



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 3360-001-0465 and 3360-001-3062, Support,
California Energy Commission**

It is requested that Item 3360-001-3062 be increased by \$6,218,000 and Item 3360-001-0465 be amended to reflect this change. This funding will provide the California Energy Commission with additional staff and resources to address increased workload associated with energy facility siting applications. In addition, the increase will fund consultative expertise in the areas of wildlife biology, archaeology, desert hydrology, and transmission siting. This request includes trailer bill language to restructure the Energy Commission's application and compliance fee to better align fees with the workload necessary to process applications and conduct compliance reviews.

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 Ken DaRosa, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Todd Jerue

TODD JERUE
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Ms. Melissa Jones, Executive Director, California Energy Commission
Mr. Kyle Emigh, Budget Officer, California Energy Commission

Public Resources Code Section 25801 – 25806

25801. There is in the General Fund in the State Treasury the Energy Resources Programs Account.

25802. Each person who submits to the commission a notice of intent for any proposed generating facility shall accompany the notice with a fee of one cent (\$0.01) per kilowatt of net electric capacity of the proposed generation facility. Such fee shall only be paid on one of the alternate proposed facility sites which has the highest electrical designed capacity. In no event shall such fee be less than one thousand dollars (\$1,000) nor more than twenty-five thousand dollars (\$25,000).

For any other facility, the notice shall be accompanied by a fee of five thousand dollars (\$5,000). Such fee shall only be paid on one of the alternate proposed facility sites.

25803. All funds received by the commission pursuant to Section 25802, shall be remitted to the State Treasurer for deposit in the account. All funds in the account shall be expended for purposes of carrying out the provisions of this division, when appropriated by the Legislature in the Budget Act.

25804. All references in this division or any other provision of law to the State Energy Resources Conservation and Development Special Account shall be deemed references to the Energy Resources Programs Account.

25805. On July 1, 1983, all funds in the State Energy Resources Conservation and Development Reserve Account shall be transferred to the Energy Resources Programs Account.

25806. (a) A person who submits to the commission an application for certification for a proposed generating facility shall submit with the application a fee of ~~one hundred thousand dollars (\$100,000)~~ two hundred fifty thousand dollars (\$250,000) plus ~~two hundred fifty dollars (\$250)~~ five hundred dollars (\$500) per megawatt of gross generating capacity of the proposed facility. The total fee accompanying an application may not exceed ~~three hundred fifty thousand dollars (\$350,000)~~ seven hundred fifty thousand dollars (\$750,000).

(b) A person who receives certification of a proposed generating facility shall pay an annual fee of ~~fifteen thousand dollars (\$15,000)~~ twenty-five thousand dollars (\$25,000). The first payment of the annual fee is due on the date this section takes effect. For a facility certified on or after the effective date of this section, the first payment of the annual fee is due on the date the commission adopts the final decision. All subsequent payments are due by July 1 of each year in which the facility retains its certification. The fiscal year for the annual fee is July 1 to June 30, inclusive.

(c) The fees in subdivisions (a) and (b) shall be adjusted annually to reflect the percentage change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce.

~~(d) No fee is required to accompany an application for certification, and no annual fee is required thereafter, for a generating facility that uses a renewable resource as its primary fuel or power source. For purposes of this subdivision, a renewable resource includes, but is not limited to, biomass, solar thermal, geothermal, digester gas, municipal solid waste conversion, landfill gas, ocean thermal, and solid waste converted to a clean burning fuel by using a noncombustion thermal process.~~

(e) ~~(d)~~ The Energy Facility License and Compliance Fund is hereby created in the State Treasury. All fees received by the commission pursuant to this section shall be remitted to the Treasurer for deposit in the fund. The money in the fund shall be expended, upon appropriation by the Legislature, for processing applications for certification and for compliance monitoring.

(e) On or before July 1, 2012, the State Energy Resources Conservation and Development Commission shall report to the Joint Legislative Budget Committee and to the appropriate fiscal and policy committees of each house of the Legislature on the fiscal and programmatic impact since July 1, 2010, of restructuring the Energy Facility License and Compliance Fund.



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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

Information Technology Business Planning

It is requested that Item 3480-001-3046 be increased by \$122,000 and that Item 3480-001-0001 be amended to reflect this change to provide support for information technology (IT) project planning for the Department of Conservation (Conservation). Specifically, this proposal will provide business analysis, feasibility study report (FSR) development and project documentation for Conservation's planned IT projects to ensure the department remains in compliance with statewide IT policies. This proposal is supported by the Office of the State Chief Information Officer.

Proposition 84 – Sustainable Communities Program

It is requested that Item 3480-001-6051 be increased by \$2,264,000 and that Item 3480-001-0001 be amended to reflect this change. It is also requested that Item 3480-101-6051 be added in the amount of \$40.0 million to implement the new Sustainable Communities Planning Grant and Incentive Program (Sustainable Communities Program). Proposition 84 provides \$90.0 million for the Sustainable Communities Program. The Strategic Growth Council approved final guidelines for this new program in February and planning grants and incentives are expected to be awarded in early fall. These grants and incentives will fund various types of projects including the development of regional and local land use plans that are designed to promote water conservation, reduction in automobile use and fuel consumption, infill and compact development, protection of natural resources and agricultural lands, and revitalization of urban and community centers. This proposal also includes Budget Bill language to authorize that the funds be available for expenditure through June 30, 2013 (see Attachment 1).

