  
Lynne C. Holland, Acting District Secretary  
Contra Costa Water District

**RESOLUTION NO. 03-24**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CONTRA COSTA  
WATER DISTRICT MAKING DETERMINATIONS AND ADOPTING  
CONDITIONS FOR DISTRICT PARTICIPATION IN AND SUPPORT FOR  
IMPLEMENTATION OF THE CALFED BAY-DELTA PROGRAM PROPOSAL  
FOR EXPANSION OF LOS VAQUEROS RESERVOIR**

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**RECITALS**

- 1. DISTRICT MISSION:** The mission of the Contra Costa Water District (“District”) is to strategically provide a reliable supply of high quality water at the lowest cost possible, in an environmentally responsible manner.
- 2. 1998 LOS VAQUEROS PROJECT PURPOSES:** On May 2, 1998 the District dedicated and put into service the Los Vaqueros Project, a 100,000 acre-foot drinking water reservoir in eastern Contra Costa County. The Los Vaqueros Project’s primary purposes, as set forth in District Resolution 88-45 (July 27, 1988), are “to improve water quality and provide emergency storage for the District’s ratepayers”. The additional purposes of the Los Vaqueros Project, as also set forth in Resolution 88-45 (July 27, 1988), are “to provide flood control benefits, maintain and enhance fish and wildlife resources, and provide recreational opportunities consistent with the primary water quality purpose and the preservation of the watershed and the watershed’s unique features”.
- 3. ADDITIONAL CONDITIONS SPECIFIED IN 1988 LOS VAQUEROS BALLOT MEASURE:** On November 8, 1988, the District’s voters overwhelmingly approved the sale of revenue bonds to finance the Los Vaqueros Project, and the election results were declared by the District’s Board in its Resolution 88-58 (November 30, 1988). The ballot measure placed before the District’s voters by the District’s Board of Directors in 1988 said, as required by District Resolution 88-46:

“Shall the Contra Costa Water District be authorized to issue and sell revenue bonds to finance the construction and acquisition of a District-controlled water storage and supply system, generally known as the Los Vaqueros Project, for the primary purposes of enhancing water quality and providing a source of emergency water supply, which shall not be operated in conjunction with a peripheral canal or to increase the export of water from Northern California without subsequent voter approval, with an estimated cost to the District in 1988 dollars of \$350,000,000, including reservoirs, recreational facilities, pipelines, pumping plants, fish screens, watershed lands, and other facilities convenient or necessary in obtaining and delivering water and mitigating the environmental impacts thereof?”

**4. COMPLIANCE WITH PROJECT PURPOSES AND CONDITIONS:** The Los Vaqueros Project has been meeting and will continue to meet the District’s commitment, as specified by Resolution 88-45 to:

- provide its customers with high quality water;
- provide its customers with an emergency supply of water;
- provide flood control benefits;
- maintain and enhance the fishery and terrestrial resources of the Delta and the watershed; and
- provide recreational opportunities consistent with the protection of water quality and emergency storage objectives and preservation of the watershed and the watershed’s unique features.

Further, the Los Vaqueros Project has also achieved the following results:

- The District built the Los Vaqueros Project at a total cost *less* than the budget of \$450,000,000 in actual expenditures (\$350,000,000 in 1988 dollars) as committed to and specified by Resolution 88-45;
- The environmental mitigation and protection measures for the Delta and the Los Vaqueros Watershed have exceeded the expectations described in the Final Stage 2 Environmental Impact Report/Environmental Impact Statement for the Los Vaqueros Project (Stage 2 EIR/EIS), provide a net benefit to the Delta and the watershed, and exceed the

District's commitment to mitigate environmental impacts to a level of less than significant, as specified by Resolution 88-45;

- The District's Board of Directors committed to developing a recreation plan for the Los Vaqueros Project as part of the Stage 2 EIR/EIS, as specified by Resolution 88-45, and said plan was developed in 1990, adopted by the Board February 15, 1991, and included in the Stage 2 Final EIR/EIS certified by the Board on October 27, 1993;
- The District has implemented a recreation program that significantly exceeds the plan described in the Stage 2 Final EIR/EIS;
- The recreation program at the Los Vaqueros Watershed has been a success, providing a well-attended interpretive center, docent tours of watershed features, more than fifty-five miles of trails, including sixteen miles of multi-use trails with linkages to adjacent lands that are open to the public, and a public fishing resource that has become widely recognized as one of the best of the Bay Area;
- The Los Vaqueros Project is entirely owned and operated by the District; and the entire cost of the Los Vaqueros Project was paid for by the ratepayers of the District; and
- It is the policy of the District to maintain rate increases below the level of inflation; and the District has complied with its policy by maintaining rate increases at less than the rate of inflation for over 10 years, with the average rate increase during the last 10 years equating to one half of the rate of inflation during that period.

