



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

MAR 29 2007

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Item 3125-001-0001, Support, California Tahoe Conservancy

Conversion of Contracted Positions to In-House Staff

It is requested that Item 3125-001-0001 be amended to convert the California Tahoe Conservancy's (Conservancy) contracted staff, provided under an interagency agreement with the University of California (UC), to 8.0 in-house positions. The contract with the UC creates a two-tiered staffing system with different job classifications, pay scales, and benefits within the Conservancy. These differences create inequities that may hinder the Conservancy's ability to carryout its mission.

This proposal will allow the Conservancy to manage its staff more effectively and provide an equitable working environment in the Conservancy. This proposal does not request new funding for the proposed positions.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary-Fiscal, Resources Agency
Mr. Patrick Wright, Executive Officer, California Tahoe Conservancy
Mr. David Gregorich, Administrative Officer, California Tahoe Conservancy



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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Addition of Item 3340-496, Local Assistance, California Conservation Corps

Reversion—Proposition 40

It is requested that Item 3340-496 be added to revert \$106,000 of Proposition 40 funds reappropriated in the Budget Act of 2006. This reversion is a technical adjustment reflecting the fact that the \$106,000 reappropriation was the unintended result of Item 3340-491, Budget Act of 2006. That item was intended only to reappropriate \$68,000 from the Budget Act of 2003. However, an additional \$106,000 from the Budget Act of 2003 reverted naturally on June 30, 2006, and was added by the State Controller to the balance available for reappropriation. Consequently, the reappropriated amount increased from the intended \$68,000 to \$174,000.

The Budget Act of 2006 also appropriated \$106,000 of Proposition 40 funds for the California Conservation Corps (CCC) to provide grants to local corps. These were the same funds added to the reappropriation amount, as discussed above. The funds reverted on June 30, 2006, and for that reason an entirely new appropriation was proposed.

While the CCC has taken care not to spend both the \$106,000 appropriation and the \$106,000 reappropriation, it is necessary to remove the reappropriation from the State Controller's records to ensure that the Administration can accurately account for Proposition 40 expenditures. This proposal will facilitate proper bond accounting, and will neither increase nor decrease program expenditures by the CCC. (See Attachment A).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Pat Kemp, Assistant Secretary, Resources Agency
Mr. Will Semmes, Director, California Conservation Corps
Ms. Lucia Becerra, Acting Chief Deputy Director, California Conservation Corps
Ms. Kim Bushard, Chief of Administrative Services, California Conservation Corps
Ms. Marcy Brown, Budget Manager, Department of Parks and Recreation

Attachment A

3340-496—Reversion, California Conservation Corps. As of June 30, 2007, the balances specified below, of the appropriations provided in the following citations shall revert to the balance of the fund from which the appropriations were made.

6029-California Clean Water, Clean Air and Safe Neighborhood Parks and Coastal Protection Act of 2002

(1) Item 3340-101-6029, Budget Act 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3340-491, Budget Act 2006 (Chs. 47 and 48, Stats. 2006).....\$106,000.



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Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 3480-001-0001 and 3480-001-0133, Support, Department of Conservation

Pollution Prevention—Plastic Beverage Container Recycling

It is requested that Item 3480-001-0133 be increased by \$2,402,000, and that Item 3480-001-0001 be amended to reflect this change, to provide funding to the Department of Conservation (Conservation) to reduce the environmental impact of plastic beverage containers.

On February 8, 2007, the California Ocean Protection Council adopted a resolution on reducing and preventing marine debris. The resolution specifically identified the need to reduce plastic waste and ban toxic plastic packaging. This proposal will enable Conservation to work with the Department of Toxic Substances Control (Toxics) to promote sustainable and biodegradable plastic containers, reduce the toxic additives in plastics, and develop bio-friendly alternatives. This proposal is part of a coordinated effort with Toxics. (See corresponding Finance Letter for the Department of Toxic Substances Control.)

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST
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/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Pat Kemp, Assistant Secretary, Resources Agency
Ms. Bridget Luther, Director, Department of Conservation
Mr. Tom Gibbs, Assistant Director, Administration, Department of Conservation
Mr. Eric Jarvis, Budget Officer, Department of Conservation



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 3540-001-0001 and 3540-001-0890, and Addition of Budget Bill Item 3540-001-0022, Support, Department of Forestry and Fire Protection

Computer Aided Dispatch—Maintenance and Support

It is requested that Item 3540-001-0022 be added in the amount of \$6,678,000, and Item 3540-001-0001 be amended to reflect this change, to enable the Department of Forestry and Fire Protection (Forestry) to complete and maintain its Computer-aided Dispatch (CAD) system. Forestry's existing CAD system provides dispatch services to its firefighters to enable the department to respond to emergencies and wildfires. The new CAD system will replace an obsolete dispatching system and will allow Forestry's staff to provide a quicker response to incidents, ensure a more efficient use of resources, and improve after-action reporting capabilities and cost accounting. According to Forestry, implementation of the CAD system reduced the average dispatch time from 5 minutes to 45 seconds.

