

**FY 2008 Central Valley Project Restoration Fund**  
(\$ in thousands)

Project	FY 2007 Request	FY 2008						FY 2008 Request	Other Fed./ Non-Fed.	Total Program
		Water & Energy	Land Management	Fish & Wildlife	Facility Operations	Facility Maintenance				
<b>Miscellaneous Project Programs</b>	<b>23,592</b>			<b>28,300</b>				<b>28,300</b>	<b>1,334</b>	<b>29,634</b>
Anadromous Fish Restoration Program	4,200			4,500				4,500	0	4,500
Other Central Valley Project Impacts	1,500			1,500				1,500	0	1,500
Dedicated Project Yield	900			800				800	0	800
Flow Fluctuation Study	50			50				50	0	50
Refuge Wheeling	8,008			8,800				8,800	0	8,800
Refuge Water Supply, Facility Construction	1,800			5,000				5,000	0	5,000
Ecosystem/Water Systems Operations Model	7,134			7,650				7,650	1,334	8,984
<b>San Joaquin Division</b>	<b>10,986</b>			<b>13,790</b>				<b>13,790</b>	<b>0</b>	<b>13,790</b>
Water Acquisition Program	8,086			9,990				9,990	0	9,990
San Joaquin Basin Action Plan	1,400			2,800				2,800	0	2,800
Land Retirement Program	1,500			1,000				1,000	0	1,000
<b>San Joaquin River Basin Resource Management Initiative</b>	<b>2,000</b>			<b>2,000</b>				<b>2,000</b>	<b>0</b>	<b>2,000</b>
Subtotal-F/WL Resources Habitat	36,578			44,090				44,090	1,334	45,424
<b>Shasta Division</b>	<b>1,000</b>			<b>800</b>				<b>800</b>	<b>0</b>	<b>800</b>
Clear Creek Restoration	800			800				800	0	800
Coleman Fish Hatchery	200									
<b>Trinity River Division</b>	<b>0</b>			<b>1,000</b>				<b>1,000</b>	<b>0</b>	<b>1,000</b>
Trinity River Restoration	0			1,000				1,000		1,000
<b>Miscellaneous Project Programs</b>	<b>3,900</b>			<b>5,732</b>				<b>5,732</b>	<b>0</b>	<b>5,732</b>
Restoration of Riparian Habitat and Spawning Gravel	500			1,000				1,000	0	1,000
Assessment/Monitoring Program	400			300				300	0	300
Anadromous Fish Screen Program (AFSP)	3,000			4,432				4,432	0	4,432
Subtotal-F/WL Resources Management	4,900			7,532				7,532	0	7,532
<b>TOTAL - CVP RESTORATION FUND</b>	<b>41,478</b>			<b>51,622</b>				<b>51,622</b>	<b>1,334</b>	<b>52,956</b>

Note: Does not include funding from Water and Related Resources.  
FY 2007 column reflects the President's budget request level.

## Central Valley Project Restoration Fund

The Central Valley Project Improvement Act (CVPIA) Restoration Fund (Fund) was authorized in the Reclamation Projects Authorization and Adjustments Act of 1992 (Act), Title XXXIV of P.L. 102-575, October 30, 1992. This Fund was established to provide funding from project beneficiaries for habitat restoration, improvement and acquisition, and other fish and wildlife restoration activities in the Central Valley Project (CVP) area of California. Revenues are derived from payments by project beneficiaries and from donations.

Extensive coordination and cooperation between the Fish and Wildlife Service and Reclamation, in conjunction with the Restoration Fund Roundtable, continues to help ensure efficient and effective implementation of the Act. The Restoration Fund Roundtable includes Central Valley water users, hydropower representatives, and interested groups.

The FY 2008 request, which includes \$1,334,000 in State cost-share funds, will provide funding to assist in the protection, restoration and enhancement of fish, wildlife, and associated habitats in the CVP area of California.

**BUDGET AND PERFORMANCE INTEGRATION:** This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goal(s): Deliver Water.

This project contributes to the following performance goals: natural production of anadromous fish; flows for fish habitat; construction of structural fish restoration actions; refuge water supplies; wildlife and associated habitat restoration; Trinity River Restoration; and data gathering and analysis to support all programs.