**5. CALFED BAY-DELTA PROGRAM PROPOSAL FOR EXPANSION OF LOS VAQUEROS RESERVOIR:** CALFED is a consortium of state and federal agencies which are working together to solve the problems of the Sacramento-San Joaquin Delta. The mission of the CALFED Bay-Delta Program is to develop and

implement a long-term comprehensive plan that will restore ecological health and improve water management for beneficial uses of the Bay-Delta System.

The CALFED Agencies issued the CALFED Bay-Delta Program Final Programmatic Environmental Impact Statement/Environmental Impact Report (CALFED Final PEIS/R) in July 2000, which described the long-term program to restore ecological health and improve water management in the Delta, and disclosed the impacts, cumulative impacts and mitigation measures and strategies for the entire CALFED Bay-Delta Program. The CALFED Agencies on August 28, 2000 adopted Findings and a Programmatic Record of Decision (CALFED ROD) that sets forth the CALFED Bay-Delta Program that is now being implemented. The CALFED ROD requires that project specific environmental documents tier off of the CALFED Final PEIS/R and include specific mitigation measures consistent with the programmatic measures of the CALFED ROD.

The CALFED ROD included expansion of Los Vaqueros Reservoir by up to 400,000 acre-feet (for a total water storage capacity of up to 500,000 acre-feet) as a surface storage project with participation by CCWD and local partners as part of a Bay Area water quality and water supply reliability initiative. The CALFED ROD states: "As part of a Bay Area initiative, an expanded Los Vaqueros Reservoir would provide water quality and water supply reliability benefits to Bay Area water users."

#### **6. CONTRA COSTA WATER DISTRICT PRINCIPLES FOR AN**

**EXPANSION:** The District has an interest in the CALFED Bay-Delta Program objectives to provide water quality and supply reliability benefits to Bay Area water users, and to enhance and restore the aquatic and terrestrial habitats and ecological functions of the Bay-Delta. The District must also ensure that the interests of the District and its ratepayers are protected. On April 19, 2000 the District's Board of Directors adopted seven principles (CCWD Principles) with regard to the CALFED ROD that state: "Contra Costa Water District will not support a proposal involving the existing Los Vaqueros Project or use of the Los Vaqueros or Kellogg reservoir sites without the following assurances:

1. The project improves water quality and reliability for CCWD;
2. The project enhances the Delta environment;
3. The project protects and enhances the fisheries and terrestrial species benefits provided by the existing Los Vaqueros Project;
4. The project preserves and increases the recreational opportunities of the Los Vaqueros Project;
5. CCWD must retain control of the watershed and operation of the reservoir;
6. The project protects and reimburses the financial investment made by the CCWD customers who financed the existing \$450 million Los Vaqueros Project; and
7. The proposal would be placed before the voters of the Contra Costa Water District

In express recognition of these principles, the CALFED ROD states: "As an existing reservoir operated by the Contra Costa Water District (CCWD), the Los Vaqueros Reservoir is subject to a number of mandates and agreements. DWR and Reclamation will work with CCWD and interested stakeholders to assure that previous commitments, including local voter approval required for expansion, are respected."

**7. OVER \$50 MILLION OF CALFED STUDIES INCLUDING EXPANSION OF LOS VAQUEROS RESERVOIR AND \$7 MILLION OF LOS VAQUEROS EXPANSION STUDIES COMPLETED, AND OVER THIRTY PUBLIC MEETINGS TO DATE:** CALFED Agencies have, through a seven-year effort costing over \$57 million, studied the environmental impacts of the CALFED Program, including the details of the Los Vaqueros Reservoir expansion, and have studied key planning concerns associated with the Los Vaqueros Reservoir. The CALFED Final PEIS/R constitutes the first tier of environmental analysis, addressing the effects of the CALFED Bay-Delta Program as a whole. Since CALFED Agencies adopted the Record of Decision, CALFED Agencies and the District have formed a Study Team for the purpose of carrying out the CALFED Los Vaqueros Reservoir Expansion Studies (Studies), which started in January 2001. The California Department of Water Resources, California Department of Fish and Game, U.S. Fish

and Wildlife Service, Alameda County Water District, Zone 7 of Alameda County Flood Control and Water Conservation District, Santa Clara Valley Water District, City and County of San Francisco Public Utilities Commission, San Francisco Bay Area Water Users Association, and the District executed a Memorandum of Understanding in 2001 that describes how the Studies would be carried out. The District has implemented a public process designed to provide in-depth public information, feedback and consultation:

