

BDAC Transcripts 12/12/97

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IN RE THE MEETING OF THE)
BAY-DELTA ADVISORY COUNCIL)
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ORIGINAL

TRANSCRIPT OF PROCEEDINGS
SACRAMENTO CONVENTION CENTER
13 & K Streets
Sacramento, California 95814

Friday, December 12, 1997 at 9:50 a.m.

REPORTED BY: SUSAN PORTALE, CSR NO. 4095, RPR, CM
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1 COUNCIL MEMBERS:

2 MICHAEL MADIGAN, Chairman, California Water
3 Commission

4 LESTER SNOW, Executive Director

5 SUNNE McPEAK, Bay Area Economic Forum

6 ERIC HASSELTINE, Contra Costa Council

7 STEVE HALL, Association of California Water
8 Agencies

9 ROBERT MEACHER, Regional Council of Rural
10 Counties

11 ALEX HILDEBRAND, South Delta Water Agency

12 BOB RAAB, Save San Francisco Bay Association

13 RICHARD IZMIRIAN, California Sportfishing
14 Protection Alliance

15 ANN NOTTHOFF, Natural Resources Defense Council

16 BYRON BUCK, California Urban Water Agencies

17 DAVID GUY, California Farm Bureau Federation

18 TOM GRAFF, Environmental Defense Fund

19 MARY SELKIRK, Department of Water Resources

20 ROGER THOMAS, Golden Gate Fishermen's
21 Association

22 JUDITH REDMOND, Community Alliance with Family
23 Farmers

24 TIB BELZA, Northern California Water Association

25 DON BRANSFORD, Glenn-Colusa Irrigation District

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COUNCIL MEMBERS: (cont'd)

ROSEMARY KAMEI, Santa Clara Valley Water
District

MIKE STEARNS, San Luis Mendota Water Authority

ROBERTA BORGONOVO, League of Women Voters

STUART PYLE, Kern County Water Agency

MARTHA DAVIS, Sierra Nevada Alliance

MARCIA SABLAN, Mayor of Firebaugh

HAP DUNNING, The Bay Institute

PATRICK WRIGHT

L. RYAN BRODDRICK

ROGER STRELOW, Dames and Moore

ROGER PATTERSON, Designated Federal Official -
Bureau of Reclamation

---oOo---

1 (All parties present, the following proceedings were
2 had at 9:50 a.m.):

3

4 MS. McPEAK: Ladies and Gentlemen,
5 I am going to convene the meeting of the Bay-Delta Advisory
6 Council for December 12th, 1997.

7

8 It appears that our Chairman, Mike Madigan,
9 whom we are expecting, has been probably delayed by fog in
10 air transport from San Diego.

11

12 MS. SELKIRK: He is routed to San Jose so

13

14 he is arriving. He will be late.
15 MS. McPEAK: If you didn't just hear Mary
16 Selkirk's report they were just informed that Chairman
17 Madigan was rerouted from San Diego to San Jose is now
18 going to try to drive through the Bay Area to Sacramento.
19 That's a good three-hour trip. So we'll expect our
20 Chairman around noon maybe and we will have to proceed in
21 the meantime.

22

23 What we have in front of you, if you open up
24 your blue packets, is the timed Agenda for today.

25

26 We have a lot in front of us and there are some
27 items that we are intending to take up under the Chair's
28 report that have been raised by members of BDAC in the
29 past.

30

31 We are going to do some of that in the morning

1 and if the discussion starts to extend into any lengthy
 2 exchange among the BDAC members, then we are going to
 3 continue that to the afternoon because we don't want to
 4 either take away from the time we need to focus on the
 5 central Agenda items for BDAC or to dissipate our energy
 6 this morning on some of the other very important and
 7 contentious issues regarding water policy in California.
 8 So I wanted to note that. Please be aware of
 9 the timing with respect to lunch and the Break-Out
 10 Sessions.
 11 We are also expecting to encourage BDAC members
 12 to literally pick up the lunch and go into the discussion
 13 sessions and we know we've got very different schedules for
 14 some of you around the table that we are trying to also
 15 accommodate today.
 16 So I think you now have this Agenda in front of
 17 you.
 18 In terms of the Chair's report I want to note
 19 that you have in your packet a letter that related to the
 20 Westlands issue that did not get distributed until today
 21 but you do have that.
 22 It was responding to an item that was raised by
 23 Mr. Graff, and in particular we also committed to
 24 discussing the B(2) issue and I'm going to want to spend
 25 about five minutes today. I know some people can be here

1 MS. MCPeAK: Are you surprised at this,
 2 Steve?
 3 STEVE ARAKAWA: Yes, actually.
 4 MS. MCPeAK: Well, I have your name.
 5 Is Steve Hall going to do this? I saw Steve
 6 come in. Where is he? Is he in the back of the room?
 7 STEVE ARAKAWA: Well, I can say that I am
 8 here.
 9 MS. MCPeAK: I can see that.
 10 STEVE ARAKAWA: I'd like to be back with
 11 my next warm cup of coffee. Steve Hall will be giving an
 12 update. If Steve doesn't get here soon, I guess I can go
 13 over our key points but we'd like Steve to give that
 14 presentation.
 15 MS. MCPeAK: Okay. Well, let's defer it.
 16 I thought I saw Steve.
 17 Okay. Thanks, Steve.
 18 Let's then go to the B(2) discussion.
 19 I think Patrick, because Roger is out this
 20 morning, if you might just, you know, do a short status
 21 report, then I'll take comments and go for about five
 22 minutes on B(2) and continue to this afternoon if members
 23 want to.
 24 Patrick.
 25 MR. WRIGHT: Okay. Sure. As most of you

1 only this morning and by minute this morning I'm going to
 2 spend because some of your schedules don't allow you to be
 3 here this afternoon. If we get into a long exchange we
 4 will just continue the discussion and we are also going to
 5 have an ag urban report this morning.
 6 Some members of the public who have also braved
 7 the weather, the traffic, other schedules to be here this
 8 morning can't be here in the afternoon.
 9 If you will fill out your forms, let me know
 10 that. We are going to attempt to accommodate schedules of
 11 the public as well who have true constraints. So, please,
 12 let's do that.
 13 And one other item under the Chair's report
 14 we'll take up will be the continuation of the Bay-Delta
 15 Accord and the Governor's announcement.
 16 So let's back up and start with those items
 17 under the Chair's report that Mike and I have expected
 18 would be ongoing reporting in from other arenas or other
 19 items that are engaging on the water policy issue may not
 20 be a central part of the BDAC or CalFed Agenda.
 21 The first being on the ag urban update.
 22 And I think Steve Arakawa is here to provide a
 23 short report.
 24 Is that true?
 25 MR. MEACHER: He looks ready.

1 know, the Department of Interior released its final policy
 2 on B(2) and related issues on November 20th.
 3 As part of that we also kicked off a -- we
 4 included as part of that policy a commitment to further
 5 develop a set of so-called tools.
 6 The decision was that we were going to move
 7 forward for five years on the set of measures to increase
 8 protection of the ecosystem for at least the next five
 9 years and then thereafter to be further modified. Along
 10 with that we now start commitment to try to develop a set
 11 of tools to be able to provide additional environmental
 12 benefits beyond those that were in the measures that were
 13 announced and also to try to help offset the potential
 14 water supply impacts of those measures.
 15 We are currently in the process of trying to
 16 develop that set of tools.
 17 A couple of draft documents have been
 18 circulating on those tools that have sparked quite a bit of
 19 concern in the stakeholder community.
 20 We are in effect pulling those back and trying
 21 to come up with a package of tools that we can better
 22 explain to all the stakeholder groups before we try to push
 23 any individual tool or any individual financing mechanism
 24 for those tools so, again, it's sort of a process that's
 25 just underway now since November 20th to try to put

1 together a broad based package that will help move this
 2 issue along.
 3 I'd be happy to talk to folks today in between
 4 sessions about where that is and get your input and ideas
 5 but in general we are moving forward despite the litigation
 6 that has been announced with the program that we announced
 7 on November 20th.

8 MS. MCPEAK: Tom, I know you have jury
 9 duty today in the afternoon that is really a legitimate
 10 excuse. That I can accept. Okay.

11 And do you want to comment on this issue?

12 MR. GRAFF: well, I'd be happy to comment,
 13 although, I think probably sequentially we should hear from
 14 those who have filed suit against the actions first.

15 MS. MCPEAK: Patrick, do you have any
 16 response or comment?

17 MR. WRIGHT: (shrugs shoulders) (Negative
 18 headshake)

19 MR. GRAFF: Did you hear me?

20 MS. MCPEAK: No. Go ahead.

21 MR. GRAFF: I said I thought first in
 22 terms of sequencing we probably should hear from those who
 23 have filed suit to attack that decision first.

24 MS. MCPEAK: Okay.

25 Does anyone wish to share information,

1 acknowledging that to a certain extent the Government is
 2 constrained on this because of the litigation, and I'm
 3 aware of that.

4 Does anybody else want to comment? Mike?

5 MR. STERNS: well, as a representative
 6 from the San Luis Delta Mendota Water Authority that was my
 7 understanding.

8 Obviously, we got to this point because
 9 negotiations couldn't resolve this but my understanding was
 10 we weren't free to discuss this since it is now in
 11 litigation.

12 And if someone else may have some comments
 13 better along those lines, I'm not sure.

14 MS. MCPEAK: Any other comments from
 15 anyone before --

16 MR. WRIGHT: well, the only other
 17 follow-up comment that I would add is that clearly the
 18 Department of Interior and the Administration's position is
 19 that notwithstanding the litigation that in no way
 20 diminishes our commitment to the CalFed process, which has
 21 certainly been a question that the press and the public
 22 have been asking.

23 If anything, it re-emphasizes the importance of
 24 this process to try to come up with a CVPIA solution that
 25 makes sense and allows us to move forward but also we want

1 to do everything we can to emphasize the importance of this
 2 process and how critical it is to the State of California.

3 MR. GRAFF: well, we had quite a
 4 discussion about this last time. I understand the Chair's
 5 interest in moving along so I'll be brief.

6 As we pointed out last meeting we were
 7 concerned about many aspects of the -- what was then a
 8 draft decision of the Interior Department.

9 We had some -- there were some parts of it that
 10 we thought were worthy. The changes that were made between
 11 October 31st and November 20th while in the overall scheme
 12 of things minor, they were mostly intended to appease
 13 the -- those who filed the lawsuit the day after the
 14 decision was announced.

15 It seems, unfortunately, typical that the
 16 lawsuit was filed immediately upon the decision being
 17 rendered, and equally, unfortunately, that lawsuit and the
 18 decision itself cast doubt on the ability of a consensus
 19 process such as this one to reach conclusions that are
 20 sustainable and durable for the long run and that barely
 21 reflect all the interests involved.

22 Having said that here we are. We're still at
 23 the table and trying to work on solutions, but we are
 24 concerned about what happened in late November.

25 MS. MCPEAK: Thank you, Tom.

1 Are there any other comments? Yes, Ann.

2 MS. NOTTHOFF: Just I know how we talked
 3 about this at the last meeting how B(2) is kind of a
 4 warm-up for CalFed and I think here for the purposes of
 5 CalFed the take home message is that we ought to be quite
 6 complaisant, I think, at the -- you know, and recognize the
 7 insatiability of some of the water interests that I fear
 8 will thwart any consensus process in the future on CalFed.

9 MS. MCPEAK: Okay. I'm sensing that
 10 perhaps we've had all the comments that people are going to
 11 share on this?

12 Mike.

13 MR. STERNS: Only to repeat what's been
 14 said. We find this most unfortunate as well. It was with
 15 a lot of agony that this decision was made but we certainly
 16 share the feeling that this CalFed process is where we have
 17 our trust and hope and that this is going to be the place
 18 that there is a solution and we heartily support this and
 19 want to stay engaged.

20 MS. MCPEAK: I'm sitting here trying to
 21 maintain the neutrality of the chairing role and whether or
 22 not I should share just a discussion within my own
 23 membership.

24 So I think let me make a distinction that I'm
 25 now going to try to share, a viewpoint, from the business

1 community.
 2 Since the Garamendi decision and the filing of
 3 the litigation there has been a lot of questions to me from
 4 my own members, mostly totally confounded about what is
 5 going on and how are we ever going to reach agreement and
 6 consensus.

7 I'm trying desperately to sort out and explain
 8 the various viewpoints. So it's a complicated issue. I
 9 don't deny that.

10 I understand the various viewpoints. I just
 11 thought you should be aware that there is a pause
 12 happening, at least within my members, trying to understand
 13 what this is about and how does this lead to ultimately a
 14 resolution.

15 So be aware of that. I hope that we will now
 16 be able to move on and the discussion that happens around
 17 the Agenda for BDAC being on point will try to move us to
 18 the overall solution in order to get resolution.

19 Hoping not to have violated the role I'm
 20 supposed to be playing on behalf of Chairman Madigan let me
 21 now step back into that role and say let's move to the next
 22 item under the Chair's report.

23 We -- if you have not yet found the letter that
 24 is a response from the interior to Mr. Graff (indicating)
 25 it's here at your desk. We said we would have this back on

1 with the Federal agencies to execute an extension of the
 2 accord for a one-year period.

3 And he did that at the same time of announcing
 4 the State portion of funding related to the recent
 5 deliberations on category three projects and so roughly
 6 \$33,000,000 of projects were announced last week.

7 But we do -- in terms of this event, though, do
 8 plan on having a joint State and Federal stakeholder
 9 announcement next week on the 17th at ten o'clock, and I
 10 believe we are distributing or have distributed notice of
 11 that event, which will be held here in Sacramento, to fully
 12 acknowledge the \$60,000,000 worth of projects that are
 13 moving forward that have come out of the integration panel,
 14 the technical groups and the ecosystem roundtable to help,
 15 you know, make progress in ecosystem restoration as well as
 16 statements in announcement of the extension of the accord
 17 and perhaps also acknowledgment that there is an awful lot
 18 of problems that can still derail us if we don't continue
 19 working jointly to move forward on this.

20 So if that was not in your packet, I'm sure we
 21 have copies in the back and that will be distributed to
 22 everyone.

23 What we are seeing -- I guess I'd just make an
 24 additional comment -- particularly, with Governor Wilson
 25 specifically talking about the CalFed process and the

1 the Agenda.

2 Is there any discussion on this item that
 3 anyone wants to have?

4 I would go first to the two parties engaged in
 5 this from the Interior and then to Mr. Graff.

6 Any further comments?

7 (No response)

8 Okay. Let me move to the next item on the
 9 Chair's report, which is the Governor's announcement on the
 10 extension of the Bay-Delta Accord and his commitment to
 11 CalFed.

12 Lester, perhaps you would like to comment on
 13 that release.

14 EXECUTIVE DIRECTOR SNOW: Certainly.

15 Many of you know that for some time we've been
 16 looking at the issue of, you know, how we keep making
 17 progress within the accord and recognition that the accord
 18 was set up for three years. We still have work underway
 19 and so some time ago the State and Federal agencies had
 20 agreed that we needed to extend the accord to provide the
 21 certainty that that has, continuing protections and
 22 continuing understanding of how the system is being
 23 operated and that has moved forward to the point where
 24 Governor Wilson last week announced that he had instructed
 25 Secretary Wheeler and Secretary Rooney to go ahead and sign

1 importance to the State last week, that coming roughly two
 2 weeks after the President making the similar announcement
 3 in the Yolo Bypass that we must move forward on this effort
 4 to try to find the win-win situation that again illustrates
 5 that despite the controversies embedded in all of these
 6 issues that we are grappling with we have support at the
 7 highest levels in the country and at the highest levels in
 8 the State of California so we certainly will unearth more
 9 controversies today as we go through a lot of this
 10 discussion but we've got to stay with this.

11 Everybody is hoping that we can find the
 12 balanced equitable solution and again we are seeing both
 13 the President and the Governor essentially encouraging us
 14 on to work hard and come up with a solution.

15 MS. MCPEAK: Thank you.

16 I personally want to express an appreciation to
 17 Governor Wilson and President Clinton for their commitments
 18 and it's very important particularly in California with
 19 Governor Wilson's leadership and attention on this issue to
 20 help us move forward.

21 I also will note that it's the only or the
 22 first major policy announcement I've ever seen originate
 23 from Galt, and that's what the date line was on the press
 24 announcement and I had to stop and think what was G-A-L-T
 25 now an acronym for until I realized that it is that

1 community on the Cosumnes River.
 2 So having said that I think we have gone
 3 through all of the items on the Chair's report except the
 4 urban ag discussion, which we are going to defer until we
 5 have Steve Hall and it may be, in fact, this afternoon that
 6 we hear it.

7 MS. SELKIRK: Sunne --
 8 MS. MCPEAK: Yes, Mary.
 9 MS. SELKIRK: I believe that's true. I
 10 just wanted to make one correction to the public
 11 involvement calendar schedule.

12 The next meeting of the BDAC water transfers
 13 workgroup is next Wednesday, the 17th, at 9:30 in the
 14 morning.

15 It's incorrectly listed as 1:30 in the
 16 afternoon so those of you who are on the workgroup, I'm
 17 sure, know that but just for everyone's information.

18 MS. MCPEAK: Yes. Tom.
 19 MR. GRAFF: I don't know how you intend to
 20 handle it, but all the Westlands water use issue but let me
 21 note for the record since I am leaving early today that
 22 there is a memo from Lester to BDAC members, dated December
 23 8th, which was distributed today, December 12th. I hadn't
 24 previously seen it, but I assume it's available to the
 25 public and then there is an undated letter from Roger

1 can bring some of these more timely items upfront but not
 2 have extended discussion sort of as a release valve of our
 3 dynamic and then pick them up at the end if we need to.
 4 Okay?

5 And right on cue, Mr. Hall, the ag urban report
 6 is the last item under the first Agenda item of the Chair's
 7 report. And you have been nominated to give this.

8 MR. HALL: Thank you, Madame Chair. I
 9 apologize for being late.

10 Only one thing takes priority over CalFed and
 11 that apparently is MTBE. Anybody want to talk about MTBE?

12 MS. MCPEAK: I could and don't.

13 MR. HALL: Okay.

14 Ag urban, we have been meeting very
 15 intensively, nearly as intensively, I would say, as Lester
 16 and his CalFed team. Though, I wouldn't want to claim
 17 we've gone to those extremes.

18 And as other interest groups are doing we are
 19 focusing on where it appears CalFed is headed.

20 In particular we have been analyzing ERPP. We
 21 have submitted extensive comments on that. My
 22 understanding is that at least in this area our comments
 23 and the comments of the environmental water caucus are very
 24 similar. We have the same concerns. We want to see the
 25 same goals pursued. We have suggested very similar

1 Patterson to me --
 2 MS. MCPEAK: Right.
 3 MR. GRAFF: -- which was also given to me
 4 this morning. This is not an agendized item, although it
 5 was stated that it would be an agendized item today.
 6 As far as I'm concerned I'm willing to defer
 7 this whole discussion until next meeting and I presume
 8 we'll submit additional information between now and then?

9 MS. MCPEAK: Tom, I apologize. You were
 10 actually talking to Bob when I called this item, Westlands,
 11 and I need help today because we are trying to fill in and
 12 handle the meeting until Mike is here so Lester has been
 13 giving me information while some of you have been talking
 14 and I haven't picked it up and I did know we were going
 15 to -- that this correspondence was here and asked if either
 16 the Interior Department or Westlands or you wanted to
 17 comment on it and I would take five minutes if you would
 18 like to make any further comments on it.

19 MR. GRAFF: No. These documents are both
 20 new to me and I'm happy to wait a month.

21 MS. MCPEAK: Why don't we -- what we'll do
 22 is again have this on the next Agenda under the Chair's
 23 report.

24 You'll see what we are doing is having a
 25 Chair's report at the beginning and at the end so that we

1 modifications, and I think that's -- we ought to give
 2 ourselves credit for that encouraging news.

3 There does appear to be still a great deal of
 4 uncertainty with respect to biological science but in terms
 5 of goals and processes there seems to be an emerging
 6 consensus about what we should be trying to accomplish and
 7 how we should be trying to accomplish it recognizing those
 8 uncertainties.

9 Where there may be a divergence of opinion with
 10 the environmental water caucus is that we believe that the
 11 oft repeated phrase "getting better together" has to mean
 12 something, which means their need to be real measurable
 13 water supply improvements in the package that CalFed
 14 develops and puts on the street.

15 And so we have been scrutinizing the documents
 16 to date in an effort to determine whether, in fact, there
 17 are water supply -- real water supply benefits in the
 18 CalFed package.

19 And as soon as we have something definitive
 20 from CalFed in terms of what it's proposing we will comment
 21 on whether it does, in fact, meet that test.

22 Obviously, water quality is another significant
 23 concern, particularly to the urban water purveyors that are
 24 participating in ag urban.

25 There are present and future water quality

1 standards mandated by the Federal Government which must be
2 met. In order to meet those there must be source water
3 quality of sufficient quality so that they can meet those
4 affordably.

5 And when I say "affordably" urban water
6 supplies in California are fairly expensive. They will be
7 more expensive. The question is whether they will be so
8 expensive that they literally price people out of the --
9 this fairly important resource.

10 We have got to have a source water quality that
11 meets that test.

12 We are looking at all of the alternatives,
13 alternative one, two and three to determine which
14 alternative provides the best source water quality on a
15 reliable basis.

16 A third non-negotiable, I suppose you might say
17 for ag urban is long-term certainty. Whatever physical
18 facilities are in place, including conveyance and storage,
19 as well as the institutional measures that are in place,
20 the institution that operates in the Bay-Delta, the
21 institution that works toward ecosystem goals in the Delta
22 and the Water Quality Standards that prevail in the Delta
23 have to provide long-term certainty for the ecosystem but
24 also for water supply and for water quality.

25 In other words, we are looking for long-term

1 MR. RAAB: Right.

2 MR. HALL: I don't here today but our
3 technical team has done quite a lot of work in determining
4 the cost of compliance with drinking water quality
5 standards based upon varying source water qualities.

6 I can tell you this:

7 The constituents that are of real concern are
8 bromide and Trihalemethane, and those particular
9 constituents more than any seem to drive the cost of
10 compliance and I'm already telling you more than I know.

11 So if you have more questions on that subject,
12 I'll refer you to Steve Arakawa or somebody else who can
13 better answer those questions.

14 MS. McPEAK: I think the question that Bob
15 is raising at a level of investigations that we are likely
16 to find ourselves going in today as we start looking at the
17 alternatives and I point this out as an example of the need
18 for all of the staff and the agencies, Federal and State
19 agencies within CalFed, to become as explicit as possible
20 about the assumptions and the conclusions of the analysis.

21 There can be great variation on conclusions
22 around which alternative performs best under the set of
23 solution principles depending on what assumptions are going
24 in and so what Bob is asking for in terms of drinking water
25 is let's look at what are all the assumptions, today's

1 certainty in this package. That is what was promised in
2 the accord and in CalFed's charter and that's what we are
3 seeking.

4 So we believe there necessarily need to be
5 significant investments in storage and in a trans-Delta
6 conveyance system that provides sufficient water quantity,
7 sufficient water quality and sufficient certainty.

8 Obviously we are looking at all three
9 alternatives to determine which of those, which variation
10 on those, best meets those tests.

11 That's a good summary and I'll -- or at least a
12 summary. I won't give myself a grade and I'll be happy to
13 try to answer questions.

14 MS. McPEAK: Are there questions to Steve?

15 Yes, Bob, Bob Raab.

16 MR. RAAB: Steve, do you have a cost
17 analysis of -- that breaks out what water costs will be in
18 various scenarios including the new Federal standards and
19 how that will -- how much that will increase the cost of
20 water to users?

21 MR. HALL: I'm sorry, Bob, I didn't hear
22 everything you said. Are you talking about Water Quality
23 Standards --

24 MR. RAAB: Yes.

25 MR. HALL: -- for drinking water quality?

1 standards, what is expected to be tomorrow's standards, the
2 options of those standards against treatment and what kinds
3 of treatment and, therefore, costs.

4 And that kind of almost matrix so that somebody
5 as dumb as I can, and I am convinced that today I am the
6 dumbest person in this room because I can't quite
7 understand any of this. So all of you are a lot smarter
8 and we are just going to have the dumb test about what does
9 all this analysis mean.

10 MR. HALL: Does anybody believe what she
11 just said? I'm not buying this, Sunne, I'm sorry.

12 MS. McPEAK: well, I'm not getting it so
13 you've got to be able to give me -- it's a pretty simple
14 matrix but I've got to understand the assumptions and then
15 based on those assumptions what the conclusions are related
16 to these alternatives and so I just wanted to point out
17 what Bob is asking. I think we are going to have more
18 questions around the table.

19 MR. HALL: well, I can't say that we have
20 had to make certain assumptions. We have asked US EPA what
21 is -- what do they believe will be the drinking water
22 quality standards that we will have to comply with that
23 will drive this and have not had as yet a final definitive
24 answer and in EPA's defense it's pretty difficult to -- for
25 them to say, well, we haven't set the standard yet but it's

1 going to be this. I mean, that's just not the way they do
 2 business nor should it be the way they do business.
 3 It does force us to make certain assumptions.
 4 We have tried to narrow the range of assumption
 5 as much as possible and we have looked at each of the three
 6 alternatives in terms of how they perform in helping comply
 7 with drinking water quality standards.

8 MS. McPEAK: Yes, Roberta.

9 MS. BORGONOVO: I have a question that I
 10 think you were alluding to, Sunne.

11 No, we don't think you are the dumbest person
 12 in the world. You are this intelligent lay person and what
 13 you're saying is that when you read the documents you have
 14 to be able to pick out those assumptions.

15 So I wanted to go back to the question about
 16 your cost benefit analysis.

17 When you look at the water quality standards
 18 for bromides and THM's are you looking at the range of
 19 standards so even though they have not yet been set by EPA
 20 you -- the first assumptions I saw were the worst case
 21 scenario. Have you gone back and redone them so that it's
 22 not necessarily the worst case scenario?

23 MR. HALL: I'm going to ask Steve Arakawa
 24 to respond. We have looked at a range, but Steve is
 25 better equipped to answer the question of just how we've

1 done that.

2 STEVE ARAKAWA: Let me answer that question
 3 in two parts.

4 One is when we have the scientific panel, the
 5 independent scientific panel, look at the various water
 6 quality parameters of concern we looked at all of the
 7 various assumptions about might be needed in order to
 8 protect human health in the drinking water quality arena
 9 and through that process we developed a report which
 10 doesn't try to identify what the future standard is but it
 11 tries to identify the various scenarios that we may be
 12 having to look at and given that what does the independent
 13 scientific panel feel is a fair assumption to make in terms
 14 of drinking water quality.

15 In dealing with the treatment costs, which we
 16 have not completed the analysis yet -- we hope to have an
 17 initial cut at what those figures are next week -- we are
 18 looking at a range to try to figure out what the
 19 sensitivity is to what you need to meet and result, what is
 20 the treatment costs for those various scenarios.

21 I hope that answers the question.

22 MS. McPEAK: Yes. Well, Roberta, do you
 23 want to respond?

24 MS. BORGONOVO: I would say that I hope
 25 that would come out in the analysis that CalFed is doing so

1 we'll be able to see these same questions answered.

2 MS. McPEAK: Byron is going to respond but
 3 I think what I'm going to suggest based on this exchange,
 4 as we go through, we are going to start moving through the
 5 Agenda and we get these items up there, if we could start
 6 trying to zero in on what additional information or
 7 questions we have posed to staff and somebody could record
 8 those so we'll have an exchange that is more civil than I
 9 am inclined to be today.