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) 445-9694.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JERUE

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Bridget Luther, Director, Department of Conservation
Mr. Derek Chernow, Chief Deputy Director, Department of Conservation
Mr. Tom Gibbs, Deputy Director Administration, Department of Conservation
Mr. Ken Lehn, Budget Officer, Department of Conservation

Proposed Budget Bill Language

Add New Item:

3480-101-6051 – For local assistance, Department of Conservation, payable from the Safe Drinking Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006.....\$40,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance and expenditure through June 30, 2013.



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Resources Recycling and Recovery**

Solid Waste Disposal Site Cleanup Trust Fund

It is requested that Item 3500-004-0387 be added to transfer \$5.0 million from the Integrated Waste Management Account, Integrated Waste Management Fund, to the Solid Waste Disposal Site Cleanup Trust Fund (Site Cleanup Fund). This transfer was inadvertently left out of the proposed Budget Bill, although the corresponding expenditure from the Site Cleanup Fund was included. This technical change is consistent with Section 48027 of the Public Resources Code and provides funding for cleanup at solid waste disposal sites and solid waste landfill closure and post closure maintenance operations.

Beverage Container Recycling Fund Program

It is requested that Item 3500-101-0133 be added in the amount of \$29.0 million to reflect a fund shift from state operations to local assistance within the California Beverage Container Recycling Fund. The changes are consistent with the Governor's Budget which proposes new expenditures in local assistance grants and a corresponding reduction in the continuously appropriated support appropriation.

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 Ken DaRosa, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Todd Jerue

TODD JERUE
Chief Deputy Director

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Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Ms. Margo Reid Brown, Acting Director, Department of Resources Recycling and Recovery
Mr. Aaron Robertson, Deputy Director of Administration, Department of Resources Recycling and
Recovery
Ms. Sara Benson, Budget Manager, Department of Resources Recycling and Recovery



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Forestry and Fire Protection**

AB 32—Climate Change

It is requested that Item 3540-001-0115 be added in the amount of \$1,255,000 and that Item 3540-001-0001 be amended to reflect this change to enable the Department of Forestry and Fire Protection (CAL FIRE) to implement Forest Sector Greenhouse Gas (GHG) emission reduction measures identified in the Assembly Bill 32 Scoping Plan. The Global Warming Solutions Act of 2006 (AB 32) was enacted to reduce the state's GHG emissions to 1990 levels by 2020. The scoping plan identifies an annual forest sequestration rate of five million metric tons of carbon dioxide in 2020. CAL FIRE will implement various strategies to achieve these reductions such as reforestation, forest land conservation, fuels reduction, and urban forestry projects.

Proposition 84—Urban Greening

It is requested that Item 3540-001-6051 be decreased by \$642,000, Item 3540-001-0001 be amended to reflect this change, and Item 3540-101-6051 be added in the amount of \$3.2 million to provide grants for local urban forestry programs. Additionally, it is requested that Item 3540-495 be added to revert Proposition 84 funding from the Budget Act of 2008 (see Attachment 1). Proposition 84 provides funding for Urban Greening grant programs and stipulates that, at a minimum, \$20.0 million be directed to CAL FIRE's existing Urban Forestry program. This proposal will continue funding for this program for projects that include developing urban forest mapping, techniques for preventing root damage to sidewalks, a tool kit for use by local governments in creating urban forest management plans, and promoting cooperation between urban forestry groups to avoid duplication.

American Recovery and Reinvestment Act of 2009—Integrated Pest Management Grant

It is requested that Item 3540-001-0890 be increased by \$41,000 and that Item 3540-001-0001 be amended to reflect this change to enable CAL FIRE to implement Integrated Pest Management projects funded from the American Recovery and Reinvestment Act. These projects will prevent and eradicate invasive pests that kill trees and thereby increase fuel for wildfires. Maintaining the state's dynamic forest ecosystem in a healthier, more fire safe condition will prevent catastrophic wildfires.

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) 445-9694.

ANA J. MATOSANTOS
Director
By:

/s/ Todd Jerue

TODD JERUE
Chief Deputy Director

Attachment

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Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
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Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Janet Barentson, Deputy Director, Management Services, CAL FIRE
Ms. Melissa Gamer, Budget Officer, CAL FIRE

Proposed Budget Bill Language

Add New Item:

3540-495—Reversion, Department of Forestry and Fire Protection. As of June 30, 2010, the amounts provided in the following citations shall revert to the funds from which the appropriations were made:

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006
(1) Item 3540-001-6051, Budget Act of 2008 (Ch. 268 and 269, Stats. 2008)901,000
(2) Item 3540-101-6051, Budget Act of 2008 (Ch. 268 and 269, Stats. 2008).....5,395,000



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Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support,
Department of Fish and Game**

Pacific Coastal Salmon Recovery Funds

It is requested that Item 3600-001-0890 be increased by \$17.2 million and that Item 3600-001-0001 be amended to reflect this change to enable the Department of Fish and Game (DFG) to recover federally listed anadromous fish, including endangered salmonid species in coastal California. The DFG, through the Fisheries Restoration Grant Program, annually submits a proposal to the National Oceanic and Atmospheric Administration's National Marine Fisheries Service requesting up to \$25.0 million in grant funding. Based on previous funding received, the DFG anticipates that it will receive an additional \$17.2 million in Pacific Coastal Salmon Recovery Funds in fiscal year 2010-11. This proposal will enable the DFG to dedicate these federal funds to specific projects.