Southern California Fuel Management

It is requested that Item 3540-001-0890 be increased by \$3,529,000, and that Item 3540-001-0001 be amended to reflect this change, to remove flammable fuels and restore deforested landscapes in Southern California. In 2004, Forestry received a \$9.8 million grant from the United States Forest Service to address the severe fire hazard conditions that had developed in Southern California after five years of drought conditions. Due to the prolonged drought, there were increased numbers of dead and dying trees in Southern California. The federal grant provides funding for various forest health enhancement projects, including the removal of dead trees, pest detection, and forest restoration. This fuel problem persists in Southern California and these activities are necessary to reduce the risk of severe wildfires. Approximately \$4.9 million remains available, and this proposal will allow Forestry to continue these critical activities through 2009.

The effect of my requested action is reflected on the attachment.

MAR 29 2007

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If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

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/s/ Vincent P. Brown

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Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary, Resources Agency
Mr. Ruben Grijalva, Director, Department of Forestry and Fire Protection
Mr. Tom Lutzenberger, Assistant Deputy Director, Department of Forestry and Fire Protection
Ms. Janet Barentson, Budget Officer, Department of Forestry and Fire Protection



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Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Addition of Budget Bill Item 3560-301-0001, Capital Outlay, State Lands Commission

It is requested that Item 3560-301-0001 be added to reflect \$308,000 for the preliminary plans phase of the Huntington Beach Field Office Relocation project. The existing facility is in poor condition and in need of extensive rehabilitation. The main health and safety concerns include the presence of asbestos, mold, and lead paint. A study was recently completed by the Department of General Services which considered several alternatives and determined that relocating this facility to state-owned land in Seal Beach would be most cost effective. It should be noted that the current facility is situated on valuable land in Huntington Beach, which could be sold in the future to help offset the costs of this project.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Brian Dewey, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Dave Brown, Chief of Administrative and Information Services, State Lands
Commission
Ms. Denise Cook, Fiscal Officer, State Lands Commission



MAR 29 2007

Honorable Denise Moreno Ducheny, Chair
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Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 3600-001-0001, 3600-001-0200, Reimbursements, and Addition of Item 3600-001-8047, Support, Department of Fish and Game

Quagga Mussels

It is requested that Item 3600-001-0001 be increased by \$5,732,000 for scientific and enforcement efforts to prevent the spread of Quagga mussels. Quagga mussels are an invasive aquatic species that once established can spread quickly through the state's water system. This species has the potential to threaten native species and cause significant damage to water delivery systems, such as the State Water Project. This funding will enable the Department of Fish and Game (Fish and Game) to monitor mussel infestation, implement eradication and quarantine plans, and work with the Department of Food and Agriculture (DFA) to inspect boats and watercraft. This proposal is part of a coordinated effort with DFA. (See corresponding Finance Letter for the Department of Food and Agriculture.)

Staffing for Contracts and Interagency Agreements

Fish and Game requests the establishment of 15.0 new positions funded within existing Reimbursements to provide staffing for various contracts and interagency agreements. Fish and Game has existing agreements with the state Department of Transportation, Pacific Gas & Electric, and Southern California Edison to provide assistance with various environmental compliance and planning issues. This proposal will enable Fish and Game to provide the necessary staffing for these contracted activities.

Environmental Review of Flood Control Projects

It is requested that Item 3600-001-0001 be amended by increasing Reimbursements by \$625,000 to enable Fish and Game to review the necessary environmental documents for the Department of Water Resources' (DWR) flood control projects. Proposition 1E and Proposition 84 provide significant funding for levee repair and flood control projects. Before these projects can proceed, the DWR is required to obtain various environmental permits, such as permits under the Lake and Streambed Alteration Agreement and the California Endangered Species Act. This proposal will ensure that critical flood control projects proceed while maintaining habitat for fish and wildlife.

Technical Budget Corrections

It is requested that Item 3600-001-0001 be decreased by \$2.0 million, Item 3600-001-8047 be added in the amount of \$125,000, and Item 3600-001-0200 be decreased by \$525,000 to make various technical corrections. The 2007-08 Governor's Budget contains a number of technical errors that were inadvertently made during the Budget development process. For example, \$2.0 million General Fund was provided in the 2006 Budget Act on a one-time basis for implementation of the Marine Life Management Act. However, this funding was inadvertently included in Fish and Game's 2007-08 proposed budget. This proposal will make various funding and program allocation adjustments to correct these errors.

