

All Delta Local Agencies

The Department of Water Resources is pleased to announce the release of the Delta Levees Program – Delta Levees Special Flood Control Projects Final Near-Term Guidelines. The Guidelines define the process for selecting and funding of Delta Levees Special Flood Control Projects in the Sacramento-San Joaquin Delta for Fiscal Years 2009-10 and 2010-11. The Guidelines can be accessed via the internet at <http://www.water.ca.gov/floodmgmt/dsmo/bdlb/spp>.

This final version of the Guidelines is the culmination of a development process that spanned several months. As part of this process, a draft version of the Guidelines was released for review and comment by the public. The Guidelines were modified to incorporate the many valuable comments the Department received during the public comment period. The Department's responses to these comments have also been posted on the website shown above.

Under the Delta Levees Special Flood Control Projects Program, limited funding will be available to Local Agencies for eligible projects, including the repair and rehabilitation of levees to increase levels of flood protection in the Delta. The intent of the Program, as outlined in California Water Code Section 12311, is to protect discrete and identifiable public benefits. The Program also provides funding for habitat restoration and enhancement, in compliance with the "no net loss of habitat" and habitat enhancement requirements of Water Code Section 78540 et seq.

Project Solicitation Package

Enclosed with this letter is the first Project Solicitation Package (PSP) for the Fiscal Year 2009-2010 funding cycle. The dollar amount of the PSP will be limited to \$100 million. Projects will be selected and released over a period of time subject to the availability of State funds. The PSP discloses the scorings for each of the criterion discussed in the Guidelines. The levee projects proposed by your agency, if eligible, should describe the agency's plan to improve levees to Hazard Mitigation Plan (HMP) or Delta Specific PL 84-99 standards or to protect existing aqueducts that cross the Delta. It is our goal to fund projects in each category with priority given to HMP projects; up to 35 percent of the available cash flow may be allocated to HMP projects. Also, to be in compliance with Senate Bill X2 1, we will allocate up to \$35 million or 35 percent of the available cash flow to the Special Projects protecting aqueducts. The remaining 30 percent of the available cash flow will be allocated for PL 84-99 projects. The maximum funds allocated for projects under this PSP will not exceed \$100 million.

Availability of Cash Flow

Various legislations and Senate bills have allocated bond funds to projects related to Flood Control and Levee Rehabilitation in the Delta. Senate Bill X2 1 allocated funds are required to be committed no later than June 30, 2010, subject to availability of the cash flow. Senate Bill X7 8 allocated funds can be committed in the next funding cycle. Therefore, it is the goal of DWR to complete the project selection process under this PSP and commit SB X2 1 allocated funds prior to June 30.

As you know, California's poor credit rating has forced the State to sell bonds periodically on an as needed basis. In 2009, the State sold bonds in March, April, October and November. The cash flow portion from March and April bond sales for the Special Projects was utilized to reimburse local agencies on the projects completed in prior years. The October and November cash flow for the program will be used to fund the FY 2008-09 and FY 2009-10 projects, including projects selected under this PSP. It is important to understand that DWR will receive cash flow only for specific projects. Therefore, it is imperative that the local agencies in the Delta participate in this PSP in order to receive State grants for their projects. If your agency wishes to participate in the Special Projects selection process, you should not hesitate to submit proposals for evaluation and selection. This will ensure that selected proposals will be in the queue for funding prior to the encumbrance cutoff date. Please note that the Department will not reimburse all or any portion of the costs associated with preparation of the proposals.

The deadline to submit proposals under the attached PSP to the Department of Water Resources is 4:00 p.m. Tuesday, March 26, 2010. Completed applications can be mailed or hand delivered to:

Mike Mirmazaheri, Program Manager
Department of Water Resources
Delta Levees Program
1416 Ninth Street, Room 1641
Sacramento, California 95814

Applications submitted by mail **must be postmarked no later than March 26, 2010.**

The Department encourages all Delta agencies and interested parties to view the documents on the website. However, hard copies of the documents will also be available upon request.

To assist in the preparation of project proposals, an informational workshop will be held for local agencies engineering representatives. The workshop will be held on Tuesday March 2, 2010 from 1:30 p.m. to 3:30 p.m. at 1416 Ninth Street in Sacramento, Room 1603. This workshop will provide an opportunity to discuss questions related to the PSP. Please RSVP with Andrea Lobato or Jon Wright by February 24, 2010.

If you have any questions, you may contact me at (916) 651-7016. You may also contact either Jon Wright at (916) 651-7010 or Andrea Lobato at (916) 651-9295 if I am unavailable.

Sincerely,

Mike Mirmazaheri, Program Manager
Delta Levees Program