



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

South Pacific Division
Regional Integration Team

14 July '11

Mr. Mark W. Cowin
Director, Department of Water Resources
1416 Ninth Street, Room 1115-I
Sacramento, CA 95814

Dear Mr. ~~MARK~~ Cowin:

Thank you for your time on June 30, 2011, and the candid discussions you and your staff shared with us. While we continue to make progress, there remains the need to synchronize efforts in achieving our common goal of continually improving the California levee systems and reducing the flood risk to the citizens of California. We will continue to work to reduce risk by addressing and correcting the highest risk deficiencies first. The California Department of Water Resources' (DWR) commitment to completing the Central Valley Flood Protection Plan by July 2012 is a significant step in ensuring levee systems will be on a path to compliance over the long term.

As a result of our meeting, we have identified some key actions for both the Corps of Engineers (USACE) and California in support of the Roundtable. These actions include:

a. USACE intends to issue final policy for development and implementation of a System Wide Improvement Plan (Plan) by nonfederal sponsors. The policy will contain written guidance to the field offices to implement the correction of levee deficiencies in the priority of "worst-first" and enable sponsors, who have an accepted Plan, to focus limited funds on correction of the highest risk deficiencies. During our meeting, we stated this would occur by the end of July; however, due to coordination with the Assistant Secretary of the Army (Civil Works), Administration and Members of Congress, the current schedule to issue the final policy is delayed until end of September. In the interim, the South Pacific Division (SPD) will publish written direction to its field offices this month.

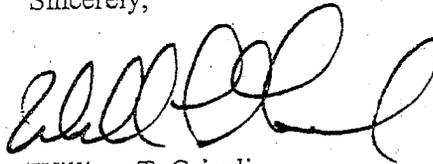
b. In coordination with the Roundtable, DWR will provide information on the impacts resulting from the recent Section 104 crediting policy change as it applies to improving California levees. You believe this change could impact DWR's financial strategy, restrict state and local agencies from advancing funds to correct high-risk deficiencies and defer high public safety benefits.

c. The California Roundtable for Central Valley Flood Management will identify the needed steps on specific projects for application of the "worst-first" approach and show how the work will be accomplished through focused collaboration.

d. USACE will continue to partner with DWR on maintaining or advance the timeline for programmatic and feasibility studies. SPD and the Sacramento District will take the lead on advancing specific projects in the Sacramento River and San Joaquin basins.

We recognize the importance of the above actions and believe the federal, state, and local teams must invest in progressing toward their completion. I look forward to continued collaboration with you and your team. Again, thank you for your support on these critical issues.

Sincerely,



William T. Grisoli
Major General, US Army
Deputy Commanding General
for Civil and Emergency Operations

Copy Furnished: Mr. Ben Carter, President, Central Valley Flood Protection Board