Department of Fish and Game Program Structure Revisions

It is requested that Fish and Game's organization and budget structure be revised to improve transparency and accuracy. The Supplemental Report of the 2006 Budget Act requires the Department to examine its program budget structure, including funding sources and specific program activities. Based on recommendations from an internal review process, this proposal will establish a new organization structure and will shift funding between programs to accurately reflect the activities being performed. This proposal does not request additional funding, and does not redirect funding from existing activities to other purposes.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 923-2063.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

MAR 29 2007

-3-

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
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Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary, Resources Agency
Mr. Ryan Broddrick, Director, Department of Fish and Game
Ms. Terry Jordan, Deputy Director of Administration, Department of Fish and Game
Ms. Helen Carriker, Assistant Deputy Director of Fiscal, Department of Fish and Game



MAR 29 2007

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Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Item 3640-001-0447, Support, and Addition of Item 3640-490,
Capital Outlay, Wildlife Conservation Board**

Temporary Help Positions

It is requested that Item 3640-001-0447 be amended to provide an additional 1.6 temporary help positions for the Wildlife Conservation Board (WCB). Proposition 84 provides \$440.0 million to the WCB for the following programs:

- Forest conservation and protection
- Wildlife habitat
- Natural communities conservation planning
- Rangeland, grazing and grassland protection
- Oak woodland

The 2007-08 Governor's Budget proposes \$128.3 million Proposition 84 funds and 2.0 new positions for these programs. The proposed temporary help positions are necessary to address the anticipated increase of workload before new employees can be hired and trained, and when employees leave due to attrition or other assignments. These positions will be funded within the proposed budget for the WCB.

Reappropriation—San Joaquin River Conservancy

It is requested that Item 3640-490 be added to reappropriate the unencumbered balance of Proposition 40 funds from Item 3640-302-6029, Budget Act of 2004. Proposition 40 allocated \$25.0 million to the San Joaquin River Conservancy (Conservancy) for land, air, and water conservation projects in the San Joaquin River area. The Budget Act of 2004 appropriated \$11.0 million Proposition 40 funds and \$1.0 million reimbursements to the Conservancy. This reappropriation is necessary due to delays in evaluating properties, negotiating with willing sellers, and securing approvals from state and local agencies. (See Attachment I)

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

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Attention: Mr. Bob Franzola, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary-Fiscal, Resources Agency
Mr. John Donnelly, Interim Executive Director, Wildlife Conservation Board
Mr. Dave Means, Assistant Executive Director, Wildlife Conservation Board
Ms. Melinda S. Marks, Executive Officer, San Joaquin River Conservancy
Ms. Roxanne Woodward, Budget and Fiscal Officer, Wildlife Conservation Board
Ms. Marcy Brown, Budget Manager, Department of Parks and Recreation

MAR 29 2007

ATTACHMENT I

Proposed Budget Bill Language for Item 3640-490

3640-490—Reappropriation, Wildlife Conservation Board. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2010:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3640-302-6029, Budget Act of 2004 (Ch. 208, Stats. 2004).

(1) 80.10.603.000-San Joaquin River Conservancy—Projects and Acquisitions.

(2) Reimbursements



MAR 29 2007

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Items 3680-001-0516 and 3680-112-0516, Support,
Items 3680-101-0516 and 3680-101-3001, Local Assistance, and the Addition of
Item 3680-113-0516, Department of Boating and Waterways**

Beach Erosion Projects

It is requested that Item 3680-001-0516 be increased by \$950,000 to provide funding for the Coastal Sediment Master Plan. Each year millions of cubic yards of coastal sediment is dredged and disposed of in a non-beneficial manner. A state and federal partnership has created the Coastal Sediment Master Plan, which explores the reuse of sediment for beach restoration as an economic and environmental way to provide for coastal management and coastal restoration. This proposal will provide funding to continue the development of Regional Sediment Master Plans and continue the feasibility studies and environmental documentation necessary to restore beaches in Orange and San Diego counties.

It is requested that Item 3680-101-3001 be increased by \$4.2 million, and Item 3680-101-0516 be amended to reflect this change. It is also requested that Item 3680-113-0516 be added to transfer \$4.2 million from the Harbors and Water Craft Fund to the Public Beach Restoration Fund. Construction activities and development in the coastal zone have accelerated beach erosion. This proposal, along with leveraged federal funds, will provide funding for the Surfside-Sunset Beach Restoration Project to replenish sand along a 17 mile stretch of the coastline in Southern California.