### SUMMARIZED FINANCIAL DATA

#### Program Financial Data

Activity	FY 2007	FY 2008
Fish and Wildlife Management and Development	\$41,478,000	\$51,622,000
Request	\$41,478,000	\$51,622,000
Non-Federal	1,334,000	1,334,000
Prior Year Funds	0	0
Total Program	\$42,812,000	\$52,956,000
Prior Year Funds/Non-Federal	(1,334,000)	(1,334,000)
Total Reclamation Allotment	\$41,478,000	\$51,622,000

#### Anticipated Receipt Allocations

	FY 2007	FY 2008
Pre-Renewal Charges	\$0	\$0
Friant Division Surcharges, 3406(c)(1) <sup>1/</sup>	7,500,000	0
Additional Mitigation and Restoration Payments, 3407(d)	33,755,000	51,321,000
Tiered Water Charges	300,000	300,000
Municipal and Industrial (M&I) Surcharge	1,000	1,000
Water Transfer Charge	0	0
Total Anticipated Receipt Allocations	\$41,556,000	\$51,622,000

<sup>1/</sup> Receipts from Friant Division Surcharges, 3406(c)(1) will be deposited in San Joaquin River Restoration Fund.

**CVPIA Requested Funds**

Division	FY 2007 Water and Related Resources	FY 2007 Restoration Fund	FY 2008 Water and Related Resources	FY 2008 Restoration Fund
Miscellaneous Project Programs	\$520,000	\$27,492,000	\$0	\$34,032,000
Trinity River Division	7,000,000	0	7,005,000	1,000,000
Delta Division	2,271,000	0	2,169,000	0
Sacramento River Division	1,308,000	0	558,000	0
San Joaquin Division	309,000	10,986,000	327,000	13,790,000
Shasta Division	135,000	1,000,000	100,000	800,000
San Joaquin River Basin Resource Management Initiative	0	2,000,000	0	2,000,000
<b>Total</b>	<b>\$11,543,000</b>	<b>\$41,478,000</b>	<b>\$10,159,000</b>	<b>\$51,622,000</b>

**WORK PROPOSED FOR FY 2008**

**Fish and Wildlife Management and Development -  
Miscellaneous Project Programs, CVP (\$34,032,000)**

Anadromous Fish Restoration Program (AFRP) - Section 3406(b)(1). The AFRP will continue to make reasonable efforts to at least double natural production of anadromous fish. In pursuing this goal, AFRP will work with local watershed groups and other local partners to implement locally developed and supported watershed restoration plans, and to give first priority to actions, which protect and restore natural channel and riparian habitat values. The AFRP will focus on streams with the potential to sustain natural production of winter-run Chinook salmon, spring-run Chinook salmon, and steelhead, which are federally listed as threatened. The streams that support these species include the Sacramento, Yuba, and American rivers, and Battle, Mill, Deer, Big Chico, and Butte creeks. Emphasis will be on improving access for spawning adults to upstream habitat, protecting and restoring riparian and shaded riverine aquatic habitat, improving access for juvenile fish to floodplain habitats, and reducing loss of juveniles along their rearing and migratory corridors. Additional actions within the AFRP will emphasize the San Joaquin River Basin fall-run Chinook salmon, which are considered a candidate for Federal listing. Actions will focus on restoring river and tributary channels and channel forming processes, restoring spawning gravels and riparian cover, and eliminating predator ponds on tributaries. **\$4,500,000**

Other Central Valley Project Impacts - Section 3406(b)(1). Funding will be used for acquisition of fee title, conservation easements, restoration, and management of habitats as well as surveys and studies for listed, proposed, or candidate species to facilitate better management decisions for acquisition, restoration, and management. The project will focus on protecting, restoring, and conserving threatened serpentine soil habitats, grassland and alkali scrub habitats in the southern Valley, vernal pools wetlands

in CVP impacted areas, chaparral, riparian and associated oak woodland habitats throughout the Valley. The restoration activities of the (b)(1) "Other" Program is required as part of the Programmatic Section 7 Consultation for CVPIA and other Biological Opinions related to CVP operations. The program focuses on actions that contribute to the recovery of CVP impacted species and habitats. Extensive coordination and partnering with other Federal, State, and non-profit agencies will continue, particularly within CVPIA and CALFED. Between 1992 and 2004 every dollar of CVPIA funds was matched with approximately \$4.00 of partner or non-CVPIA funds. **1,500,000**