Fish and Game Warden Stamp

It is requested that Item 3600-001-0200 be increased by \$50,000 and that Item 3600-001-0001 be amended to reflect this change to establish the Dedicated Fish and Game Warden Stamp Account consistent with Chapter 294, Statutes of 2009 (AB 1442). AB 1442 authorizes DFG to create and sell a warden stamp for a minimum of \$5. The funds are to be deposited into a new dedicated account and will be available to support DFG wardens.

Realignment of Bond Funds

It is requested that Item 3600-490 be added to reappropriate various Proposition 13, Proposition 50, and Proposition 84 amounts for the San Joaquin River Restoration and Ecosystem Restoration Programs (see Attachment 1). It is also requested that Item 3600-496 be added to revert \$169,000 Proposition 50 funds (see Attachment 2).

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

APR 01 2010

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

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JÉRUE

Chief Deputy Director

Attachment

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Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Helen Carriker, Assistant Deputy Director, Department of Fish and Game
Mr. Gabe Tiffany, Budget Officer, Department of Fish and Game

Proposed Budget Bill Language

Add New Item:

3600-490—Reappropriation, Department of Fish and Game. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriations and shall be available for encumbrance or expenditure until June 30 2013.

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

(1) Item 3600-001-6027, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(3) Item 3600-001-6027, Budget Act of 2009 (Ch. 1, Stats. 2009, Third Extraordinary Session and Ch. 1, Stats. 2009, Fourth Extraordinary Session)

~~6034~~ Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3600-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(2) Item 3600-001-6031, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3600-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) and Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(3) Item 3600-001-6031, Budget Act of 2005 (Chs. 38 and 38, Stats. 2005), as reappropriated by Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(4) Item 3600-001-6031, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006), as reappropriated by Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(5) Item 3600-001-6031, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(6) Item 3870-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3870-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) and Item 3600-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) and Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

(7) Item 3870-001-6031, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3600-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) and Item 3600-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

~~6054~~ Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Item 3600-001-6051, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 3600-490 of the Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

APR 01 2010

(2) Item 3600-001-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(3) Item 3600-001-6051, Budget Act of 2009 (Ch. 1, Stats. 2009, Third Extraordinary Session and Ch. 1, Stats. 2009, Fourth Extraordinary Session)

Proposed Budget Bill Language

Add New Item:

3600-496 – Reversion, Department of Fish and Game. As of June 30, 2010, 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:

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

(1) Item 3600-001-6031, Budget Act of 2005 (Chs. 38 and 38, Stats. 2005).....169,000



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Item 3640-490, Capital Outlay, Wildlife Conservation Board

Reappropriation-Proposition 84

It is requested that Item 3640-490 be amended to reappropriate approximately \$3.4 million Proposition 84 funds for Ecosystem Restoration on Agricultural Lands projects (see Attachment I). Due to the statewide bond freeze, the Wildlife Conservation Board (WCB) has been unable to encumber these funds.

The WCB has received grant applications and has identified projects for the requested amount. This proposal will allow the WCB to implement these projects when there is sufficient cash available from bond proceeds.

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JERUE

Chief Deputy Director

Attachment

cc: On the following page

APR 01 2010

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
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Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
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Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. John Donnelly, Executive Director, Wildlife Conservation Board
Ms. Roxanne Woodward, Budget Officer, Wildlife Conservation Board
Ms. Marcy Brown, Manager, Department of Parks and Recreation

Attachment I

3640-490--Reappropriation, Wildlife Conservation Board. 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, 2013:

- 6051-- Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006
- (2.5) Item 3640-304-6051, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)
- (1) 80.10-Wildlife Conservation Board Projects (Unscheduled)



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Various Budget Bill Items, Capital Outlay, State Coastal Conservancy

Reappropriation—Proposition 50

It is requested that Item 3760-490 be amended to reappropriate approximately \$5.5 million Proposition 50 funds for coastal watershed protection projects. (See Attachment I.) The requested reappropriation will allow the State Coastal Conservancy (Conservancy) to implement final grant agreements that were not executed because of the bond freeze. A portion of the funds will also be available to fund new projects when there is sufficient cash from future bond proceeds to support the projects.

Revise Proposition 40 Reappropriations

It is requested that Item 3760-490 be revised to revert \$2.0 million Proposition 40 funds. The proposed Budget Bill includes language to reappropriate the unencumbered balance from the Conservancy's Proposition 40 funds originally appropriated in 2002. The proposed Budget Bill also proposes to appropriate approximately \$2.0 million Proposition 40 funds to the Conservancy for bond program delivery activities. However, there is an insufficient fund balance to support the Conservancy's 2010-11 Proposition 40 program delivery appropriation. Therefore, it is necessary to revert \$2.0 million Proposition 40 funds to avoid an over-appropriation of the Conservancy's bond allocation. (See Attachment I.)

It is also necessary to delete a schedule in the Conservancy's Proposition 40 reappropriation item included in the Governor's Budget (See Attachment I.) This schedule was previously included in the Budget Act of 2009. Consequently, the Conservancy already has until June 30, 2012 to encumber these funds.

Waukell Creek Habitat Restoration Projects

It is requested that Item 3760-301-0565 be increased by \$325,000 to provide funding for the implementation of restoration projects in and along Waukell Creek in Del Norte County. The projects will focus on restoring and enhancing habitat for juvenile salmon. Funding for these projects will come from the Department of Transportation (Caltrans) as a result of a settlement between Caltrans and the California Coastal Commission. The settlement requires the funds to be used by the Conservancy to implement restoration projects in and along Waukell Creek. This request is consistent with the settlement.