Abandoned Watercraft Abatement Fund Transfer

It is requested that Item 3680-112-0516 be reduced by \$300,000 to make a technical correction to the transfer from the Harbors and Watercraft Fund to the Abandoned Watercraft Abatement Fund. The Abandoned Watercraft Abatement Fund provides funding to remove recreational abandoned watercraft from California's waterways. The 2007-08 Governor's Budget proposes a \$200,000 transfer from the Harbors and Watercraft Fund to the Abandoned Watercraft Abatement Fund. However, due to a technical error, the Budget Bill proposes a \$500,000 transfer. This proposal will make the necessary technical correction to conform the Budget Bill to the Governor's Budget. Note that this adjustment will not affect the level of expenditures proposed for the Abandoned Watercraft Abatement Fund in Item 3680-101-0577, which will remain consistent with the expenditure level for the past four years.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

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/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary, Resources Agency
Mr. Raynor Tsuneyoshi, Director, Department of Boating and Waterways
Mr. David Johnson, Deputy Director, Department of Boating and Waterways
Ms. Kathy Emery, Budget Analyst, Department of Boating and Waterways



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MAR 23 2007

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Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Parks and Recreation**

Replacement of Public Safety Dispatch System

It is requested that Item 3790-001-0263 be increased by \$25,000 and that Item 3790-001-0001 be amended to reflect this change in order to begin implementation of a multi-year plan to replace the Department of Parks and Recreation's (Parks) computer aided dispatching (CAD) system. Parks' CAD system provides dispatch services to its peace officers, as well as fish and game wardens, through three communication centers. The current system is 14 years old and can only run on Microsoft Windows 98 or older operating systems. It also lacks common dispatching system features, such as a multitasking function and global positioning information. The system has shown signs of failure, and will soon be obsolete. This proposal will provide an updated dispatching system to Parks to ensure that the peace officers receive sufficient support services from the communication centers.

Reappropriation and Reversion of Proposition 12 and 40 Appropriations

It is requested that Item 3790-490 be added to reappropriate \$3,236,000 Proposition 40 funds from Item 3790-001-6029, Budget Act of 2005. It is also requested that Item 3790-497 be amended to revert \$107,000 from Item 3790-001-0005, Budget Act of 2005, and \$3.0 million from Item 3790-001-6029, Budget Act of 2005.

In 2005-06, Parks received a \$12,022,000 Proposition 40 appropriation to rebuild park facilities which were damaged by the San Simeon Earthquake and the 2003 Southern California fires. The Budget Act of 2006 reappropriated \$7,673,000 of the \$12,022,000. Based on Parks' project implementation schedule, \$3,236,000 of the \$7,673,000 Proposition 40 funds will be unspent at the end of the current year. This proposal will reappropriate these funds to ensure they are available to continue the repair work in 2007-08. (See Attachment I)

This proposal also requests the reversion of \$3.0 million Proposition 40 funds and \$107,000 Proposition 12 funds. Both amounts have exceeded their encumbrance periods, and these reversions are necessary because the 2007-08 Governor's Budget proposes new appropriations for these funds. (See Attachment II)

Reappropriation for Extension of Liquidation Period of Proposition 40 Funds

It is requested that Item 3790-492 be added to extend the liquidation period of funding provided by Chapter 1126, Statutes of 2002. The extension of the liquidation period is limited to the \$3.0 million grant to the California State University, Chico Research Foundation, for the design and construction of the Northern California Natural History Museum. This extension is necessary due to delays in securing the balance of the project costs. The University has identified the necessary funding for the project, and it has taken preliminary steps to begin the design and construction of the project. The project is currently scheduled to start construction in September 2007. (See Attachment III).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

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/s/ Vincent P. Brown

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Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary-Fiscal, Resources Agency
Ms. Ruth Coleman, Director, Department of Parks and Recreation
Mr. Manuel Lopez, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Budget Manager, Department of Parks and Recreation
Mr. Jason Summers, Manager, Support Budget Administration, Department of Parks and Recreation

ATTACHMENT I

Proposed Reappropriation Language

3790-490—Reappropriation, Department of Parks and Recreation. The amount specified in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2008:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) \$3,236,000 in Item 3790-001-6029, Budget Act of 2005 (Ch. 38, Stats. 2005) as reappropriated by Item 3790-490, Budget Act of 2006 (Ch. 47, Stats. 2006) for natural disaster related projects.

ATTACHMENT II

Proposed Reversion Language

3790-497—Reversion, Department of Parks and Recreation. As of June 30, 2007, the balances specified below, of the appropriations provided in the following citations shall revert to the fund from which the appropriations were made:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(2) Item 3790-001-0005, Budget Act of 2005 (Ch. 38, Stats. 2005)..... 107,000

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3790-001-6029, Budget Act of 2005 (Ch. 38, Stats. 2005) as reappropriated by Item 3790-490, Budget Act of 2006 (Ch. 47, Stats. 2006)..... 3,000,000

ATTACHMENT III

Proposed Reappropriation for Extension of Liquidation Period Language

3790-492--Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate encumbrances in the following citations are extended as cited below:

6029--California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Section 2(b) of Chapter 1126 of Statutes of 2002. The liquidation period of the \$3,000,000 grant to the California State University, Chico Research Foundation, for the design and construction of the Northern California Natural History Museum is extended to June 30, 2010.