10 Excuse me. And try to get, you know, the data
 11 out. That would probably be helpful to staff.

12 Byron.

13 MR. BUCK: I'd just add on to what Steve
 14 said.

15 We've had some additional discussions with
 16 CalFed staff and EP and others. Steve mentioned the
 17 original report came out with roughly an end point of what
 18 the expert panel thought. Here is the level of source
 19 water quality you are going to need to reasonably achieve
 20 standards in the future given the technology that's out
 21 there.

22 We've had additional discussions and Patrick
 23 might want to chime in on this, that we can look at it a
 24 different way as well to look at various levels of water
 25 quality, a sensitivity analysis, if you will, which would

1 then give you for each level a water quality, what
 2 technology would you have to apply, what are the cost
 3 implications of that technology and what's the public
 4 health level of protection you would get out of that and so
 5 we are working on a proposal to go a step further than your
 6 original expert panel report to give you, BDAC and everyone
 7 else the full range of if you have a certain level of water
 8 quality what are all of the implications out of that and
 9 what do you buy for that.

10 MS. McPEAK: which could be displayed and
 11 summarized at least in one matrix of the data behind it,
 12 Byron?

13 MR. BUCK: Exactly. And that's the
 14 direction we are going is to give you the array, if you
 15 pick a source that's this, what does it imply versus this
 16 and what are the implications of it.

17 MS. McPEAK: Steve.

18 MR. HALL: One thing I didn't mention is
 19 that another area we are looking at and need to look at is
 20 the effective source water quality on our ability to
 21 recycle water.

22 MS. McPEAK: Right.

23 MR. HALL: Source water quality is a very
 24 important determinant and we obviously want to maximize
 25 reuse as a resource but we have to start with sufficient

1 water quality in order to do that.
 2 MS. MCPEAK: Okay.
 3 Very good exchange.
 4 Before moving into the Agenda let me just flag
 5 for you what we expect to be the schedule of meetings, the
 6 next two schedule of meetings in case some of you have to
 7 leave.
 8 You should have on your calendar the 29th of
 9 January here in Sacramento. We are still hoping to hold
 10 that date, recognizing that there are workgroups that are
 11 meeting and other Public Workshops that make it tough on
 12 staff, but that seems to be the date we had targeted. We
 13 are going to try to hold that. We expect to follow that
 14 with a two-day meeting in Southern California, probably Los
 15 Angeles, the week of March 16th so that that would be the
 16 meeting that follows the release of the EIR/EIS and the
 17 preferred alternative having been identified in that
 18 document.
 19 We will be discussing that on the 29th so the
 20 29th of January, the next meeting of BDAC after this one is
 21 the -- sort of the last public discussion of BDAC in terms
 22 of input for the preferred alternative EIR/EIS and then you
 23 would have a two-day meeting that would follow that a
 24 couple weeks after we expect it would be published in
 25 Southern California.

1 final -- the review panel report and refinement process.
 2 Dick and Roberta are scheduled on this.
 3 Mike -- not Mike -- Lester, do you have any
 4 comments before we start?
 5 EXECUTIVE DIRECTOR SNOW: No, I really
 6 don't.
 7 I think Dick's probably going to give an
 8 overview and I think Roberta needs to follow up with some
 9 of the prospectus from the workgroup.
 10 MS. MCPEAK: Okay.
 11 Then let's start through with that final review
 12 on the ERPP. Dick.
 13 Roberta, did you want to make some initial
 14 comments then?
 15 MS. BORGONOVO: what we agreed is that I
 16 would lay out the recommendations and Dick will make the
 17 comments and we should have also added Annie Notthoff's
 18 name to the Agenda because she will also have some
 19 additional comments.
 20 MS. MCPEAK: Following yours?
 21 MS. BORGONOVO: Right.
 22 I will lay out what the workgroup recommended.
 23 Dick will respond and I think there has been a
 24 lot of work done and then Annie will respond, if that's
 25 okay.

1 So the meeting that week, of the 16th would
 2 obviously not be Tuesday, Bob, so it would be -- thank
 3 you -- Thursday, Friday, probably, could be possibly
 4 Wednesday, Thursday. We are checking with Mike's calendar
 5 but right now hold the last three days. It's more likely
 6 to be Thursday Friday. Okay?
 7 All right. Now, I think we are prepared --
 8 yes, Tom.
 9 MR. GRAFF: Quick question.
 10 Did I understand you to say that the Draft
 11 EIR/EIS will be released after the January 29th meeting of
 12 BDAC?
 13 MS. MCPEAK: That's what staff is now
 14 expecting, yes.
 15 MR. GRAFF: Thank you.
 16 MS. NOTTHOFF: In between those two
 17 meetings, right?
 18 MS. MCPEAK: In between those two meetings
 19 and what we are trying to allow for is what additional
 20 staff work would come after because of the 29th time for
 21 printing, time for distribution and then getting the next
 22 meeting scheduled so that's likely to put us into the
 23 middle of March.
 24 Okay. Now, let's return to the Agenda and
 25 begin doing the final review of the ERPP scientific review

1 MS. MCPEAK: Good. Okay.
 2 MR. DANIEL: slow down here.
 3 MS. BORGONOVO: I'll just go ahead with
 4 our first recommendation and you'll put the --
 5 MS. MCPEAK: Please do. Please
 6 orchestrate it as you have planned. As you can all see I'm
 7 trying to get the right cues as we move through this
 8 Agenda.
 9 MR. DANIEL: Let me make a couple of
 10 preliminary comments and refresh our memories as to what we
 11 did and how we did it.
 12 Then I'll go through the general
 13 recommendations that came from the scientific review panel
 14 and then Roberta and I together are going to discuss how
 15 the BDAC eco workgroup responded to the comments from the
 16 panel and how CalFed staff is planning to address those
 17 comments and refine the ERPP.
 18 First of all, I want to bring up that what we
 19 had the scientific review panel do was to review the three
 20 different volumes of the CalFed ERPP in a planning context.
 21 As you might recall we made the decision to bring in a
 22 group of distinguished scientists who were not directly
 23 involved in the Delta, who we could not expect to
 24 understand or comment -- not understand -- who we felt
 25 would understand the scientific principles behind the ERPP

1 but wouldn't be in a position to comment on specific
 2 numbers, targets, ecosystem processes that we were working
 3 on.
 4 So they looked at it from a planning
 5 perspective. They looked at the statements in volume one,
 6 which is the foundational material behind what we are
 7 doing. They looked at volume two, which -- and they looked
 8 at it in the sense of the organization of the way we
 9 presented the information. They looked at volume three,
 10 which is our adaptive management or implementation strategy
 11 document and made some suggestions relative to that.
 12 Many of their comments focused on the concepts
 13 that we've presented in the implementation strategy. They
 14 talked a great deal about the need for a comprehensive
 15 monitoring program. They addressed and advised us relative
 16 to focused research and the need to develop appropriate
 17 hypotheses that can be tested.
 18 They were very strong on the need for
 19 indicators and the use of conceptual models to drive the
 20 indicator process. We posed about a dozen questions to
 21 them relative to the planning approach, our vision of
 22 ecological health, indicators of adaptive management, the
 23 fact that we had had to adopt a three tiered hybrid process
 24 for setting targets, all of which they seemed to be quite
 25 supportive of but they made strong suggestions as to how we

1 Their key findings as we see them, and this was
 2 a bit of a surprise to me, is that they felt that we needed
 3 to clarify the difference between restoration and
 4 rehabilitation.
 5 We have adopted the phrase ecosystem
 6 restoration program plan.
 7 Their point was that we stated very clearly
 8 that it is not our intent to go back to nature, to go back
 9 to a predisturbance time but rather to try and recreate as
 10 much of the ecological processes and function in the system
 11 as we possibly can.
 12 They felt we ought to rename the program the
 13 ecosystem rehabilitation program plan and we'll talk more
 14 about that particular concept in the context of the BDAC
 15 Ecosystem Restoration Workgroup.
 16 They wanted us to simplify the focus and
 17 refocus the program based on these conceptual models and
 18 that's something that we are working on now.
 19 The recommendation was that we bring in and
 20 embed more outside scientific review in the development and
 21 refinement of the plan and as we go forward with adaptive
 22 management.
 23 They suggested that we base our adaptive
 24 management on continually developed and refined ecological
 25 models, models at the conceptual stage and models at the

1 could improve the way that we presented the information.
 2 One area in which they were critical and felt
 3 we needed to do more work was this -- the idea that the
 4 targets that we had set sort of the numerical objectives
 5 and our implementation objectives weren't as well connected
 6 as they would like to see and weren't described with
 7 theoretical or conceptual models that needed to be
 8 presented, but they were supportive of the Geographic
 9 Scope, the fact that although we're focusing on the Delta,
 10 having a focused study area that is essentially the Central
 11 Valley was very important and they were very supportive of
 12 the fact that we had adopted a policy of pursuing actions
 13 in the watersheds to support ecosystem processes and
 14 functions.
 15 They didn't comment much at all on our
 16 methodology for trying to re-establish a hydrology.
 17 Their strong suggestion was that we get
 18 additional technical help from experts in the field and we
 19 are embracing that and, of course, the whole issue that we
 20 were presenting to them was how do we go forward in the
 21 face of scientific uncertainty. They presented some pretty
 22 strong recommendations that for each of the targets and
 23 actions that we've presented we ought to present those in
 24 terms of a testable hypotheses that can be evaluated
 25 through monitoring and if necessary, focused research.

1 mathematical stage later on.
 2 They were very adamant that we needed a strong
 3 monitoring program, again, one that addressed these
 4 testable hypotheses that we can develop for the system and
 5 they thought that we ought to be developing a standing
 6 science body so that this peer review process was ongoing
 7 throughout the duration of the program.
 8 We took these issues to the BDAC Ecosystem
 9 Workgroup, had a very productive discussion, and they
 10 addressed the following:
 11 The first one was the need to clarify the
 12 approach to restoration versus rehabilitation.
 13 The BDAC eco workgroup discussed that in some
 14 detail.
 15 Roberta and Ann will be giving us some insight
 16 into how that discussion came out and what the
 17 recommendations were.
 18 Do you want to address those as we go along at
 19 this point or --
 20 MS. BORGONOVO: I think so. I think that
 21 part of the discussion was that there wasn't -- there were
 22 some people who felt it was a semantic difference but there
 23 were others felt that it was more question -- it wasn't
 24 just a question of semantics, that there was a real need to
 25 clarify the goal of the ERPP.

1 The scientific review panel said that the
 2 decision to restore and rehabilitate need not be made on a
 3 systemwide level, that it could be made by individual
 4 watersheds or ecological zones, but it was important that
 5 it be laid out for the public. So we had two suggestions
 6 for that, and one was to create a map showing
 7 geographically where restoration or rehabilitation would
 8 occur.

9 The second one was that the ERPP should adopt
 10 an anti-degradation policy to conserve existing habitat and
 11 habitat restored by the ERPP and again what the scientific
 12 review panel said was that the most cost effective way to
 13 protect systems is to prevent impacts and that preventing
 14 damage is easier than repairing it.

15 So we felt that that should be stated upfront
 16 as one of the operational goals of the whole program.

17 Perhaps I could also say that the next
 18 recommendation is very much linked into the second one,
 19 but, Annie, do you have a further comment?

20 MS. NOTTHOFF: Just think it's important
 21 to acknowledge here, I think, both the write-up that you
 22 saw in your packet last time and then also the report here
 23 from the workgroup are somewhat gentle interpretations of
 24 what the scientific review panel did have to say about the
 25 ERPP and I think that as we work through these we need to

1 respond to this issue in the very near term in order to
 2 incorporate some of this information into the appendix,
 3 which the ERPP will become an appendix to the programmatic
 4 EIR/EIS particularly with regard to this particular issue,
 5 we don't feel that it's appropriate for staff to go out and
 6 specifically state that this area of this strain will be
 7 rehabilitated versus this area of the strain will be
 8 restored.

9 That's a very sensitive issue and one that's
 10 going to take more ground trooping and important
 11 conversations with the local conservancies that are working
 12 with us to develop this plan.

13 However, I do believe that we've got enough
 14 information and enough access to the people working in the
 15 system to where we can do this as an example for the
 16 American River.

17 We can work with the American River forum, put
 18 together an example that we can drop into the programmatic
 19 EIR/EIS and get people's reaction as to how that improves
 20 the overall document and their ability to understand where
 21 we are going with this.

22 And that's what I'm proposing now, that on the
 23 short-term we do that.

24 As far as the anti-degradation policy is
 25 concerned we should have stated that our number one

1 keep in mind that it's not -- that some of the revisions to
 2 the ERPP that they felt were necessary are not necessarily
 3 just, you know, presentation and repackaging but really
 4 some substantive adjustments that need to be made, most in
 5 relation to really identifying some measurable goals, and
 6 as we go along I think we'll talk about -- that's actually
 7 what Steve was talking about, how ag urban and
 8 environmental interests did come together and recommend
 9 some more quantifiable goals and there is a letter I hope
 10 will be delivered soon that, Byron, you might want to talk
 11 about as we get into that section.

12 MS. MCPEAK: Before -- let me just draw
 13 everyone's attention to your Agenda packet.

14 There is two pages under the tab that says
 15 scientific review panel ERPP revision process.

16 There are six recommendations and that's what
 17 we are working through with the background and when we
 18 finish with this what I'm going to do is come back and ask
 19 do you have any disagreement with these because we need to
 20 try to reach concurrence around this table on our advice to
 21 CalFed related to this process.

22 So I, you know, want to just make it as
 23 concrete as possible what we are saying here or what we are
 24 focusing on. Okay?

25 MR. DANIEL: The way that I propose we

1 priority is to preserve what we have.

2 Sometimes we make those assumptions and don't
 3 articulate them. We don't have much in the way of concern
 4 with that at all.

5 The second recommendation that came out of the
 6 BDAC eco workgroup was that we simplify and focus the goals
 7 and approach of the ERPP and try to produce a public
 8 summary of the document that can be easily read, easily
 9 understood, well illustrated with diagrams and graphs or
 10 diagrams and charts and create a document that can be
 11 publicly distributed, can be read in less than a week, and
 12 hopefully understood.

13 That's something that we are going to pursue.

14 MS. BORGONOVO: Again, what I want to
 15 stress is that the scientific review panel said that the
 16 goals should be explicit, quantifiable and attainable and
 17 they also said that they should be part of a conceptual
 18 framework that could be the big picture, that could be
 19 articulated to the public, to the stakeholders, to the
 20 staff that are working on it. Again, one of the things
 21 that the scientific review panel said was that they agreed
 22 with CalFed's tiering approach but what the use of the
 23 conceptual models did was determine the level of effort in
 24 each tier and that you for coherent defense of the
 25 detiering decision it should be based on ecological or

1 other policy requirements that still need to be articulated
 2 and explained.
 3 So that was one of the themes that was said
 4 over and over again in that panel.
 5 They certainly recognized the extensive amount
 6 of work that had been done by the staff, but they felt that
 7 everything should be tied into this framework and that in
 8 itself would give the plan longevity. It would give it the
 9 kind of long-term political support you need both for
 10 funding and for the momentum to keep the program going.
 11 One of the things that we also have recommended
 12 was that it goes right into this second suggestion -- third
 13 suggestion, that continued the development of a set of
 14 conceptual models and again as you see in your packet,
 15 there were several levels of models and some of those
 16 models we felt should be done upfront in time for the
 17 programmatic EIR/EIS.
 18 MS. McPEAK: Dick or Ann.
 19 MR. DANIEL: I'd defer to Ann for a
 20 minute.
 21 MS. NOTTHOFF: Just that I think that the
 22 importance of this step can be overstressed, that, in fact,
 23 unless you have these goals set out clearly, like
 24 restoring -- you know, restoring natural capacity of
 25 ecosystems that support biological communities, preventing

1 summary, in discussions at Staff level and with Lester it
 2 looks very much as though those are two independent
 3 documents.
 4 The strategic plan for all intents and purposes
 5 is this implementation strategy that we are talking about
 6 in our volume three. That needs to be better refined. It
 7 needs to include proposals for funding, a way to map out
 8 budgeting for the program, a way to articulate the actions
 9 that we would take in various phases and that would be
 10 separate from the complimentary to this public or Executive
 11 Summary that we are working on.
 12 Once again, the third recommendation surrounds
 13 the notion of developing conceptual models.
 14 We've been working on that. It has been
 15 emphasized a great deal. Over the last two weeks
 16 commencing today we've had a team that was sent to us from
 17 the Secretary of Interior from the United States Geological
 18 Service, experts from all over the country have been here
 19 for the last two weeks working with me and others of the
 20 staff and the inter-Agency ecological program to develop a
 21 proposal to develop a comprehensive monitoring program and
 22 to work with us in terms of developing and reviewing
 23 conceptual models. Now, at the staff level we've done a
 24 fair number of conceptual models at this point working with
 25 our indicators team in-house.

1 the need for future endangered or threatened listings,
 2 rebuilding viable populations and increasing some
 3 populations, unless you have those goals set out clearly in
 4 the beginning, then you can't get to, you know, well, is
 5 that going to be a restoration or a rehabilitation strategy
 6 in this specific geographic area?
 7 So I think this is really kind of the heart of
 8 the matter and that's why I think it's very encouraging
 9 that ag urban and the environmental interests were able to
 10 come together and make some joint recommendations.
 11 MS. BORGONOVO: One of the things that we
 12 also recommended is we recommended that the staff that's
 13 needed for the CalFed team should be hired. This is
 14 writing the plan itself is a certain task.
 15 You'll see further recommendations when we get
 16 to four about further experts that should be brought on.
 17 Dick has already mentioned a hydrologist, an
 18 ecological planner.
 19 I think that, again, the fact that there is
 20 agreement with ag urban and the environmental community on
 21 this will really move it forward so I'm sure that Dick is
 22 going to talk about that, too.
 23 MR. DANIEL: I will in just a second.
 24 A final comment on recommendation number two
 25 relative to developing a strategic plan or an executive

1 We are going to include some of those in the
 2 document that will go out with the programmatic EIR/EIS. I
 3 won't describe them as rough but they certainly are
 4 adequately polished and these are issues that are not
 5 simple to grapple with.
 6 Frankly, we've not been able to find in the
 7 literature a set of ecological conceptual models that cover
 8 the Geographic Scope and the complexity of our system.
 9 We are breaking new ground, once again, but we
 10 are committed to do it.
 11 MS. McPEAK: Dick, before you leave two
 12 and three, consistent with that, the notion of strategic
 13 plan and explicit quantifiable goals, I have a question
 14 related to outflow.
 15 The ERPP is pretty extensive, comprehensive,
 16 complete around habitat and the kind of habitat where it's
 17 located.
 18 What I don't find, maybe it's somewhere in all
 19 the documents, is a specific set of expected needed
 20 outflows at what times of year, what temperature, to
 21 achieve the rehabilitation -- I still like restoration
 22 better and I'll have that debate later -- but the
 23 rehabilitation that is intended in the goals of CalFed.
 24 What are those numbers?
 25 Gee, were you prepared for this?

1 MR. DANIEL: Yes.
 2 Yes and no. I mean, this is a data intensive
 3 chart.
 4 The way we presented the information primarily
 5 for ease of planning -- you know, I apologize for that --
 6 is that we discussed flows and flow needs in our ecological
 7 units and ecological zones where we talked about what we
 8 felt was appropriate for the American River, for the
 9 Stanislaus, for the Tuolumne, what have you, and in the
 10 Sacramento-San Joaquin Delta section of the ERPP we talked
 11 about the need for flow events to stimulate quite a number
 12 ecological processes and we replicated that upstream and
 13 downstream.
 14 This is a table that I don't expect you to read
 15 that is a summation of all of the flow recommendations
 16 contained in the targets of the ERPP.
 17 And these are the more specific ones. Frankly,
 18 this runs several pages when you talk about Deer Creek and
 19 Mill Creek and some of the smaller tributaries.
 20 Apparently, we've confused people by breaking
 21 them out in ecological zones. It would be relatively
 22 simple for us to replicate a table something similar to
 23 this in the refined version of the ERPP and to articulate
 24 the fact that it is the -- it is the sum of these flows
 25 that go together in the different water year types, and

1 we can provide side by side comparisons.
 2 MS. MCPEAK: I don't know about the public
 3 but it certainly would enhance mine.
 4 Roberta.
 5 MS. BORGONOVO: I wanted to go back and
 6 stress what was under number three and that was that the
 7 highest priority would be the models that are the simple
 8 conceptual ecological models created to increase public
 9 understanding of the ecosystem function and to convey the
 10 goals and approach of the ERPP as well as the key themes
 11 for each region.
 12 I was at a meeting in Chico and it's very
 13 apparent in the areas throughout the Valley that this is a
 14 concern when they look at the ERPP and they want to know
 15 where are those flows coming from and they want it linked
 16 into the efforts that are going on in the ground.
 17 And so again I think that that's very much in
 18 sync with what the panel was saying.
 19 They were saying that you have to lay out the
 20 big picture, you have to tell the public how their
 21 contribution will really help restore the ecosystem and for
 22 that you will probably get broad public buy in.
 23 MS. MCPEAK: Stuart, then Alex.
 24 MR. PYLE: Just on that table of the flows
 25 that you had there before, it seems to me that that doesn't

1 most of these are presented in ranges because there's still
 2 considerable scientific uncertainty surrounding the
 3 ecological processes that are supported by instream flow
 4 but it's the sum of these flows that go together to make up
 5 these flow events that we see in the system.
 6 I have other information available. I could
 7 talk to you a little bit about how we've started to analyze
 8 this in much more detail. It's very complicated and might
 9 be time consuming but I can go into that now or later if
 10 you feel it necessary, but these are numbers taken directly
 11 out of the various visions for the ecological units and
 12 zones in the ERPP.
 13 MS. MCPEAK: Okay. I can read those
 14 numbers. What isn't on that chart is what we see today
 15 under those same years.
 16 MS. BORGONOVO: You mean a comparison?
 17 MS. MCPEAK: A comparison, yeah.
 18 MR. DANIEL: That's correct.
 19 MS. MCPEAK: Can you do that?
 20 Lester informs me it is somewhere in all those
 21 documents that I just must have read and forgotten so . . .
 22 MR. DANIEL: There's so many volumes of
 23 material.
 24 If you feel it would be useful, if you feel the
 25 public's understanding of that process would be enhanced,

1 mean a whole lot unless you can relate those flows to the
 2 flow standards that are currently in effect, the D-1485 or
 3 the accord standards or some other chain standards but just
 4 to have a series of numbers on a page don't mean anything
 5 unless you can relate it to the standards and what it takes
 6 in terms of water supply to meet those standards.
 7 MS. MCPEAK: Okay.
 8 MR. PYLE: I really think if that's going
 9 to be someplace in the report it ought to be carried on to
 10 that extreme that you can understand what it means in terms
 11 of what's going on in the world.
 12 MS. MCPEAK: Lester wants to respond and
 13 then we'll get Alex.
 14 EXECUTIVE DIRECTOR SNOW: Kind of a quick
 15 response to that point because it's a fundamental issue and
 16 as we have shown or discussed actually in different ways in
 17 the ecosystem program, all of those combined have an impact
 18 of between 300 and 400,000 acre feet of additional water
 19 supply for fisheries flows over current conditions.
 20 So we can get into a lot more detail on that
 21 but that -- so it's kind of to respond to your question
 22 it's above current standards.
 23 MS. MCPEAK: Let's go to Stuart, then
 24 Byron and Ann and then Dick. Okay.
 25 MR. HILDEBRAND: I guess Stuart's through

1 so I'll take it --

2 MS. McPEAK: I'm sorry.

3 MR. HILDEBRAND: I have the same concerns

4 that Stu expressed, but I have a question.

5 In a letter that I received earlier this week

6 from you responding to a letter of mine back the 28th of

7 October, I think it was or the 28th of September, 1st of

8 October, you say that the ERPP plan objectives would

9 require about 200,000 acre feet of water in a dry year and

10 much less in wetter years.

11 Does that number come off of these charts?

12 MR. DANIEL: Those numbers come out of the

13 modeling that our staff has done, modeling of the ERPP

14 flows. I think Lester was a little built closer. I think

15 it is 368,000 or so, plus or minus, in a wet year and

16 closer to 200,000 in a dry year. That's the modeling.

17 And you might recall that very, very early

18 on -- and I'm sort of proud of this -- when we were talking

19 about the concepts of the ERPP and the targets, we talked

20 about the need to acquire and have discretionary management

21 of about 400,000 acre feet. That's the way I was

22 characterizing it about a year-and-a-half ago, to fill in

23 the gaps in the existing flow regime of the system.

24 As we've done more refinement of that it's

25 pretty darn close to that original number and we are

1 MR. DANIEL: The notion that annual

2 wetlands will consume more water than agriculture is

3 probably quite correct.

4 I think our staff has estimated that there

5 might be a difference of about two acre feet, but you have

6 to do quite a bit of additional analysis to figure out

7 whether that is a real consumptive use.

8 We are not proposing 150,000 acres of tidal

9 wetlands in the Delta.

10 And I'm going to be wrong because I don't have

11 the numbers with me but they are not that far away.

12 I think the total number of wetlands that we

13 are proposing is somewhere in the vicinity of 30,000 acres.

14 In addition to that we are proposing

15 enhancements of other types of habitats, including about

16 40,000 acres of what we call -- not euphemistically -- what

17 we call for convenience sake wildlife friendly agriculture.

18 And a lot of the negative reaction that we've

19 gotten to the big numbers that were published in the

20 Sacramento Record had to do with the scale of those numbers

21 and the lack of definition associated with those numbers

22 when it was published in the newspaper.

23 What we are talking about in large scale are

24 easements on agricultural land to encourage growers not to

25 disk in the fall, perhaps to flood in the fall for

1 looking for the appropriate ways to obtain that water

2 independent of the regulatory process.

3 MR. HILDEBRAND: Does the ERPP still

4 include conversion of agricultural land to wetlands in the

5 Delta?

6 MR. DANIEL: Yes, it does.

7 MR. HILDEBRAND: The last figure I

8 remember seeing was a hundred fifty thousand acres.

9 Is that still about right?

10 MR. DANIEL: Only if you don't go into

11 more detail.

12 And, unfortunately, that overhead which I

13 used --

14 MR. HILDEBRAND: Well, if we take that

15 figure --

16 MR. DANIEL: That overhead is in my

17 briefcase

18 MR. HILDEBRAND: We assume it was

19 150,000 -- 150,000 acres of wetland in the Delta are going

20 to consume something like 600,000 acre feet of water and

21 would include -- about 200,000 of that would be in excess

22 of what the same lands would use in agriculture. So I have

23 trouble coming back to this 200,000 acre foot figure for

24 all purposes, including flows, when that one thing would be

25 far in excess of this.

1 waterfowl habitat, to provide for buffer strips and other

2 things that you can do in accommodation with agriculture.

3 And I went to a meeting in Clarksburg last

4 night to talk to a number of growers. I had a much more

5 detailed breakdown of those numbers.

6 They are still concerned about the conversion

7 or the reconversion of agriculture back into habitat but we

8 are not going to be able to restore this ecosystem unless

9 we do a significant amount of that, and we are doing the

10 kinds of analyses that you suggest that will demonstrate

11 whether or not, and if so, how much additional water it

12 might take, how the distribution of use of water might

13 change, and the benefits associated with doing so.