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JERUE

Chief Deputy Director

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Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Sam Schuchat, Executive Director, State Coastal Conservancy
Mr. Neal Fishman, Deputy Director, Policy, State Coastal Conservancy
Ms. Regine Serrano, Chief of Administration Services, State Coastal Conservancy
Ms. Marcy Brown, Manager, Department of Parks and Recreation

Attachment I

3760-490—Reappropriation, State Coastal Conservancy. 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, 2013:

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

- (1) Item 3760-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3760-490, Budget Act of 2004 (Ch. 208, Stats. 2004) and by Item 3760-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)
- (2) 80.97.030-Conservancy Programs
 - (B) Ballona Wetlands
- (2) Item 3760-301-0005, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 3760-490, Budget Act of 2004 (Ch. 208, Stats. 2004) and by Item 3760-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)
- (7) 80.01.030-Laguna Coast
Wilderness Park
- (3) Item 3760-301-0005, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)
- (1) 80.97.030-Conservancy Programs

Provisions:

- 1. As of June 30, 2010, of the amount appropriated in schedule (1), \$95 shall revert to the fund balance of the fund from which the appropriation was made.

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

- (1) Item 3760-301-6029, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by Item 3760-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Schedule:

- (1) 80.97.030-Conservancy Programs
- (2) 80.00.023-San Francisco Bay
Area Conservancy Programs

Attachment I (continue)

(3) Reimbursements

Provisions:

2. As of June 30, 2010, of the amount appropriated in schedule (1), \$2,000,000 shall revert to the fund balance of the fund from which the appropriation was made.

~~(2) Item 3760-301-6029, Budget Act of 2003 (Ch. 157, Stats. 2003) as reappropriated by Item 3760-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) Schedule:~~

- ~~(1) 80.00.023-San Francisco Bay Area Conservancy Program
(2) 80.02.32 Watershed: Water Quality Protection and Enhancement Program
(3) 80.97.030 Conservancy Programs
(4) Reimbursements~~

- (3) Item 3760-301-6029, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by Item 3760-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

Schedule:

- (1) 80.00.023-San Francisco Bay Area Conservancy Programs
(1.5) 80.97.030-Conservancy Programs
(2) Reimbursements

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

(0.5) Item 3760-301-6031, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

- (1) 80.02.032 – Watershed, Water Quality Protection, and Enhancement Program
(2) Reimbursements

(1) Item 3760-301-6031, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

Schedule:

- (1) 80.97.030-Conservancy Programs
(2) Reimbursements

APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

Quagga Mussel Prevention and Inspection Program

It is requested that Item 3790-001-0516 be increased by \$303,000 and that Item 3790-001-0392 be amended to reflect this change to enable the Department of Parks and Recreation (Parks) to continue and expand its Quagga Mussel Prevention and Inspection Program throughout the state park system. 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. Currently, Parks is administering a prevention and inspection pilot program, which will expire on June 30, 2010, at Lake Perris and Silverwood State Recreation Areas. As of January 1, 2010, Parks had detected 3,089 infected vessels, a 5.6 percent infestation rate. This proposal will continue and expand this program, which will reduce the future need to eradicate Quagga mussels at a significantly higher cost.

Office of Historic Preservation

It is requested that Item 3790-001-0890 be increased by \$880,000 and that Item 3790-001-0392 be amended to reflect this change to expedite the cultural resources review of construction and acquisition projects. The Office of Historic Preservation, which evaluates the potential impact of projects on historic properties to ensure the properties are adequately protected, has faced a significant increase in workload as a result of the American Recovery and Reinvestment Act (ARRA). This proposal will allow Parks to expedite the review of ARRA-funded projects and educate applying agencies to submit better quality documentation to reduce the workload associated with the review.

Americans with Disabilities Act Program

It is requested that Item 3790-001-0005 be increased by \$9.0 million, Item 3790-001-6029 be increased by \$4.0 million, and that Item 3790-001-0392 be amended to reflect these changes to enable Parks to comply with the Americans with Disabilities Act (ADA). Under the settlement of a class action lawsuit, Parks is required to remove physical and programmatic barriers identified in a court approved Transition Plan and to provide park trails accessible to people with disabilities. Despite significant progress, Parks has not completed all the ADA projects that were scheduled to be completed due to higher than anticipated costs. This proposal will provide additional funding to enable Parks to meet its obligations under the Transition Plan.

It is also requested that Item 3790-495 be added to revert the unencumbered balances of three completed capital outlay projects. (See Attachment I.) The projects include underground tour facilities in Empire Mine State Historic Park, a wastewater collection/treatment system in Big Basin State Park, and day use facilities in Border Field State Park. This reversion is necessary to provide the additional funds needed for the ADA program.

Reappropriation—Various Bond Funds and Off-Highway Vehicle Trust Fund

It is requested that Item 3790-490 be added to reappropriate various bond funds and the Off-Highway Vehicle Trust Fund. (See Attachment II.) The bond funds were appropriated in 2008-09 and 2009-10 for natural stewardship, cultural stewardship, interpretive exhibit projects and general planning activities for the state park system. Due to the bond freeze, Parks has not been able to encumber the funds.

The Off-Highway Vehicle Trust funds were appropriated in 2009-10. Parks has not been able to encumber a portion of these funds for various reasons, including the inability to secure a valid bid via the Request for Proposal Procurement process and the additional workload required to complete the Invitation for Bid Procurement process for its Public Safety Dispatch Systems project. It is necessary to provide the requested reappropriations to allow Parks to complete these projects.