Dedicated Project Yield - Section 3406(b)(2). Funding will be used to continue efforts associated with dedication and management of 800,000 acre-feet of CVP yield for the primary purpose of anadromous fish restoration as directed by the CVPIA. The May 2003 Decision on Implementation of Section 3406(b)(2), will be implemented for the fifth year in 2008, upstream actions will be implemented; and monitoring and evaluation to assess the effectiveness of (b)(2) environmental measures will continue. **800,000**

Flow Fluctuation Study - Section 3406(b)(9). Funding will be used to complete guidelines and agreements for the operation of the Stanislaus River. Literature reviews and field evaluations will continue on critical flow stages and ramping rates to develop guidelines and agreements for the Sacramento River. Review of operations and field observations will continue to ensure effectiveness of newly established operating guidelines for the American and Stanislaus rivers. **50,000**

Restoration of Riparian Habitat and Spawning Gravel - Section 3406(b)(13). Funding will be used for gravel restoration projects on the Upper Sacramento, American, and Stanislaus rivers immediately downstream from Keswick, Nimbus, and Goodwin dams, respectively. Preliminary planning and engineering are underway in newly identified downstream areas to determine optimal gravel placement. Permits and environmental documentation will be obtained and processed, engineering completed, and projects implemented. **1,000,000**

Central Valley Comprehensive Assessment/Monitoring Program - Section 3406(b)(16). Continues efforts to monitor and evaluate the progress of CVPIA implementation actions as well as the progress toward achieving the anadromous fish doubling goals. The assessment will be the relative effectiveness of categories of restoration actions and monitoring biological results. Utilization of this information will allow the adaptive management of anadromous fish restoration efforts found in the CVPIA. **300,000**

Anadromous Fish Screen Program (AFSP) - Section 3406(b)(21). The primary objective of the Anadromous Fish Screen Program is to protect juvenile chinook salmon, steelhead trout, green and white sturgeon, striped bass and American shad from entrainment at priority diversions throughout the Central Valley. Section 3406(b)(21) of the CVPIA requires the Secretary of the Interior to assist the State of California in developing and implementing measures to avoid losses of juvenile anadromous fish resulting from unscreened or inadequately screened diversions on the Sacramento and San Joaquin Rivers, their tributaries, and the Delta. All AFSP projects also contribute to the primary goal stated in the AFRP, as defined under Section 3406(b)(1), which requires Department of the Interior to make all reasonable efforts to double natural production of anadromous fish in Central Valley streams. To date, 21 fish projects have been completed to screen unscreened diversions in the Central Valley and Delta. In 2008, construction is expected to continue on Natomas Mutual Water Company, Meridian Farms Water Company and/or Patterson Irrigation District fish screen projects. The AFSP will continue to provide technical assistance and design review for on-going fish screen projects. **4,432,000**

Refuge Wheeling Conveyance - Section 3406(d). Funding will be used for administration of conveyance agreements with non-Federal entities to convey Level 2 and Level 4 water supplies through Federal

facilities (managed by private authorities) to turnouts, through non-Federal entity facilities to State and Federal wildlife refuge boundaries and to the Grassland Resource Conservation District in accordance with Section 3406(d) of the CVPIA. This request provides for conveyance of Level 2 water supplies and Level 4 water supplies acquired through the Water Acquisition Program.

Conveyance agreements with the following entities are in place: Glenn Colusa Irrigation District, Biggs-West Gridley Water District, Tehama Colusa Canal Authority, Department of Water Resources, San Luis Delta-Mendota Water Authority, Central California Irrigation District, Henry Miller Reclamation District (aka San Luis Canal Company), Grasslands Water District, and Buena Vista Water Storage District. The estimated funding requirement to convey (wheel) the quantities of water supplies mandated by the CVPIA is based on a maximum quantity of approximately 408,000 acre-feet for Level 2 and full acquired Level 4 water supplies. **8,800,000**