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

MAR 29 2007

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 3790-301-0005, 3790-301-0890, 3790-301-6051, 3790-495, and Reimbursements and Addition of Item 3790-301-0263, Capital Outlay, Department of Parks and Recreation

It is requested that Item 3790-301-0005 be increased by \$548,000 to provide funding for construction for the San Elijo State Beach—Replace Main Lifeguard Tower project. Additional construction funding is needed to incorporate design changes that were identified during the preliminary plans phase. Because of an eroding bluff and viewshed concerns, the project must employ a more costly cantilever design. An increase of \$1,318,000 in Federal Trust Fund authority is also requested below to fund a significant portion of the total cost increase (\$1,866,000) for this project.

It is requested that Item 3790-301-0263 be added to reflect the following:

1. Increase by \$2.1 million for acquisition for the Oceano Dunes State Vehicular Recreation Area—La Grande Tract project. A scope change was approved by the State Public Works Board in February 2007 that authorized the Department of Parks and Recreation (DPR) to acquire 283 of the 584 acres of the La Grande Tract with existing funding. It was noted at the time that additional acquisition funding would be requested to acquire the remaining parcels (301 acres) and complete the project as legislatively authorized. In total, the project will acquire 584 acres from San Luis Obispo County. These lands are critical to providing continued recreational opportunities at the park for over two million visitors annually and valuable off-highway vehicle (OHV) opportunities may be lost if the acquisition is not completed. In addition, the DPR would like to proceed while the state's existing appraisal is still valid to avoid additional delays and/or increased project costs.
2. Increase by \$2.9 million for acquisition for the Hungry Valley State Vehicular Recreation Area—Gorman Acquisitions project. This request would enable the DPR to acquire various parcels totaling approximately 69 acres near the town of Gorman and adjacent to the existing Hungry Valley State Vehicular Recreation Area. The additional parcels will allow for unimpeded access to the southeast park boundary. The DPR has indicated that the acquisition will protect the park from increasing commercial and residential development and associated environmental threats.

3. Increase by \$4.0 million for acquisition (\$3,970,000) and studies (\$30,000) for the Statewide—OHV Opportunity Purchase and Pre-Budget Schematics project. This funding will enable the DPR to conduct property appraisals and prepare budget cost estimates and schematics for future OHV development projects. Furthermore, the funding will facilitate the DPR's acquisition of critical OHV parcels as they become available. The acquisition of such parcels will help ensure existing OHV opportunities are preserved.

It is requested that Item 3790-301-0890 be increased by \$1,318,000 to reflect increased federal reimbursements for the San Elijo State Beach—Replace Main Lifeguard Tower project as noted above.

It is requested that Item 3790-301-6051 be increased by \$15,730,000 and Reimbursements be increased by \$500,000 to reflect the following:

1. Increase by \$5,376,000 for working drawings (\$363,000), construction (\$4,914,000), and equipment (\$99,000) for the Calaveras Big Trees State Park—New Visitor Center project. Due to funding constraints and increasing construction costs, this project has been scaled back over the years to the point that it is no longer appropriate for this park. This proposal will enhance the current project to provide the higher quality facility that was originally envisioned, which will improve visitors' experience and appreciation of this park. The reversion of existing project funding is also requested below in Item 3790-495.
2. Increase by \$5.0 million to provide funding for the acquisition for the Statewide—State Park System Opportunity and Inholding Acquisitions project. This funding will enable the DPR to acquire important parcels throughout the state park system as they become available, which will help eliminate potential and existing management problems. The DPR has indicated that the remaining fund balances in prior appropriations for such purposes are minimal. It should be noted that the funding will not be used for the purpose of expanding or acquiring new parks.
3. Increase by \$5,854,000 to provide funding for the preliminary plans for the Los Angeles State Historic Park (Cornfields)—Planning and Phase I Build-Out project. The DPR is currently conducting a design study that is expected to be completed by December 2007. Once the design study is completed, the DPR will be able to begin preliminary plans for the phased development of permanent facilities at the park without interruption. The project will help the DPR fulfill its mission within an urban setting by engaging the public in issues that are not adequately covered at other parks (the history and culture of the Los Angeles region).

It is requested that Item 3790-495 be amended to reflect the reversion of existing funding for the Calaveras Big Trees State Park—New Visitor Center project. The DPR is requesting new project authority to address cost increases as noted in Item 3790-301-6051 above.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Brian Dewey, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Ms. Ruth Coleman, Director, Department of Parks and Recreation
Mr. Stephen Lehman, Deputy Director of Acquisitions and Development, Department of Parks and Recreation
Mr. Manuel Lopez, Budget Officer, Department of Parks and Recreation

MAR 29 2007

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support, Local Assistance,
Capital Outlay, and Reimbursement, Department of Water Resources**

