



DELTA WETLANDS PROJECT

May 14, 2009

Ms. Delores Brown
Chief, Office of Environmental Compliance
Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236

Dear Ms. Brown:

The Delta Wetlands Project has reviewed the Notice of Preparation (NOP) for the Bay Delta Conservation Plan (BDCP). This comment letter augments Delta Wetlands' previous scoping comment letter submitted May 30, 2008.

Delta Wetlands Properties, the largest private landowner in the Delta, owns and currently farms approximately 20,000 acres on four Delta islands: Webb, Bouldin, Holland and Bacon. It is responsible for the maintenance of 56 miles of levees. Delta Wetlands Properties is developing the in-Delta storage project known as the Delta Wetlands Project (Project). The Delta Wetlands Project will divert and store water on Webb Tract and Bacon Island and create and enhance wetlands to manage wildlife habitat on Bouldin Island and most of Holland Tract. The stored water will be provided to municipal, industrial and agricultural users within the Central Valley Water Project and State Water Project service areas. The stored water may also be released to enhance Delta outflow and water quality. The Project is anticipated to be funded completely by beneficiaries. The Department of Water Resources (DWR) and the Delta Wetlands Project entered into a protest dismissal agreement that the Project will not harm the operations of the CVP or SWP.

A Final EIR (2001 SCH # 1988020824) and Final EIS (2001) were prepared for the Delta Wetlands Project. The Final EIR is being updated by the Semitropic Water Storage District in response to *Central Delta Water Agency v. State Water Resources Control Board*, 124 Cal.App.4th 245 (2004). Semitropic is preparing the Delta Wetlands Project Place of Use EIR that will analyze the effects of providing water to the proposed places of use, banking water within the Semitropic Groundwater Storage Bank and Antelope Valley Water Bank, and will update prior analyses based on new information and changed circumstances. The Place of Use EIR NOP was provided to DWR. As the Delta Wetlands Project is "likely and foreseeable," BDCP's CEQA analysis must consider the Delta Wetlands Project. We encourage DWR to consider the Delta Wetlands Project documents in preparing the Draft EIS/R for BDCP, as discussed below.

The BDCP NOP provides general descriptions of "covered activities" designed to meet broad planning goals of restoring and protecting water supply, water quality, and ecosystem health. Although little detail is provided, it is likely that any long-term conservation plan will involve or affect the Delta Wetlands islands (Bacon Island, Bouldin Island, Holland Tract and Webb Tract), which are a dominant feature of the central and west Delta. If BDCP does not coordinate with Delta Wetlands Properties and the Delta Wetlands Project, BDCP's proposed activities could interfere with current agricultural operations as well as the development and operation of the Delta Wetlands Project. For example, modification to the flow regime in the Delta could reduce flows and/or impair water quality in a manner that injures Delta Wetlands' existing irrigation water right licenses and Delta Wetlands Project water rights.

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The Delta Wetlands Project is consistent with and will help accomplish the ambitious BDCP goals, including the conservation of covered species, the restoration and protection of water supply reliability, protection of certain drinking water quality parameters, and the restoration of ecosystem health to proceed within a stable regulatory framework. As a stand-alone project, the Delta Wetlands Project works with BDCP's isolated conveyance alternatives and provides a variety of benefits to BDCP including a more diverse array of restored habitats, strengthening Central Delta levees along the critical Middle River water supply pathway, and reducing conflicts between water demand and supply. The benefits provided by the Project to BDCP, however, are significantly enhanced through incorporation of the Project into BDCP plans. BDCP, therefore, should identify and evaluate in its EIR specific measures to coordinate the BDCP covered activities and conservation measures with the Delta Wetlands Project. This coordination will not only reduce the severity of BDCP's potentially significant effects but will also enhance the BDCP goals. These coordination measures should be reflected in every alternative.

BDCP should consider measures that integrate the Delta Wetlands Project in the following manner:

- Delta water quality impaired by diversions from an isolated facility is most effectively mitigated by releases from an in-Delta storage facility;
- Storage may be the only tool to recover water supply yield reduced by the Wanger decision and future restrictions likely imposed by the State Water Resources Control Board and to satisfy the Endangered Species Act;
- The Delta Wetlands Project will finance the strengthening of 56 miles of central Delta levees, will become the core of a sustainable Delta, and serve as an antidote to the concerns of in-Delta interests that isolated conveyance leads to abandonment of the Delta;
- The 9,000 acres of habitat provided by the Project's Habitat Management Plan will be one of the largest new conservation efforts in the region and will provide an array of wetland and upland habitats that will compliment BDCP's focus on aquatic habitat restoration; and,
- Importantly, the Project can provide these benefits much sooner than the isolated facility will be operational.

Delta Wetlands looks forward to working with DWR and BDCP in the development of the conservation plan and EIR. Please do not hesitate to contact me if you have any questions.

Sincerely,



Anson B. Moran
General Manager