

CITY OF CITY COUNCIL Staff Report

November 14, 2017 Agenda Item No. 4

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	George Murdoch, Municipal Operations Director - 949-644-3011, gmurdoch@newportbeachca.gov
PREPARED BY: PHONE:	Joshua Rosenbaum, Senior Management Analyst 949-644-3057
TITLE:	Resolution in Support of the California WaterFix and California EcoRestore

ABSTRACT:

An important water supply to Southern California is the State Water Project, which supplies approximately 30 percent of Orange County's water. For South Orange County water agencies that do not have access to groundwater the percentage is even higher.

The California Bay Delta conveyance system has had a number of challenges over the recent years. The status quo is yielding a continuing degradation of the Delta systems, levee integrity and water supply reliability. Equally concerning is the ecological health of the Delta and fish species. The California WaterFix and EcoRestore initiatives address water reliability and ecological restoration solutions.

RECOMMENDATION:

- a) Determine that the action is exempt from the California Environmental Quality Act (CEQ) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it will not result in a physical change to the environment, directly or indirectly; and
- b) Adopt Resolution No. 2017-70, A Resolution of the City Council of the City of Newport Beach, California, Supporting the California WaterFix for Improvements to the Sacramento-San Joaquin Delta Water Delivery System and the California EcoRestore Program for Delta Habitat Restoration.

FUNDING REQUIREMENTS:

There is no fiscal impact related to this item.

DISCUSSION:

As a critical source of water supply, the California Bay Delta provides approximately 30 percent of Southern California's water supply annually and supplies water for approximately 25 million people. That number is higher in South Orange County, which relies heavily on imported water from the Metropolitan Water District of Southern California.

In partnership with the Municipal Water District of Orange County (MWDOC), the City of Newport Beach participated in the recent Orange County Water Reliability Study (Study) evaluating scenarios and projects that enhance or sustain water supplies to the region. Modeling shows the California WaterFix initiative, as currently proposed, represents the most cost-effective, large-scale reliability solution to improving Orange County's water supply reliability over the next 25 years.

The supply analyses in the Study assumed that the California WaterFix results in "recovery" (i.e., prevents the future loss) of historical supplies in the amount of 440,000 acre-feet per year on average.

MWDOC Directors in December passed a resolution of support for the California WaterFix, which is approaching the final stages for its permits and environmental documents (EIR/EIS and Record of Decision). The profile and level of support for these two programs needs to be raised. More than 100 alternatives were considered during a 10-year study period that drew 30,000 public comments before Plan 4A, the WaterFix, was recommended.

The California WaterFix involves construction and design of three new water intakes north of the Delta and two, 32-mile, 9,000 cubic feet per second(cfs) underground tunnels that will provide operational pumping flexibility and protect against water supply disruption. However, much remains to be determined, especially with respect to the financing, regulatory certainty and operating criteria for the project.

In addition to water management and quality benefits, a large and growing consensus understands that the Delta is in an unsustainable position and needs to be "fixed" to accommodate the many competing interests for the future, especially with regard to ensuring the area is a sustainable ecosystem. The status quo is yielding a continuing degradation of the Delta systems, levee integrity and water supply reliability. The companion initiative to the California WaterFix is the EcoRestore, which seeks to achieve the State's co-equal goal of habitat restoration and reliability of supplies. EcoRestore is initially charged with 30,000 acres of restoration efforts under an accelerated effort by 2020 to improve habitat conditions for fisheries migration, restore tidal and non-tidal wetland habitat for native wildlife, and improve connectivity among existing grassland and other natural habitats. Success in the Delta continues to rely on the implementation of the California WaterFix and EcoRestore to achieve the co-equal goals. The ecological health of the Delta and fish species are fundamentally linked to the reasonable use and export of water supplies. Although total restoration of the Delta to the historical past is not possible, there can be significant improvements in how best to approach the management of the Delta's combined water and land resources in a manner that will realistically achieve improvements in both water supply reliability and ecosystem protection of the Delta's endangered or threatened aquatic species.

Based on these proposed improvements in system conveyance and habitat restoration, staff recommends the City adopt a support position for the California WaterFix and California EcoRestore and Preferred Alternative (No.4A) as described in the environmental documents, with reasonable adherence to the current, public operating criteria and cost allocation principles and assumptions.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Resolution No. 2017-70 Attachment B – California WaterFix Frequently Asked Questions