- A Draft Project Concept Report was produced in August 2002 that conceptually described how a Los Vaqueros Reservoir expansion could be carried out in a way that would meet the CALFED ROD objectives for an expansion project and the District's Principles;
- The Draft Project Concept Report was published and made available at public libraries and other facilities convenient to the general public, and was made available on the Studies' website, and three public workshops were held on the Draft Project Concept Report on September 10 and September 16, 2002;
- Comments were received from the public on the Draft Project Concept Report through written correspondence and at the public workshops, and all comments on the Draft Project Concept Report were kept as part of the public record;
- Based upon this public participation and further detailed study, a Draft Planning Report was produced in May 2003 that included the detailed information required to determine whether the CALFED Bay-Delta Program proposal could meet the CALFED ROD objectives for an expansion project and the District's Principles,
- The Draft Planning Report described in detail the facilities required for the full range of scenarios of a reservoir expansion under the CALFED Bay-Delta Program proposal, the costs of the facilities, potential project partners, and the operations of the facilities that would be required to meet the CALFED ROD objectives for an expansion project and the District's Principles,

- The Draft Planning Report included an environmental impact analysis that described in detail the full range of environmental impacts of a Los Vaqueros Reservoir expansion, including the details of impacts on: Delta water quality; water levels; water velocities; channel flows; salinity in the western Delta and Bay; fishery and aquatic resources in the Delta and Bay; terrestrial habitat and species as a result of inundating lands within the watershed; terrestrial habitat and species as a result of constructing the project facilities; socioeconomics of the area; environmental justice; and growth;
- The Draft Planning Report also described in detail the benefits of the project for water supply during droughts and water quality for the District and the Bay Area; the net benefits that a Los Vaqueros Reservoir expansion project would have for Delta fisheries and aquatic resources; the mitigation strategies that would be required to reduce terrestrial impacts in order to meet the CALFED Bay-Delta Program objectives described in the CALFED ROD and the District's Principles; and the institutional arrangements that are required to meet the District's Principles for a CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir;
- The Draft Planning Report also described in detail how the District's investment in the Los Vaqueros Project would be protected and estimated that the District would be reimbursed an amount of up to \$200,000,000 in 2008 dollars;
- Copies of draft sections of the Draft Planning Report, known as Draft Briefing Papers, were published and made available at public libraries and other facilities convenient to the general public, and were made available on the Studies website;
- More than thirty public meetings and public workshops within the District and the Bay Area were held on the Draft Project Concept Report, Draft Briefing Papers and Draft Planning Report. Twenty Public Workshops on the Draft Briefing Papers and Draft Planning Report were held on January 30, February 4,

February 19, March 4, March 6, March 19, April 17, April 22, May 21, May 29, June 3, June 4 and June 18, 2003, and comments were received from the public through written correspondence and at the public workshops on the Draft Briefing Papers; and

- All comments on the Draft Briefing Papers were kept as part of the public record and together with the comments on the Draft Project Concept Report were responded to and incorporated into and made part of the Draft Planning Report.

The information contained in the Draft Planning Report shows that the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir that meets the CALFED ROD objectives for said expansion can and will meet the Principles 1 through 6 inclusive, as adopted by the District's Board of Directors on April 19, 2000. Specifically, the Draft Planning Report shows that water supply reliability during droughts and water quality will be improved by storing high-quality water in the expanded reservoir during wet periods for use in periods of drought; the Draft Planning Report further shows that enhancements to the Delta aquatic environment will be made through the use of state-of-the-art fish screens and through improving the timing and location of diversions and the management of water for environmental purposes, made possible by the expanded reservoir.

### **RESOLUTION**

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Contra Costa Water District that the foregoing Recitals are hereby incorporated into and made a part of these determinations by the Board.

BE IT FURTHER RESOLVED that the Board hereby finds and determines that the purposes of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir for a total water storage capacity up to 500,000 acre-feet, as

described in the CALFED ROD, are to improve water supply during droughts and water quality for Bay Area water agencies, including the Contra Costa Water District.

BE IT FURTHER RESOLVED that the Board hereby finds and determines that the purposes of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir, as described in the CALFED ROD, also are to provide fisheries benefits, to provide environmental benefits, to enhance the Delta environment and to protect Delta endangered species and aquatic resources;

BE IT FURTHER RESOLVED that the Board hereby reaffirms its commitments made to the District's voters in the 1988 Los Vaqueros Project ballot measure that the existing and an expanded Los Vaqueros Reservoir "shall not be operated in conjunction with a peripheral canal or to increase the export of Delta water from Northern California without subsequent [CCWD] voter approval";

BE IT FURTHER RESOLVED that the Board hereby finds and determines that the purposes of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir do not include operation of the Los Vaqueros Reservoir in conjunction with a peripheral canal or to increase the export of Delta water from Northern California;

BE IT FURTHER RESOLVED that the Board finds and determines that the support of the District for a CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir is dependent upon the CALFED ROD implementation commitment of "beneficiaries pay" and that the costs of any CALFED project for an expanded Los Vaqueros Reservoir will be borne equitably by the beneficiaries of said project.

