

**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 3600	Department Fish and Wildlife	Priority No. 20
Budget Request Name 3600-100-BCP-DP-2016-GB		Program <b>2590-BIODIVERSITY CONSERVATION PROGRAM</b>	Subprogram N/A

Budget Request Description  
 Sacramento and San Joaquin River Tributaries

Budget Request Summary

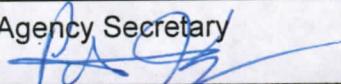
The Department of Fish and Wildlife requests \$816,000 General Fund and one permanent position to complete negotiations in tributaries to the Sacramento-San Joaquin rivers for settlements that create water supply and regulatory certainty for water users and improve ecological flow and habitat for species.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR       SPR      Project No.      Date:

If proposal affects another department, does other department concur with proposal?       Yes       No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By	Date	Reviewed By	Date
Department Director 	Date 12/31/15	Agency Secretary 	Date 12/31/15

**Department of Finance Use Only**

Additional Review:  Capital Outlay     ITCU     FSCU     OSAE     CALSTARS     Dept. of Technology

BCP Type:       Policy       Workload Budget per Government Code 13308.05

PPBA	Original Signed by <b>Amanda Martin</b>	Date submitted to the Legislature 1-8-16
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# BCP Fiscal Detail Sheet

BCP Title: Sacramento and San Joaquin Tributaries

DP Name: 3600-100-BCP-DP-2016-GB

## Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	1.0	1.0	1.0	1.0	1.0
<b>Total Positions</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
Salaries and Wages						
Earnings - Permanent	0	122	122	122	122	122
Earnings - Temporary Help	0	333	0	0	0	0
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$455</b>	<b>\$122</b>	<b>\$122</b>	<b>\$122</b>	<b>\$122</b>
Total Staff Benefits	0	223	59	59	59	59
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$678</b>	<b>\$181</b>	<b>\$181</b>	<b>\$181</b>	<b>\$181</b>
Operating Expenses and Equipment						
5301 - General Expense	0	28	3	3	3	3
5302 - Printing	0	5	1	1	1	1
5304 - Communications	0	9	2	2	2	2
5306 - Postage	0	2	0	0	0	0
5320 - Travel: In-State	0	6	1	1	1	1
5322 - Training	0	21	1	1	1	1
5324 - Facilities Operation	0	30	6	6	6	6
5326 - Utilities	0	10	2	2	2	2
5344 - Consolidated Data Centers	0	3	1	1	1	1
5346 - Information Technology	0	4	1	1	1	1
5368 - Non-Capital Asset Purchases - Equipment	0	8	0	0	0	0
539X - Other	0	12	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$138</b>	<b>\$18</b>	<b>\$18</b>	<b>\$18</b>	<b>\$18</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$816</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>
<b>Fund Summary</b>						
Fund Source - State Operations						
0001 - General Fund	0	816	199	199	199	199
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$816</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$816</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>

## Program Summary

Program Funding

2590 - Biodiversity Conservation Program  
**Total All Programs**

0	816	199	199	199	199
<b>\$0</b>	<b>\$816</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>	<b>\$199</b>

**Personal Services Details**

		<b>Salary Information</b>								
		Min	Mid	Max	<u>CY</u>	<u>BY</u>	<u>BY+1</u>	<u>BY+2</u>	<u>BY+3</u>	<u>BY+4</u>
Positions										
	5780 - Atty IV (Eff. 07-01-2016)				0.0	1.0	1.0	1.0	1.0	1.0
	TH00 - Temporary Help				0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Positions</b>					<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
Salaries and Wages		CY	BY	BY+1	BY+2	BY+3	BY+4			
	5780 - Atty IV (Eff. 07-01-2016)	0	122	122	122	122	122			
	TH00 - Temporary Help	0	333	0	0	0	0			
<b>Total Salaries and Wages</b>		<b>\$0</b>	<b>\$455</b>	<b>\$122</b>	<b>\$122</b>	<b>\$122</b>	<b>\$122</b>			<b>\$122</b>
Staff Benefits										
	5150350 - Health Insurance	0	68	18	18	18	18			18
	5150450 - Medicare Taxation	0	6	1	1	1	1			1
	5150500 - OASDI	0	28	8	8	8	8			8
	5150600 - Retirement - General	0	114	31	31	31	31			31
	5150800 - Workers' Compensation	0	7	1	1	1	1			1
<b>Total Staff Benefits</b>		<b>\$0</b>	<b>\$223</b>	<b>\$59</b>	<b>\$59</b>	<b>\$59</b>	<b>\$59</b>			<b>\$59</b>
<b>Total Personal Services</b>		<b>\$0</b>	<b>\$678</b>	<b>\$181</b>	<b>\$181</b>	<b>\$181</b>	<b>\$181</b>			<b>\$181</b>

## Analysis of Problem

### A. Budget Request Summary

The Department of Fish and Wildlife (Department) requests \$816,000 General Fund and one permanent position to complete negotiations in tributaries to the Sacramento-San Joaquin rivers for settlements that create water supply and regulatory certainty for water users and improve ecological flow and habitat for species. This proposal would provide one new Attorney IV position to lead the negotiations, develop settlement agreements, and provide ongoing monitoring of the implementation of the settlement agreements. In addition, this proposal would provide one-year funding for four existing environmental scientist positions with experience in biology, hydrology and other disciplines needed to negotiate critical terms for the voluntary settlements agreements.