Bond Funding for Critical Flood Control Activities

It is requested that Item 3860-312-6052 be eliminated to reflect the withdrawal of the Governor's Budget proposal to transfer \$200.0 million from Proposition 1E to the General Fund. It is further requested that Item 3860-496 be added to revert \$168.0 million from Chapter 34, Statutes of 2006 (AB 142) (See Attachment A) and Item 3860-495 be amended to revert \$16.0 million from Item 3860-101-0001, Budget Act of 2006. Furthermore, it is requested that:

- Item 3860-001-6052 be increased by \$16.4 million and that Item 3860-001-0001 be amended to reflect this change to provide:
 - \$13.0 million for critical sediment removal projects.
 - \$3.4 million for direct funding to the Sacramento Area Flood Control Agency to make critical repairs to a portion of the levee along the Sacramento River protecting the Natomas area.
 - These funds shall be available for encumbrance through June 30, 2009. (See Attachment B)
- Item 3860-301-6052 be increased by \$96.5 million to provide:
 - \$65.0 million for the Systemwide Levee Evaluations and Repairs project. This action will provide \$40.0 million to analyze rural Central Valley levees and \$25.0 million to repair Central Valley critical erosion sites.
 - \$20.0 million for the State-Federal Flood Control Evaluations project to develop technical and economic information necessary for planning and designing repairs, improvements, and new facilities for the State Plan of Flood Control.
 - \$4.5 million for the Sutter Pumping Plants Control Systems project to ensure reliable operation of the Sutter Pumping plant to prevent flooding from drainage in the Yuba City area.
 - \$7.0 million for the Sutter Bypass East Water Control Structures project to replace two deteriorated weirs and associated structures. This project is necessary to increase flood protection benefits, to reduce risk to Department of Water Resources (DWR) personnel operating the weirs, and to improve operational efficiency.

In addition to the above, the DWR intends to use \$55.1 million continuously appropriated Proposition 84 funds to augment its previously proposed Proposition 84 expenditures. This funding will provide:

- \$39.84 million for cost-shared grants for critical erosion and stability repairs.
- \$9.96 million for cost-shared grants for new project studies, regional plans, and levee evaluations statewide.
- \$3.3 million for enhanced flood response and emergency preparedness.
- \$2.0 million for sediment removal projects in the Central Valley.

Taken together, these actions ensure that critical flood control work planned to be funded through AB 142 are continued without delay while realizing significant General Fund savings.

Salton Sea Interim Restoration and Management

It is requested that reimbursements be increased by \$2.0 million and Item 3860-001-0001 be amended to reflect this change. Interim restoration and management of the Salton Sea is necessary to minimize impacts to existing habitat and wildlife before the preferred long-term restoration alternative is implemented. DWR will perform this work in cooperation with the Wildlife Conservation Board, Department of Fish and Game, and local entities.

Implementation of the Water Conservation in Landscaping Act of 2006

It is requested that Item 3860-001-6051 be increased by \$400,000 and Item 3860-001-0001 be amended to reflect this change. The Water Conservation in Landscaping Act of 2006 (Act) requires DWR, to the extent that funds are appropriated, to update the model local water efficient landscape ordinance (model ordinance) by January 1, 2009. The Act requires chartered cities to adopt a water efficient landscape ordinance at least as effective as the model ordinance, and requires DWR to report to the Legislature on the status of water efficient landscape ordinances. DWR anticipates the Act's water conservation actions will result in water savings of between 600,000 and 1 million acre-feet of water per year. This funding will support 2.0 new positions to implement the requirements of the Act.

Greenhouse Gas Emission Reduction Initiative

DWR requests establishment of 5.0 new positions within proposed Proposition 84 funding to address climate change impacts to water supply. Climate change is expected to alter the hydrology of the state through decreased snowpack and resultant changes in runoff patterns. These positions will begin work to enhance hydropower production and reduce peak and total energy demands and resultant greenhouse gases. In addition, they will evaluate climate change impacts on the state's water supply and flood control systems, and will develop system redesign alternatives to improve system adaptability and public benefits. These measures will reduce greenhouse gas emissions through optimizing hydropower operations, and reducing energy demand through water use efficiency.

Support for Pelagic Fish Action Plan

DWR requests establishment of 3.0 new positions funded through State Water Project funds. Two of the positions will coordinate mitigation actions to address the Pelagic Organism Decline, as set out in the Pelagic Fish Action Plan. One position will be dedicated to further investigate and analyze potential causes of the Pelagic Organism Decline, especially the role of Microcystis, a toxic blue-green algae that has emerged in the Bay-Delta over the last six years.

West Sacramento Project

It is requested that Item 3860-301-6052 be increased by \$8,510,000 and that Reimbursements be increased by \$1,811,000 for the West Sacramento Project. This request will provide funding for levee repairs and a general reevaluation report for levees protecting the City of West Sacramento along the Sacramento River and Yolo Bypass. This funding request includes a \$6.0 million advance to the U.S. Army Corps of Engineers (Corps), for which the state will receive credit towards the non-federal portion of future work on the West Sacramento project.