14 MR. HILDEBRAND: I think what number was

15 on the BDAC here experiencing is the same confusion that

16 you mentioned with the public, that we haven't seen any

17 summary of what are the water costs of the ERPP including

18 land conversion, flows and what have you and how those are

19 arrived at.

20 And, apparently, the amount of increased

21 wetland that we heard about earlier isn't there anymore but

22 we didn't know that. So we need something that shows us

23 exactly what is the plan now, what is the water cost of it,

24 how much of that water cost is to the water transfers, how

25 much of it is due to increased flow and some other means,

1 how much of it is due to reallocation of water from one
2 purpose to another, how much is an increased use of water?

3 MR. DANIEL: First of all, I want you to
4 understand that the numbers haven't changed.

5 MR. HILDEBRAND: Well, if they haven't
6 changed I don't know what they were in the first place so
7 that doesn't mean very much.

8 MR. DANIEL: Yeah, what happened was that
9 most of the information that people got was derived from
10 newspaper accounts as opposed to the ERPP itself.

11 One of the problems that we face in every
12 aspect of this program is that unlike other large scale
13 public projects we are developing a plan in public and so
14 you see a lot of the information before it comes out in the
15 programmatic EIR/EIS which is where the disclosure of the
16 analyses and the trade-offs that you're interested in is
17 going to show up.

18 And I find that frustrating because people are
19 always demanding, you know, the analysis that goes along
20 with the plan and that analysis is in the programmatic
21 EIR/EIS that we are going to see in the not too distant
22 future.

23 MR. HILDEBRAND: Well, we, too, are
24 frustrated because we are being asked to agree to a plan
25 which hasn't been presented to us in terms of what are the

1 in terms of these changes.

2 MS. McPEAK: We are taking notes on that,
3 Byron. I think that's true.

4 And I think that's what the review panel meant
5 by a strategic plan, which is different from the Executive
6 Summary. You first need to have the strategic plan, then
7 you have to summarize it for the rest of us so we get it in
8 short doses but we've taken notes on that, Byron.

9 Ann.

10 MS. NOTTHOFF: I think this discussion is
11 once again just emphasizing how important it is to have
12 these goals so that we can see, you know, we are back to
13 the water balance sheet.

14 I think Alex is asking the right questions
15 here.

16 We need to see how are increased -- how are
17 flows related to the restoration goals that are included in
18 the vision of the ERPP. I mean, how much restoration do
19 you get for how much new -- how much water?

20 That will allow us to make choices between all
21 the competing demands for water and I think that gets us
22 back to the balance sheet that you've heard repeatedly
23 requested around this table that, you know, the ERPP is
24 just one request for water in the CalFed process and we
25 need to be able to, you know, make the trade-offs. I know

1 water costs.

2 MS. McPEAK: What this discussion is
3 pointing out is the need to take what we do know and is
4 analysis to date, recognizing it's somewhat iterative and
5 will be finally set forth in the EIR/EIS and but trying to
6 build up our understanding of it and put it in a simplified
7 form.

8 So Lester and I have said that this is a good
9 candidate for that kind of a summary matrix and we'll do
10 so.

11 Byron and then Richard. Byron.

12 MR. BUCK: Thank you.

13 I think one of the things that would be helpful
14 in addition to knowing the amounts of flow and land use
15 converts as it might occur are implementation principles
16 for getting to those things; that is, what's the approach
17 to achieve them, are we going to get that water for new
18 flow primarily through storage, through transfers or
19 through other means, for land's going to be converted as an
20 primarily an approach of willing seller approach after you
21 get through deciding whether you want rehabilitation or
22 restoration, are we going to look primarily for easements
23 or joint use agreements, that context of how it's going to
24 be implemented is going to be as vitally important as what
25 are the absolute numbers we are going to have to deal with

1 we are going to be asked to talk about how do you resolve
2 trade-offs in the Break-Out Session this afternoon and I
3 would submit that we can't make those trade-offs until we
4 see really what are the water costs of, you know, a variety
5 of these plans.

6 And I had one other question just for
7 clarification, Dick.

8 If you are seeing the strategic plan and the
9 Executive Summary as two different documents what are we
10 going to see in the DEIS then?

11 Because I think that it's very -- I think it's
12 very important that we not release this big public document
13 that has, you know, doesn't say very much about the ERPP
14 vision. I think that, you know, what needs to have a
15 clear -- that's where we need to make our statement about
16 what the clear vision is so that we get some public
17 understanding of really what this whole program is designed
18 to try and accomplish.

19 So how do you see -- what are we going to see
20 in February?

21 MS. McPEAK: The question because you were
22 trailing off, when we turn around to see we are not getting
23 it recorded on to the public record -- what are we going to
24 see in February, Dick?

25 And Lester wants to respond first.

1 MR. DANIEL: Please.
 2 EXECUTIVE DIRECTOR SNOW: Let me start --
 3 first I find it a lot easier to talk about the draft plan.
 4 The reason is that we talk about the Draft
 5 EIR/EIS -- for me, maybe I'm talking about my own
 6 handicap -- I think of this voluminous document that's hard
 7 to find stuff in and that's how I think of the
 8 environmental documents too often and so I'm trying to
 9 think of this roll out document that may be a portion of
 10 all of that but it's the one that the public can read and
 11 understand what we are doing.
 12 The discussion -- we actually had a discussion
 13 recently on this very issue with a diverse group of
 14 stakeholders to try to help us come up with a scope of work
 15 and the thought was what we need to get done in literally
 16 the next 30 days is a very concise framework of the
 17 strategic plan, all of the elements, all of the methodology
 18 necessary that is used to go out there and set all of these
 19 specifics in the many ecosystem zones and to actually
 20 develop at least one specific example of something that has
 21 gone through that strategic planning process and so that's
 22 what we would want to roll out as part of this draft
 23 document so people understand what it is we are
 24 accomplishing and seeing the specific example of it and
 25 then over the next six months fill in the framework and

1 three and what that is, but it seems to me that it's not
 2 very clear as to what is the controlling, guiding layout
 3 here, the strategic plan in effect, of what is being done
 4 and whether that plan is controlled and set by the policy
 5 level and the funding and kind of an input from the
 6 scientific group or whether we assume that this process
 7 gets going and we are setting goals and we have a
 8 scientific community and that the work is being done on
 9 that. That doesn't seem to me to be what I think is going
 10 to be required to accomplish the goals.
 11 I don't think we can assume that the scientific
 12 community is in -- is setting the work standards and the
 13 schedule and the money to be spent, et cetera, et cetera.
 14 It seems to me that that has to be set at the
 15 policy level and that these people are involved in the
 16 implementation of the regional plan and the adaptive
 17 management that goes on to it.
 18 So it seems to me that someplace in here that
 19 this right of strategic plan has to be elevated to a higher
 20 level of one of the major items of work to be done than to
 21 put it subordinate to simplify and focus the goals.
 22 That seems to me that you have to have a
 23 strategic plan that's subordinate to that has to be -- you
 24 know, you are setting out the goals but then you are
 25 setting out the plan.

1 develop more of the conceptual models and more of the
 2 specifics that would fill in the rest of the entire
 3 ecosystem.
 4 MS. MCPEAK: Good.
 5 Richard and then Stuart.
 6 MR. IZMIRIAN: Okay. Lester finally
 7 brought back the word conceptual model.
 8 My hand went up when Stuart made the comment
 9 about comparing these flow numbers or water supply numbers
 10 with standards.
 11 I would hope that these would be incorporated
 12 into these conceptual models but I suspect that everyone in
 13 this room has a different concept of what a conceptual
 14 model is and I hope we can take a couple of minutes to have
 15 Dick or someone else describe what the elements are of a
 16 conceptual model and how the elements of this model
 17 interrelate and what assumptions are made.
 18 MS. MCPEAK: Good. Good point, Richard.
 19 Stuart.
 20 MR. PYLE: Yes.
 21 I'm kind of concerned in looking at the
 22 two-page layout here and the points that are now being
 23 presented, Dick, on the ERPP and your comments about volume
 24 three, the big document that was put out, that contains the
 25 total plan and I don't recall all of the details of volume

1 And I think that the whole process of the plan,
 2 who sets it, who implements it, who pays for it, et cetera,
 3 et cetera, what it accomplished is not very well
 4 established in the writings that we are seeing up to this
 5 point.
 6 MS. BORGONOVO: I would like to say at
 7 that we do expect to have the work plan that CalFed is
 8 setting out come back to the BDAC ecosystem workgroup so we
 9 can look at it, but again what the workgroup is going to be
 10 recommending is that CalFed prepare an easily understood
 11 strategic plan of the ERPP which does articulate the vision
 12 and the goals and the details and links them together. So
 13 perhaps Dick can speak more to that but I think you're
 14 right, Stuart, in saying that the strategic plan in my way
 15 of thinking is the framework and it does have policy
 16 implications in it but everything else is part of that
 17 framework and that is what makes it easily understood to
 18 the public.
 19 Perhaps you'd like to comment, Dick.
 20 MR. DANIEL: And I do want to get back to
 21 Richard on conceptual models.
 22 This not a perfect graphic to display all of
 23 this but --
 24 MS. MCPEAK: But it's a pretty one.
 25 MR. DANIEL: -- yeah, and it's old.

1 This represents the policy part of it, if you
 2 will. From a policy standpoint we are committed to
 3 establishing and refining targets which are the numerical
 4 expression of the goals.
 5 From a policy standpoint we are committed to
 6 developing a suite of indicators that we can use to measure
 7 progress towards our goals and objectives for the program.
 8 We acknowledge that there's scientific
 9 uncertainty in the system and that focused research needs
 10 to be conducted in order to answer currently unanswered
 11 questions.
 12 We know that this is an expensive program that
 13 is not going to be funded in whole immediately, that it
 14 will contain elements of capital investment and long-term
 15 management, funds are going to be necessary, the phasing of
 16 implementation is very important from a fiscal standpoint
 17 and from a scientific standpoint in terms of progressing
 18 towards your goals and objectives and we know that the
 19 existing monitoring program in the system is somewhat
 20 disjunct and in some areas incomplete and that that needs
 21 to be improved and refined in order to give us the
 22 information to move the indicators to point out areas where
 23 focused research needs to be done.
 24 What the scientific panel was telling us and
 25 what scientists in general have been telling us is that all

1 that if you put this much energy into the system relative
 2 to flows in the Sacramento River, you can predict how much
 3 material will move. You can predict how that material will
 4 deposit and build up riparian habitat. You can predict how
 5 much spawning gravel will be recovered from the banks of
 6 the river and you can predict impacts if you're concerned
 7 about flood control and that's how these concepts translate
 8 into conceptual models, into mathematical models and
 9 eventually if you are very lucky and have a great deal of
 10 data and analysis you end up getting predictive models and
 11 we have some predictive models in the system right now and
 12 they are suggesting that we do quite a number more.
 13 That takes years, years and years to develop,
 14 but they want us to start with these depictions of the
 15 conceptual models and we are working on doing that.
 16 MS. McPEAK: I'm mindful of the time --
 17 let me for a moment say A, we are behind time but I think
 18 we are beginning to ask questions that go to the heart of
 19 what the CalFed process is about and I think in part that
 20 was reflected in the scientific panel's notion of
 21 restoration or rehabilitation and that how we take the
 22 charge to CalFed against the solution principles, what that
 23 means for the ERPP and what is possible based on the
 24 science we know is really the questions being asked and
 25 that we might want to as a matter of process hear the rest

1 of these packages need to come together and that one of the
 2 things that we left out in preparation of the ERPP was an
 3 articulation of the hypotheses that we want to test in
 4 trying to reduce scientific uncertainty and models that we
 5 can use to describe what we want to go forward with and
 6 reproduce. Now, these conceptual models in their simplest
 7 form is a series of inputs to the system and expected
 8 outcomes or outputs to the system.
 9 If you manage flow, you are putting energy into
 10 the system.
 11 One of the outputs of that is the transport of
 12 spawning gravels or the cleansing of spawning gravels, the
 13 establishment of various habitat types, et cetera. That's
 14 the output.
 15 Another input to the system is nutrients. You
 16 put nutrients into the system and there are ways and means
 17 of doing that, both naturally and unnaturally.
 18 The expected output of that is the
 19 establishment and maintenance of a food chain or a food
 20 web, that translates up the chain into the biological
 21 products that you are most comfortable with in terms of
 22 looking at it and that's fish or plants or what have you.
 23 Those are the conceptual models.
 24 Now, as you gain insight as you do research you
 25 can develop a mathematical model that can be predictive,

1 of these recommendations -- there are three more -- come
 2 back and have a little bit of this pretty fundamental
 3 philosophical discussion.
 4 It might be illuminating and I'll still try to
 5 keep us on schedule but I think we should return to that.
 6 MS. BORGONOVO: I want to say --
 7 MS. McPEAK: Roberta.
 8 MS. BORGONOVO: -- that there is an
 9 ecosystem workgroup schedule on the afternoon of January
 10 15th and one of the things we asked CalFed staff to do was
 11 to begin to bring the conceptual models to the group so
 12 that we could understand them so they did begin with that
 13 and I would ask that any of you who are interested in this
 14 please come to that Ecosystem Workgroup and we'll ask to
 15 have some of the models in the packet for the BDAC Meeting
 16 in January because I think that all of us are trying to
 17 envision what was very important to the scientific panel.
 18 But, again, part of it is the framework that
 19 links actions, objectives and goals so that it's very clear
 20 that something is being done here to bring back this kind
 21 of a process that is part of this ecosystem we are trying
 22 to restore.
 23 MS. McPEAK: Okay.
 24 Dick, let's go through and, Roberta, the next
 25 three and then have discussion try to conclude by 11:30

1 this item.

2 MR. DANIEL: The panel suggested strongly

3 and the workgroup supported the notion that we need to

4 bring in more technical expertise now to help us refine the

5 ERPP, that we need to establish a standing scientific panel

6 and that on a periodic basis we'd go through this process

7 of -- should go through this process of peer review as the

8 ERPP is further refined and just as importantly

9 implemented.

10 Now, in response to the comments from the

11 workgroup we have a work plan that we have developed that's

12 being reviewed that would bring in some additional

13 technical experts into the program. There are budget

14 constraints associated with that and time constraints

15 associated with that.

16 It's not likely to result in substantial

17 refinement of the ERPP from a scientific standpoint between

18 now and the time that we publish the programmatic EIR/EIS

19 but we are committed to doing so.

20 We have a great deal of support for the idea of

21 establishing a scientific -- standing scientific panel by

22 the spring of next year. I feel comfortable that we can do

23 that.

24 We are envisioning using the existing

25 scientific review board that the IEP, the inter-agency

1 to invent science in the whole program would be a way of

2 getting scientific consensus and perhaps Scott McCurry

3 would like to comment on that but they really did come up

4 with some scientific consensus and they talked over and

5 over again about the fact that there are conflicts in there

6 and it's important to be upfront about the conflicts and to

7 involve stakeholders, the public at large in trying to

8 resolve the conflicts.

9 And when you have the scientists coming in from

10 the outside, they are able to give a perspective that can

11 point the way to the kind of trade-offs that have to be

12 made.

13 MS. MCPEAK: Stuart has a question.

14 MR. PYLE: Yeah.

15 I'd just like to say on this scientific review

16 panel and I think Alex mentioned at the last meeting and he

17 put it in terms of there ought to be a reality check in

18 this someplace along the line, and I have a concern that if

19 we are talking about, A, implementation and, B, adaptive

20 management and the scheduling, the spending of money, the

21 building of projects, the analyzing them, so on and so

22 forth, that you need more broad experience than just the

23 scientific community on there to have -- and that's

24 academic and so forth. You need other people in there,

25 whether they are technical experts who are good at the

1 ecological program, has now, bringing in some additional

2 talent, perhaps some more independent folks into that group

3 and one of the ideas that the scientific review group

4 presented to us is that there ought to be some exchange of

5 that panel over time, such that the members of the panel

6 don't reside for long periods of time and run the risk of

7 getting into sort of a group thing.

8 The other thing that they said is that on a

9 periodic basis we ought to bring together a panel of wholly

10 independent scientists.

11 In addition to that we think it's appropriate

12 that we set up a process whereby on a very regular basis we

13 bring in independent and local scientists to debate and

14 discuss, help us refine, specific issues of scientific

15 uncertainty in a workshop or symposium format and we think

16 we can accomplish that.

17 Roberta, I'm trying to get through this quickly

18 but I know you have some comments on that.

19 MS. BORGONOVO: I would say that one of

20 the things that any of you who are really interested in it

21 should do is read the entire scientific review panel

22 recommendations because there are many, many suggestions

23 that I know will be incorporated by the staff as we go

24 forward, but I think also that what was important was that

25 having this group of independent scientists come in, trying

1 physical things that have to be done to do this, whether

2 they are the policy people, whether they are just plain

3 fishermen who have been on these streams all their life and

4 know what's going on and so forth, but you need some type

5 of other input to balance and make a total package that

6 will move this project, this program ahead. It can't be

7 just a scientifically given program or it will never make

8 its way through the whole process.

9 MS. BORGONOVO: what we struggled on were

10 the right words and I think the right words are embed --

11 MR. PYLE: What?

12 MS. BORGONOVO: It's the word -- you would

13 try to embed science in the process but if you look at the

14 three recommendations, you'll see certainly that the

15 standing science panel should be broad based.

16 You are not talking about bringing in experts

17 from around the country.

18 You are talking about the experts you have not

19 just in the CalFed staff but also in the stakeholder staff.

20 So I'm sure that we will have a further report

21 on that in the January meeting because I know that part of

22 the ag urban environmental letter really asked for that

23 continued stakeholder involvement, all of which the

24 scientists agreed.

25 They agreed that if you don't have the people

1 on the ground that are affected involved in the process, it
 2 won't go forward and the scientists that were there are
 3 people who have been involved in just these kinds of
 4 processes and they stress that over and over again.
 5 MS. McPEAK: Okay.
 6 MR. DANIEL: And were committed to
 7 responding to that and addressing the concerns that you
 8 bring up, Mr. Pyle, the assurances group is talking very
 9 strongly about the need for some collaborative institution
 10 to implement this program and at the staff level we have
 11 already invested a goodly amount of time helping to
 12 establish and then work with local conservancies, local
 13 resource conservation districts so that we are bringing
 14 this information from the ground up, if you will, and
 15 implementation of the program will happen at that local
 16 conservancy level with oversight at the policy, science and
 17 administrative level, probably headquartered somewhere here
 18 in Sacramento.
 19 That's the model concept that we are working on
 20 for implementation.
 21 MS. McPEAK: What -- okay. Alex.
 22 MR. HILDEBRAND: I believe that our goal
 23 here is to have the best environment we can have at any
 24 given level of exotics, including humans, and but that we
 25 have to recognize that the population of humans and other

1 really embrace it unless we know the implications and
 2 consequences to it on everything else, and that perhaps is
 3 a matter of how do we cast what the charge is to CalFed.
 4 I will just tell you what I understand it to be
 5 and then I want to invite others to think about that and
 6 start stating what you understand it to be because maybe
 7 that's part of the inertia we have to break through in
 8 order to eventually get the dialogue to reach consensus.
 9 As I understand the charge to CalFed to us, the
 10 accord, to be about is a healthy ecosystem that the
 11 scientific panel would call rehabilitation, and that to the
 12 best of our knowledge in the science that we understand
 13 today we are trying to set forth that ecosystem restoration
 14 plan stipulating to the fact that we don't know all of the
 15 science and that we'll have to go through an adaptive
 16 management process in order to see if what we think will
 17 work actually does work.
 18 When we reach agreement on that, we will then
 19 evaluate it against the solution principles, and at that
 20 point see what does it mean in terms of the impacts on
 21 everything else and have then a further discussion about
 22 how we meet all these competing needs.
 23 Now, the reason I stated that's how I interpret
 24 our approach is that it suggests we have as honest a
 25 discussion as possible about what we understand is going to

1 exotic species is steadily increasing at a rather rapid
 2 rate and we, therefore, have to accept the fact that some
 3 of these goals, no matter how nice they are, are going to
 4 become less and less achievable with time, and I don't know
 5 just how we factor that in here but I think there is a
 6 tendency to look at this as if the condition was static and
 7 it certainly is not.
 8 MS. McPEAK: The questions I'm hearing
 9 that I was trying to defer to the end of the six
 10 recommendations keep going to the heart of what is the
 11 whole CalFed process about, what is, you know, maybe what
 12 we are discussing here at BDAC and advising CalFed. It got
 13 reflected in the scientific panel talking about restoration
 14 versus rehabilitation.
 15 For some of us who have spent quite a bit of
 16 time in the justice system there is a connotation to
 17 rehabilitation that makes me not want to use that term so I
 18 like restoration but what was really being, I think,
 19 reflected by the scientific panel is an acknowledgment that
 20 the restoration is that we were seeking was a healthy
 21 ecosystem that is not likely to look like historical
 22 conditions that were prior to all the dynamics that you are
 23 speaking to.
 24 But there is also an undercurrent that I keep
 25 sensing about the ERPP, which says we are not ready to

1 be required on the ecosystem and not hedge that dialogue,
 2 get that out on the table and then have the discussion
 3 about that plan against the solution principles,
 4 understanding that any plan -- ecosystem restoration plan
 5 has to be an adaptive management plan because we'll learn
 6 as we go forward and understanding that once we've even
 7 done that it's a dynamic system of forces within California
 8 that we'll be discussing against those solution principles
 9 up there.
 10 Anyway, that's how I've been trying to approach
 11 this discussion.
 12 Do you want -- does anybody want to comment on
 13 how else you view it and how we should be structuring our
 14 process here?
 15 (No response)
 16 MS. BORGONOVO: Let's move on.
 17 MS. McPEAK: Okay.
 18 MR. HILDEBRAND: I think you're right on.
 19 MR. HALL: We simply couldn't improve on
 20 that summary.
 21 MS. McPEAK: Right. Well, okay, I'll
 22 seize the moment. I keep hearing this sledgehammer behind
 23 me (indicating).
 24 Move on. Let's finish the --
 25 MR. DANIEL: Okay. The fifth

1 recommendation from the BDAC ecosystem workgroup I think
2 addresses a lot of the comments that I've heard and is a
3 follow on from the scientific review panel.

4 Altogether too often and I apologize for this,
5 in the ERPP we state a lot of things in terms of fact or
6 givens, the scientific review panel and the workgroup
7 suggested that we couch a lot of the material that we have
8 in there in terms of hypotheses and that we present our
9 targets and actions as ways and means of testing those
10 hypotheses.

11 We did so in the ERPP in the context of these
12 three diamonds that we used to delineate amongst actions
13 that we are proposing.

14 I think we can do a much better job of that in
15 terms of describing these as testable hypotheses that would
16 be subject to scientific review.

17 Roberta, do you have more comment on that?

18 MS. BORGONOVO: I think that again the
19 testing of the hypothesis would serve as the basis for
20 adaptive management process and monitoring programs.

21 It wasn't until I heard that discussion from
22 the scientific review panel that I could really see how
23 adaptive management would work and I think the question has
24 come up over and over again what do you do in the case of
25 scientific uncertainty and what the panel said was you

1 to some extent the final recommendation and that was to the
2 extent possible incorporate these initial responses in the
3 programmatic EIR/EIS.

4 We'll do as much as we can. There are
5 relatively few days left before that document has to go to
6 the printer, some of which are holidays and we are going to
7 try and enjoy those holidays a little bit, but we'll have
8 at least a discussion and sufficient material for the
9 public and for you to understand the commitment to respond
10 to the panel recommendations.

11 Finally, I want to point out as a professional
12 that this was an extraordinary opportunity to bring
13 together a group of very talented people that worked
14 together very well and to get very positive feedback at
15 this stage of the planning process.

16 I think it's unprecedented in terms of Agency
17 work that I've been involved in in the past and it's
18 something that we want to do a lot more of.

19 MS. MCPEAK: All right. Roberta, do you
20 have any comments on the six?

21 MS. BORGONOVO: No.

22 CHAIRMAN MADIGAN: Ann, any more comments
23 on the six?

24 MS. NOTTHOFF: No, just to draw people's
25 attention to the letter that we passed out here that was

1 don't wait to do actions. That's not an excuse for not
2 moving forward.

3 What you do do is you have a hypothesis, you
4 test it and then you go by the results.

5 But the other thing they stressed was you have
6 to have monitoring and the monitoring has to be tied into
7 the research that needed to carry you forward.

8 We also discussed the fact that there will be
9 other monitoring programs, such as the monitoring programs
10 for the water quality program and that they should be
11 integrated.

12 I think going back to Sunne's eloquent
13 statement before, what we are all struggling with are how
14 do all of the elements integrate and I understand that
15 CalFed is working on that but there are all of these
16 components out there and they do have to be put together.

17 MS. MCPEAK: We want to ask Mike what he
18 thinks about that.

19 CHAIRMAN MADIGAN: Sorry, hello. Good
20 morning, everyone. It's nice to see you.

21 MS. MCPEAK: What I'm going to do is
22 finish this item and then when we concluded it I will turn
23 it over to Mike so he can catch up if that's okay with you.

24 Go ahead on Item 6.

25 DICK DANIEL: We've already discussed this

1 signed by representatives of environmental urban and
2 agricultural communities about their collective concerns
3 about the ERPP.

4 MS. MCPEAK: well, I view this as pretty
5 constructive. Now we've got all three interest groups
6 saying this is inadequate so it's a sign going in the right
7 direction.

8 And, you know, I've got Byron, I've got Bob and
9 then Rosemary and Mike. Okay. We'll take those comments
10 and then return to the -- what I've heard, what Lester and
11 I have written down from your comments, and see anything
12 else you want to add to the six.

13 So Byron.

14 MR. BUCK: Thank you.

15 There has certainly been a lot of frustration
16 over the ERPP probably due to its scope, the scale,
17 complexity and certainly the implications of it that have
18 been pointed out here.

19 I just want to thank the staff for being open
20 and accessible to hearing these criticisms indeed even
21 having the scientific panel. I think it's been a very
22 useful effort. The recommendations of the panel converts
23 quite nicely with what the stakeholders are saying. I
24 think we are now converging on what needs to be done and
25 I'd just like to appreciate their responsiveness.