### B. Background/History

In January 2014, the Administration produced the California Water Action Plan (CWAP). The CWAP has informed many subsequent budget, funding, and policy priorities for the last couple years across the cabinet agencies of Natural Resources, Environmental Protection, and Food and Agriculture. It also served as the basis to develop the Proposition 1 bond act, which over 60% of Californians supported. The "Protect and Restore Important Ecosystems" action of the CWAP provides that:

"The administration, with the involvement of stakeholders, will build on the work in tributaries to the Sacramento and San Joaquin rivers, analyze the many voluntary and regulatory proceedings underway related to flow criteria, and make recommendations on how to achieve the salmon and steelhead and ecological flow needs for the state's natural resources through an integrated, multi-pronged approach." (See CWAP at pg. 12).

The Department is currently involved in many, if not most, tributaries to the Sacramento and San Joaquin rivers working directly with irrigation districts and water agencies through existing Federal Energy Regulatory Commission administrative processes regarding licensed hydroelectric facilities, through collaborative discussions about ecological flow and restoration programs, and through programs like the Department's Voluntary Drought Initiative.

The CWAP, a comprehensive five year water infrastructure and management strategy to support sustainable water management, also identified the need to update the Bay Delta Water Quality Control Plan (Plan), which update will relate to ecological conditions in these tributaries.

### C. State Level Considerations

This proposal supports implementation of the CWAP and reflects the high priority placed by the Administration on finding durable results to long-running water disputes. The Department has worked closely with the State Water Resources Control Board (Board) in this area and will continue to do so as it is pursuing settlement agreements. The Department and the Board have the principal authority and responsibility to ensure that the state's waters will support fish and wildlife in good condition.

### D. Justification

The Natural Resources Agency and the Department support a target deadline of the end of 2016 to complete the agreements. This near-term effort will be an intensive endeavor. The Department proposes to form a unit of five staff with expertise in biology, hydrology, natural resources and water law, and ecology, as well as experience working with water users and others in a collaborative venue. This proposal would provide one-year funding for four environmental scientists, and permanent funding for a new Attorney IV position. In the long-term, the Attorney IV leading the team would remain responsible for the Department's monitoring implementation of the voluntary settlement agreements.

The Department, with its mission to protect the state's nature resources for their intrinsic value as well as for the use and enjoyment by the people of California, is uniquely positioned to directly engage in each relevant watershed with the goal of forging balanced outcomes that improve ecosystem conditions

## Analysis of Problem

while ensuring reliability and certainty for the regulated community. Existing proceedings are already underway through different regulatory nexuses in these tributaries. As the Board proceeds with its critical work on the Plan update, the Department should proceed in parallel attempting to forge consensus results that could complement the Board's work.

This intensive effort over 2016 will necessarily cover key areas. For example, scientific and modeling evaluations are necessary to negotiate critical terms for the voluntary settlements agreements. In addition to the actual negotiations on the individual tributaries, other necessary work includes drafting appropriate legal instruments with settlement participants. The Attorney IV would be the lead for designing the architecture of the voluntary settlement agreements.

### E. Outcomes and Accountability

Measurable outcomes will be:

- Reports that analyze various statistical, sampling, and modeling methodologies; and reports of new models that are developed and sent for scientific peer review.
- A number of scientific models created to measure both flow and non-flow metrics conforming to the Water Quality Control Plan and CWAP.
- Numerous gap analysis reports showing the data necessary to negotiate critical terms of the agreements.
- Several voluntary settlement agreements specific to various tributaries of both the Sacramento and San Joaquin rivers.
- Ongoing monitoring of the implementation of the voluntary settlement agreements.

### F. Analysis of All Feasible Alternatives

**Alternative 1:** Approve this request as submitted for \$816,000 General Fund, starting in FY 2016-17.

Cost: \$816,000.

Advantage: This proposal will continue to allow the department to fully engage in negotiation of settlements related to water supply on tributaries to the Sacramento and San Joaquin Rivers.

Disadvantage: Would require additional General Fund

**Alternative 2:** Provide one-time funding for this request.

Cost: \$816,000.

Advantage: There would be no ongoing costs.

Disadvantage: Without the permanent attorney position as requested in this proposal, the department would be unable to monitor settlements reached and respond to legal issues in coordination with the Board.

**Alternative 3:** Fund this proposal a source other than General Fund, such as bond funds.

Cost: \$816,000.

Advantage: No additional General Fund cost

Disadvantage: The proposed activities are likely to be deemed an inappropriate use of bond funds, which could lead to an adverse audit finding and a requirement that these costs be paid from another source.

## Analysis of Problem

### **G. Implementation Plan**

Implementation of this proposal would begin on July 1, 2016, and/or upon approval of the FY 2016-17 Budget.

### **H. Supplemental Information**

N/A

### **I. Recommendation**

The Department's recommendation is to approve Alternative 1.