It is further requested that Item 3860-301-0001 be increased by \$428,000 for the West Sacramento Project. This funding is for payment of an outstanding invoice from the Corps. Without this funding, the Corps will not participate in levee repairs or preparation of a general reevaluation report. To offset this increase, it is requested that Item 3860-496 be added to revert \$428,000 from Item 3860-301-0001, Budget Act of 2006, Folsom Dam Modifications project (See Attachment A). This funding is not necessary for the Folsom Dam Modifications Project to proceed.

Reappropriation of Various Funds

It is requested that Item 3860-490 be added to reappropriate funding for the following items:

1. Item 3860-101-6023, Budget Act of 2006
 - \$14,999,397 for the Agricultural Water Conservation Program. DWR will not complete the program's application, evaluation, and selection process in the current year because the process takes up to eight months to complete.
2. Item 3860-001-6026, Budget Act of 2004
 - \$229,312 for the CALFED Conveyance Program's study of the Delta Cross Channel.
 - \$1,356,716 for the CALFED Conveyance Program's Fish Collection, Handling, Transportation, and Release Evaluation Program which was delayed because of staffing shortages and difficulties in procurement of critical equipment.
 - \$1,473,593 for the CALFED Water Quality Program's Franks Tract study which was delayed because of additional time required to complete the project contract.
 - \$5,672,511 for the CALFED Conveyance Program's Through Delta Facility study which was delayed because of additional time required to complete the project contract.
 - \$7,056,904 for the CALFED Ecosystem Restoration Program's Dissolved Oxygen and Abandoned Mines projects which were delayed because ongoing projects have taken longer than expected and because of the change in the Ecosystem Restoration Program's implementing agency.
 - \$1,646,838 for the CALFED Science Program because fund commitment was delayed due to temporary staffing shortages.

3. Item 3860-001-6026, Budget Act of 2006

- \$1,245,000 for the CALFED Water Quality Program's Franks Tract study because contract approval was delayed.
- \$2,398,859 for the CALFED Conveyance Programs South Delta Hydrodynamic Investigations which were delayed because of staffing shortages and difficulties in procurement of critical equipment.
- \$947,950 for the CALFED Conveyance Program's Through Delta Facility study because of delays in contract approval.
- \$13,509,640 for the CALFED Ecosystem Restoration Program's Dissolved Oxygen and Abandoned Mines projects which were delayed because ongoing projects have taken longer than expected and the Ecosystem Restoration Program's implementing agency has changed.

4. Item 3860-101-6027, Budget Act of 2000

- \$6,250,000 for the Interim Reliable Water Supply Program. These funds have been reserved for purchase of Tier 3 water through the Environmental Water Account when needed to prevent jeopardy to the continued existence of threatened or endangered fish species in the Delta. To date, no Tier 3 water has been needed, but it may be in the near future because of the decline of pelagic organisms in the Delta.

5. Item 3860-001-6031, Budget Act of 2006

- \$11,450,000 for the Safe Drinking Water Office Pilot Projects. There are a number of grant applications for these funds which will not be completed in the current year.
- \$4,199,491 for the CALFED Water Quality Program's Franks Tract study because of delays in contract approval.

These programs have been delayed for the reasons noted above, therefore reappropriation is requested. (See Attachment C)

Extension of Liquidation for Various Funds

It is requested that Item 3860-491 be added to extend the liquidation period for projects previously encumbered under the following appropriations:

- Item 3860-101-0543, Budget Act of 2000
- Item 3860-101-0543, Budget Act of 2004
- Item 3860-101-6005, Budget Act of 2000
- Item 3860-101-6005, Budget Act of 2002
- Item 3860-101-6007, Budget Act of 2002
- Item 3860-101-6023, Budget Act of 2000
- Item 3860-101-6023, Budget Act of 2002
- Item 3860-101-6025, Budget Act of 2000
- Item 3860-101-6025, Budget Act of 2004
- Item 3860-001-6026, Budget Act of 2004
- Item 3860-101-6027, Budget Act of 2002
- Chapter 3, Statutes of 2003, Section 73
- Item 3860-101-6031, Budget Act of 2004

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-6-

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary, Resources Agency
Mr. Lester Snow, Director, Department of Water Resources
Ms. Nancy Saracino, Chief Deputy Director, Department of Water Resources
Mr. Reuben Jimenez, Deputy Director, Business Operations, Department of Water Resources
Ms. Perla Netto-Brown, Controller, Department of Water Resources
Ms. Kathie Kishaba, Budget Officer, Department of Water Resources

MAR 20 2007

Attachment A

3860-496—Reversion, Department of Water Resources. As of June 30, 2007, the balances specified below, of the appropriations provided in the following citations shall revert to the balance in the fund from which the appropriations were made:

0001-General Fund

(1) Item 3860-301-0001, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

(5) 30.95.311-Folsom Dam Modifications Project.....\$428,000

(2) Section 1 of Chapter 34, Statutes of 2006.....\$168,000,000

Attachment B

New provision for Item 3860-001-6052:

Provisions.

