supports the designation of the Delta as a National Heritage Area. The final draft Delta Plan policies or recommendations also fully accept seventeen of the ESP's recommendations. Eight other ESP recommendations were partly accepted in Delta Plan policies or recommendations. The only ESP recommendation that was not accepted was that all non-project levees should be improved to the PL 84-99 standard. Rather, the Delta Plan does not recommend any specific standard for

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*"Coequal goals" means the two goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. The coequal goals shall be achieved in a manner that protects and enhances the unique cultural, recreational, natural resource, and agricultural values of the Delta as an evolving place."*

– CA Water Code §85054

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Executive Director  
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Delta levees, and recommends state funding for levee improvements in accordance with the assets to be protected.

The Delta Plan does not yet respond to twelve ESP recommendations on which the Council deferred action. These twelve recommendations may warrant reconsideration later, after the BDCP is completed, the Council has updated its priorities for state investments in Delta levees, and the prospects for a potential Delta Investment Fund are more clear.

The table attached to this letter provides the disposition of each ESP recommendation, with a reference to the corresponding policy, recommendation, or narrative of the final staff draft Delta Plan.

With your concurrence, the Council's action of the draft Delta Plan completes its review of the ESP pursuant to Water Code 850301 and Public Resources Code 29763.

Sincerely,



Dan Ray  
Chief Deputy Executive Officer

DPC Proposal to Protect the Delta as Place Proposal No.	Text	Status (Accept/Partially Accept/Defer/Reject)	Delta Plan Policy/Recommendation No.	Text
1.1	Improve and maintain all non-project levees to at least the Delta-specific PL 84-99 standards.	Reject	RR P1	
1.2	Improve most "lowland" levees and selected other levees to a higher Delta-specific standard that more fully addresses the risks due to earthquakes, extreme floods, and sea-level rise, allows for improved flood fighting and emergency response, provides improved protection for legacy communities, and allows for growth of vegetation on the water side of levees to improve habitat.	Defer	RR P1	
1.3	The Delta Levee Subventions and Special Projects Program should continue to be supported.	Accept	RR P1	
1.4	Transfer to a regional agency with fee assessment authority on levee beneficiaries responsibility for allocating funds for the longer-term improvement of Delta levees and the maintenance of regional emergency preparedness, response, and recovery systems developed jointly with the Delta counties and state and federal governments.	Partially accept	RR R2	
1.5	In addition to providing funding for longer-term levee improvements, provide ongoing funding for regular levee m maintenance and expanded emergency preparedness, response, and recovery.	Partially accept	RR P1	
1.6	Reduce or eliminate regulatory impediments to action by the creation of a one-stop permitting system for selected activities within the Delta including dredging, levee construction, and ecosystem restoration.	Partially accept	DP Ch 2, p. 47, line 9	Role for Implementation Committee
1.7	Fully and expeditiously implement the recommendations contained in the SB27 Sacramento-San Joaquin Delta Multi-Hazard Coordination Task Force report.	Accept	RR R1	
1.8	Formally identify the Delta region as the geographic basis for integrated response, mutual aid, decision making, and information sharing processes during major floods.	Defer		
2.1	Designate a regional agency to implement and facilitate economic development efforts.	Defer	DP Ch 5, p. 197, lines 14-38	

DPC Proposal to Protect the Delta as Place Proposal No.	Text	Status (Accept/Partially Accept/Defer/Reject)	Delta Plan Policy/Recommendation No.	Text
2.2	Economic impacts of habitat creation and development of facilities for export water supply should be fully mitigated.	Defer	DP Ch 5, p. 197, lines 14-38	
2.3	Land use planning and regulation must be clear and consistent across agencies.	Accept	DP Ch 2, p 50-54, Ch 5, p. 171-177	
3.1	Maintain and enhance the value of Delta agriculture.	Partially accept	DP Ch 5, p. 180-185, DP P1, DP P2, DP R8-R10	
3.2	Limit the loss of productive farmland to urbanization, habitat, and flooding to the greatest practical extent.	Partially accept	DP P1, DP P2,	
3.3	Protect Delta water quality and water supplies for agriculture.	Accept	WQ R1, WQ R2	
3.4	Support growth in agritourism.	Accept	DP R9	
3.5	Support local value added processing of Delta crops.	Accept	DP R8 (see also DP P-1)	
4.1	Protect and enhance private enterprise-based recreation with support from state and local public agencies.	Accept	DP R11, DP R17 (see also DP P-1)	
4.2	Focus recreation development in five locations-based concepts: 1) Enhance Delta Waterways 2) Develop Dispersed Points of Interest and Activity Areas 3) Create Focal Point Destination Complexes with natural areas, parks, Legacy Communities, marinas, historic features, and trails 4) Expand public access to Natural Habitat Areas 5) Create recreation-oriented buffers at Delta urban edges	Accept	DP R11	
4.3	Implement Economic Sustainability Plan through specific strategies.	Partially accept		
5.1	Planning of levee investments must fully consider the economic value of infrastructure services along with all other benefits.	Accept	WQ R1, WR R2	
5.2	All owners, operators of infrastructure and those beneficiaries that depend on Delta levees must contribute to levee system investment and maintenance.	Accept	RR R2, RR R3	
5.3	Protect and improve Delta water quality and supply for agricultural, municipal and industrial uses.	Accept	WQ R1, WQ R2	
5.4	Ensure that future development of infrastructure in the Delta is aligned with economic sustainability strategies.	Accept	DP R5	
5.5	Support expansion and development of the ports.	Accept	DP R18	
6.1	Emphasize strategies with little or no conflict with the Delta economy.	Defer		

DPC Proposal to Protect the Delta as Place Proposal No.	Text	Status (Accept/Partially Accept/Defer/Reject)	Delta Plan Policy/Recommendation No.	Text
6.2	Expanded and enhanced flood bypasses can be consistent with economic sustainability if agencies work with local stakeholders to minimize and mitigate economic impacts.	Partially accept	ER P1, ER R1, RR P4, RR R4, DP R 10	
6.3	Tidal marsh habitat plans should be significantly reduced.	Defer		
6.4	Increased open-water habitat in the Delta is not recommended.	Defer		
6.5	Include recreation facility development in habitat enhancement plans when possible.	Accept	DP R11,	
6.6	Habitat restoration should start on state-owned land and only occur on private lands with willing sellers consistent with local land use plans.	Partially accept	DP P2, DP R4	
7.1	Continuing the through-Delta conveyance is important to economic sustainability in the Delta and can be consistent with water supply reliability within and outside the Delta.	Defer	WR R12	
7.2	A dual conveyance plan with a large, 15,000 cfs isolated conveyance facility has large conflicts with Delta economic sustainability and has high risk for Delta stakeholders.	Defer	WR R12	
7.3	Options to large isolated conveyance must be fully and consistently evaluated.	Defer	WR R12	
8.1	Conduct a comprehensive and credible cost-benefit analysis to analyze Delta alternatives.	Defer	WR R12	
8.2	New recreation data is needed and should be updated regularly.	Accept	Ch 5, p. 197, line 10-11	
8.3	Maintain an Economic Sustainability Scoreboard to track progress.	Accept	Performance measures to be developed Ch 5, p. 199	
8.4	The Delta Science Program should sponsor more engineering and economic studies in addition to ecological research.	Accept	Ch 3, p 106, lines 15-34, Ch 7, p. 278, lines 8-16	
8.5	Increase alignment among the various research and planning initiatives.	Defer		