Refuge Water Supply, Facility Construction - Section 3406(d). Funding is required to continue implementation of conveyance system improvements for delivery of water to the Sutter National Wildlife Refuge (NWR), Gray Lodge Wildlife Management Area (WA), and Mendota WA refuges, as mandated by the CVPIA. The Act required Level 4 water supplies to be available by FY 2002, which would have required facility conveyance actions to be completed by that date as well. However, seasonal, operational, and environmental constraints, in addition to funding shortfalls and escalating implementation costs, have dictated the continuation of staggered implementation schedules for the remaining refuges, extending the project through FY 2012. All of the preferred alternatives, with the exception of Pixley NWR, require the use of existing water district facilities with some facility improvements/replacements in order to get water to the refuges. Currently, additional studies of conjunctive use opportunities at Pixley NWR are being conducted that could modify the preferred alternative. Partnering with water districts for implementation of the preferred alternatives has been the most cost and environmentally effective and efficient option for meeting the requirements of the law. Funding includes implementation of the preferred alternative for Gray Lodge WA, Sutter NWR, Pixley NWR, and Mendota WA. **5,000,000**

Ecosystem/Water Systems Operations Model - Section 3406(g). Funds for the following require \$8,984,000 which includes \$1,334,000 from non-Federal cost-share funds. The purpose of this activity is to compensate the San Joaquin River Group Authority (SJRA) providing water by project re-operation under the SJRA in support of the Vernalis Adaptive Management Program (VAMP). VAMP represents a scientifically based adaptive fishery management plan that will help ensure that the relationships between flows, exports, other factors, and fish survival are better understood and that water supply reductions are minimized while fishery habitat improvement goals are met. VAMP also provides environmental benefits in the lower San Joaquin River and Delta at a level of protection equivalent to the San Joaquin River portion of the 1995 Water Quality Control Plan.

The modeling component of this activity is to develop readily usable and broadly available models and supporting data to evaluate the ecologic and hydrologic effects of existing and alternative management strategies of public and private water facilities and systems in the Sacramento, San Joaquin, and Trinity watersheds. In FY 2008 activities will concentrate on the upgrade of Calsim II, which is designated as Calsim III. Reclamation will continue to improve the ground water and water quality components of Calsim III in the San Joaquin Valley as the main contribution to this joint effort with California Department of Water Resources. **7,650,000**

**San Joaquin Division, CVP (\$13,790,000)**

Water Acquisition Program - Section 3406(b)(3). This section directs the Secretary to develop and implement a program, the Water Acquisition Program (WAP), to acquire a water supply to supplement

the quantity of water dedicated to fish and wildlife purposes under Section 3406(b)(2) and to acquire the incremental Level 4 refuge water supplies pursuant to Section 3406(d)(2).

As directed above, WAP is to acquire water on various rivers and streams to help meet instream flow objectives established in the AFRP, Section 3406(b)(1). One of the actions identified by the "Draft Guidelines for Allocation of Water Acquired Pursuant to Section 3406(b)(3) of the CVPIA" dated October 22, 1996, is to increase instream flows on various rivers and streams of the central valley. The CVPIA provides further that these increased flows will be met by the following actions: (1) the reoperation of the CVP (b)(1)(b), (2) the dedication of 800,000 acre-feet of CVP water (b)(2), and to the extent that the previous two actions are not available or insufficient, and (3) Section 3406(b)(3) authorizes the Secretary to acquire water from willing sellers.

Reclamation, in coordination with the AFRP, will acquire water from the San Joaquin River Group pursuant to the San Joaquin River Agreement (SJRA) for improvement of fall instream flow conditions on the Merced, and for augmenting flows on the Stanislaus and lower San Joaquin rivers, outside of the April-May VAMP period. Based on criteria in the SJRA, additional water may be required to achieve a double-step target flow to supplement the VAMP.