Additional Encumbrance Period

It is requested that Items 3790-001-0005 and 3790-001-6051 be amended to provide one additional year for Parks to encumber Proposition 12 funds for natural stewardship projects and Proposition 84 funds for general planning activities for the state park system. (See Attachment III.) This proposal is necessary because natural stewardship projects require environmental and cultural considerations and the progress of these projects is often hindered by weather conditions. In addition, the bond freeze and the environmental review process have made it difficult for Parks to encumber its Proposition 84 general planning funding in one year.

Local Assistance Program—Proposition 12

It is requested that Item 3790-101-0005 be added in the amount of \$6.8 million for Parks' local assistance program. (See Attachment IV.) The Budget Act of 2002 provided \$17.0 million Proposition 12 funds to Parks for recreational grants and provided three years to encumber and five years to liquidate the funds. Due to the suspension of bond funded projects in December 2008, the grantees are not able to complete the projects by June 30, 2010. To date, approximately \$6.8 million of the Proposition 12 grants have not been liquidated. Existing law requires any unspent Proposition 12 funds be reverted eight years after the effective date of the appropriation. Therefore, it is necessary to provide a new appropriation to enable Parks to fully liquidate the remaining \$6.8 million in Proposition 12 funds.

Extension of Liquidation Period—Proposition 40

It is requested that Item 3790-492 be added to extend the liquidation period of Parks' Proposition 40 local assistance funding for acquisition and development of local parks from the Budget Act of 2002. (See Attachment V.) The Budget Act of 2002 provided three years to encumber and five years to liquidate the funds. Due to the suspension of bond funded projects in December 2008, the grantees are not able to complete the projects by June 30, 2010. This extension of liquidation request will allow the grantees to complete the projects.

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JÉRUE

Chief Deputy Director

Attachment

cc: On the following page

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Ruth Coleman, Director, Department of Parks and Recreation
Mr. Michael Harris, Deputy Director, Policy, Department of Parks and Recreation
Mr. Manuel Lopez, Deputy Director, Administration Services, Department of Parks and Recreation
Ms. Cheryl Taylor, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Manager, Department of Parks and Recreation

Attachment I

3790-495—Reversion, Department of Parks and Recreation. As of June 30, 2010, the unencumbered balances 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

(1) Item 3790-301-0005, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3790-491, Budget Acts of 2004 (Ch. 208, Stats. 2004), 2006 (Chs. 47 and 48, Stats. 2006), and 2009 (Ch. 1 Stats. 2009), as reverted by Item 3790-496, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), and Item 3790-495, Budget Act of 2008 (chs. 268 and 269, Stats. 2008)

- (1) 90.AN.101 – Empire Mine SHP: Public Underground Tour—Construction and equipment
- (2) 90.BA.101 - Big Basin Redwoods SP: Wastewater Collection/Treatment System Improvements—Construction
- (9) 90.IL.101 – Border Field SP: Developm and Rehabilitate Day Use Facilities—Construction and equipment

Attachment II

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 as cited below:

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

(1) Up to \$40,000 in Item 3790-001-0005, Budget Act of 2009 (Ch. 1, Stats. 2009), Third Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2011.

(2) Up to \$818,000 in Item 3790-001-0005, Budget Act of 2009 (Ch. 1, Stats. 2009), Third Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2012.

0263—Off-Highway Vehicle Trust Fund

(1) Up to \$500,000 in Item 3790-001-0263, Budget Act of 2009 (Ch. 1, Stats. 2009), Third Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2011.

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Up to \$5,212,000 in Item 3790-001-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) as reappropriated by Item 3790-490, Budget Act of 2009 (Ch. 1, Stats. 2009), Fourth Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2011.

(2) Up to \$14,461,000 in Item 3790-001-6051, Budget Act of 2009 (Ch. 1, Stats. 2009), Third Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2011.

(3) Up to \$1,456,000 in Item 3790-001-6051, Budget Act of 2009 (Ch. 1, Stats. 2009), Third Extraordinary Session for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2012.

Attachment III

3790-001-0005—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 5,179,000

Provisions:

- 1. *Of the amount appropriated in this item, \$50,000 shall be available for encumbrance or expenditure until June 30, 2012.*

3790-001-6051—For support of Department of Parks and Recreation, payable to Item 3790-001-0392, from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006..... 37,426,000

Provisions:

- 1. Of the amount appropriated in this item, ~~\$4,663,000~~ \$6,360,000 shall be available for encumbrance or expenditure until June 30, 2012.
- 2. Of the amount appropriated in this item, \$9,515,000 shall be available for encumbrance or expenditure until June 30, 2013.
- 3. Of the amount appropriated in this item, \$14,175,000 may be available for various long-term improvement alternatives for the California Museum Collection Center, including lease with a purchase option, lease-purchase, acquisition, and lease with tenant improvements, and shall be available for encumbrance until June 30, 2012. No funds shall be expended for the California Museum Collection Center project without prior approval from the State Public Works Board.
- 4. All Requests for Proposals for the California Museum Collection Center project shall be subject to approval by the Department of Finance prior to being released for bid to interested parties.