BE IT FURTHER RESOLVED that the Board finds and determines that the support of the District for a CALFED Bay-Delta Program proposal for expansion of

Los Vaqueros Reservoir is dependent upon authorizing federal and/or state legislation that specifically provides for long-term environmental benefits in the Delta as a project purpose.

BE IT FURTHER RESOLVED that consistent with the District's Principles for participation adopted by the Board of Directors on April 19, 2000 and recognized in the CALFED Bay-Delta Program Programmatic Record of Decision on August 28, 2000, the Board finds and determines that the District will not participate in or support the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir unless the Board determines that the CALFED Bay-Delta Program proposal meets the following conditions:

1. Improves drinking water quality for CCWD customers beyond that available from the existing Los Vaqueros Project;
2. Improves the reliability of water supplies for CCWD customers during droughts;
3. Enhances Delta habitat and protects endangered Delta fisheries and aquatic resources by installing state-of-the-art fish screens on all new intakes and creating an environmental asset through improved location and timing of Delta diversions and storage of water for environmental purposes;
4. Increases the protected land and managed habitat for terrestrial species in the Los Vaqueros Watershed and the surrounding region;
5. Improves and increases fishing, boating, hiking, and educational opportunities in the Los Vaqueros Watershed, consistent with the protection of water quality and the preservation of the watershed and the watershed's unique features;
6. CCWD continues as owner and manager of the Los Vaqueros Watershed;
7. CCWD maintains control over recreation in the Los Vaqueros Watershed;
8. CCWD continues as operator of the Los Vaqueros Reservoir system;
9. CCWD will be reimbursed for the value of the existing Los Vaqueros Project assets shared, replaced, rendered unusable or lost with the expansion project and said reimbursement will be used to purchase additional drought supply and water quality benefits or reduce debt on the existing Los Vaqueros Project;
10. Water rates for CCWD customers will not increase as a result of the expansion project.

BE IT FURTHER RESOLVED that the conditions expressed above regarding implementation of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir are hereby adopted by the Board of Directors as specific policies of the Contra Costa Water District, and the Board of Directors hereby commits to be bound by said policies in regard to the CALFED Bay-Delta Program proposal.

BE IT FURTHER RESOLVED, that the Board hereby finds and declares that the information contained in the CALFED Final PEIS/R, the Draft Project Concept Report and the Draft Planning Report, together with the information contained in the technical memoranda, all of the comments from the public, and all of the responses to the public comments are hereby made a part of the District's public records concerning consideration of the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir for a total water storage capacity up to 500,000 acre-feet.

BE IT FURTHER RESOLVED that, under the CALFED ROD, and under the principles adopted by the Board of Directors on April 19, 2000, all subsequent environmental documents required for approvals and permitting will tier off the CALFED Final PEIS/R and will incorporate the full range of environmental impacts described in the Draft Planning Report, and that the full range of environmental impacts, and the specific mitigation measures for these impacts consistent with the programmatic measures of the CALFED ROD, will be disclosed in the environmental documents, and that sound science will be used as part of that process.

BE IT FURTHER RESOLVED that the Board hereby finds and determines that, due to the importance of Los Vaqueros Reservoir, water supply during droughts, water quality, Delta water issues, and environmental issues to the Contra Costa Water District, the District should allow its voters to have an opportunity at an election, to be held throughout the District, to advise the Board on whether they concur with the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir,

subject to the conditions and assurances specified as District policies by this Resolution.

BE IT FURTHER RESOLVED that the District shall retain the opportunity, which shall be solely within the discretion of the District's Board of Directors, to withdraw District participation in and support for the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir in the event that the conditions established by said District policies are not met.

BE IT FURTHER RESOLVED that the District's General Manager is hereby authorized and directed to take such steps as he shall determine to be necessary and appropriate to inform the CALFED Bay-Delta Program, and all persons and entities that have expressed an interest in the CALFED Bay-Delta Program proposal for expansion of Los Vaqueros Reservoir, of these determinations and conditions.

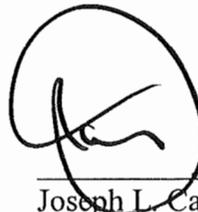
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The foregoing resolution was duly and regularly adopted at a meeting held on the 25<sup>th</sup> day of June 2003, by the Board of Directors of Contra Costa Water District by the following vote:

AYES: Pretti, Boatmun, Anello, Campbell, and Wandry

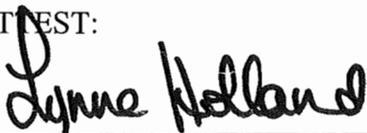
NOES: None

ABSENT: None



Joseph L. Campbell, President

ATTEST:



Lynne C. Holland, Acting District Secretary