1 MS. MCPEAK: Thank you and it's also
 2 pretty interesting that Jason's allowing you to sign for
 3 him so I like that.
 4 Bob.
 5 MR. MEACHER: My comments and questions
 6 and requests are going to be to Item 4, A, B and C that
 7 Dick just put up on the screen.
 8 MS. MCPEAK: Right. Right.
 9 MR. MEACHER: And that's going -- as I
 10 said at an earlier meeting we were concerned that there was
 11 no watershed scientist on this panel, in our opinion, that
 12 really truly understood the source areas issues, in our
 13 opinion.
 14 Therefore, I would request that any team put
 15 together under A, B and C include a scientist of that
 16 caliber, such as I mentioned before, as Don
 17 Irvin (phonetic), solicit him or his recommendation, and a
 18 resource economist --
 19 MS. MCPEAK: Okay.
 20 MR. MEACHER: -- to address those issues.
 21 My concern is that if not, the burden for
 22 supplying that information will continue to rest on the
 23 stakeholders and won't be part of the CalFed team and the
 24 costs in the future could be borne by us.
 25 There is a concern of the value of the

1 because if you had a greater, much more open process up
 2 front, then you perhaps would not need item Number C or can
 3 change it to item Number B.
 4 I do see it as layering of expertise that you
 5 could use earlier on with a more open process.
 6 MS. MCPEAK: Okay.
 7 Mike.
 8 MR. STERNS: well, I just briefly wanted
 9 to make a statement that I echo what Ann said earlier about
 10 the encouragement of folks working together, as this letter
 11 indicates, but also to sort of add to Steve's report
 12 earlier, and I know we as the farmers maybe don't say often
 13 enough but publicly need to state that having a strong ERPP
 14 is recognized as being vital. It's supported by all the
 15 stakeholders to the success of this whole program.
 16 MS. MCPEAK: Okay.
 17 What I've written down, and Lester, you've
 18 taken notes, too, Dick and Roberta and Ann, that I think
 19 has come through, we need to really summarize what's in the
 20 ERPP with respect to the components and what that means
 21 with water and habitat and the reallocations I've heard.
 22 That kind of summarized what's recommended.
 23 We --
 24 MS. BORGONOVO: I think what's really --
 25 what's the most important thing was what is called

1 ecosystem, -- it kind of goes to what Alex was talking
 2 about, I think, even though he didn't necessarily mean it
 3 to reflect that, the cost of the water and goes in the
 4 third party impacts and all of that that needs to be
 5 analyzed, I believe, in-house and externally and by pier
 6 review. It's just not part of it yet, in our opinion.
 7 MS. MCPEAK: Okay.
 8 MR. MEACHER: And, furthermore, unlike the
 9 Department of the Interior's, we mentioned some of these
 10 concerns in our response to the B(2) and were just given
 11 point noted on that.
 12 I'd like to see something result from our
 13 requests.
 14 MS. MCPEAK: Okay. I'm taking those
 15 notes.
 16 Rosemary.
 17 MS. KAMEI: Yes.
 18 I'd like to just stress acknowledgment of
 19 having the need for the strategic plan. I think that will
 20 be very, very helpful.
 21 I also wanted to comment on Item Number 4. As
 22 I looked at it I would also recommend the need for a more
 23 open and technical process early on. I looked at sub A, B
 24 and C and I guess I'm wondering about the need of having
 25 different layers or if that's the way it's being proposed

1 conceptual framework.
 2 MS. MCPEAK: Conceptual framework, okay.
 3 MS. BORGONOVO: And so I think that Annie
 4 asked the right question, is the strategic plan and the
 5 Executive Summary different, and if they are different,
 6 again, the workgroup and the scientific panel felt that
 7 that framework was essential on it.
 8 I think it goes to Mike's comment that there is
 9 this broad buy-in that's an essential part of the whole
 10 CalFed program and I think that there is a lot of concern
 11 that it be done right and part of talking about the
 12 layering, going back to Rosemary's question, it was that
 13 the group saw that help is needed right now. That was part
 14 of it.
 15 You need to bring in experts that are part of
 16 this review process ongoing and that would have addressed
 17 probably two but number three to have an outside scientific
 18 panel, that's also a reality check on whether the ecosystem
 19 workgroup that's going on, if you can really learn from
 20 what's happening in other parts of the country and if you
 21 really then can really validate what you're doing, that
 22 also gives you this ongoing public support.
 23 MS. MCPEAK: what I heard were three major
 24 things being said and I'll use the term then framework, but
 25 what I heard was the need to be able to see in a summary

1 format what was recommended for the ecosystem
 2 rehabilitation in water, at which times, in wetlands or
 3 certain reallocation or use of land. So the components
 4 maybe to that framework, just summary what we know and
 5 understand.
 6 That's distinct from then the strategic
 7 implementation plan, which would be how we would get there.
 8 And the third thing I heard out of this was the
 9 scientific review panel needing to have some additional
 10 expertise on it, coming from a broader perspective or a
 11 wider perspective.
 12 Both Bob and Stuart have -- and Alex have
 13 suggested that.
 14 Rosemary is saying let's get that sooner rather
 15 than later and not layer it. We've been again trying to
 16 learn as we've gone through. It's probably the process has
 17 been intended to be and has been probably -- it's been very
 18 open. It's also very complex so people like me sit here
 19 and say I don't quite get it. I don't quite understand 300
 20 pages stacked up here. We now want to have all of you who
 21 have done this summarize it for us.
 22 Those things I am hearing as essential coming
 23 out.
 24 Tell me what you think.
 25 Stuart.

1 MR. MEACHER: Just a quick big question on
 2 that since it sounds like a big process.
 3 We are not trying to try to put the strategic
 4 plan together before the EIR comes out, are we?
 5 MS. BORGONOVO: They are trying to put the
 6 framework there and then they have a work plan there that
 7 will flush it -- will detail it out and that's what the
 8 workgroup thought. The workgroup just wanted some kind of
 9 a road map. Then you have time to fill in the road map.
 10 Nobody thinks that between now and February 1st that all of
 11 that work will be done.
 12 MS. MCPEAK: And certainly -- go ahead,
 13 Ann.
 14 MS. NOTTHOFF: Well, if you look at item
 15 six you will see that to the extent possible we will
 16 incorporate as much of it.
 17 I am hoping we are going to see as much as we
 18 can of an executive summary highlight how we are going to
 19 get there in the EIS and not as an appendix so it's
 20 actually, you know, the part that people read it's going to
 21 be there as much as we can get.
 22 MS. MCPEAK: Okay. Maybe just a
 23 clarification on terminology.
 24 I think that ultimately an executive summary
 25 has to be able to incorporate the framework, the strategic

1 MR. PYLE: I think that's a good summary.
 2 The one thing that kind of frustrates me and maybe it's not
 3 even in this level of the EIR/EIS, but I'm concerned about
 4 some specifics as to what's going to be done, let's say, in
 5 the next five years or in the five -- couple of five year
 6 increments after that and, you know, for instance in the
 7 notes on the last month's meeting there are some comments
 8 about me about they are making comments about floodplain.
 9 It's not that I'm concerned about floodplain.
 10 I'm concerned about the allocation of the money
 11 that's coming into this program as to going across the
 12 whole spectrum of items that are in the ERPP vision and
 13 that we are allocating the money according to time areas,
 14 time slots and regional areas and that type of thing so we
 15 have a good comprehensive plan that goes on into the future
 16 and I would expect that to be part of a strategic plan and
 17 I don't see any specifics and I get frustrated.
 18 MS. MCPEAK: Okay. Let's add to that it.
 19 It's application of resources timetable in the
 20 strategic plan, not just the methodologies or the tactics
 21 or --
 22 MR. PYLE: It's frustrating.
 23 MS. MCPEAK: Okay.
 24 MR. MEACHER: Sunne.
 25 MS. MCPEAK: Yes, Bob.

1 plan including timetable and resource application and
 2 what -- who will be reviewing this, i.e., the scientific
 3 panel, that somebody would ultimately be able to pick up
 4 that document and say here is what really is going to
 5 happen and that's not all going to be done I suspect before
 6 we see the Draft EIR/EIS.
 7 What we should see in the Draft EIR/EIS is
 8 whether we're now calling this framework which pretty much
 9 summarizes the components to the ERPP. The scientific
 10 panel which needs to be structured with the inputs that I
 11 heard from you and Stuart, Rosemary, we need the workgroup
 12 to bring back that kind of a recommendation.
 13 The strategic plan will have to be evolved as
 14 we are going forward and the specifics probably informed by
 15 comments on the EIR/EIS. But that's how I think maybe the
 16 timing would work. Okay. Any further comments on items
 17 one through six that you think need to be sort of added to
 18 this set of charges to the staff to do?
 19 MS. NOTTHOFF: Is there some Public
 20 Comment on this? I thought there was.
 21 MS. MCPEAK: There is going to be -- I'm
 22 going to take Public Comment from Gary.
 23 I hope he's speaking for all three people now
 24 but if not -- Gary -- and then we are going to go into the
 25 IDT for 30 minutes and then take comments from Steve and be

1 then breaking at 12:30.
 2 Gary.
 3 GARY BOBKER: Thank you, Sunne. I'm
 4 Gary Bobker with the Bay Institute. I am not speaking on
 5 behalf of all three although I think that it's consistent
 6 with the position of all three and if you see Pete Rhodes
 7 turn red then and Jason start to gag then you'll know that
 8 I've strayed from the path.

9 There is a letter, which I think has been
 10 circulated. It's been signed jointly by representatives of
 11 environmental agricultural and the urban sectors and much
 12 of that letter has been -- the recommendations of that
 13 letter are being addressed by the recommendations of the
 14 science review panel and the ecosystem restoration
 15 workgroup.

16 What I want to do is summarize my understanding
 17 at least from my point of view of what the main direction
 18 the ERPP needs to take, the main tools that we need to get
 19 there.

20 And there has been a lot of discussion of that
 21 and I think we are all, you know, in the CalFed family, in
 22 the stakeholder family and in the scientific community
 23 there is a convergence of views. We all want to go in the
 24 same place, we're all on parallel tracks, but I think
 25 there's sometimes a little lack of clarity or focus about

1 in your implementation menu, how do you monitor them, the
 2 funding package, institutional issues, et cetera, a whole
 3 slough of items that go along with that. I think those are
 4 the basic components of the strategic plan. They are
 5 absolutely essential to an ecosystem restoration program.
 6 That makes scientific and policy sense.

7 Based on your strategic plan you then will
 8 go -- CalFed, I think, will have to go and look at the
 9 implementation menu, the many, many actions that they've
 10 proposed, many good ones and say -- and review them, revise
 11 them, if appropriate and decide on the order in which they
 12 should be implemented.

13 In terms of how we get to a strategic plan,
 14 there was discussion of a three tiered approach.

15 I have a -- I agreed with a lot of what was
 16 said about those tiers but I want to -- I had a slightly
 17 different description of how those tiers would work.

18 I think the first tier in the strategic plan is
 19 a drafting team.

20 CalFed needs to have a team which includes
 21 conservation -- includes certain expertise in an overall
 22 planning framework so bring on board a planner, an
 23 environmental planner, conservation people with expertise
 24 in conservation biology, in modeling and the development of
 25 ecological indicators, on an appropriate basis, whether

1 exactly what it is that we are trying to do so I'll at
 2 least give you my version of where that is.

3 The basic recommendations of the joint letter
 4 or to say that CalFed needs a strategic plan, you've heard
 5 that term used, which needs to be finalized and reviewed
 6 before a final CalFed EIS/EIR can be issued and that
 7 strategic plan needs to address the conceptual framework
 8 for restoration. It needs to address I think three key
 9 elements.

10 One is it needs to provide clarity to the goals
 11 and objectives of the program in clear and measurable ways.

12 It needs to provide the conceptual models,
 13 which -- you know, Dick gave you a background on that but
 14 let me oversimplify it.

15 The conceptual models represent our hypotheses
 16 of how the system works and they are the way that we link
 17 the actions that we propose to do to the objectives that we
 18 want to accomplish. We say "This is how we think the
 19 system works" and we tinker with it here. this is what we
 20 are going to get and that's how it is going to achieve
 21 where we want to go and then we test against that over
 22 time. Without that you don't really have an adaptive
 23 management approach.

24 And then third part of the implementation
 25 strategy, how do you prioritize the actions that you have

1 it's a staff of consultants. That's the core, the core of
 2 drafting the strategic plan.

3 MS. MCPEAK: Gary, let me -- you heard Bob
 4 and you heard Stu.

5 Do you disagree with their requests for the
 6 people who might be involved. They were talking about the
 7 scientific review panel, but I'm talking about in terms of
 8 input on the drafting, too.

9 GARY BOBKER: Actually, I didn't catch
 10 their recommendations, Sunne.

11 MS. MCPEAK: Okay. We are talking about a
 12 watershed scientist and a resource economist and people
 13 with some practical experience in the -- in how the system
 14 actually operates.

15 GARY BOBKER: Yeah. I would actually
 16 think that that's appropriate for the second tier.
 17 Although, in the first tier, the drafting team, I think
 18 that someone who is, you know, in terms of a planner,
 19 someone who is only got a lot of experience in land use
 20 planning will capture a lot of the things that maybe are
 21 the values of somebody -- a resource economist or a
 22 watershed person, but I think they are more appropriate for
 23 the second tier and the second tier is what I would call
 24 the repertory company, all of the experts that you think
 25 represent the full range of knowledge about the Bay-Delta

1 system who help the drafting team. Essentially through
2 various processes, workshops, work teams, panels and
3 various meetings, get together in various configurations to
4 address key issues that the drafting team has to tackle in
5 order to get to completion of a strategic plan.

6 And then the third tier would be the
7 independent scientific review panel.

8 And I would suggest that all of those elements
9 need to start now.

10 We don't -- we should not defer creation of any
11 of these tiers until later in the process.

12 I also think that the creation of these kinds
13 of panels is a template that has broader applications than
14 just ecosystem restoration. These really apply to the
15 other programs

16 I wonder -- I want to make some comments beyond
17 the ERPP. I, unfortunately, can't be here this afternoon
18 so I wonder if you'll indulge me for a few more minutes.

19 MS. McPEAK: A few more minutes.

20 GARY BOBKER: Okay. I'll try and keep it
21 brief.

22 The problems -- the things we've identified
23 with the ERPP --

24 MS. McPEAK: Hap, you have a question
25 before you go on?

1 the restoration process you do hypotheses or rather
2 experiments that will provide data to help you answer those
3 questions.

4 But I also want to make sure that it's
5 understood that at least from my point of view conceptual
6 models are not the single core issue here. They are one of
7 three and articulating the objectives is as important as
8 the conceptual model so you could have a great
9 understanding of how the system works. If you don't know
10 what you want that system to look like you are not going to
11 have a very efficient restoration program in my view.

12 MS. NOTTHOFF: I think it's a timing
13 issue, too.

14 MR. DUNNING: Well, I accept that but
15 looking just at the conceptual model part of it I guess
16 what I'm trying to get at is the difficulty in this task at
17 the present time and, you know, to what extent is this
18 bringing to the surface and articulating better what
19 scientists and others understand about it and to what
20 extent is it something much more problematic.

21 GARY BOBKER: Again, I think that an
22 intensive effort, given a sufficient amount of time, you
23 could develop some pretty good conceptual models for this
24 system but again they are going to be conjectural
25 conceptual models in many cases.

1 MR. DUNNING: Before Gary does that I
2 wonder if we could ask questions about the ERPP part of it?

3 MS. McPEAK: Of his comments?

4 MR. DUNNING: Of his comments.

5 MS. McPEAK: Yes, you may. Again,
6 remember I'm trying to keep a timetable, but yeah, go
7 ahead, Hap.

8 MR. DUNNING: My question is this, Gary.
9 Time and time again today people have said among all these
10 recommendations the heart of it really is the development
11 of a set of conceptual models. And you referred to the
12 conceptual model, I believe, as our hypotheses about how
13 the system works. To what extent are we talking about
14 articulating what has been implicit?

15 To what extent are we talking about learning
16 what we do not know and to the extent that it might be the
17 latter how can it be done in this time frame?

18 GARY BOBKER: Learning what we do not
19 know?

20 I don't think that we can -- we are not going
21 to learn everything we need to know but if we can
22 articulate what our hypotheses are we can identify the
23 kinds of programs to implement over the short-term and this
24 has been something that the restoration, the ecosystem
25 roundtable process is already focused on. In embodying in

1 MR. DUNNING: maybe it's just because I
2 come out of an academic background but that amount of time
3 can be years and years and years.

4 GARY BOBKER: well, it depends on how good
5 your conceptual models are and how good you want them to
6 be.

7 I mean, if you're using landscape level
8 conceptual models you probably could develop them within a
9 six month to a year time frame and have them be
10 scientifically credible. That would be my opinion. Of
11 course, I'm not a conceptual modeler so I may not have the
12 definitive word on that.

13 Let me make a bridge to a couple other things
14 here.

15 It's been the viewpoint at least of folks in
16 the environmental water caucus that because of these
17 problems with the ERPP because we haven't adequately
18 defined and formatted the ecosystem restoration program
19 we're far from the point that we can begin to understand
20 the trade-offs between pieces of the restoration program
21 and say what the final form of that restoration program
22 should be. That's as true -- probably more true for the
23 other elements of the program as well and it's interesting
24 to see that, you know, we are poised -- we are looking at
25 alternatives, trying to understand those alternatives and

1 the trade-offs between them but there is a lot more
 2 information we need before we can really do that in a
 3 meaningful way and what I want to suggest was that in
 4 addition to revising and refining the ERPP that we need to
 5 identify the problems in the other areas and design the
 6 same sort of rigorous program to address the key
 7 outstanding issues. I would suggest that in addition to
 8 the ERPP there is three others.

9 The second would be looking at more widely
 10 varying assumptions about demand management. That's been a
 11 controversial issue here. Wherever you fall on this it
 12 seems to me that in order to have a defensible document
 13 that looks at alternatives we need to look at a broader
 14 range of what demand management means and then when we
 15 understand what the impacts of those demand management
 16 scenarios are we can have a better discussion of what the
 17 trade-offs are.

18 The third area is water supply reliability.
 19 This gets back to comments that people were
 20 talking about the water balance.

21 CalFed has a principle, Lester said it many
 22 times, I think it's a very good one and that is that the
 23 Bay-Delta can't solve California's water needs.
 24 I agree with that completely.
 25 However, that doesn't mean that you can't have

1 rigorous process.
 2 I would hope that just as you in your draft
 3 EIS/EIR identify here is the things we need to do with
 4 ecosystem restoration, here is our program to fix it.
 5 You'll do that for every portion of the program. Thanks.

6 MS. MCPEAK: Okay. Thanks, Gary.

7 We are continuing to look at the time and try
 8 to manage and modify the schedule to be reasonable and
 9 allow enough discussion under the presentation of the next
 10 item and in order to do that you might have -- there were
 11 circulated -- distributed a letter also from the California
 12 Chamber of Commerce and, Steve, I'm going to ask if you
 13 might comment now before we get into that item that's
 14 likely to go until one o'clock. So Steve Zapoticzny from
 15 the South California Oakland Water Committee.

16 STEVE ZAPOTICZNY: Thank you, Madame
 17 Chair, for allowing me to speak to accommodate my schedule.
 18 I am the Vice-Chair of the Southern California
 19 Water Committee but also an employee of the Nutrasweet
 20 Gelco Company in San Diego and although I'm sort of wearing
 21 my Southern California Water Committee hat this morning I
 22 also wanted to discussion some of our company's concerns
 23 and expectations with this process.
 24 As many of you already know the Southern
 25 California Water Committee is a nonprofit nonpartisan

1 a better idea of what is CalFed trying to do for the
 2 availability and reliability of water?

3 Is it to extract more water from the system in
 4 all cases? Is it to reduce the amount of variability from
 5 plan deliveries beyond a certain point? A better
 6 understanding of how the CalFed solution would contribute
 7 to water supply reliability gives us a better idea of how
 8 far we want to modify various components, whether they are
 9 demand management, the water supply infrastructure or
 10 anything else.

11 We don't have a good enough idea right now
 12 perhaps to answer that question.

13 And then the final area where we need to focus
 14 on is the assurances issue and the reason I raise that is
 15 because it seems that we've got competing things going on.
 16 We've got assurances workgroup. We've got this HCP
 17 process, which is controversial. We need to think about
 18 perhaps a better way of getting to the assurances package
 19 that CalFed needs.

20 I don't have the magic bullet for what that is,
 21 but going along with some of the things that were built on
 22 earlier assembly processes, perhaps there are some
 23 different ways to get to that, but again my bottom line
 24 here is just as the ERPP needs to be fixed every major
 25 component of the CalFed Program needs that same sort of

1 coalition of County and City elected officials, business
 2 leaders, agricultural interests, water agencies and private
 3 citizens in the eight Southern California counties with a
 4 mission to secure reliable water supplies for our region
 5 and for California. The Water Committee has had a strong
 6 interest in the solutions to the problems in the Bay-Delta
 7 and we have reviewed the various alternatives and have
 8 submitted comments all through the process since it began
 9 three -- over three years ago.

10 We have said improve water quality, restored
 11 ecosystem, enhanced water management, increased water
 12 supply reliability, assured implementation and a reasonable
 13 cost are goals for the program that we share with you.

14 The Southern California Water Committee
 15 supports key components that balance the objectives of the
 16 CalFed Program.

17 The preferred alternative must include
 18 increased storage upstream in-Delta and downstream. It
 19 must include ecosystem and habitat restoration and include
 20 efficient water management programs.

21 Actions to improve water supply to decrease
 22 levee vulnerability are also critical.

23 Now, as a Southern California businessperson
 24 options to improve water supply reliability and
 25 predictability are a must.

1 The Nutrasweet Gelco Company was founded in San
 2 Diego in 1929 and there were actually two reasons why we
 3 located in San Diego. We had an abundant supply of giant
 4 kelp nearby but we also had a reliable supply of water.
 5 Our products consume large amounts of water to process.

6 We are a leading global supplier of algaenates,
 7 biogums and sweeteners which are specialty ingredients and
 8 at our San Diego plant we produce both algaenates and
 9 biogums. Algaenates are derived from the giant kelp that
 10 we harvest along the California coast, and biogums are
 11 actually made from large scale industrial fermentation. I
 12 guess you could say we were one of the first industrial
 13 biotech companies in California.

14 Both algaenates and biogums are used in a wide
 15 range of applications, from food and dairy processes to
 16 pharmaceutical uses and to oil drilling and natural gas and
 17 if you look at the products you buy in the grocery store
 18 under the ingredients you'll see zanthane gum and
 19 algaenates I'm sure more times than you may have realized.

20 As I said algaenates and biogums use large
 21 amounts of water to process. They are thickening,
 22 suspending and gelling agents, and as a result, we are
 23 San Diego's largest industrial user of water. It's the
 24 life blood of our operations.

25 Without water we'd have 650 jobs with a payroll

1 before the miracle March rains came.

2 Everyone in San Diego including businesses like
 3 ours were faced to up to 50 percent cutbacks in water
 4 supply which thankfully became only 20 percent reductions
 5 with the miracle March but even 20 percent reductions were
 6 major. Fortunately for us we were in the final stages of a
 7 \$2,000,000 investment to further reduce our water
 8 consumption which resulted in an overall 25 percent
 9 reduction in 1991.

10 However, then as now there are no guarantees
 11 that our investments will result in adequate water supplies
 12 to us in the future.

13 Recognizing the obligation of major water
 14 diversion projects to current participants there should be
 15 opportunities for other parties, like Nutrasweet Gelco to
 16 purchase and transport water available from new storage,
 17 conjunctive uses and water transfer options. We now have
 18 these options with natural gas soon to be with electric
 19 deregulation and this has positioned us to be much more
 20 competitive. We basically have more control of our own
 21 destiny.

22 A short implementation which I've heard
 23 numerous time this morning or a deal is a deal gives
 24 businesses like mine a needed sense of permanency.

25 We support institutional changes to assure the

1 of over 37 million and California purchases in the
 2 neighborhood of \$30,000,000 annually in serious jeopardy.

3 Basically what we are trying to say is
 4 manufacturers need to know that the water will be there
 5 when we need it at an affordable cost. The current
 6 uncertainty that we've had for years and years needs to be
 7 eliminated and we hope this process finally realizes that
 8 goal.

9 It negatively impacts long-term planning and
 10 turns manufacturers -- makes manufacturers expand elsewhere
 11 or others not to locate in California.

12 It also makes other manufacturers who are
 13 looking to acquire businesses in California think twice.
 14 Three years ago when we were sold by American to Monsanto
 15 one of Monsanto's major problems with the purchase of us
 16 was would we have a reliable supply of water and should
 17 they acquire a major facility in California because
 18 basically by that time they had pulled out of California
 19 almost completely.

20 We also feel it is important to base
 21 performance of the water management system and water supply
 22 enhancements on their dry and critical year capabilities to
 23 assist water suppliers to plan their drought strategies.

24 I know we don't want to face another drought
 25 and all the uncertainties as was experienced in early 1991

1 implementation of the ecosystem features and programs along
 2 with the physical components for improved management of the
 3 water supply system. We believe, too, that financing needs
 4 to be -- to draw in sources of funding from the public
 5 through State and Federal means but the portion of the
 6 solution financed by local interests should be formulated
 7 with regard to time span and interest rates to assure only
 8 moderate impacts on water users.

9 I know for us in San Diego the availability and
 10 cost of water have been criticality to our survival in
 11 San Diego and California. Our other sites around the
 12 country and around the world just pay a fraction of the
 13 cost we pay in California.

14 But we also understand that the Delta fix won't
 15 come cheaply. We do ask, though, that the portion that
 16 does have to go to local interests be spread out over time
 17 so businesses can absorb those increases.

18 Finally, as you continue the process of
 19 determining a preferred alternative the Southern California
 20 Water Committee and our members believe that a Delta
 21 conveyance is the highest priority and if planned and
 22 implemented properly and in conjunction with the key
 23 elements I've described today it constitutes a
 24 comprehensive Delta solution, in our opinion.

25 Once again, Mayor -- Mayor -- Madame Chair,

1 thanks for the opportunity to speak to you today and the
 2 Southern California Water Committee looks forward to the
 3 release of the EIR/EIS and hopes that that meets our
 4 current and future water needs for the State.
 5 Thank you very much.
 6 MS. MCPEAK: Thanks, Steve, for being
 7 here.
 8 As he referenced there is a letter from the
 9 Southern California Water Committee laying out the
 10 components that Steve just summarized and I think you heard
 11 that we are intending to meet for two days the week of
 12 March 16th. So please relay that back to everybody, too,
 13 with the committee.
 14 Thank you. What we are planning to do now is
 15 go to the alternatives development discussion. Rick is
 16 listed on the Agenda but, Lester, you may very well wanted
 17 to set this up.
 18 We will be planning to take as much time as
 19 necessary through one o'clock to get both the staff
 20 presentation and the questions from BDAC, at which point we
 21 will then break for lunch, get lunch, go into the
 22 workgroups and still then hopefully be on schedule.
 23 And I'm turning this over to Chairman Madigan
 24 (indicating).
 25 CHAIRMAN MADIGAN: Thank you very much.