Attachment IV

3790-101-0005—For local assistance, Department of Parks and Recreation payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....6,800,000

Schedule:

- (1) 80.25-Recreational Grants.....6,800,000
 - (a) Urban Centers and Educational Facilities...(3,200,000)
 - (b) Riparian and Riverine Habitat.....(3,600,000)

Provisions:

1. The amounts displayed in this item represent the balances as of December 31, 2009. The Director of Finance may adjust these amounts to the extent indicated by reports of past expenditures identified and made prior to July 2010.
2. Funds available in Schedule (1)(a) shall be allocated consistent with the balance available at time of reversion of Schedule (1)(a) of Item 3790-101-0005, Budget Act of 2002 (Ch. 379, Stats. 2002), and as allocated pursuant to the provisions of the Urban Centers and Educational Facilities appropriation at the time of the original appropriation.
3. Funds available in Schedule (1)(b) shall be allocated consistent with the balance available at the time of reversion of Schedule (1)(b) of Item 3790-101-0005, Budget Act of 2002 (Ch. 379, Stats. 2002)), and as allocated pursuant to the provisions of the Riparian and Riverine Habitat appropriation at the time of the original appropriation.

Attachment V

3790-492—Reappropriation, Department of Parks and Recreation.
Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2011.

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

- (1) Item 3790-101-6029, Budget Act of 2002 (Ch. 379, Stats. 2002) (1) 80.28-Local Projects, (a) Urban Park Grants, as reappropriated by Item 3790-490, Budget Act of 2004 (Ch. 208, Stats. 2004).
- (2) Item 3790-101-6029, Budget Act of 2002 (Ch. 379, Stats. 2002), (1) 80.28 Local Projects, (b) Murray-Hayden Competitive Grants, as reappropriated by Item 3790-490, Budget Act of 2004 (Ch. 208, Stats. 2004).
- (3) Subdivision (b)(1) of Section 4 of Chapter 1126 of Statutes of 2002 to the City of Los Angeles for acquisition and development of local parks.
- (4) Subdivision (b)(2) of Section 4 of Chapter 1126 of Statutes of 2002 to the County of Los Angeles for acquisition and development of local parks.
- (5) Subdivision (b)(3) of Section 4 of Chapter 1126 of Statutes of 2002 to the City of Rancho Cucamonga for the Central Park Project.
- (6) Subdivision (b)(4) of Section 4 of Chapter 1126 of Statutes of 2002 to the City of Los Angeles for Hansen Dam Recreation Area.
- (7) Subdivision (b)(5) of Section 4 of Chapter 1126 of Statutes of 2002 to the City of Los Angeles for the Sepulveda Basin Recreation Area.

APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 3790-301-6051 and 3790-491, and addition of Budget Bill Item 3790-495, Capital Outlay, Parks and Recreation

It is requested that Item 3790-301-6051 be increased by \$299,000 to add funding for working drawings for the Old Town San Diego State Historical Park (SHP): Building Demolition and Immediate Public Use Facilities project. The proposed project would demolish and remove the former Caltrans district headquarters buildings in San Diego and install immediate public use facilities, including a parking area, pedestrian circulation, basic landscaping, and interpretive elements. This project will both remove the liability of maintaining an abandoned building and improve public access to Old Town San Diego SHP.

It is requested that Item 3790-491 be amended to include Item 3790-301-6029(5.7), Budget Act of 2004, as reappropriated by Item 3790-491, Budget Acts of 2005, 2006, 2007, 2008, and 2009.

(5.7) Reimbursement-Donner Memorial SP: Visitor Center. Project design is nearly complete, but has been delayed by both the bond cash freeze and delays in the receipt of a federal transportation grant, which has since been received. Reappropriation of the reimbursement authority will allow the department to be reimbursed for the project and minimize the state's share of the project expenses.

It is requested that Item 3790-495 be added to revert the unencumbered balance of the funding for the following projects:

Item 3790-301-0005, Budget Act of 2003, as reappropriated by Item 3790-491 of the Budget Act of 2006.

- (1) Empire Mine State Historic Park: Public Underground Tour—Construction and equipment
- (2) Big Basin State Park: Wastewater Collection/Treatment System—Improvements
- (3) Border Field State Park: Develop and Rehabilitate Day Use Facilities—Construction and equipment

The reversion of the unencumbered balances for these three completed projects will make approximately \$251,000 of bond funds available for other projects one year earlier.

APR 01 2010

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JERUE

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Ms. Ruth Coleman, Director, Department of Parks and Recreation
Mr. Steve Lehman, Deputy Director, Department of Parks and Recreation
Mr. Manuel Lopez, Chief Budget Officer, Department of Parks and Recreation
Ms. Cheryl Taylor, Budget Office, Department of Parks and Recreation



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Various Budget Bill Items, Support and Capital Outlay,
Baldwin Hills Conservancy**

Proposition 84 Program Delivery Staffing

It is requested that Item 3835-001-0140 be amended to provide one two-year limited-term position to support the Baldwin Hills Conservancy's (Conservancy's) Proposition 84 capital outlay program. The Conservancy's existing Proposition 84 position will expire on June 30, 2010. Therefore, it is necessary to provide the proposed limited-term position to enable the Conservancy to implement watershed protection projects. The requested position will be funded by the Conservancy's existing Proposition 84 funding.

Reappropriation—Proposition 40 and 84

It is requested that Item 3835-490 be amended to reappropriate Proposition 40 funds and Proposition 84 funds for the Conservancy's capital outlay projects (see Attachment I). The proposed reappropriation will allow these funds to be used to acquire critical lands from willing sellers and implement site improvement projects according to the Baldwin Hills Park Master Plan.