As stated above, the CVPIA also requires acquisition of 100 percent of Level 4 refuge water supplies, which are approximately 160,000 acre feet for various wetland habitat areas within the central valley of California. Reclamation may acquire water supplies through short-term purchase agreements; purchase options, long-term water purchase agreements that require annual payments, and participation in groundwater banking. A large percentage of this water will be acquired within the San Joaquin Valley where most of the wetlands are located. Sources of water will include reservoir storage transfers, groundwater pumping, banked groundwater, and temporary or permanent transfers of surface supplies by water right holders or project contractors. Some water supplies may be transferred through the Delta for use on the San Joaquin Valley refuges. Approximately 41,000 acre-feet is expected to be acquired based on the budget amount of \$8 million. This only represents the cost to acquire the water as the delivery of Level 4 water from its sources to the wetlands boundary is dependent upon funding requested in the Refuge Wheeling Program. **9,990,000**

San Joaquin Basin Action Plan - Section 3406(d)(5). Funds for the following activities require \$3,127,000 which includes \$327,000 from the Water and Related Resources request. Requested funds will help to meet program needs to complete refuge facility construction for delivery of refuge water supplies within San Joaquin Basin Action Plan lands. Specific funding efforts will include: continuation of construction of the East Bear Creek Unit, San Luis National Wildlife Refuge, and Orleans Canal design effort. **2,800,000**

Land Retirement Program - Section 3408(h). Lands will be selected for purchase based upon the degree to which an acquisition will further the broad environmental objectives of the CVPIA. Land purchases, with associated water rights in some cases, will occur on a willing seller basis and will be targeted to optimize: (1) drainage problem reduction, (2) wildlife protection and restoration, and/or (3) water conservation. Funds will be used to acquire and retire lands from irrigated agricultural production, due to poor drainage conditions, as recommended in the 1990 final report of the San Joaquin Valley Drainage Program. Lands will be retired utilizing the interim guidelines and existing Federal regulations.

Extensive restoration work will need to be implemented during the next several years. Actions will include continued retirement of lands to complete the 15,000 acre acquisition for the Land Retirement Demonstration Program and continue scientific data collection by utilizing the interim guidelines and existing Federal regulations.

The Land Retirement Program is based on a competitive process designed to retain maximum flexibility to the government in selecting and retiring lands. Extensive monitoring will be conducted on the demonstration project lands and the knowledge gained will be used to adapt land management activities. The criteria for selection of lands for retirement may be adapted or adjusted as necessary. **1,000,000**

**Shasta Division, CVP (\$800,000)**

Clear Creek Restoration - Section 3406(b)(12). Funds for the following require \$900,000 which includes \$100,000 from the Water and Related Resources request. Clear Creek restoration continues to aggressively implement Chinook salmon and steelhead habitat enhancement projects through partnerships with local landowners, public and private agencies, and universities. Projects are currently emphasizing restoration activities that will increase populations of spring-run Chinook salmon and steelhead, both listed as threatened under the Federal Endangered Species Act.

Restoration activities will include the following: (1) the U.S. Fish and Wildlife Service will continue its monitoring program documenting and quantifying juvenile production of steelhead, and fall-late-fall and spring-run Chinook salmon; (2) increase the quality and quantity of spawning habitat by placing clean spawning-sized gravel at several locations along the creek with emphasis on locations immediately downstream of Whiskeytown Dam; and (3) continue analysis on the need for implementation of Phase 3C of the channel restoration project and implementation of project which increase juvenile rearing habitat upstream to Clear Creek Road Bridge. **800,000**

**Trinity River Division, CVP (\$1,000,000)**

Trinity River Restoration Program – 3406(b)(23). Funds for the following require \$8,005,000, which includes \$7,005,000 from the Water and Related Resources request. This program continues implementation of the December 2000 ROD, including development of a comprehensive monitoring and adaptive management program for fishery restoration and constructing river modification projects at various sites along the Trinity River.

Restoration activities will include the following: rehabilitation of ten sites along the Trinity River and immediately downstream of Lewiston Dam; nine channel rehabilitation sites within the upper 40 miles of the river; modifications for structures at risk from higher releases from Lewiston Dam; implementation of re-vegetation; and the continuation of course gravel introductions at various sites along the Trinity River. **1,000,000**

**San Joaquin River Basin Resource Management Initiative (\$2,000,000)**

It is proposed that funds from the Restoration Fund that otherwise would have been used to develop a comprehensive plan for restoration of the San Joaquin River, be used to implement the San Joaquin River Restoration Settlement Act (pending). That Act provides that the Settlement satisfies and discharges all obligations of the Secretary to prepare a comprehensive plan under section 3406(c)(1) of the CVPIA.

**2,000,000**

**Reclamation Request**

**\$51,622,000**

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