

**Alameda Creek Fisheries Restoration Workgroup
Funding Subgroup**

Minutes of Meeting

June 23, 2002

Alameda County Public Works Agency

Attendees

Suzanne Arena	SFPUC
Gordon Becker	CEMAR
Brenda Buxton	State Coastal Conservancy
Eric Cartwright	ACWD
Andy Gunther	CEMAR
Laura Kilgour	ACFCWCD
Erika Cleugh	DFG
Leah Mahan	NOAA Fisheries
Jeff Miller	ACA

Updates

SFPUC Projects. Suzanne Arena noted that the SFPUC applied unsuccessfully for funds to support removal of Niles and Sunol Dams through both the Prop. 13 "First Round" process and CALFED. The SFPUC believes that the primary reason for the rejections is the funding agencies' uncertainty about the effectiveness of these projects for anadromous fish restoration in light of the existence of additional downstream barriers to passage. The SFPUC has applied for Prop. 13 "Second Round" funds but does not expect a favorable response given this continuing uncertainty regarding downstream barriers. Suzanne believes that the SFPUC is likely to fund the removals at some point in the future even without grant support largely due to the liability issues posed by the dams, and expressed optimism for a more favorable financial climate after November ballot measures are considered.

§1135Process. Eric Cartwright described the content of discussions between ACWD and the Corps regarding the §1135 process. While the Corps is not expected to issue its next planning document (the Project Management Plan, or PMP) until the fall, Eric stated that the local Corps office has recommended to the division office that the project include fishways and fish screens at the BART weir and middle inflatable dam as well as the upper inflatable dam. Still at issue are cost limitations imposed under the §1135 Process (\$5 million cost to Corps) and the effect that the estimated cost of the proposed project (\$8.15 million) will have on decision-making at the Corps. Eric cited a "soft cap" in the Corps process under which local cost sharing can increase beyond the minimum 25 percent to account for costs greater than the \$6.67 million total available through the standard formula (i.e., \$5 million from Corps + \$1.67 million local). Thus the relatively high estimated cost of the proposed project does not disqualify it from consideration under the §1135 Process. ACWD is exploring avenues for obtaining funds to cover costs beyond the \$5 million potentially provided by the Corps.

Project Funding. The subgroup focused for most of the remainder of the meeting on likely funding sources for flood control channel projects. Of particular interest are: local funds (from ACWD and ACFCWCD), Bay Bridge mitigation funds through Caltrans, and possible

contributions from the State Coastal Conservancy, DFG and other Caltrans mitigation. Leah Mahan described progress on planning for administration of the \$3.5 million available from Bay Bridge mitigation. She said an organization such as the National Fish and Wildlife Foundation may be selected to hold in escrow and administer the mitigation money which will probably be available for projects costing \$500,000 or less and including a 25 percent non-federal match. NMFS hopes to have a plan in place to issue an RFP this winter for project beginning next winter. Leah reiterated that the Alameda Creek and San Francisquito Creek watersheds will be likely targets for restoration funds and invited the Workgroup to submit comments to NOAA Fisheries regarding plans on how to distribute the money. A draft letter from the Workgroup to NOAA Fisheries will be discussed at the next Workgroup meeting (on July 30th).

Brenda Buxton said that the SCC may have as much as \$1 million for restoration of Alameda Creek. She emphasized the her agency and other funding agencies are typically more apt to provide funds where local sponsors have accepted an "equitable" proportion of the project costs. Erika Cleugh discussed the availability of DFG money and added that the level of certainty that sufficient funds are committed to complete proposed projects is an important factor in DFG's evaluation of grant requests. Eric, Brenda and Erika noted the desirability of a presentation to ACWD decision-makers regarding paying for passage projects in the flood control channel. Eric also expressed an interest in developing an "Action Plan" for funding that describes responsibilities and schedules for developing grant proposals.

Schedule. The subgroup also discussed the implications of various funding processes on the implementation schedule for restoration projects. Jeff Miller noted that the ACA seeks substantial progress on flood control channel project by 2003 or will attempt to achieve progress through legal avenues. He also cited the ACA's desire to see an interim trap and haul program developed to provide for fish passage through the completion of passage barrier mitigation projects. The subgroup delayed more detailed discussion of this issue until the entire Workgroup was convened. DFG and NOAA Fisheries staff also intend to discuss trap and haul at an internal meeting the week of August 12th.