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JÉRUE

Chief Deputy Director

Attachment

cc: On following page

APR 01 2010

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. David McNeil, Executive Officer, Baldwin Hills Conservancy
Ms. Cheryl Taylor, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Manager, Department of Parks and Recreation

Attachment I

3835-490 – Reappropriation, Baldwin Hills Conservancy. The balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for those appropriations, and shall be available for encumbrance or expenditure until June 30, 2013:

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

(1) Item 3835-301-6029, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by Item 3835-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

- (1) 20-Capital Outlay Acquisition and Improvement Program
- (2) Reimbursements

6051- California Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund

(2) Item 3835-301-6051, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)

- (1) 20-Capital Outlay Acquisition and Improvement Program



APR 01 2010

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

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

Sutter Bypass East Borrow Canal Water Control Structures

It is requested that Item 3860-301-6052 be increased by \$1,533,000 to continue construction of the Sutter Bypass East Borrow Canal project. This project includes the replacement of two hydraulic control structures and fish ladders that are part of the State Plan of Flood Control. This Proposition 1E funding is necessary to address project cost increases due to changes in the method of installation, relocation of one replacement weir, and increased monitoring requirements during construction.

Terminus Dam, Lake Kaweah

It is requested that Item 3860-301-6052 be increased by \$1,237,000 and Reimbursements be increased by \$200,000 to provide the state share for construction mitigation requirements. The Terminus Dam project, for which construction was completed in 2005, raised the spillway portion 21 feet. However, mitigation credits were never secured. This Proposition 1E funding will purchase the necessary mitigation credits to finalize the project.

Feather River Early Implementation Project

It is requested that Item 3860-302-6052 be increased by \$9,594,000 to provide Proposition 1E funding for the state cost share for the design and environmental review of the Feather River Levee Strengthening Early Implementation Project. This project will provide 200-year level of flood protection to urban areas of Yuba City and Live Oak and will likely include seepage remediation, setback levees, erosion control, and any necessary ecosystem restoration.

Truckee River Water Allocation

It is requested that Item 3860-001-0890 be increased by \$200,000 and that Item 3860-001-0001 be amended to reflect this change to enable the Department of Water Resources (DWR) to accept a second federal grant to fund litigation and implementation of the Truckee River Operating Agreement. Implementation of the agreement will resolve long-standing litigation over water issues in the Truckee River basin.

Reappropriations and Technical Adjustments: Non-Capital Outlay

Technical Adjustments

It is requested that Item 3860-001-6031 be increased by \$11,800,000 and Item 3860-001-0001 be amended to reflect this change. The 2009 Budget Act included reversion language for funding that should have reverted "on the natural." Subsequently, DWR and the Proposition 50 bond coordinator have learned that the funding in question had naturally reverted, resulting in the reversion of twice the intended amount. This increase will restore a portion of this reverted funding to fund environmental studies related to a US Fish and Wildlife Service Biological Opinion and the Vernalis Adaptive Management Plan without over-allocating this section of the bond.

It is requested that Item 3860-001-6023 be decreased by \$577,000, Item 3860-001-6025 be decreased by \$1,000,000, Item 3860-001-6027 be decreased by \$2,531,000 and Item 3860-001-0001 be amended to reflect these changes. It is also requested that the following Items also be decreased as follows:

- Item 3860-101-6005 be decreased by \$1,195,000
- Item 3860-101-6010 be decreased by \$3,441,000
- Item 3860-101-6052 be decreased by \$5,000,000

Since release of the Governor's Budget, the DWR has conducted an extensive review of financial statements, legal statements, State Controller's Office records, and accounting reports for Proposition 13 funds to verify and update all prior year expenditure data. The DWR also identified \$5.0 million in Proposition 1E funding that was appropriated in 2009-10 on a one-time basis but was not backed-out of the 2010-11 Governor's Budget. As a result these decreases are necessary to prevent over-allocation of various sections of bond funding and to accurately reflect bond appropriation needs.

Reappropriations

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

- Item 3860-101-6023, Budget Act of 2009
- Item 3860-001-6026, Budget Act of 2004
- Item 3860-001-6026, Budget Act of 2005
- Item 3860-001-6026, Budget Act of 2006
- Item 3860-001-6026, Budget Act of 2007
- Item 3860-001-6031, Budget Act of 2006
- Item 3860-001-6031, Budget Act of 2007
- Item 3860-101-6031, Budget Act of 2009
- Section 6(b)(3)-(7), Chapter 1, Statutes of 2008
- Item 3860-101-6051, Budget Act of 2009
- Section 6(a)(1)-(2), Chapter 1, Statutes of 2008
- Item 3860-001-6052, Budget Act of 2009
- Item 3860-101-6052, Budget Act of 2009

A number of water-related programs have been delayed for various reasons such as the bond freeze, permitting delays, California Environmental Quality Act (CEQA) or weather related construction delays, or delays in local matching funds. These reappropriations will provide additional time for these projects to be completed.