1 cooperate to conserve it. In the history of water
 2 controversies is that in the long run the rule of
 3 cooperation prevails. In an aired environment water is the
 4 ultimate sovereign.
 5 I thought that particularly appropriate since
 6 this was written in California, the great exception, in
 7 1949, and once again, I mean, we're a piece of history here
 8 and we are trying to change that history a little bit and I
 9 think there is a lesson in this.
 10 Thank you, Nancy. You didn't intend me to do
 11 that, did you, but that was very -- I mean, here we are
 12 again. Every once in a while I think how did we get into
 13 this mess? What's my role? How am I responsible for
 14 getting us into all of these arguments and we just have to
 15 remember we are a big piece of history here and we've got
 16 to try to break out of the cycle and that's really -- it
 17 was true apparently to somebody in 1949 that only through
 18 cooperation are we going to work our way through this and
 19 stop finding the zero sum game and try to finding the way
 20 that we get out of this and that's the biggest part of what
 21 we are trying to do here.
 22 Anyway, what I'm going to do is try to set up
 23 and go through what's been happening with what we call our
 24 IDT process and that's the inter-agency development team,
 25 where we pull together a lot of diverse experts from the

1 Thanks, Sunne. Thank you all for your indulgence in my
 2 late arrival.
 3 Lester, you're on.
 4 EXECUTIVE DIRECTOR SNOW: Thank you. Now
 5 for something completely non-controversial, evaluation of
 6 the alternatives -- yeah, lunch.
 7 Actually, to get started, Nancy Vogel came in
 8 today and gave me an excerpt from a book that she's been
 9 reading and I'm sure she intended that tomorrow, this
 10 weekend I'd take a look at it but I glanced at it and I
 11 actually want to read an excerpt that she marked from the
 12 excerpt.
 13 Forgive the third person -- third person
 14 masculine nature of this and it will become clear when I
 15 finish it but I think it's relevant.
 16 But I think it's in an aired environment men
 17 will fight for water with a truly implacable bitterness, a
 18 bitterness beyond reason for if there is not enough water
 19 to meet all needs there is really no basis for compromise.
 20 There is nothing to negotiate.
 21 Water controversies therefore present the
 22 ultimate in the way of irreconcilable points of view.
 23 On the other hand, nothing will weld disparate
 24 elements into more cohesive force than a common concern
 25 over water. If men will fight over water they will also

1 different agencies to try to hammer through these very
 2 complicated alternatives and start really looking at the
 3 distinguishing characteristics and trying to roll up a lot
 4 of different considerations into, you know, basic
 5 assessment of how are these things performing in terms of
 6 the objectives that we have laid out and also in terms of
 7 the distinguishing characteristics that we've identified,
 8 not to say here is the one that's best because there is
 9 preferred -- or there is policy consideration, a lot of
 10 judgments that have to be made but to give some indication
 11 of what the performance is and to remind you a little bit,
 12 we've talked a lot about the different distinguishing
 13 characteristics, 18 of them, that we discussed. In fact,
 14 you may recall when we -- well, it would have been two
 15 meetings ago not only did we talk about these 18
 16 distinguishing characteristics but we actually presented a
 17 whole bunch of tables with a lot of data. You know,
 18 actually reams and reams on each of these so we picked off
 19 one and we actually were showing you TDS projections by
 20 different kinds of alternatives and fairly complicated
 21 tables and what's happened since then is what we have
 22 noticed, is that these highlighted ones that are tending to
 23 show the biggest differences between alternatives, and that
 24 some of other issues in here tend to be fairly consistent
 25 between the different alternatives. You are getting the

1 same types of land changes generally. I mean, kind of
2 within projection capability and so it's these ten that are
3 starting to be the big changes -- show the changes between
4 the different alternatives.

5 And not all of them greatly. One of the more
6 surprising ones and I'll get to this in a moment, is what's
7 happening, once you deal with storage, if you have some
8 storage in your alternative, then water supply
9 opportunities doesn't distinguish conveyance very much.
10 And I'll get into that.

11 But you start seeing what's starting to show
12 distinguishing characteristics. Now, what we have done, if
13 you remember those tables, there is a lot of different
14 factors and so what's happened with the IDT is there has
15 been a lot of roll up. I mean, there is a lot of different
16 issues that play in, well, export water quality, different
17 parameters, and we try to roll that up into a grand
18 assessment for that as a single category.

19 The same with diversion effects on fish.
20 There's different fish that are affected differently.
21 We've attempted to kind of roll that up into a grand
22 assessment. So what I want to try to do is walk through
23 basically the results of the IDT process and their roll up
24 of some of these different issues.

25 And Rick's going to be around here somewhere to

1 efficiency that can have water supply and water quality
2 impacts.

3 MR. BUCK: These are based on a consistent
4 set of operating assumption and with those that changes
5 (inaudible) --

6 EXECUTIVE DIRECTOR SNOW: If you
7 significantly change the way that you operate the systems,
8 yes, they would change.

9 Rick, do we have a slide explaining the
10 differences on in-Delta?

11 RICK WOODARD: I don't know that we do
12 have such a slide.

13 But I'm trying to respond to Byron's question
14 of whether different operational assumptions were fed into
15 the process would the results be different.

16 I think the results would be different but I
17 think that with most of the operational scenarios we've
18 considered the direction of the results would be similar.
19 So I think that, for instance, three behaves better than
20 one behaves better than two sort of thing would still be
21 the pattern.

22 EXECUTIVE DIRECTOR SNOW: You actually did
23 get a bit of a description of why these changes are taking
24 place in here.

25 While you basically have the same channel

1 help me.

2 Let me orient first to the nomenclature here.

3 We have existing conditions, no action
4 alternative, IDT 1, which is alternative one, basically the
5 existing system, IDT 2, which is the hybrid form of a
6 through-Delta and IDT 3, which is a hybrid form of a dual
7 system.

8 And one of the other things I want to do,
9 though, and I'll do this for three different slides here
10 (indicating), what we realize when had we started talking
11 about this is when you focus people's attention to what
12 happens as you change Delta configuration, you know, you
13 are adding storage to the system, you are changing Delta
14 configuration, then people overfocus that this is what's
15 going on for water quality and ignoring that there is a
16 whole other program and programs that affect overall water
17 quality so to some extent these activities that affect
18 improved water quality are all kind of foundational stuff.
19 So what you end up looking at is the difference in water
20 quality in different locations, in this case in-Delta water
21 quality, given the context of all of these other actions
22 where you are improving toxics in the system because of
23 source controls, you are changing timing with certain
24 discharges to avoid concentration of toxics, overall upper
25 watershed programs to improve water quality, water use

1 configuration as the existing you may get some -- realize
2 some salinity improvements by the way you operate because
3 you've got a little different configuration in South Delta
4 and it gives you a little bit more flexibility. So even
5 with alternative one you are probably getting some
6 improvement over no action on in-Delta, even though that
7 may not be intuitively obvious it may not be a big shift
8 but some shift.

9 In alternative two you've got more direct
10 connection to the Sacramento River so you are going to be
11 generally bringing more high quality water into the Central
12 Delta and so that's why you are going to tend to get more
13 in-Delta water quality improvements.

14 Alternative three, this is the classic one I
15 think people tend to understand, you are moving Sac River
16 water to the higher quality water around the Delta directly
17 to the export pumps and so we are seeing ranges here, at
18 least at this level, of 20 to 60 percent changes in the
19 Central Delta.

20 MR. BUCK: Is that with the application of
21 any mitigation measures?

22 RICK WOODARD: I'm not sure I understand
23 what sort of mitigation measures we might be talking about.

24 MR. BUCK: If you were improving South
25 Delta water quality for other means of bringing water, say

1 an isolated facility that was in alternative three to
2 improve that and mitigate for that increase in the South
3 Delta.

4 RICK WOODARD: No, it does not assume for
5 instance that you would be finding some way to supply the
6 South Delta channels from an isolated facility.

7 This would be an unmitigated fixture.

8 EXECUTIVE DIRECTOR SNOW: I think here we
9 are not trying to solve the problem at this point. We are
10 trying to show how these would operate.

11 And Byron's point is if you've got this
12 problem, is there any way that you could mitigate the
13 impacts in South Delta by delivering other water supplies?
14 That's possible but this is showing that you've got
15 something you need to deal with.

16 Okay. Let me move on to export water quality.
17 We've got two export water qualities. One is the two --
18 the State project, Federal project, South Delta and the
19 other one I'll show in just a moment as Contra Costa
20 intake.

21 Boy, I've got all kinds of overheads.

22 Again, what's happening with export water
23 quality, alternative one you are not seeing much
24 difference. I mean, it's pretty uniform in terms of
25 existing conditions, no action, and alternative one.

1 quality because it differs whether you're talking about the
2 DMC or the State Water Project or the Contra Costa
3 District, the effect of these, this is different in those
4 different situations.

5 So is this an average or how -- and also it
6 varies with year types and year seasons.

7 So is this an average or does this look at the
8 most adverse situations, that sort of question.

9 RICK WOODARD: Alex, this particular work
10 is based on 16 years of hydrology, from '76 through '91, as
11 I recall and what you are looking at is the long-term
12 overall averages essentially, not critical period or some
13 other sort of --

14 MR. HILDEBRAND: It's averaging in the
15 years when you don't have a problem because you've got lots
16 of water with the dry years when you do have a problem. I
17 find it a little difficult it to assess the consequence of
18 an average like that rather than looking at the more
19 specific thing and also the importance of higher water
20 quality is greater for the State Water Project than it is
21 for the Federal project because you've got a whole lot of
22 domestic users so I think you need a little more breakdown
23 to really understand what this means.

24 RICK WOODARD: Alex, we have actually
25 envisioned combining the points of intake for the CVP and

1 With alternative two, through-Delta, again
2 you've got some operational flexibility, and you can make
3 some changes.

4 I don't know, Rick, if you want to talk a
5 little bit about the kinds of ranges that you might expect
6 here, but I guess --

7 RICK WOODARD: Well, the data that you see
8 presented here comes from one set of model runs that would
9 demonstrate that you are looking at a range from 25 to 35
10 percent, variously depending on whether you are talking
11 about the current Tracy location or the current Clifton
12 Court location.

13 Again, one could argue certainly more modeling
14 has already been done that we are still working on and
15 others are doing other modeling that results of which I've
16 seen would indicate that there can be some difference of
17 opinion about whether it's 25 percent or 20 or 37 versus 35
18 and this sort of thing but the results that I think we are
19 seeing coming out of our studies and those of others that I
20 am aware of would indicate that these are reasonable ideas
21 of what you can expect.

22 MR. HILDEBRAND: May I ask a question
23 there?

24 In respect to particularly number two, just
25 what water quality are we talking about, export water

1 SWP as part of the solution so that you would be getting --
2 under that scenario you would be getting a single source
3 water.

4 Also, we do have information that we have
5 broken down by month and on different hydrologic years and
6 so forth so there certainly are many ways that you can
7 analyze this sort of data and therein I think is the
8 quandary we try to face in how to best present this.

9 I guess what we are looking at here is what
10 would be the long-term ramifications of making a decision
11 of one of these alternatives and certainly it can have more
12 narrow -- more different effects and more narrowly
13 considered time frames and hydrologies and other ways of
14 looking at it. So, certainly, we would need to go forward
15 with a lot more analysis but nonetheless I think that we
16 feel we understand that the pattern of differences here is
17 going to tend to remain the same looked at over the
18 long-term basis and one would argue that that's how you
19 ultimately have to make such a programmatic decision as
20 this one.

21 MR. HILDEBRAND: Is this water quality in
22 terms of TDS or bromides or --

23 EXECUTIVE DIRECTOR SNOW: It's total
24 dissolved solid bromide and total organic carbon, those
25 three factors rolled up.

1 MR. HILDEBRAND: The effect is different
 2 when you're talking about TDS or bromides. For example,
 3 how you design that through-Delta depends on -- will
 4 influence the ratio of those two problems.
 5 EXECUTIVE DIRECTOR SNOW: Right.
 6 And I didn't get to this. I think it's obvious
 7 that when you are isolating from the Delta, then you can
 8 make an impact on those three parameters in the Delta.
 9 MR. MEACHER: Question.
 10 CHAIRMAN MADIGAN: Bob.
 11 MR. MEACHER: Is number three assuming
 12 10,000 CSF isolated facility at Hood?
 13 EXECUTIVE DIRECTOR SNOW: Yes.
 14 Let me move on to the other export water
 15 quality, that's Contra Costa, the Contra Costa intake.
 16 Actually, Rick, this doesn't show up on the map
 17 but just people may not know where the Contra Costa intake
 18 is. Would you point that out?
 19 RICK WOODARD: You assume that I knew
 20 where it was.
 21 EXECUTIVE DIRECTOR SNOW: It's over Palm
 22 Track --
 23 RICK WOODARD: It would be -- it actually
 24 is about here, I believe but Old River at Rock Slough is
 25 the place that we're usually speaking of.

1 Again, the basic pattern of difference would be
 2 similar for critical periods, though, the height of the
 3 bars essentially might be different.
 4 And, again, that's a simplistic answer at that
 5 because you really -- if you can analyze this down to daily
 6 details if you wish and things do change, so one could get
 7 a complete picture of how it would truly function once you
 8 implemented it. One would need much more detailed analysis
 9 than presented here.
 10 MR. MEACHER: Mike --
 11 CHAIRMAN MADIGAN: Bob.
 12 MR. MEACHER: Rosemary brings up another
 13 thought. In these scenarios, Lester, are we using any of
 14 the proposed storage components --
 15 EXECUTIVE DIRECTOR SNOW: Yes.
 16 MR. MEACHER: -- upstream?
 17 EXECUTIVE DIRECTOR SNOW: Yeah, we modeled
 18 storage with all three alternatives so storage is not
 19 distinguishing in these.
 20 MR. MEACHER: So how much storage are we
 21 looking at? Or increased flow under these from north of
 22 the Delta?
 23 Because that goes to Rosemary's critical
 24 points. At times if you have more storage and you are able
 25 release that in the critical times, I think those figures

1 EXECUTIVE DIRECTOR SNOW: So that's the
 2 different location. The last one we saw the export, State
 3 and water Federal projects are down here and so Rock Slough
 4 is up in that area (indicating).
 5 So you see what happens there with the
 6 alternatives?
 7 A similar pattern to what we were talking
 8 about, in-Delta water quality. In this case obviously what
 9 you want to look at is it drawing more water around the
 10 Delta? It does not provide an advantage as it did with the
 11 State and Federal project; in fact, you get your highest
 12 water quality with a through-Delta strategy for Contra
 13 Costa.
 14 Does anybody have any questions about that?
 15 CHAIRMAN MADIGAN: Rosemary.
 16 MS. KAMEI: I have a question.
 17 When you are looking at export water quality, I
 18 understand the value of looking at the long-term average,
 19 but usually when you get into a lot of problems is in those
 20 critical dry periods.
 21 Did you do any kind of analysis as to how the
 22 bar changes on those really bad years where the shortages
 23 are going to impact the quality of the water?
 24 RICK WOODARD: We have done such analyses
 25 and we are continuing to do more of them.

1 will change.
 2 EXECUTIVE DIRECTOR SNOW: Okay. I can
 3 answer, we've modeled 4.7 million acre feet of additional
 4 storage to look at that --
 5 MR. MEACHER: To get these bars?
 6 EXECUTIVE DIRECTOR SNOW: -- but let me
 7 ask Mark or Steve, does that storage operate in a fashion
 8 that significantly changes kind of the critically dry year
 9 water quality problems?
 10 MARK COWAN: It is difficult to answer
 11 directly without having the data in front of us, but we're
 12 talking about 3,000,000 entities of additional storage
 13 upstream in the Delta so obviously some of that water is
 14 going to be stored in wetter years and released in drier
 15 years so I can't give you an absolute answer but I would
 16 assume that we'd have increased flows in the Sacramento
 17 system in critical periods as opposed to no action.
 18 MR. MEACHER: So does the work reflect
 19 that?
 20 MARK COWAN: Yes, it does.
 21 MR. MEACHER: Does it incorporate into
 22 that average?
 23 MARK COWAN: That's right.
 24 CHAIRMAN MADIGAN: Okay. Oh. Byron.
 25 MR. BUCK: On two, well, obviously you are

1 showing an increase, Rick, can you recall what the level of
2 bromide would have been? It's my understanding in looking
3 at the data it was really not near the 50 micrograms which
4 the expert panel recommended, but was that in the range of
5 a hundred to a hundred and fifty?

6 And also this doesn't obviously consider a
7 mitigation of perhaps combining diversions.

8 EXECUTIVE DIRECTOR SNOW: Are you talking
9 about the State project? Federal project?

10 MR. BUCK: No, in Contra Costa.

11 RICK WOODARD: Byron, my recollection of
12 the results of the modeling data that we have looked at
13 would indicate that the bromides would not be -- the
14 bromide level of 50 would not be achieved by Contra Costa
15 at that location, not even nearly.

16 We are probably talking about, oh, on the order
17 of three times that.

18 EXECUTIVE DIRECTOR SNOW: Okay. One of
19 the distinguishing characteristics that we identified was
20 Delta flow circulation and I know I've got Pete Chadwick
21 here to bail me out if I get in trouble on this, but all
22 I -- what I want to say on that before I kind of get into
23 any discussion of it or the slide explaining the
24 difference, the issue identified here has been a problem
25 with the large scale pumping and South Delta has changed

1 MARK COWAN: For the more detailed Delta
2 simulation modeling we used the last 16 years of that
3 period so that would be '76 through '93 or somewhere
4 thereabouts.

5 RICK WOODARD: '91, I think. The water
6 quality data that we are presenting here, though, are based
7 on the 16 years, not the 73 years.

8 MR. HALL: Is there some reason why it's
9 just the 16?

10 MARK COWAN: Just a matter of the time it
11 takes to do the Delta simulation modeling and the 16 years
12 generally represents the same sort of hydrologic period as
13 the longer 73 year period.

14 MR. HALL: The reason I'm asking is
15 because our technical people are saying it may change if a
16 longer period is used and obviously that makes a big
17 difference, you know, if it's a very slight change, it
18 doesn't make much of a difference but we are about to make
19 some pretty big decisions here. I certainly don't want to
20 slow the process down but if there is a -- if a sensitivity
21 analysis has not been done to suggest how much it could
22 change, maybe we ought to take at least a rough cut at that
23 because if we are talking about significant changes here,
24 it's going to change the outcome, I have a feeling.

25 EXECUTIVE DIRECTOR SNOW: You know, let me

1 the flow patterns in here and that's been a fisheries issue
2 for a long time and that's also how you bring bromides into
3 the system and so a distinguishing characteristic was
4 identified how do the alternatives change the basic flow
5 patterns in the Delta and so that's what's being evaluated
6 here of and obviously --

7 CHAIRMAN MADIGAN: Lester, why don't we
8 take a break here for a minute. Okay.

9 EXECUTIVE DIRECTOR SNOW: should I use
10 shorter words?

11 CHAIRMAN MADIGAN: All right. Then a
12 quick question. Steve.

13 MR. HALL: Rick or Lester, you said '76
14 through '91 hydrology, is that -- am I getting that right?

15 RICK WOODARD: I believe that's correct
16 for the first run.

17 MR. HALL: Have you considered -- I'm
18 sorry.

19 RICK WOODARD: Hold on. Let me make sure
20 that this is correct.

21 MARK COWAN: For the entire system
22 modeling we use a 73 year -- we used the 73 year period of
23 hydrologies.

24 CHAIRMAN MADIGAN: You used the 73 year
25 period of hydrologies?

1 ask, Steve, Rosemary had mentioned that she had understood
2 there was a discrepancy in modeling between the CalFed
3 model and what ag urban was using.

4 Is that the same issue you are referring to?

5 MR. HALL: I don't know but our technical
6 people are telling us -- telling me that there is a
7 difference in the period being used.

8 EXECUTIVE DIRECTOR SNOW: But at this
9 point we don't know if the difference results in an output
10 difference, just the approach right now is different?

11 MR. HALL: I can tell you I don't know.
12 Maybe Byron knows.

13 MR. BUCK: There are certainly output
14 differences and they are based upon the modeling
15 assumptions going in.

16 What I think might be helpful is to also in
17 addition to looking at averages to look at some of those
18 critical periods, the dry year periods against how the
19 three alternatives perform. That will give us a bit more
20 information what's happening during critical periods to all
21 affected parties.

22 RICK WOODARD: We are certainly able to
23 do -- I'm sorry.

24 EXECUTIVE DIRECTOR SNOW: I was just going
25 to say if you've completed modeling maybe you could share

1 those with us and we could distribute them to BDAC as well
 2 as try to work through what the differences are.
 3 MR. BUCK: There was a group I understand
 4 that met yesterday with Rick's staff modeling to try to
 5 sort out what the modeling assumption differences are that
 6 we've been using because we are coming up with generally
 7 the same result, same sort of trends but a lot different
 8 bottom line results than certain --
 9 CHAIRMAN MADIGAN: Roberta.
 10 MR. BUCK: -- instances.
 11 MS. BORGONOVO: We were wondering why
 12 alternative three is the most natural flow conditions when
 13 the natural flow conditions were this great amount that
 14 came from the Sacramento but almost an equal amount from
 15 the San Joaquin. So to characterize it as the most natural
 16 flow conditions doesn't seem accurate.
 17 EXECUTIVE DIRECTOR SNOW: Yeah. Maybe we
 18 can get Pete up here.
 19 Basically, the issue is re-establishing the
 20 flow vectors, which is a big deal.
 21 Do you want to come over and use a map, Pete,
 22 try to get water to flow downhill.
 23 PETE CHADWICK: Yeah, Lester is correct.
 24 This figure depicts direction and not
 25 concentrate on magnitudes, although magnitudes are

1 know, natural is -- you know, it's not -- obviously we are
 2 getting back to this rehabilitation, I guess, rather than
 3 restoration question.
 4 EXECUTIVE DIRECTOR SNOW: Pete, is it fair
 5 to say that a lot of this issue is currently in the system
 6 here and then also even in one, most, if not all, of the
 7 San Joaquin flow ends up going in this direction and the
 8 issue is how do you get San Joaquin flow and the vectors
 9 going in the right direction here (indicating)?
 10 PETE CHADWICK: Yes.
 11 CHAIRMAN MADIGAN: All right. Let's go to
 12 Ann and then Alex.
 13 MS. NOTTHOFF: So in terms of the
 14 Sacramento flow it will be going in generally the natural
 15 direction, there will just be a lot less of it?
 16 CHAIRMAN MADIGAN: Pete.
 17 PETE CHADWICK: That's true for --
 18 EXECUTIVE DIRECTOR SNOW: That's true
 19 here.
 20 PETE CHADWICK: That's true and it's true
 21 for all of these rivers. I mean, you know, the consumptive
 22 use in the rivers upstream from the Delta is substantial in
 23 all of these systems, which is --
 24 EXECUTIVE DIRECTOR SNOW: What you
 25 identified as part of the problem we have here is that the

1 obviously a very important characteristic, but this
 2 particular analysis focuses on directions and basically
 3 the -- as operated presently during much of the year, the
 4 water net direction of flow, is in that direction, with
 5 upstream -- net upstream flow is through this portion of
 6 the Delta essentially at all times and major portions of
 7 the year and net upstream flows through this portion.
 8 What we were looking at here was a combination
 9 of getting flows that flow all the way down the San Joaquin
 10 system and out as well as we were paying attention to how
 11 flows in that part of the system change but it's primarily
 12 a reflection of directions of flow as opposed to magnitudes
 13 that were being evaluated in this particular
 14 characteristic.
 15 MS. BORGONOVO: But is this most natural
 16 flow the Sacramento River when you diverted it in instead
 17 of out? Can you take a look at it?
 18 PETE CHADWICK: The -- there is a portion
 19 of it naturally of the Sacramento River that does come this
 20 way through Georgiana Slough but, you're correct, that with
 21 an alternative like alternative two, which is what's
 22 illustrated here, a portion of the Sacramento River -- a
 23 larger portion of the Sacramento River comes this way and
 24 then splits in the Delta, a portion it going to the pumps
 25 and another portion of it going downstream so it's, you

1 Sacramento River does not flow naturally where it used to.
 2 It comes across the Cross Channel Georgiana Slough and
 3 moves down this side of the Delta changing the entire flow
 4 pattern. So that's what you have in this case, that's what
 5 you have in this case. In alternative one you are not
 6 changing that. What you are doing in these cases is that
 7 you are changing enough of the configuration that you are
 8 re-establishing some of the natural flow directions here
 9 and cuing and getting some of the San Joaquin River flow to
 10 actually flow down the San Joaquin River.
 11 PETE CHADWICK: And coming down then to
 12 what the consequences are in the environment is that with
 13 alternative two west of this line the resources in this
 14 area are exposed to a more natural flow situation whereas
 15 the resources in this portion of the area are still -- tend
 16 to be swept towards the diversions and with alternative
 17 three you tend to restore a sweep of water through the
 18 system in that direction and that's reflected in the
 19 differences that are there.
 20 EXECUTIVE DIRECTOR SNOW: One of the
 21 things I should have stressed, if I could, is that what
 22 you'll find is that no one of these issues becomes a
 23 determinant of anything.
 24 In my opinion no one ends up being actually
 25 more valuable than another. Maybe with one exception, and

1 that's the last one, called the assurances, but so, I mean,
2 all of these kind of start integrating into a picture and
3 it is important that we hear your questions to be able to
4 draw out the details of these because some of these things
5 are far less than intuitive on how these work.

6 CHAIRMAN MADIGAN: Okay. I've got Alex
7 and then Sunne and then Roberta.

8 MR. HILDEBRAND: I think you need to look
9 at this question a little more detail before you know
10 whether it's significant.

11 For the first place, a good deal of the time
12 the inflow of the San Joaquin River to the Delta is less
13 than the diversions within the Delta so you are still going
14 to have reverse flows, whether you have an isolated
15 facility or not. It won't be very great. Another thing is
16 that these reverse flows for the most part are very small
17 compared to the tidal flows so it isn't clear that the net
18 flow being reversed at the level that's a small fraction of
19 the tidal flow makes very much difference. And then the
20 question is what's the significance of having these reverse
21 flows in the case of the fishery? Now, if you've screened
22 out the Sacramento fish before you come through from the
23 Sacramento River to the Mokelumne channels, then the
24 question is what fish are we worrying about now and how
25 does this cross flow affect those particular fish. So far

1 diversion within the Delta itself. You are further from
2 the Bay water which is the source of the bromides which
3 cause a treating problem so that you would significantly
4 improve the -- decrease the bromide content of the exports.
5 You have less impact on the cross flow in the event of a
6 levee failure somewhere west of there and you are even
7 sweeping less of the deep peat area with the cross flow so
8 that you won't pick up as much dissolved carbons. So it
9 seems to me that we have to look at that as a more export
10 and fish friendly version of the alternative two before we
11 compare that to the isolated facility.

12 My thing was not distributed to the membership
13 of the BDAC so you haven't seen it. I don't know how that
14 happened but that's the way it is.

15 CHAIRMAN MADIGAN: All right. Sunne.

16 MS. MCPEAK: Alex was speaking. I was
17 nodding my head yes, and Steve Hall said stop nodding, I
18 was being partisan. What I was acknowledging is that, you
19 know, Alex brings up these questions and as far as I'm
20 concerned knows more about San Joaquin probably than
21 anybody else here so we either have to disprove it or, you
22 know, sort of incorporate it into the analysis and I did
23 see your memo. I read it. I think it does need to be
24 analyzed so I'm shaking my head in terms of acknowledging
25 receipt and that we should look at it.

1 as the salmon migration is concerned, if you have tidal
2 barriers you are still going to save the smelts pretty well
3 because you are going to bring them out at a time when you
4 have the exports pretty well cut off and at a time when we
5 are artificially increasing the flow of the San Joaquin to
6 get them out so you really need to narrow down to this
7 question of what fishes -- how does this affect each of the
8 varieties of fish and realistically how much does this
9 reverse flow cause a problem?

10 And in that regard you recall at the last BDAC
11 meeting I proposed that in connection with optimizing each
12 alternative before we compare among alternatives that
13 should take a look at a little different configuration for
14 alternative two. I followed that up the next working day
15 with a fax to Lester and I think Sunne and one or two
16 others have seen it but I gathered that that never got to
17 Rick until early this week and it doesn't appear to have
18 been analyzed and basically it amounts to instead of
19 bringing the bulk of the water down through the north fork
20 of the Mokelumne and across the middle of the Delta there,
21 you bring it down to the south fork and across, which are
22 other directives that Lester is showing there, and get it
23 down that way. You have several benefits. You would have
24 more downstream flow past that cross flow if the cross
25 flow's further east because you don't have so much

1 The question I wanted to ask was building on
2 that and it relates to the San Joaquin. What do we know
3 about which flows in the San Joaquin are important at which
4 times of the year for which of the fisheries and are those
5 possible given the upstream diversions?