1. Of the amount appropriated in this Item, \$16,400,000 shall be used to continue critical flood control projects originally planned to be funded from Chapter 34, Statutes of 2006. These funds shall be available for encumbrance or expenditure until June 30, 2009.

Attachment C

3860-490 – Reappropriation, Department of Water Resources. The balance of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2009:

6023-Water Conservation Account

- (1) Item 3860-101-6023, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) for purposes of the Agricultural Water Conservation Program.

6026-Bay-Delta Multipurpose Water Management Subaccount

- (1) Item 3860-001-6026, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3860-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), for purposes of the CALFED Science, Conveyance, Water Quality and Ecosystem Restoration Programs.
- (2) Item 3860-001-6026, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006), for the CALFED Conveyance, Water Quality, and Ecosystem Restoration Programs.

6027-Interim Water Supply and Water Quality Infrastructure and Management Subaccount

- (1) Item 3860-101-6027, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2001 (Ch. 106, Stats. 2001), and reappropriated by Item 3860-491, Budget Acts of 2002 (Ch. 379, Stats. 2002), and 2005 (Chs. 38 and 39, Stats. 2005), for purposes of the Environmental Water Account.

6031-Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 3860-001-6031, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006), for purposes of the CALFED Conveyance and Pilot Projects Programs.

Attachment D

3860-491 – Reappropriation, Department of Water Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2009:

0543—Local Projects Subaccount

- (1) Item 3860-101-0543, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Local Project Loan and Grant Program.
- (2) Item 3860-101-0543, Budget Act of 2004 (Ch. 208, Stats. 2004) for purposes of the Local Project Loan and Grant Program.

6005—Flood Protection Corridor Subaccount

- (1) Item 3860-101-6005, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Flood Protection Corridor Program.
- (2) Item 3860-101-6005, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3860-492, Budget Act 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Flood Protection Corridor Program.

6007—Urban Stream Restoration Subaccount

- (1) Item 3860-101-6007, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3860-492, Budget Act 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Urban Stream Restoration Program.

6023—Water Conservation Account

- (1) Item 3860-101-6023, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Groundwater Recharge Program, Urban Water Conservation Grant Program, and Agricultural Water Conservation Program.
- (2) Item 3860-101-6023, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Infrastructure Rehabilitation Program, Agricultural Water Conservation Program, and Urban Water Conservation Grant Program.

6025—Conjunctive Use Subaccount

- (1) Item 3860-101-6025, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Groundwater Storage Program.
- (2) Item 3860-101-6025, Budget Act of 2004 (Ch. 208, Stats. 2004) 10.29 Groundwater Storage Program

6026—Bay-Delta Multipurpose Water Management Subaccount

- (1) Item 3860-001-6026, Budget Act of 2004 (Ch. 208, Stats. 2004) for purposes of the Drinking Water Quality Program.

6027—Interim Water Supply and Water Quality Infrastructure and Management Subaccount

- (1) Item 3860-101-6027, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Interim Reliable Water Supply Program.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Section 73 of Chapter 3 of the Statutes of 2003, First Extraordinary Session, as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Drought Panel Program.
- (2) Item 3860-101-6031, Budget Act of 2004 (Ch. 208, Stats. 2004) for purposes of the Drought Panel Program.

Attachment E

3860-492 – Reappropriation, Department of Water Resources. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2009:

0001 – General Fund

- (1) Item 3860-301-0001, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 3860-490, Budget Act of 2004 (Ch. 208, Stats. 2004)
 - (1) 30.95.010-Sacramento Riverbank Protection Project
 - (1.5) 30.95.030.201-Merced County Streams, Castle Dam Unit – Construction
 - (2.5) 30.95.215.201-Lower Sacramento Area Levee Reconstruction Project
 - (4.5) 30.95.295.201-Tehama Section 205 Flood Control Project – Construction

Attachment F

3860-493 – Reappropriation, Department of Water Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2009:

0001—General Fund

- (1) Item 3860-301-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 3860-492, Budget Act of 2004 (Ch. 208, Stats. 2004)
 - (4) 30.95.205 – Sutter County Bridge Replacement
- (2) Item 3860-301-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 3860-492, Budget Act of 2002 (Ch. 379, Stats. 2002)
 - (5) 30.95.280 – Terminus Dam, Lake Kaweah Project
- (3) Item 3860-301-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
 - (2) 30.95.030 – Merced County Streams
- (4) Item 3860-301-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)
 - (1) 30.95.115 – American River Flood Control Project Phase I: Common Elements