Extensions of Liquidation

It is also requested that Item 3860-492 be added to extend the liquidation period for projects previously encumbered under the following appropriations:

- Item 3860-001-0001, Budget Act of 2007
- Item 3860-101-6005, Budget Act of 2003
- Item 3860-101-6007, Budget Act of 2001
- Item 3860-101-6010, Budget Act of 2005
- Item 3860-101-6014, Budget Act of 2000
- Item 3860-101-6023, Budget Act of 2001
- Item 3860-101-6023, Budget Act of 2006
- Item 3860-101-6025, Budget Act of 2001
- Item 3860-101-6027, Budget Act of 2000
- Item 3860-101-6027, Budget Act of 2001
- Item 3860-001-6031, Budget Act of 2003
- Item 3860-101-6031, Budget Act of 2003
- Item 3860-101-6031, Budget Act of 2004
- Item 3860-001-6051, Budget Act of 2007
- Item 3860-101-6051, Budget Act of 2007
- Item 3860-101-6052, Budget Act of 2007

A number of water-related programs have been delayed for various reasons such as the bond freeze, permitting delays, CEQA or weather related construction delays, or delays in local matching funds. These liquidation period extensions will provide additional time for the final accounting and final payments to be completed.

Reversions

It is also requested that Item 3860-495 be amended to (1) delete schedule (1) of 6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, (2) increase schedule (1) of 6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 by \$2,901,000, and (3) add reversions from the following items:

- Item 3860-001-0404, Budget Act of 2008
- Item 3860-101-6007, Budget Act of 2009
- Item 3860-101-6023, Budget Act of 2008
- Item 3860-001-6025, Budget Act of 2009
- Item 3860-001-6027, Budget Act of 2009
- Item 3860-001-6031, Budget Act of 2006
- Item 3860-001-6051, Budget Act of 2008
- Item 3860-001-6051, Budget Act of 2007
- Section 6 of Chapter 1, Statutes of 2008, Second Extraordinary Session, Subsection (b)(4) of Public Resources Code Section 83002

The funds in these reversions are unused prior year amounts that have not naturally reverted. These reversions are necessary to prevent various sections of the bonds from appearing over-allocated and to provide the most accurate bond balance reports.

Reappropriations and Extension of Liquidation Requests: Capital Outlay

Reappropriations

It is requested that Item 3860-491 be added to reappropriate funding for the following projects:

- 1997 Flood Damage Repair Projects: Reappropriation is needed to complete construction, land acquisitions, and staff activities for project close-out. The project was delayed because of issues with property acquisition on several parcels.
- Magpie Creek Small Flood Control Project: Reappropriation is needed for land acquisitions, relocations, and staff activities for the project. The project was delayed because of scope changes requested by the local project sponsor. These changes were accepted by the Army Corps of Engineers (Corps) but the project remains on hold pending Congressional action to redefine an 80 acre floodplain purchase as a non-structural solution.
- South Sacramento County Streams: Reappropriation is needed to assure sufficient funds to continue ongoing construction activities. The project was delayed due to construction site conditions and subsequent schedule slips.
- Marysville/Yuba Levee Reconstruction: Reappropriation is needed to secure adequate access rights to monitor and operate the project. The completion of an acquisition related to the project was delayed because of a dispute over differences in interpretation of the monitoring requirements for the mitigation site. The bond freeze also delayed the bond funded portion of this project.
- Mid-Valley Levee Reconstruction: Reappropriation is needed to support completion of the Engineering Documentation Report and design of the remaining contract areas. These activities were delayed as a result of the bond freeze.
- Folsom Dam Raise Project: Reappropriation is needed for staff time to allow completion of environmental documents. The project was delayed until the Flood Damage Reduction Joint Federal Project was substantially complete.
- Folsom Dam Raise—Bridge Element: Reappropriation is needed to meet the state's cost share obligation on the new bridge at Folsom Dam. Although the bridge opened to traffic in 2009, the Corps determined that ancillary work adjacent to the bridge piers is not complete. State law obligates DWR to provide the state's cost-share contribution.
- Sutter Bypass Pumping Plants Control Systems: Reappropriation is needed to continue design and construction. The magnitude and complexities of this project have resulted in a longer than anticipated design and construction period.

- Sutter Bypass East Water Control Structures: Reappropriation is needed to meet channel maintenance obligations and complete construction. The project was delayed due to changes in design and construction methods as a result of foundational stability and seepage issues.
- West Sacramento Project: Reappropriation is needed to support the development of the General Reevaluation Report by the Corps and fund the remaining design and construction of the north Slip Repair. The project was delayed due to internal issues at the Corps and the recent bond freeze.
- Franks Tract Pilot Project: Reappropriation is needed to fund final design and Environmental Impact Report/Environmental Impact Report (EIS/EIR) work. These activities were delayed as a result of the bond freeze.

These projects have been delayed for the reasons noted above, therefore reappropriation is requested.

Extension of Liquidation:

- Yuba River Basin: This project was delayed due to schedule slips and scope changes with the Corps. The funds are encumbered for the General Reevaluation Report which should culminate in a Chief's Report in December 2010.
- South Sacramento County Streams: This project was delayed due to site conditions. Funds are needed to meet the state's cost-sharing agreement.
- Terminus Dam, Lake Kaweah: Delayed invoicing by the Corps caused these funds to remain unliquidated. Funds are needed for the state's cost-sharing agreement.

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.

ANA J. MATOSANTOS

Director

By:

/s/ Todd Jerue

TODD JÉRUE

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Christine Robertson, Chief of Staff, Assembly Republican Leader's Office
Honorable Lester Snow, Secretary, Natural Resources Agency
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Mark Cowin, Director, Department of Water Resources
Ms. Perla Netto-Brown, Controller, Department of Water Resources
Ms. Kathie Kishaba, Budget Officer, Department of Water Resources
Ms. Marcy Brown, Manager, Department of Parks and Recreation