6 PETE CHADWICK: The period in which the
7 flows are most critical, the most critical, are in the
8 spring. For the salmon resources it flows from October on
9 into mid-June are all important. They are in, let's see,
10 putting on my, you know, Fish and Game hat and not my
11 involvement in CalFed there are -- certainly we believe
12 inadequate flows in magnitude in the San Joaquin system and
13 we've been working on a variety of programs with people
14 down there working towards getting a better situation, but
15 the, you know, and the ERPP itself address some of the
16 issues in the San Joaquin and is another part of the step
17 forward but what we are talking about in the Delta is not,
18 certainly, the whole for salmon migrating back and forth to
19 the San Joaquin system.

20 MS. MCPEAK: So let me see, Pete, if I
21 understood.

22 For salmon we've got October through June. Is
23 that what I heard you say?

24 PETE CHADWICK: Yes.

25 MS. MCPEAK: And for smelt?

1 PETE CHADWICK: For smelt?
 2 Smelt are -- there is little use of the
 3 San Joaquin upstream of the Delta by smelt so it's
 4 primarily our issues within the Delta itself.
 5 They are --
 6 MS. McPEAK: So it does not -- do the
 7 smelt not need to have San Joaquin water?
 8 PETE CHADWICK: The smelt, in our opinion,
 9 have an advantage -- get an advantage from flows moving
 10 downstream through this portion of the Delta.
 11 They do not really need flows in the
 12 San Joaquin River itself above the Delta but the
 13 consequences of those flows going into the Delta are of
 14 significance to them.
 15 MS. McPEAK: And what time of the year?
 16 PETE CHADWICK: The most significant
 17 periods, smelt move into the Delta in December, January
 18 time frame like that, to start spawning early in the
 19 spring. They -- many of them move out into the -- into
 20 this Suisun Bay area by late in the spring but they are
 21 significant portions of the population in the Delta
 22 throughout the year.
 23 MS. McPEAK: And splittail?
 24 PETE CHADWICK: The splittail spawn in the
 25 spring in approximately April, give and take a month or so.

1 think we'll give it some further consideration.
 2 And I guess I'll say this quickly and then
 3 others can jump in.
 4 One of the concerns about doing this is that
 5 this system over here is already extremely beneficial
 6 habitat.
 7 This is the very different -- this fork here
 8 and what's around it is very different than this fork of
 9 the system over here and so you already have very high
 10 quality habitat and so you would be attempting to move over
 11 and significantly change the system and have to take that
 12 habitat out and re-establish it so it's got some problems
 13 and there may be some benefits associated with it but it's
 14 not one of those things that you go Aha, that's it. And so
 15 I think we need to, you know, evaluate some of the
 16 considerations of how much benefit does this further
 17 distance give you in terms of some of the isolation issues
 18 that Alex brought up and then what's the trade-off
 19 associated with this that does not have a whole lot of
 20 habitat on it versus this, which has a lot of high quality
 21 habitat. Is that fair to say, those who participated and
 22 have looked at this?
 23 CHAIRMAN MADIGAN: Roberta and then Byron.
 24 MS. BORGONOVO: Going back to a question
 25 that I think we've asked in different ways in different

1 They do run up into the river systems and do
 2 that -- there is an upstream migration in the middle of the
 3 winter setting the stage for spawning in the spring.
 4 MS. McPEAK: And could you comment on what
 5 Alex laid out as to just how you would evaluate that and
 6 its friendliness to the fish?
 7 PETE CHADWICK: Well, certainly, I
 8 certainly agree with Alex, that there are differences among
 9 different fishes and you certainly have to take that into
 10 account and, you know, one of the things that we are
 11 struggling with here today, if you take the multitude of
 12 fishes, the multitude of different kinds of water quality,
 13 dry years, normal years, wet years, start rolling out
 14 charts for every one of these, you know, it becomes
 15 overwhelming and that's part of what we return to. How do
 16 you try to roll it up in a way that gives you a general but
 17 what we think is a valid overall impression and then that
 18 certainly isn't the -- what all of what you need to
 19 consider in making a decision but, you know, that's the
 20 kind of dilemma that we are struggling with here.
 21 EXECUTIVE DIRECTOR SNOW: Could I jump in
 22 real quick?
 23 I wanted to respond to Alex's proposal and,
 24 fortunately, we did have a decent meeting of Alex and some
 25 others explaining some of these -- this approach, and I

1 forums, when you have all of the alternatives out there,
 2 when we had expressed a desire for a nonstructural
 3 alternative it would still be nice if you could look at
 4 alternative one and if you had the most natural flow, of
 5 course, what you would do is you would cut way back on the
 6 pumping of both the Central Valley Project and the State
 7 Water Project and some of the other diversions and so will
 8 that at some point be modeled in exactly what it would take
 9 to have this more natural flow through the demand side?
 10 EXECUTIVE DIRECTOR SNOW: Well, we have
 11 taken the essence of a letter we received from Ronnie
 12 Cohen, which actually suggested some targets of a three
 13 million acre foot reduction of diversions based on demand
 14 management, which is broken up into a number of pieces.
 15 We have done preliminary work on, you know,
 16 evaluating the impact, what that strategy has embedded in
 17 it is about 500,000 acres of land retirement in the
 18 San Joaquin agricultural land and so we have attempted to
 19 cost that out, what it simply would physically cost you,
 20 financially cost you to do that and then the other economic
 21 impacts of that. So we've developed that. We've got some
 22 basic numbers on that, which we were -- actually since the
 23 letter initiating it came from Ronnie and the Environmental
 24 Water Caucus. We had hoped to share that with them before
 25 laying that out. But we are trying to develop that because

1 it's obviously a frequently asked question and actually
2 technically required. You have to do that if you are
3 considering facilities, you've got to look at all those
4 options.

5 CHAIRMAN MADIGAN: Byron.

6 MR. BUCK: Just to clarify net Delta

7 outflow and exports upstream are the same across each
8 alternative. We're just talking about flow pattern changes
9 and natural flow patterns here not the absolute amounts of
10 water being consumed or where x2 is, for instance?

11 PETE CHADWICK: That's correct.

12 The analysis here is consistent in that regard.

13 We are looking at differential consequences of the three
14 alternatives and no action in existing conditions.

15 CHAIRMAN MADIGAN: Sunne.

16 MS. McPEAK: I understand that in theory
17 but what is then that net Delta outflow?

18 PETE CHADWICK: The top -- we are talking
19 about existing standards of the -- on that chart, in other
20 words, x2 and existing conditions?

21 X2 criteria are imposed on the operation
22 studies so the outflow is what results as being necessary
23 to meet x2.

24 MS. McPEAK: That does or does not include
25 the extra three or 400,000 acre feet, Lester, that you then

1 storage and then being able to boost required levels at
2 other times during the year and provide additional water
3 supply. That's basically how this system works.

4 MR. HASSELTINE: That means with storage?

5 The assumption that storage between those two alternatives
6 are the same?

7 EXECUTIVE DIRECTOR SNOW: Storage is the
8 same on all of the alternatives.

9 CHAIRMAN MADIGAN: Roberta.

10 MS. BORGONOVO: I wanted just to go back
11 and clarify all of the modeling assumptions that are in
12 there.

13 When you've talked to us before, Pete, it
14 wasn't clear to me that the x2 standard is there for all of
15 the variations of the alternatives that we are going
16 through.

17 PETE CHADWICK: We did do some modeling
18 that looks at variations in standards to get some sense of
19 the differences that might be attributable to changes in
20 standards that might be considered, not in the sense of
21 trying to hypothesize what standards would be proposed but
22 just get some idea of what the consequences are if you made
23 changes within the range of what, you know, -- what might
24 be considered and that included both making some changes in
25 export inflow constraints and minimum flow standards, such

1 said was on -- I thought on top of that one. The chart got
2 put up there by Dick.

3 EXECUTIVE DIRECTOR SNOW: It is. We have
4 included in all of the model runs the ecosystem restoration
5 flows.

6 So the assumption of meeting those flows, which
7 means increasing the minimum required during certain
8 periods of time, are in all of our model runs at this
9 point.

10 MS. McPEAK: So if I -- just to clarify,
11 Mr. Chairman -- so if we -- on that chart that Dick put up
12 it was all of the tributaries, certain times of the year,
13 Delta outflow and then you would add that up, all of that
14 is in the three -- the assumptions for the three
15 alternatives?

16 EXECUTIVE DIRECTOR SNOW: Correct.

17 And as I'll get to later in terms of generating
18 potential additional water supply that is roughly
19 equivalent across the three alternatives and the reason
20 that those two things are possible, they sound like they
21 are -- I mean that's the issue of the zero sum gain, if you
22 look at averages, that's not possible. This gets back to
23 the issue we've discussed a lot of times and that is the
24 role that storage can play in getting those waters that are
25 way above the, you know, required flows, putting them into

1 as at Rio Vista, and in x2.

2 And so we did do some examination of that, but
3 the tops of all these involve as the assumption that x2
4 would be met.

5 EXECUTIVE DIRECTOR SNOW: Roberta, I think
6 this one which is diversion effects and I haven't explained
7 it yet but this, I think, helps answer your question.
8 We've tried to look at a range and you think of existing
9 standards but when you go and you have the two projects
10 with an intertie and the full pumping capacity, there isn't
11 any such thing as existing standards because that -- it's
12 not in the structure right now so you try to take the
13 existing system and apply it and what this represents is a
14 range that would be close to what you call existing
15 standards and then more protective in this case, that you
16 would overlay -- you'd close off more windows to protect
17 fisheries and so that's kind of what this is showing that
18 sensitivity that Pete's talking about of try to get where
19 you need to be on existing standards but then what happened
20 is the group talked through this is, well, we think if
21 you're going to operate this system in that fashion you
22 actually need to limit pumping during this period that's
23 more aggressive than current, like inflow export ratio.

24 And one of the things that happened, we
25 talked -- we had a meeting yesterday with the CalFed

1 management team and they basically asked the same question,
2 they wanted us in the next couple of weeks or so to really
3 articulate those type of -- in this case more protective
4 standards, exactly what's going on so it's real clear
5 what's being tested in there.

6 MS. BORGONOVO: My second question on the
7 assumptions was that at one point you had made the
8 export/import ratio not include the flow through an
9 isolated facility.

10 Has that assumption been taken out and is the
11 flow of the -- through an isolated facility now part of the
12 export/import ratio?

13 EXECUTIVE DIRECTOR SNOW: No.

14 The flow through the isolated facility is not
15 part of inflow export because inflow export ratios intended
16 to deal with a specific phenomenon that you wouldn't have
17 through the isolated, but in a dual system a portion of the
18 flow that goes through the Delta is subject to it and a
19 portion that goes through an isolated facility is not.

20 PETE CHADWICK: But going on from that we
21 did impose some additional constraints on an isolated
22 facility operation to make -- to create some protections in
23 the spring, to have some higher minimum flows on the
24 Sacramento River so, you know, it's a complicated answer
25 but we did look at, you know, what would be a range to

1 EXECUTIVE DIRECTOR SNOW: That's
2 downstream and upstream, sorry, United States fish and then
3 department of . . .

4 CHAIRMAN MADIGAN: Richard.

5 MR. IZMIRIAN: What other fisheries
6 effects were analyzed other than entrainment?

7 EXECUTIVE DIRECTOR SNOW: Well, okay.
8 That's a good question. Let me digress here a moment.

9 Again, it's something I mentioned earlier on
10 water quality.

11 What happens and when we find this it's
12 something that changes a lot from alternative to
13 alternative. Then this starts looking like that's the only
14 effect on fish that's a problem.

15 And so in terms of all the other programs we've
16 got the whole issue of habitat restoration, the flow issue
17 that came up earlier today. So, I mean, flow is an effect
18 on fish and you've got to have the right flow patterns.

19 Fish structures refers to fish screens and
20 impediments, toxic reduction, actually, in the levee
21 program when you restore meander or you integrate
22 habitat --

23 CHAIRMAN MADIGAN: That would be meander
24 zones then?

25 EXECUTIVE DIRECTOR SNOW: What's that?

1 consider to get some sense of that.

2 MS. BORGONOVO: I just want to finish.

3 When we talked to you then why the x2 standard,
4 the salinity standard moved into the Delta and so you
5 compensated for that?

6 PETE CHADWICK: No. The operating runs
7 with alternative three, x2 was in place so you were not
8 allowing outflow to fall or salinity to intrude further
9 from the ocean with alternative three in comparison to
10 alternative two as an example.

11 So that the changing of the export/import
12 ratios did not -- the minimums imposed by x2 were in all of
13 these runs where we were comparing across the alternatives.

14 CHAIRMAN MADIGAN: Lester, let me -- hang
15 on a second, Steve.

16 As I understand it, we are going to have
17 members of the various teams in the Break-Out groups so
18 there is going to be plenty of opportunity to ask questions
19 in the Break-Out groups, specifically as you have detailed
20 questions here. If there are questions you need to ask now
21 for the group by all means this is the time but you will
22 have that resource available to you.

23 Hap.

24 MR. DUNNING: The terminology here, the
25 alternative two, the DS fish and the US fish --

1 (Inaudible)

2 EXECUTIVE DIRECTOR SNOW: That could work
3 out to be just about right, couldn't it?

4 PETE CHADWICK: Richard, one specific --
5 one of the distinguishing characteristics is brackish water
6 habitat. That was put in there and the, you know,
7 fisheries biologists wanted that in. It relates to what
8 kind of conditions exist in the brackish water area; i.e.,
9 how much outflow would be reduced in these various
10 alternatives and, no, it is a separate, distinguishing
11 characteristic and the analysis we've done so far shows
12 that with all of the alternatives we've looked at there is
13 very little difference across the alternatives and with and
14 without storage.

15 So it didn't end up being identified as one of
16 the distinguishing characteristics that fell into the most
17 sensitive group. It fell into the other group but that is
18 being analyzed and will be -- and, you know, will be
19 provided for people to look at and see whether we all
20 continue to, you know, accept that conclusion but that also
21 has been examined as part of the distinguishing
22 characteristics.

23 CHAIRMAN MADIGAN: Okay. Lester. Go
24 ahead.

25 EXECUTIVE DIRECTOR SNOW: Okay. Well,

1 I'll just reiterate some stuff. I think we kind of have
 2 covered this.
 3 But one of the problems historically has been
 4 just the effect that the diversions have. It's called
 5 entrainment but it's also the miscuing that happens and
 6 this is the assessment of how you are changing that in the
 7 Delta and so what this shows is when you move your intake
 8 you're having a very different pattern and so you could
 9 have very different diversion effects and that's what's
 10 coming up in this type of analysis and again there was an
 11 attempt to look at different types of operating conditions
 12 to improve the diversion effects on fisheries.
 13 Let me move on to water supply opportunity.
 14 And what this is showing, and it depends on
 15 some things but you have the potential in all three with
 16 storage to generate about the same type of water supply
 17 opportunities. So it ends up not being distinguishing.
 18 The more you have to regulate these systems to
 19 deal with fisheries issues, though, the less potential you
 20 have. So you could say that, you know, the potential that
 21 we are looking at is about the same. You could say that
 22 there is maybe more uncertainty about achieving that
 23 potential with these two because of certain problems.
 24 But I guess where we are right now is saying
 25 that it's not showing up at this point as a major

1 CHAIRMAN MADIGAN: Alex.
 2 MR. HILDEBRAND: Lester, do you have
 3 another comparison that relates to the comparison among
 4 alternatives as it affects flood flows?
 5 EXECUTIVE DIRECTOR SNOW: I'm sorry, I
 6 missed that, Alex.
 7 MR. HILDEBRAND: Do you have a chart that
 8 addresses the difference among alternatives as regards
 9 flood flows because I refer back to the fact that in the
 10 old Peripheral Canal alternative it was going to cause a
 11 considerable flood flow problem south and east as the
 12 barrier created by the canal, and I haven't heard anything
 13 to indicate that this would be any different.
 14 MR. YAEGER: The way we have approached
 15 this and I think we've discussed this several times in the
 16 past, is that the same flood control improvements are there
 17 in each one of the alternatives.
 18 That is, whenever we have an isolated facility,
 19 we do have siphons into the major streams. There are
 20 floodways up in the Mokelumne, Cosumnes area, and that
 21 concept is applied across the three alternatives.
 22 It's a little bit different when you get to two
 23 and one because you don't have the siphons to deal with and
 24 those kinds of things but we have provided the same level
 25 of protection across the board.

1 distinguishing characteristic. You have to deal with the
 2 certainty issue as you move forward but it does not seem to
 3 be the driver.
 4 CHAIRMAN MADIGAN: Lester, make sure you
 5 answer any question you've got but make sure that it's
 6 better asked here than in the Break-Out groups.
 7 Byron.
 8 MR. BUCK: I think we have an interaction
 9 between this chart and the last chart to the extent that
 10 you're improving water supply opportunities here whereas
 11 it's working against the operational constraints you might
 12 use in alternative one and two to control the fishery
 13 problems you would have with those.
 14 EXECUTIVE DIRECTOR SNOW: True.
 15 MR. BUCK: So the bars can -- they work in
 16 directions?
 17 EXECUTIVE DIRECTOR SNOW: Right.
 18 CHAIRMAN MADIGAN: Ann.
 19 MS. NOTTHOFF: Are you talking about
 20 volume or reliability?
 21 EXECUTIVE DIRECTOR SNOW: This is water
 22 supply increase. It's the water supply opportunity and it
 23 is additional water supply.
 24 MS. NOTTHOFF: For volume?
 25 EXECUTIVE DIRECTOR SNOW: Yes.

1 MR. HILDEBRAND: Well, then costing and
 2 designing the isolated facility, does that mean that you
 3 have siphon under all the little things like Bear Creek and
 4 all of those things, Potato Slough and these things that
 5 flow a lot of water in a rain flood.
 6 MR. YAEGER: I can't specifically tell you
 7 every creek. I know we've designed about 15 different
 8 siphons. Some are major siphons, some are minor siphons
 9 but the concept has been to wherever possible to siphon
 10 under a tributary and also take care of the flooding issue.
 11 EXECUTIVE DIRECTOR SNOW: Ann's question
 12 made me realize I needed to address the question of water
 13 supply reliability.
 14 All this is showing here is the potential for
 15 increasing water supply and increasing yield, and there is
 16 other things involved here that address the issue of
 17 reliability including the ecosystem program. We are trying
 18 to get back to this issue of how everything is intertwined.
 19 Improved water quality actually improves reliability in
 20 terms of your water has more utility. Certainly transfer
 21 capability in the water use efficiency program.
 22 Now, I don't want this to be a major detour and
 23 I did kind of did this for Tom Graff so it's appropriate
 24 he's not here, I guess, but to start laying and I think
 25 you've seen some version of this and I don't want to spend

1 a whole lot of time on it but people have kept asking that
 2 we try to put some of this in the context and we are not
 3 solving the State's problem, I think we all agree on that,
 4 but in the context of what's going on. And so you have --
 5 this is drought year so it's important to recognize but you
 6 have kind of the supplies. This excludes north coast
 7 rivers so it's kind of the rest of the State but it
 8 excludes north companies rivers. You have the basic supply
 9 that's available.

10 You have what would be said in Bulletin 16098
 11 as a supply. You have what we are showing as reduction
 12 from water use efficiency and other measures, call them
 13 demand management options as some seem to want to do, and
 14 so that's the conservation, recycling and transfers so you
 15 are moving down, and then on the other side is conjunctive
 16 use and new facilities.

17 And so what we are getting at here is this
 18 piece basically, but the other part of water supply
 19 reliability is this part up here and so while if you
 20 remember the table we shared with you at the last meeting,
 21 when we are talking about the potential of 750 to 900000
 22 acre feet of supply, overall what we are talking about in
 23 terms of the goal reducing the mismatch between supply and
 24 demand is more like 3.5 million acre feet. So that's the
 25 answer to the broader water supply reliability issue and we

1 EXECUTIVE DIRECTOR SNOW: So when we talk
 2 about increasing water supply we are talking about actual
 3 increase in diversions, increase in yield above what's in,
 4 you know, base case no action alternatives so it's an
 5 increase in the supply that's actually available.

6 MS. KAMEI: So what's coming out of the
 7 system?

8 EXECUTIVE DIRECTOR SNOW: Correct.

9 MS. KAMEI: Okay.

10 CHAIRMAN MADIGAN: Sunne.

11 MS. MCPEAK: Lester, I am really not
 12 understanding how you get the bar in alternative one when
 13 we are working with essentially the current supply. In
 14 theory I guess there is --

15 EXECUTIVE DIRECTOR SNOW: No. You add
 16 storage to the system.

17 MS. MCPEAK: Alternative one with storage?

18 EXECUTIVE DIRECTOR SNOW: Yes.

19 And alternative one is modifications. You are
 20 leaving the basic system there but you are intertying the
 21 two projects. You are able use the full capacity. You are
 22 able do what you have suggested, do more movement of water
 23 during high flow periods.

24 But what's shown here is you've got a lot of
 25 regulatory uncertainty, what you have to do to operate a

1 are in the process of trying to come up with a, you know, a
 2 way of explaining this on a number of different levels.

3 There is so many ways to slice this pie to try
 4 to explain it that it gets kind of difficult.

5 Sometimes you oversimplify or we oversimplify.
 6 Sometimes we make it too complicated and we are trying to
 7 find a happy medium on this.

8 CHAIRMAN MADIGAN: Rosemary.

9 MS. KAMEI: Lester, I have a question
 10 regarding what this exactly means because I think that for
 11 me it's still very fuzzy.

12 You mentioned that it's going to be a new
 13 increase of yield, and are you talking about above those
 14 that have already been contracted out or, you know, when
 15 you say about the mismatch between supply and demand, is it
 16 when the CalFed policy group is talking about water supply
 17 opportunities, are they talking about only meeting existing
 18 contracts or demands or are we talking about above that
 19 or -- it's not very clear to me as to what they are talking
 20 about.

21 EXECUTIVE DIRECTOR SNOW: Contracts and
 22 demand aren't yield. I mean, it's something else that
 23 somebody made a promise --

24 MS. KAMEI: Clarify that for me a little
 25 bit.

1 little bit differently, but you have the potential with
 2 that storage and alternative one to move more water through
 3 the system.

4 And, again, it goes back, to you know, the
 5 discussion we've had a lot of times about affecting the
 6 hydrograph to use storage and movement to pick up some of
 7 this water and use it down here (indicating).

8 CHAIRMAN MADIGAN: Roberta.

9 MS. BORGONOVO: This is just another
 10 question that I hope would be answered at some point.

11 And, that is, when you talk about the storage,
 12 there is still a lot of us that want to know what
 13 relationship that has to the outflow.

14 And one of the items that was part of the
 15 scientific review panel was when you look at average, even
 16 if you look at average outflows, they were pointing out
 17 that average outflows tend to obscure again the really --
 18 the importance of the value of the time that the water's
 19 pouring out so that it's the two questions together, how
 20 does the supply, the total storage, affect the total output
 21 but again are we able to restore the natural processes?
 22 That's a question that I haven't had answered and maybe
 23 you'll putting it to Break-Out groups.

24 CHAIRMAN MADIGAN: Okay.

25 EXECUTIVE DIRECTOR SNOW: Yeah. I

1 think -- I'll give you a partial answer. I mean, we've
 2 been using this for some time to illustrate the concept.
 3 We got into some detail in the past about upstream storage
 4 would have a limit of 5,000 cfs and it would have to be a
 5 triggering flow of 60,000 cfs before you would do this so
 6 we are talking about this concept. What we will produce is
 7 to try to get one -- and this is actually a real
 8 hydrograph. It's not made up but to try to make these
 9 lines more accurate to show that type of impact because I
 10 agree completely in terms of average hydrograph or average
 11 outflow that's almost meaningless, not completely but it
 12 clouds so many different issues that we've got to talk
 13 about this type of shifting because it's only in this type
 14 of shifting that you can get the win-win in the system.
 15 That's the only way that it's potential.

16 MS. McPEAK: How much acre feet is that?

17 EXECUTIVE DIRECTOR SNOW: You know, I
 18 don't know in total in this system. What we have shown in
 19 the previous modeling runs, I think at the last meeting is
 20 that the additional water supply is in the 750 to 900,000
 21 acre foot range.

22 MS. McPEAK: That's 60,000 cfs pumped over
 23 back into the peak flows as you know it. So how -- and
 24 that would be how many days pumping maybe to get the -- up
 25 to 900,000?

1 scheduling and pumping location so that we can improve the
 2 amount of water quality, ecosystem impacts that we have.
 3 So basically what that boils down to in
 4 alternative one, if you use the map over here, we've
 5 changed the ability to pump water at different times. We
 6 can pump more water at certain more friendly times so we
 7 could can the timing.

8 Alternative two we improved that a little bit
 9 because we move up to the Sacramento River and we can
 10 manage mostly salmon moving down the river so that gives us
 11 a little bit more better windows of timing so we can
 12 actually improve our flow so flexibility but it doesn't
 13 give us another diversion point. We still have the same
 14 diversion point down the south. And of course alternative
 15 three gives us a combination of diversions where we can
 16 manage in-Delta species down at the pumps and salmon up at
 17 the others and we can switch back and forth so that gives
 18 us the flexibility in the system. It's mostly places of
 19 diversion, how many places do you have and what is the time
 20 that you can use it each one of those places and that's how
 21 they score.

22 EXECUTIVE DIRECTOR SNOW: One of the
 23 important things here and I'm sure everybody focuses on
 24 this and that's a big issue but one of the things that's
 25 important for me is that all of the options improve

1 EXECUTIVE DIRECTOR SNOW: I don't know.

2 MR. YAEGER: Of course, that varies
 3 year-to-year.

4 In the hydrologic type, as you can see, in this
 5 type of year you have a very sharp peak so there is a
 6 minimum number of days, several weeks probably, in which
 7 you have this ability to move water off the river.

8 In this area here, you could take some here and
 9 you have several months in which you're trimming it so it,
 10 again, varies year-to-year but that's kind of the framework
 11 in the February through March time frame.

12 MS. McPEAK: Thank you.

13 EXECUTIVE DIRECTOR SNOW: Operational
 14 flexibility.

15 You know, Ron, I think if you can, could you
 16 explain the components of operational flexibility? It's
 17 one of the things that sounds like we all know what we are
 18 talking about. We need to make sure we do.

19 Does this help here?

20 RON OTT: For the distinguishing
 21 characteristics, what we emphasize in operational
 22 flexibilities is how many divergents do we have and how can
 23 we change the water so that we can improve the timing, we
 24 could pump more at least in environmental times or better
 25 water quality times so we can actually use a pumping

1 flexibility of the system. They all improve what we have
 2 today and to link issues this is the reason we have such
 3 intense conflict over B(2). I mean it's the issue of the
 4 flexibility of the system, the inability to try to change
 5 priorities or move things around then it's a fundamental
 6 issue and they all provide some improvement over that.

7 MS. McPEAK: As long as you have storage
 8 and all?

9 EXECUTIVE DIRECTOR SNOW: Pardon?

10 MS. McPEAK: As long as you ever storage
 11 in all three options?

12 EXECUTIVE DIRECTOR SNOW: Yeah, I think
 13 actually if you take storage out you still get some
 14 improvement in flexibility in all of them.

15 MS. McPEAK: Richard.

16 MR. IZMIRIAN: Realistically what is the
 17 state of the art in realtime monitoring so that you can
 18 utilize this flexibility? Do we really know where the eggs
 19 and larva are, where the salmon are going to be at any
 20 particular time?

21 EXECUTIVE DIRECTOR SNOW: I don't know who
 22 we have here to address that. It's certainly the ability
 23 to do that is better now than it was 20 years ago and it
 24 will be better in 20 years than it now so it's certainly
 25 imperfect. I don't know if we have somebody who wants to

1 address it.
 2 Pete.
 3 PETE CHADWICK: Let's see, I would say it
 4 doesn't depend just on realtime monitoring.
 5 We know by seasons oftentimes when we would
 6 like to make shifts and, for example, some of the operation
 7 studies we've hypothesized, we would make the export/import
 8 constraints more restrictive during the same times of the
 9 year. Now they are now most restrictive because we know
 10 further protection in the spring would be advantageous and
 11 that means trade-offs would, some are exports and so some
 12 of the trade-offs don't require -- you know, some of these
 13 kinds of trade-offs don't require realtime monitoring.
 14 Realtime monitoring certainly does have shortcomings but I
 15 think Lester described it beyond that reasonably well.
 16 MS. MCPEAK: Okay. Eric.
 17 MR. HASSELTINE: Lester, I'm not
 18 understanding exactly what's being measured here with the
 19 operational flexibility.
 20 In the small print under the title up there it
 21 says "greatest benefits to ecosystem, water quality and
 22 water supply" but under alternative three it basically
 23 justifies the higher ranking by just the direct diversion
 24 from Hood being less constrained by conditions in-Delta.
 25 The conditions in the Delta, however, are those of the

1 don't even know what the resolution of that has been.
 2 The issue of the flexibility is that you start
 3 having this Delta smelt problem and you do shut these off,
 4 but you continue in the case of the high bar there you can
 5 continue then to divert some water off the Sacramento River
 6 and so you are accomplishing your environmental objective
 7 by eliminating all entrainment effects in the South Delta
 8 but you are still being able to move water to water users.
 9 I mean, it's those kinds of issues to be able
 10 to accommodate a situation that comes up and not have to
 11 determine the winners and losers in that confrontation as
 12 it were.
 13 And you make some improvement again when you
 14 simply change the configuration of South Delta in
 15 alternative one. You make some additional improvement when
 16 you've got this kind of flexibility in the system about how
 17 much water you can move across the Delta versus how much
 18 comes this way and then you have additional improvement
 19 when you have a completely separate diversion.
 20 MR. HASSELTINE: So the improvement is
 21 really in the exports but it's at the cost of water
 22 quality?
 23 MR. YAEGER: No, it's the other way
 24 around. Alternative three shows the best export water
 25 quality --

1 ecosystem and the water quality and we know that
 2 alternative three is worse, especially for water quality.
 3 So I'm not understanding how you are claiming, you know, an
 4 improvement from alternative three in this operational
 5 flexibility based on what you say it's supposed to do.
 6 EXECUTIVE DIRECTOR SNOW: Yeah, that's a
 7 good question.
 8 The issue of flexibility and others can jump in
 9 here, is the way it is right now, particularly, you know,
 10 the way the diversions are configured down here, we don't
 11 have the improved fish screens -- I mean, keep in mind in
 12 our alternative one we are making improvements down here.
 13 We've got improved fish screens. We have an intertie and
 14 so you have more flexibility, but today when early in the
 15 year starting probably in March and then intensifying in
 16 April are midwater trawls to find out where Delta smelt are
 17 and they draw up maps about where Delta smelt is and so
 18 when they get in a certain proximity, you have one choice,
 19 shut the pumps off and then you are not moving water and so
 20 there's consequences of that. You don't have flexibility.
 21 This last year what they tried to do is shut
 22 the pumps off and say we'll defer pumping until the fall
 23 and that turned into a controversy in and of itself because
 24 when they tried to do the make-up pumping they were
 25 starting having interference with salmon activities and I

1 MR. HASSELTINE: No. No. In the Delta.
 2 STEVE YAEGER: Is the in-Delta water
 3 quality is mainly in alternatives one and two -- well,
 4 alternative one, I guess you could say, is made up of those
 5 Common Program improvements that do impact and provide some
 6 beneficial improvements in in-Delta water quality,
 7 especially in the South Delta.
 8 EXECUTIVE DIRECTOR SNOW: But, Eric,
 9 you're right on to the point.
 10 No matter what these bars show there is no
 11 clear winners. There's all of these different trade-off
 12 kinds of issues that we've got to work our way through.
 13 MS. MCPEAK: In alternative three what is
 14 the assumption about how much water totally is being moved
 15 through the isolated facility?
 16 MR. SNOW: I think it was a 10,000 cfs
 17 facility and about 80 percent of the export was moved
 18 through that system.
 19 Is that roughly correct?
 20 A SPECTATOR: That's correct.
 21 CHAIRMAN MADIGAN: Steve.
 22 MR. HALL: Before we leave operational
 23 flexibility, I want to be sure I understand the definition
 24 of it, which is to obviously try to meet the solution
 25 principles to meet present and future Water Quality

1 Standards including outflow standards and to reliably
 2 deliver export supplies. Is that -- what best meets that
 3 test?
 4 EXECUTIVE DIRECTOR SNOW: Well, that, but
 5 also kind of just call it a planning principle, the ability
 6 to deal with future uncertainty.
 7 MR. HALL: Thank you, I should have said
 8 that and didn't.
 9 CHAIRMAN MADIGAN: Ann.
 10 MS. NOTTHOFF: I was just trying to
 11 facilitate comparing these trade-offs. It would be great
 12 if we had consistent terminology. The slides you are
 13 showing us if I track it with this other handout you've
 14 given us about strengths and weaknesses of these three
 15 other alternatives they don't specifically match up so --
 16 in the next iteration could we get these to be consistent
 17 so we can compare better?
 18 EXECUTIVE DIRECTOR SNOW: Yes.
 19 Okay. Let me hit two other ones quickly and
 20 I'll do them both at once so we can get into the trade-off
 21 discussion -- well, I guess I need to do a time check with
 22 the Chair and Vice-Chair here. Let me do these real quick.
 23 Total cost, we tried to do a capital and annual
 24 cost and kind of accumulate these. This one is a little
 25 bit reversed. All the others, the higher bars are better

1 I cannot underscore this enough and I know you
 2 know this better than most.
 3 These are big deal issues and so one of the
 4 things that's important here, these don't just stack. You
 5 don't sum all these and stack and you have your winner.
 6 You have to deal with these and the trade-offs associated
 7 with them.
 8 Is that a peace sign, Steve, or --
 9 MR. HALL: No.
 10 EXECUTIVE DIRECTOR SNOW: I didn't think
 11 so.
 12 MR. HALL: I have a lot of difficulty with
 13 the way the assurances chart is set up. I think it's very
 14 misleading because the fact is the more flexible the system
 15 the more able we are to meet the solution principles and,
 16 therefore, the more able we are to provide equal assurances
 17 across the board.
 18 So I suggest you do one of two things. You
 19 either reverse the chart or you re-label it fear of the
 20 unknown because that's really what you're talking about,
 21 Lester.
 22 It's not assurances. We can provide no
 23 assurances to meet solution principles with the existing
 24 system or under the no action alternative and as the charts
 25 show the flexible system provides us with the most ability

1 so in this one we simply accumulated costs and you are
 2 seeing the costs associated with the common programs. If
 3 you include storage, if you want to think of this without
 4 storage and then take this block out, but you have storage
 5 costs and then you have the conveyance cost and so you
 6 have -- alternative three is the highest. It does have the
 7 most facilities in it. Therefore, the most facilities
 8 costs associated with it.
 9 On to assurances difficulty, this is just, you
 10 know, kind of a quick policy assessment.
 11 Obviously this isn't something that's conducive
 12 to a model run or analysis detailed analytical work but
 13 clearly -- and, again, this is the best -- the best is the
 14 highest bar, that which you have reason to believe you can
 15 assure better, that which is out there today, I can assure
 16 you it's there today. Then there is no action, but those
 17 are things that are already approved underway to take place
 18 so it's likely to happen.
 19 You've got less facilities going into
 20 alternative one. You probably can make some reasonable
 21 assurance packages about that. Alternative two gets a
 22 little more intensive in terms of facilities, it's a little
 23 more important how you operate them. Alternative three
 24 gets into the most facilities and concerns about
 25 operational assurances and how you assure them.

1 to actually reduce conflicts and meet the other solution
 2 principles. So I've got to say I don't think that bar
 3 chart accurately depicts our ability to provide assurances.
 4 I understand the difficulty in reducing
 5 people's fear. The more you change the system, the more
 6 afraid they are it's going to be misoperated but that's
 7 different than being able to assure all stakeholders that
 8 we are going to meet the solution principles.
 9 CHAIRMAN MADIGAN: Ann.
 10 MS. NOTTHOFF: I'd just say that it seems
 11 to me CalFed characterizes this correctly, in that
 12 flexibility swings both ways, it can be -- assurances can
 13 be assured or assurances can be broken. I mean, it's seems
 14 both the flexibility is what provides that.
 15 CHAIRMAN MADIGAN: Byron and then Alex.
 16 MR. BUCK: I'd just say a solution that
 17 doesn't perform is not one we're going to really want to
 18 assure.
 19 MR. HALL: Yeah. I mean, we are assured
 20 that the existing system doesn't work. That's a strong
 21 assurance. Okay. I'll shut up.
 22 CHAIRMAN MADIGAN: Alex.
 23 MR. HILDEBRAND: Well, I just totally
 24 disagree with Steve on this one.
 25 CHAIRMAN MADIGAN: Okay.

1 MR. HILDEBRAND: The assurance that's most
 2 important to many of us is that you retain the basic
 3 configuration of the Delta. You don't degrade the water
 4 supply in the Delta and the minute you get an isolated
 5 facility which will convey the entire export water demand
 6 most of the time it means that the -- most of the
 7 population of the State has no interest in whether the
 8 levees fail and whether you maintain water quality in the
 9 Delta and whether you maintain recreation or anything else,
 10 whether you maintain the fish in the Delta as a result of
 11 losing the levees.

12 And so many of us feel that it is absolutely
 13 imperative that we maintain the common interest in
 14 protection of the Delta that is only provided by everybody
 15 getting his water out of the same pool and the minute you
 16 provide that isolated facility you lose that protection so
 17 I think that the way that chart shows is absolutely
 18 correct.

19 There is no kind of assurance that you can
 20 have, legal assurance or political assurance, that that
 21 thing won't -- what I'm describing won't happen if you have
 22 the capability of bypassing the Delta.

23 The State is never going to give up, cannot
 24 give up, the condemnation powers and the power of the
 25 Governor and the drought emergency to just decide that

1 have a tremendous wish list but if we don't put exactly
 2 what it's going to cost it's going to cost a lot more
 3 tomorrow than it is today and I'm very concerned that when
 4 we are looking into the future, when we are looking at
 5 different things that need to be done, that there is an
 6 expectation that water users or others will pay the bill
 7 and that is just not the case.

8 I think that we need to finally realize that
 9 there is going to be a limited amount of dollars coming
 10 from all of the different sources and if that's the case,
 11 then there should not be that assumption out there that,
 12 well, we'll just make it low now and, you know, everyone
 13 will buy into it and accept it and later on we'll just
 14 adjust for inflation or whatever.

15 And so I think that needs to be upfront and
 16 when we are talking about in the finance committee on costs
 17 and some of those issues, there are some people who assume
 18 that it's okay to go back later on and adjust, and I think
 19 that's very, very difficult.

20 I think that we need to realize that there is
 21 going to be only X number of dollars available and only X
 22 number of dollars that's going to be acceptable for those
 23 who have to pay and going beyond that is going to be very,
 24 very difficult to get buy in on.

25 CHAIRMAN MADIGAN: Thank you. Steve and

1 these votes are in urban areas, they will ship it all out,
 2 these assurances just aren't worth anything, these paper
 3 assurances. The only real protection you have is the
 4 common interest and that's only achieved by common pool.

5 CHAIRMAN MADIGAN: Rosemary and then
 6 Steve.

7 MS. KAMEI: I, unfortunately, Alex,
 8 respect your opinion but disagree with you. I agree with
 9 Steve.

10 I think that today in the present situation we
 11 don't have very much assurances and a lot of things to have
 12 do with the unknown so I think that the best thing to do
 13 with this slide, Lester, it's going to cause a lot of
 14 problems looking at it, just get rid of it or change it
 15 because it's -- you know, I believe that it should be
 16 reversed. It should be the other way around because the
 17 more flexibility you allow the better you can assure
 18 different groups, a greater number of groups of interest
 19 out there.

20 The other comment that I have to make is on
 21 your other slide on total costs. I notice that there are
 22 not even ranges of numbers there and I'm very, very
 23 concerned about what it's going to cost and exactly what we
 24 are going to get. As we look at the ERPP and other
 25 components all of the, you know, water quality and we can

1 then Roberta.

2 MR. HALL: I certainly agree with what
 3 Rosemary just said.

4 On your point, Alex, I appreciate because I do
 5 represent folks from your area. The risk associated with
 6 alternative three. In fact, any change in the
 7 configuration of the Delta bears some risk for your folks.
 8 However, having a dual facility means we all continue to
 9 have a vested interest in that levee system.

10 If we do not protect the integrity of the levee
 11 system we lose the operational flexibility of any dual
 12 system and that's the benefit. It's not the isolated
 13 portion of it. It's the fact that we have much greater
 14 operational flexibility to deal with the uncertainty that
 15 Lester spoke of and with the certainty that we have today
 16 of problems with conflicts in the system between protecting
 17 fisheries, protecting the in-Delta -- other in-Delta uses
 18 and protecting the viability of the export projects.

19 Let me just say again if we cannot assure
 20 people that the solution principles will be met, what are
 21 assurances for? I mean, that's what the assurances should
 22 be about, is assuring that we can meet the solution
 23 principles.

24 Otherwise, the principles themselves are
 25 meaningless.

1 CHAIRMAN MADIGAN: Roberta and then
 2 Sunne.
 3 MS. BORGONOVO: I think what Alex is
 4 pointing out is that the common pool concept is an
 5 assurance that's already there. There is already the
 6 political weight so that's what I see reflected in the --
 7 that which is accurate.
 8 So as you move down towards the third it means
 9 that you are going to have to find other assurances that
 10 have to take the place of that political assurance for the
 11 common pool that is there now and all of us agree that the
 12 urban sector has a great influence in that because it is
 13 the urban sector that is growing and so that was pointed
 14 out to me 15 years ago. I haven't heard any counter
 15 arguments as to why it is such a different task for the
 16 assurances workgroup to come up with some of these other
 17 assurances that can take the place of that political wait
 18 for maintaining the water quality in the Delta.
 19 A lot of it comes from Contra Costa and the
 20 State Water Project taking the water out of the Delta.
 21 CHAIRMAN MADIGAN: Sunne.
 22 MS. MCPEAK: What I conclude from the
 23 dialogue is that on that chart what is the most nonsensical
 24 is the high bars on existing conditions and no action.
 25 MS. NOTTHOFF: They are not assurances.

1 CHAIRMAN MADIGAN: Lester, of course.
 2 EXECUTIVE DIRECTOR SNOW: Storage is very
 3 important and it does a lot of things for the program, a
 4 lot of different areas, but it's not the one that -- I
 5 mean, it's not the determinant in this and there is a lot
 6 of other factors. The water quality issue functions very
 7 differently with or without storage and so there is a lot
 8 of things that change in the system whether you have
 9 storage or not and we can display it both ways.
 10 Again, storage does a lot in this but there is
 11 a lot of other things that happen by the way you change
 12 conveyance in the system.
 13 CHAIRMAN MADIGAN: Steve.
 14 MR. HALL: If I may add to that, I mean,
 15 water quality is certainly a huge issue but aside from that
 16 we have today a trans-Delta conveyance system that does not
 17 work for fish and people. It can work for one but it can't
 18 work for the other.
 19 And we need to change that basic configuration
 20 regardless of whether we put storage in.
 21 The current system directly entrains fish and
 22 it drags them across the Delta confusing the young and
 23 killing the young and the old.
 24 That can't continue if we are going to operate
 25 the system.

1 MS. MCPEAK: They are not assurance of
 2 meeting the solution principle. That's what people are
 3 saying. There is certainly we've got disaster. There is
 4 certainty we won't meet the solution principles and
 5 certainty is not the same as assurances and that's what
 6 makes no sense there to me personally.
 7 I mean, we can argue about and I personally
 8 come down on the side of more risk with isolated transfer
 9 because what you have shown on the rest of this that maybe
 10 I just never got before but you certainly have put it out
 11 there pretty graphically that we get the most benefit out
 12 of the storage, that the actual transfer mechanism -- what
 13 you have absolutely shown today is that we get the most
 14 benefit out of the storage, alternatives one, two and three
 15 and the conundrum has always been that everybody leaves
 16 then with a transfer mechanism as opposed to the storage.
 17 You put storage into alternative one. That's where you get
 18 the benefit. It's never been linked to or assured --
 19 there's where the assurance never has been and the risk has
 20 been the greatest. You put it into the -- you put it all
 21 into the pipe. None of the costs go into storage. Listen
 22 to what Rosemary said and then you've got absolutely a
 23 disaster and no assurance.
 24 EXECUTIVE DIRECTOR SNOW: I need to
 25 respond there.

1 And now whether we go to alternative two or
 2 three to solve that problem, I mean, there are some clear
 3 trade-offs. I, by the way, Sunne, I was teasing you about
 4 being partisan on Alex and so it was fair for you to tease
 5 me back but I agree with you. I think Alex's proposal
 6 deserves a thoughtful response and if it works, it ought to
 7 be considered alongside everything else. Lester has
 8 already pointed out some of the problems with it but none
 9 of these are without problem.
 10 My particular bias is not alternative one, two
 11 or three but you can't ignore the very real problems that
 12 exist today, and to me it's difficult not to gravitate
 13 toward the system that provides you with the most solutions
 14 today and the most flexibility for tomorrow because we all
 15 agree we don't know really how any of this is going to play
 16 out in the long run.
 17 We've got an ERPP program that we all agree is
 18 based on hypotheses that need to be tested.
 19 Okay. Let's test them but in the meantime if
 20 we are going to make a one-time very large investment in
 21 the system why wouldn't we invest in the system that gives
 22 us the most flexibility to adaptively manage for the
 23 future?
 24 MS. MCPEAK: Steve, I'm going to -- I
 25 think this could be helpful in the dialogue and just

1 respond.

2 MR. HALL: Sure.

3 MS. McPEAK: I agree with you and have

4 worked for 14 years on the assumption that the current

5 transfer mechanism and the arrangement in the Delta is

6 broken, will not work, and that's -- you know, I've worked

7 on that assumption. I reached that conclusion.

8 What I've seen here in these graphs against the

9 solution principles is a fairly well performing alternative

10 one against the solution principles.

11 Look at what was put up there.

12 MR. HALL: Alternative one you're saying

13 performs well against the solution principles?

14 MS. McPEAK: That's what these graphs

15 show surprisingly. That's what they are representing to us

16 and that's because they add the storage into it.

17 MR. HALL: I'm sorry, I didn't get the

18 same interpretation out of the charts in terms of how each

19 alternative performs but go ahead.

20 MS. McPEAK: My comments were based on my

21 interpretation, which might be wrong but it looks pretty

22 good, and that sort of flies in the face of this -- the

23 assumption I've always worked on, which is you need a new

24 transfer mechanism.

25 Now, what we need is a new transfer regime, a

1 assurances difficulty which I think we've established is at

2 least controversial.

3 MS. NOTTHOFF: well, I can't imagine that

4 Lester doesn't have a composite scoring slide, do you? But

5 I've been taking notes and ranking them each time he puts

6 up a slide and I would say that's not necessarily true.

7 CHAIRMAN MADIGAN: Actually, we are headed

8 toward having some of those conversations.

9 Roger.

10 MR. STRELOW: My point really, I think,

11 keys off of Ann's that I guess the greatest difficulty I'm

12 having is maybe it's weighting is the term but

13 understanding whether a radically -- what looks like a huge

14 increase, let's say, in operational flexibility is that

15 really an increase from one percent to three percent but it

16 looks big because of the scale whereas maybe a smaller

17 appearing increase, relative increase, say, in water

18 quality may be, you know, a much bigger percentage increase

19 and so some -- whether it's weighting, I'm not sure I've

20 got exactly the right word but I don't feel I understand

21 from this -- and I think we are a lot farther ahead than we

22 were so I don't mean this to be critical but I think the

23 way to really clinch it now is to in some fashion weight

24 these so we can see, for example, if one alternative was,

25 in fact, getting an increase in operational flexibility

1 way of getting water across at certain times and there's a

2 lot of assumptions, operational assumptions in. Even

3 alternative one now is they've added storage into it but it

4 looks pretty good because they have storage in the

5 alternative one that is not just the current system.

6 MR. HALL: Not to prove you wrong but

7 maybe to prove me wrong, could we put like maybe a water

8 quality slide back up? Your choice.

9 MS. NOTTHOFF: One of the problems with

10 that is people are starting to weigh one of these slides

11 more than another and the way it's being presented to us

12 right now is these are not weighted. You know, flexibility

13 isn't any more important than, you know, any of the other

14 ones, and to make an argument for one alternative to the

15 other based on just one of these criteria is, you know, I

16 don't think that makes sense at this point.

17 MR. HALL: You're right, Ann. I mean, you

18 need to array them but in my mind, my recollection of the

19 array is you end up with none of them problem free but

20 alternative three performing the best across most of the

21 criteria and certainly not all of them. It's the most

22 expensive. It doesn't do as much as alternative two for

23 Interior water quality but for most of the criteria that

24 we've seen today it does perform the best.

25 And the one where it performs so badly is

1 that was just enormous and had a big impact on a lot of

2 factors but if that same alternative happened to have a --

3 you know, no improvement in water quality, you know, maybe

4 that trade-off would be worth making if, in fact, you got

5 so much of an increase in operational flexibility but you

6 need to be able to compare the importance of one versus

7 another and I think that's what we are still kind of

8 lacking.

9 CHAIRMAN MADIGAN: Lester, get us to

10 lunch.

11 EXECUTIVE DIRECTOR SNOW: well, I suspect

12 had staff weighted these and come in with composite scores,

13 the gunfire would have already started by now. I think

14 actually what we actually need out of BDAC today is some of

15 this very discussion in some of the Break-Out groups to

16 talk about these types of things and where values are.

17 I mean, you know, we do have numbers on water

18 quality, of the difference of bromide levels from here to

19 hear. We can translate that into treatment costs avoided

20 and we are working through that but there are some real

21 fundamental issues that we can benefit from from the BDAC

22 discussion.

23 You know, I'm sure we've used the wrong term

24 here, assurances difficulty but, boy, this is a very real

25 issue.

1 MR. HALL: I've got an alternative for
 2 you.
 3 EXECUTIVE DIRECTOR SNOW: Okay.
 4 MR. HALL: How about importance of legal
 5 and institutional assurances?
 6 MR. HILDEBRAND: Feasibility, not just
 7 important.
 8 CHAIRMAN MADIGAN: These are good
 9 Break-Out kinds of conversations, guys, they really are.
 10 We are going to break here momentarily one way
 11 or another.
 12 EXECUTIVE DIRECTOR SNOW: Okay. Then with
 13 that in mind we are not going to go through the details.
 14 You have some of the strengths weaknesses
 15 articulated for you.
 16 We want to know more of your opinion about that
 17 and we'd like to have this kind of discussion about the
 18 trade-offs. You are getting a feeling about performance.
 19 We'd like to hear some of your opinions about these
 20 trade-off issues in valuing and what needs to be considered
 21 as we try to move this to the next level in making some of
 22 these judgments.
 23 CHAIRMAN MADIGAN: All right. Mary.
 24 MS. SELKIRK: What we are going to do now
 25 is finally break for lunch.

1 as well as two people who will be roaming to ask if there
 2 are specific questions that you have as you look -- as you
 3 consider the questions that are being asked. I do want to
 4 point out just one final thing on the questions before you.
 5 We really -- the CalFed staff obviously would like for you
 6 to consider the trade-offs issues across all alternatives,
 7 the sample questions that you've given are with regard to
 8 only alternatives one and three but the staff obviously is
 9 quite interested in that -- these trade-off discussions
 10 with regard to all three.
 11 CHAIRMAN MADIGAN: All right. We are
 12 going to do one more think before we break for lunch. We
 13 have one speaker card left and Marty Miller has asked that
 14 she be heard before lunch, as I understand it.
 15 MARTY MILLER: I'm just a resident of west
 16 Sacramento but we have water and we have surplus water, but
 17 we also have a problem with subsidence and we are from Yolo
 18 which everybody does and some of what I'm hearing is this
 19 is the table that's going to push for political things,
 20 driving, whatever is going because they don't want science
 21 and they don't want assurances because we don't know
 22 anything and Yolo knows plenty. We know that Northern
 23 California has water and Southern California doesn't have
 24 water.
 25 And it concerns me that one of the comments

1 Rick Woodard was going to do a short
 2 presentation on the IDT's characterization of the relative
 3 strengths and weaknesses of each alternative.
 4 We are not going to do that.
 5 You'll have a handout in your Break-Out group.
 6 That's the first question of the several that
 7 you are going to be asked to consider in your Break-Out
 8 groups.
 9 I did want to point out that the CalFed staff
 10 are in the process of reproducing all of these slides and
 11 so they should be available as soon as possible.
 12 Hopefully, before the end of your Break-Out groups. And I
 13 wanted to point out to you that the copy of questions that
 14 just got passed around is the one that you are to use.
 15 There was a typo on the first copy that you had in your
 16 packet this morning so I just wanted to point that out.
 17 Room assignments for Break-Out groups. Those
 18 of you who have green dots on your name tags are in room
 19 201.
 20 Those of you who have red are in room 204, and
 21 those of you who have blue are in room 205. Each of you
 22 will have a facilitator. Eugenia, Paul Schwarz and I will
 23 be facilitating the Break-Out groups. There will be
 24 recorders and there will also be members of the IDT staff
 25 as resource people in your groups for the whole discussion

1 that's been brought up in three or four meetings that I've
 2 heard is the Department of Water Resources definitely has a
 3 conflict of interest and so do some of the other things
 4 drying what's going on here.
 5 When you need for assurances like is being
 6 asked on this table over here and by the Bay Institute,
 7 there isn't enough by any meeting that I have been in
 8 Northern California -- I haven't been in any in Southern
 9 California. I have relatives down there -- they also say
 10 you don't have enough water. The one thing that is not in
 11 here that's pushed is finding new sources and the storage
 12 is a big thing and since we are talking about revitalizing
 13 and Roberta over there said what about the water flows and
 14 the natural water flows well, the natural water flow is
 15 every so many years we flood the Delta out and ruin it and
 16 then we have about four or five droughts and they only used
 17 a 16 year science margin.
 18 Well, Northern California has heard. Two years
 19 ago all you heard every day was they cut a tree up there
 20 and it says last century we had a 28 year drought, we had a
 21 58 -- 50 something year drought. So deciding science on
 22 what needs to go down south based on a 16 year thing is
 23 like deciding on how you are going to get rid of one or two
 24 fleas off the back of a dog. I'd like a little bit -- you
 25 know, we need to dunk the dog and then deal with the fleas.

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1 I think the science needs to be incorporated and management
 2 and assurance needs to be in there. We do have some
 3 absolutes. We have water. We also have problems with
 4 subsidence. We have dry and wet counties intermingling and
 5 disbursed all over, and in the Yolo meetings there has been
 6 not too much talking about how much subsidence will impact
 7 breaking of levees so that you won't be getting any water
 8 down south and bringing into that the need for small little
 9 dams and things like that, not big dams that can break or
 10 just are for piping water down south but that will help the
 11 recharge basis in some of the meetings the fact that there
 12 is no recharge science so let's make sure people south and
 13 north have water in the next century when we'll all be dead
 14 and gone but at least we'll know we did some good science
 15 work but that's just public input.

16 CHAIRMAN MADIGAN: Thank you very much.

17 All right. We are going to adjourn for lunch.

18 This particular group is going to pick up their lunches and
 19 head to the Break-Out sessions. The Break-Out sessions
 20 will start at two o'clock.

21 Those of you who are members of the public who
 22 wish to join those Break-Out sessions are obviously invited
 23 and you will have a few minutes to go get lunch and come on
 24 in and join us. We see you all shortly and we will be back
 25 in this room at the end of the Break-Out Session presumably

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1 around 3:30.

2
 3 (Whereupon the noon recess was taken at
 4 1:46 p.m., after which the following
 5 proceedings were had at 3:48 p.m.:)
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1 CHAIRMAN MADIGAN: All right. We're
 2 back underway, guys.
 3 Mary, you want to summarize what we learned?
 4 MS. SELKIRK: I don't know what went on
 5 in the other rooms, but we had a very vigorous discussion
 6 in our breakout session, and Greg and I managed to take
 7 16 pages of comments and summarize it down into two
 8 sheets, so I'm very confident that the members of my
 9 group will make sure that nothing critical gets left
 10 out.

11 This is not exactly the room of shrinking
 12 violets. I would have to say that.

13 So what we wanted to do at this point for
 14 about the next half hour is to go over some of the
 15 comments that were made at each of the breakout groups.

16 We had hoped to provide you with a summary,
 17 one presentation that reflected the outcome of all the
 18 groups together. We didn't have time to do that. So
 19 what I would like is for each facilitator to, as we did
 20 last month, walk through the significant discussion
 21 points that came out of each of their breakout groups,
 22 and that shouldn't take more than about 10 minutes, and
 23 then we'll have about another 20 minutes as a plenary to
 24 have further discussion on the questions that were
 25 discussed in the breakout groups, so that was it.

1 Who wants to start?
 2 EUGENIA LAYCHAK: We didn't post our
 3 charts up on the wall -- I'll stand over here. We didn't
 4 post our charts up on the wall because we spent a lot of
 5 time trying to synthesize what we said in our group.

6 But some of the main things that came out of
 7 our group were essentially that it was very difficult to
 8 evaluate the alternatives, and a lot of the issues and
 9 points came out actually in the plenary, but some of the
 10 key points were that the -- because there was no
 11 quantification of the bar charts, it was very difficult
 12 to compare them because the people in our group really
 13 wanted to know what those differences in the bar charts
 14 actually meant.

15 Also, what was leading to the difficulty was
 16 that we didn't know what the goals were of the difficult
 17 elements of the program, and, also, the group wanted to
 18 know -- in terms of the strengths and weaknesses handout,
 19 they saw inconsistencies between that and the bar charts
 20 that were presented, and therefore they wanted to know
 21 what was the road map, or what was the rationale, for
 22 coming up with some of those strengths and weaknesses,
 23 and, also, our members pointed out that what one
 24 person may think is a strength may be what somebody else
 25 thinks is a weakness for an alternative.

1 But one thing that we all discussed a lot
 2 was the significance of storage and the fact that also
 3 storage makes it very difficult to choose between
 4 alternatives.

5 I think that some people in our group were
 6 leaning towards possibly ruling out Alternative 1, but
 7 when they saw the flexibility that storage adds to -- or
 8 gives to Alternative 1, they weren't as quick to actually
 9 eliminate that, so that was something else.

10 One of the other things also -- kind of the
 11 last and final point, and I'd like anybody from our
 12 breakout group to add to this because I'm trying to
 13 really synthesize this quickly -- is that in terms of the
 14 ranking according or against the -- of distinguishing
 15 characteristics, our group said that fisheries both
 16 in Delta and export water quality and also costs were
 17 very, very key to them, and the fact that it's difficult
 18 to determine without the quantification of the bar
 19 charts, without some of the other things that I
 20 mentioned, that it's difficult to determine whether the
 21 additional cost of improving fisheries -- for instance,
 22 with Alternative 3, the additional cost that is needed to
 23 improve both in Delta or export water quality, whether
 24 that's really worth it.

25 So that's -- I think that is pretty much a

1 synthesis from the group.

2 Anybody else?

3 Eric, want to add to that or Judith?

4 PAUL SCHWARS: Okay. Thank you.

5 Our group also felt that it was very
 6 difficult to evaluate the alternatives given so much
 7 uncertainty. We took a shot at it.

8 Two big issues came up. One was water
 9 quality, and that was in terms of defining water quality
 10 for whose use because costs was the other part of that
 11 equation. We got costs that are allocated to water
 12 quality, but water quality for who? Water quality for
 13 agriculture or water quality for urban use?

14 The next main point that came up was the
 15 fact that in looking at Alternative Number 3, that the
 16 idea of having one set of users being taken out of the
 17 common pool of use was thought to give a lot of advantage
 18 and disincentive to be sharing and maintaining the system
 19 for everybody's use, so the assurances -- that's why the
 20 other assurances were low.

21 And, in fact, in the discussion it was
 22 pretty much the consensus of the group that Alternative 3
 23 would not be suitable because there wouldn't be able to
 24 be a consensus reached on implementing it.

25 Also, someone felt that the Alternative

1 Number 3 didn't meet the solution principles. That
 2 wasn't universal, though.
 3 In terms of the data shown on the bar charts
 4 and what was shown as the advantages and disadvantages,
 5 our group also was kind of uncertain as to why there was
 6 a discrepancy, or apparent discrepancy, in how the two
 7 were represented, also they wondered if certain bars were
 8 composites of different factors and if those factors were
 9 broken out if the values would be different.

10 In terms of looking at Alternative 3 and how
 11 we could resolve the tradeoff between assurances and fish
 12 diversions, about the only thing that people could come
 13 up with was a very small physical diversion because it
 14 was the only way that you could guarantee the assurances,
 15 and they thought that it would be something less than
 16 3,000 CFS.

17 Something that came up at the end was the
 18 fact that storage options or storage components were
 19 added to some of the options, and it hasn't really been
 20 publicly discussed, so in terms of looking at the
 21 acceptability of those alternatives, it kind of changes
 22 the whole equation.

23 And that's pretty much it.

24 One other thing: In looking at the
 25 evaluation of the ERPP, the group felt that they had

1 performance standard that an alternative would have to
 2 meet, very specific threshold criteria from the
 3 environmental standpoint, from the water users'
 4 standpoint, water quality -- and I hope I am adequately
 5 describing this, those of you who had this idea, and
 6 Steve in particular -- in other words, giving each of
 7 those criteria a pass, no pass and each alternative a
 8 pass, no pass, and that if there was a way to get an
 9 alternative to a passing grade, was it feasible to get
 10 each alternative to a passing grade on such a set of
 11 threshold criteria. That was one comment.

12 Also, there was a very interesting
 13 discussion about the common pool which is listed as a
 14 strength in Alternative 1, and a comment from the member
 15 of the IDT staff was that that was actually a strength in
 16 Alternative 2 as well, but it did not -- it wasn't on the
 17 top five, so there was some requests by the members of
 18 breakout groups that the strengths and weaknesses of each
 19 alternative be -- that the whole list be provided for
 20 each then not -- because they are important
 21 characteristics that weren't represented when they were
 22 limiting them to the top five.

23 That progressed into a vigorous discussion
 24 about whether or not the common pool concept was common
 25 to all the alternatives or not. There were different

1 gotten a lot more attention than storage and conveyance,
 2 and so that maybe there was -- attention was being
 3 scooted in that direction.

4 MS. SELKIRK: Let's see. We had a very
 5 vigorous discussion in our breakout group. I would say
 6 there was a blended discussion about both the assessment
 7 of the strengths and weaknesses of each alternative,
 8 which quickly progressed into a discussion of tradeoff.

9 But with regard to the first question, which
 10 was assessing how the IDT had characterized the relative
 11 strengths and weaknesses of the alternatives, there were
 12 some pretty important comments.

13 The first being one that I think we've heard
 14 from the other breakout groups, which was that it was
 15 hard for the BDAC members to know the significance of the
 16 bar graphs, and along the lines of Roger's comments
 17 earlier -- Roger Strelow's comments, what levels of the
 18 chart's actually representing when they distinguish
 19 between different alternatives, actual versus relative
 20 values.

21 And there was a good discussion with some
 22 proposals for how to refine the analysis of strengths and
 23 weaknesses.

24 The suggestion that there be a -- a set of
 25 threshold criteria that would be like a minimum

1 points of view expressed about that, and a very, very
 2 central issue in the minds of most of the people in the
 3 room.

4 On the question of tradeoffs, I would say
 5 our group leaped right into some fairly vigorous debate
 6 on whether the tradeoffs that were identified across the
 7 alternatives could be resolved.

8 There were a couple of members of the
 9 council that expressed preferences with regard to which
 10 alternative they thought was acceptable and which ones
 11 weren't.

12 Bob Raab pointed out that public perception
 13 in the Bay Area regarding a peripheral canal is such that
 14 any alternative that included an isolated facility would
 15 be not acceptable.

16 There were other members of the group, on
 17 the other hand, who claimed that the tradeoffs that were
 18 identified with regard to Alternative 1 were not
 19 resolvable in conformance with the solution principles.

20 Then there was the middle path view
 21 expressed, that what's important at this point is not to
 22 take any alternative off the table, that they all still
 23 need to be subject to further refinement and also to the
 24 test of the solution principles.

25 There was some suggestions made about how to

1 resolve the tradeoff issues identified in Alternative 3,
 2 and they consisted of suggestions for -- by Mike.
 3 CHAIRMAN MADIGAN: My late arrival
 4 gives me leave for early departure.
 5 MS. SELKIRK: Yes.
 6 There were some suggestions made as to how
 7 the other assurances tradeoff with regard to
 8 Alternative 3 might be resolved, and that included
 9 legislation, constitution amendments, and contracts among
 10 the stakeholders, and finally physical constraints and
 11 water rights.
 12 Let's see. Then -- and I know I'm leaving
 13 out a lot of what we talked about. I'm trying to do this
 14 as quickly as possible.
 15 One comment from the member of the public
 16 was that perhaps what would be an acceptable assurance
 17 with regard to Alternative 3 would be who had their hand
 18 on the valve, and then everyone agreed that there would
 19 be at least 108 hands on the valve -- or have to be.
 20 What am I leaving out? We had pages and
 21 pages of comments. All right.
 22 Okay. I'll stop there.
 23 MS. McPEAK: All right. Are there
 24 questions on this group's report or additional comments?
 25 Yes, Stewart, and then Steve -- oh, no,

1 group in addition to staff looking at it.
 2 MR. PYLE: And Lester would set out the
 3 worksheets?
 4 MS. McPEAK: And then -- and Lester
 5 would set out the worksheets, yeah. I mean, so that
 6 we -- we could all do that and see where our thinking is
 7 right now.
 8 Your second comment, Stewart.
 9 MR. PYLE: Just in regard to do all of
 10 the alternatives stay on the table, and I think
 11 Alternative 1 is a candidate at least for elimination,
 12 but I think Alternative 1 cannot be considered as a plan
 13 for the future. This is like we spend \$60 million and we
 14 still don't know why TWA 800 blew up, you know. I just
 15 think that it's not publicly acceptable that we go
 16 through this exercise, and one of the major results is
 17 that we think that everything ought to stay just like it
 18 is. I just don't think that is going to fly, so I think
 19 we need to rate these alternatives as to their
 20 possibility of success somehow in there, and I think 1
 21 would go way down on a rating towards eventual success.
 22 MS. McPEAK: Steve.
 23 MR. HALL: Let me repeat and maybe
 24 expand a point than Mary made that was raised in our
 25 group, and that is to a certain extent what we're doing

1 okay, you were just waving at me.
 2 Stewart.
 3 MR. PYLE: Yeah. In our group one of
 4 the things that I thought ought to be brought up was a
 5 rating of the alternatives against the solution
 6 principles so we could see the same type of graphical
 7 representation that was shown for the qualifying
 8 characteristics, that if we could see them ranked against
 9 the solution principles and see if they kind of, you
 10 know, low, medium, or maximumly meet those -- both of
 11 those principles, and I think that would be a help in
 12 trying to decide whether the alternatives are in to be
 13 accepted or go up or down.
 14 And I have another comment, but I don't know
 15 whether to make it now or later.
 16 MS. McPEAK: Just a comment on yours,
 17 maybe a follow-up: It occurred to me when you made that
 18 suggestion, because I was in your group, that we might
 19 all benefit from the members of BDAC doing that exercise
 20 in addition to staff. In other words, back to that --
 21 the wonderful notion of matrices that we just did a
 22 report on, but now we know something about these
 23 alternatives, and simply asks us to sort of respond how
 24 we all viewed this -- the three alternatives against
 25 those solution principles and see where we come out as a

1 is subjective, and that makes it difficult, and you
 2 cannot completely get away from that, but there are
 3 certain threshold or minimum standards -- and by
 4 standards, I use that generically -- that any solution
 5 has to meet.
 6 There are, for instance, existing water
 7 quality standards and beneficial uses in the Delta. The
 8 standards are designed to protect those beneficial uses
 9 including agriculture. Any solution that we put on the
 10 table has to meet that standard.
 11 Likewise, we have endangered species in the
 12 Delta that are impacted by the current pumping regime.
 13 Any solution we put on the table has to adequately
 14 resolve that problem. It cannot leave us in a situation
 15 where either fish or water supply are inherently at risk
 16 by the system. That is a standard that must be met by
 17 any solution that we put on the table.
 18 And if you look at the criteria that we
 19 have, not exclusively, but almost universally, we have a
 20 certain standard that exists that needs to be met in
 21 order for any solution package to be acceptable.
 22 And I guess what I'd like to hear is from
 23 maybe Lester or from the other CALFED staff whether that
 24 is even a fruitful exercise to engage in, but I for one
 25 would like to see how these alternatives stack up in

1 meeting the existing and prospective measurements that we
2 have to measure these against.

3 One of the problems with urban water quality
4 is we have existing and pending standards that they have
5 to comply with, and they have to comply with them in a
6 real way.

7 As Byron Buck pointed out in our small
8 group: There are certain treatment techniques that we
9 cannot employ at any cost because we simply cannot get
10 the facilities permitted and meet air quality standards.
11 Now, that to me is a standard -- that's an imperative
12 that we have to pay attention to.

13 MS. McPEAK: That's a constraint on
14 our --

15 MR. HALL: It's a constraint on our
16 ability to meet water quality standards and air quality
17 standards that we have to pay attention to.

18 And I think one of the problems with BDAC
19 is, I think the CALFED staff has taken a look at those
20 things, but that hasn't been brought back to us in a way
21 where we can say, "Well, you know, this solution just
22 doesn't -- it isn't going to get us where we need to be
23 in terms of meeting those threshold levels on any one of
24 several criteria," and so what we end up arguing over is
25 our opinion as to whether they satisfactorily meet those

1 trying to model how that works its way down through the
2 system and the end water quality product.

3 So we have, I guess, a lot of those
4 qualities embedded in there, and that's why we have seen
5 these handful of distinguishing characteristics in its
6 surface, but I guess we haven't made it that crystal
7 clear is what you're suggesting.

8 MR. HALL: I know you have done it. I
9 don't think it's been as clear as it could have been in
10 terms of explaining to BDAC and to the public why
11 something is satisfactorily meeting a distinguishing
12 characteristic or why it's not, what drives it, and what
13 drives it in almost every case is some legal or
14 institutional imperative, and it seems to me that the
15 result of that, not being clear to all the BDAC members,
16 is that we have these debates where we exchange opinions,
17 rather than homing in on the fact that an alternative
18 either does or does not meet the imperative that drives a
19 distinguishing characteristic, and I don't know that it's
20 feasible to do it for every single distinguishing
21 characteristic, but I would like you to think about, at
22 least for the next meeting, bringing back to us some
23 examples of an imperative that drives a distinguishing
24 characteristic, so we can make a very objective
25 determination, perhaps, as to whether there is that

1 criteria, rather than the very real world standards that
2 have to be met.

3 I don't know, Lester, have you got a comment
4 on that one way or the other? Do you think that is nutty
5 or what? Don't say it's nutty. Be gentle, Lester.

6 EXECUTIVE DIRECTOR SNOW: Well,
7 actually the point you make is a valid one, and, of
8 course, these distinguishing characteristics pick up the
9 basic aspects of that.

10 It probably -- Well, let me give you an
11 example: I mean, the diversion effects on fisheries is
12 basically based around fisheries where you have
13 endangered species issues, and so it's embedded in those.
14 The issues of export water quality picks up those
15 parameters, at least several of those parameters that are
16 critical to those types of treatment issues.

17 Now, we haven't taken it, at this point, to
18 the very next step of the exact treatment cost because
19 once you have a water quality at the export pumps, how
20 that ends up at the tap is very different by service
21 area.

22 For some, the bromides that you would have
23 at the export pumps is what they have at their treatment
24 plant, and therefore going into their taps. Other
25 service areas, that's a mix. And so we actually are

1 threshold minimum standard being met by the three
2 alternatives because to me that -- I mean, that's where
3 we've got to be ultimately. Do we pass or do we fail
4 with each of these alternatives on those very important
5 imperatives.

6 EXECUTIVE DIRECTOR SNOW: We could
7 certainly pick the endangered species issue that you
8 mentioned and try to be more specific on that and talk
9 about -- and in that case it doesn't boil down to the
10 storage and conveyance only; it's all the other actions
11 that you're taking, but essentially you're saying an
12 endangered species strategy and how does that vary, how
13 are you going to deal with that.

14 And we probably also could pick some
15 specific examples of working the water quality all the
16 way through the system to a tap.

17 MR. HASSELTINE: Well, are there any
18 legal, defined objectives on the endangered species?
19 It's not like water quality standards.

20 EXECUTIVE DIRECTOR SNOW: Well,
21 certainly. You have got two major endangered species
22 that work as regulations in the system. You have to shut
23 facilities down. You can't repair levies at a certain
24 time because of those endangered species, so you can show
25 what you do to get out from under that by recovering the

1 species basically.
 2 MR. HALL: And you get biological
 3 opinions out of the regulatory agencies that give you
 4 sort of a standard that has to be met.
 5 MS. McPEAK: Okay. So we -- we're
 6 trying to better understand constraints or imperatives
 7 that are implicit or may become explicit in the analysis
 8 of those three alternatives that staff have been working
 9 with, drinking -- or water standards, and particularly,
 10 as I'm understanding now, drinking water standards and
 11 treatment is an issue, the endangered species.
 12 This may not fall into the same category,
 13 but I've heard from particularly the environmental
 14 leaders the issue of demand management and what we
 15 haven't done there. I'm searching for further
 16 identification of things that need to get discussed so we
 17 can move to better understanding of these alternatives.
 18 Bob.
 19 MR. RAAB: Water quality is still a
 20 conjecture as to whether -- can only go -- we cannot go
 21 far enough to be at water quality standards unless we
 22 have the Alternative 3. To me that is just a conjecture
 23 because the water quality standards haven't been set
 24 yet, the new ones, and yet these sound to me like they
 25 are being presented like axioms when they are just

1 still here now Roger, yes. Okay. You could do the tag
 2 team.
 3 You know, having EPA also participate in
 4 this discussion, I mean, in a larger context when I look
 5 at all of the public health risks that we've got out here
 6 in society, I'm not sure I would focus on drinking water
 7 as we know it in California as the greatest risk to all
 8 of public health. There are a lot of other things
 9 killing off folks, and the studies pretty well support
 10 that, but there still may be this regulation driving what
 11 the water purveyors are obligated to deliver at the tap
 12 absent any relief. That is what Greg had said to me
 13 earlier.
 14 So I think we should have an open discussion
 15 about it, you know -- how -- where we're placing
 16 societies' values or investment of societies' resources
 17 may be a worthwhile discussion around the water quality
 18 issue, and also, maybe, the science of treatment and
 19 costs and disinfection byproducts as, I guess, the term
 20 is used in the business. Okay.
 21 What we've just started doing is trying to
 22 identify some items, Lester, that seem to be, maybe, at
 23 the heart of not understanding the tradeoffs in -- or the
 24 constraints in these options. I put demand management on
 25 the table.

1 conjectures, and we only have some of the water agency
 2 versions of whether the standards can be met or not met,
 3 and I would be more comfortable if there were cases made
 4 by more independent economists -- analysts.
 5 MS. McPEAK: Okay. Byron.
 6 MR. BUCK: Actually, that's not quite
 7 correct because the new Stage One Safe Drinking Water Act
 8 standards have been set. They are coming in in '98.
 9 There are place holder values, which are default values,
 10 in the regulation that will come in 2003 if nothing else
 11 is done. What we don't know is over the long term how
 12 much more strict they might get, and certain things like
 13 where disinfection levels might be set as well, but a
 14 number of the standards are set now. We do know what we
 15 are going to have to meet.
 16 MS. McPEAK: Okay. I think the
 17 question Bob raises, the response you've given, is
 18 pointing towards trying to better educate the rest of us
 19 on exactly what those are, which goes to what Steve is
 20 saying, that there are some things that some of us
 21 accept, some of us don't.
 22 Patrick, I don't know if you're still -- is
 23 Patrick Wright still in the room from EPA?
 24 MR. PATTERSON: I think he left.
 25 MS. McPEAK: Okay. Because you're

1 I go back to looking at Roberta. Is that
 2 something that the environmental caucus can be more clear
 3 about that we can have a discussion around as to what you
 4 would expect and want in any of the alternatives and then
 5 get some discussion around it?
 6 MS. BORGONOVO: Yes.
 7 MS. McPEAK: What I'm beginning to
 8 think here is that we might try to have some assignments
 9 out to two or three members of BDAC on these issues to
 10 present and to respond to in addition to staff doing the
 11 work because I think we need to have some exchange among
 12 us.
 13 MS. SELKIRK: You want to pose that for
 14 the next meeting?
 15 MS. McPEAK: I'm thinking that, yeah.
 16 I'm trying to figure out how we move us forward.
 17 There was -- there were issues around also
 18 back at the ERPP, which we're going to return to on
 19 the -- in January, but being real specific, I hope, as to
 20 the goals on the ERPP and the three gentlemen, leaders,
 21 who signed the letter.
 22 Byron, you and Jason and Gary, can you --
 23 you and your folks try to be -- you know, start answering
 24 your own questions that you said we needed?
 25 MS. BORGONOVO: And there will be an

1 echo system work group, and I would hope that there would
2 be something that might come to that on the 13th so that
3 on the 29th we could see how far that it's gotten.

4 MR. BUCK: Yeah. And we're in the
5 process of trying to answer those in conjunction with
6 CALFED staff with some of the groups they have set up
7 with, so it isn't just us answering because we don't
8 necessarily know all the answers to them as well. It's
9 everybody working through them. So what we want to do is
10 cooperate in that effort.

11 MS. McPEAK: Okay.

12 MS. BORGONOVO: But going back to your
13 question about water quality, perhaps someone from EPA
14 might be able to comment. That might be very helpful.

15 MS. McPEAK: Oh, we will get them to.
16 They need to, yes, with the authority of Carol Browner
17 (phonic) herself.

18 What am I leaving out that we have
19 identified in this process that needs to get further
20 discussed? I'm still pretty much stuck about the role of
21 storage and all three of those alternatives in trying to
22 understand what the commitment is to that, and what I've
23 heard, Lester, in the dialogue out of the three work
24 groups and the side conversations is the following, that
25 I think it's a logic trap, and that is that storage is

1 I guess that the real way to say that is
2 that we have got some very powerful state and federal
3 agencies who are part of recommending things to us, doing
4 these analyses.

5 What I'm really asking: Is there a serious
6 commitment by CALFED agencies to advocate that there is
7 storage, storage has to be a part of this, that that's
8 what the analysis was up there, and that's not what I've
9 really heard. I've heard everything focused on only the
10 transfer mechanism.

11 MR. HILDEBRAND: Only on what?

12 MS. McPEAK: The transfer mechanism,
13 the conveyance facility.

14 MR. HILDEBRAND: Well, that's my
15 next --

16 MS. McPEAK: Well, let me take it in
17 order then. Let Lester respond, then Hap, then Alex.

18 MR. HALL: And then Steve.

19 MS. McPEAK: And then Steve. Okay.

20 EXECUTIVE DIRECTOR SNOW: Well,
21 CALFED, the agencies have not taken a position on -- I
22 mean, essentially CALFED is waiting to hear from BDAC on
23 some of these kinds of issues, and so CALFED will take a
24 position on this, and certainly at this point without
25 further evaluation the staff recommendation would be we

1 pretty important to all three now, but it's also so
2 expensive that nobody wants to get real about it, so then
3 we default to saying it's important, we're just
4 stipulating to it, it's so expensive we're not going to
5 own up to it, and then we're back discussing the transfer
6 mechanism.

7 I kind of think -- I don't know that all of
8 the agencies are committed to it and so committed to it
9 that we're willing to pay for it.

10 What else?

11 EXECUTIVE DIRECTOR SNOW: Well, I guess
12 on the general issue of who is paying for it, I don't
13 think we have commitments from anybody to pay for
14 anything, whether it's storage or Delta facilities.

15 But certainly we -- I mean, you're correct
16 in saying that our attempt to integrate these shows that
17 storage is pretty important to meeting the diverse
18 objectives and solution principles, and so we have
19 blocked out a chunk of storage that we think includes the
20 range, and then the next step that will be needed is to
21 fine tune exact costs and exact sites to get down to
22 that.

23 MS. McPEAK: And you're much better at
24 stating this than I am, and I realize that, that nobody
25 is committed to paying for anything.

1 have to have storage in this.

2 MS. McPEAK: Okay. A little bit about
3 it's iterative.

4 EXECUTIVE DIRECTOR SNOW: Yeah. I
5 mean, to be fully accurate -- Roger may want to comment
6 on this -- but we have not asked the CALFED policy group
7 to adopt a position that there must be storage. What we
8 have shared with them is the role that storage plays and
9 the benefits that it provides, and that's why it's
10 showing up in all of the alternatives, and there is quite
11 an array of storage sites out there, so I think, you
12 know, once you make the determination that storage is an
13 important part of it, you can then proceed to find the
14 most cost effective, least environmentally damaging
15 sites.

16 MS. McPEAK: Hap.

17 MR. DUNNING: Well, you mentioned,
18 Lester, the benefits of storage. I presume in many, if
19 not all cases, there are going to be some of the
20 opposite, some disadvantages. We have had a big
21 discussion here today, and the breakout groups in here,
22 about alternative conveyance mechanisms. When is the
23 discussion going to come on storage, sort of overall
24 storage, or particular storage projects?

25 EXECUTIVE DIRECTOR SNOW: Well, the

1 first thing in the programmatic will be the overall
2 impacts of storage. I mean, we're doing a -- you know, a
3 programmatic evaluation, so we have looked at the
4 different kinds of locations that are available, kinds of
5 habitat that are different, that are impacted, rangeland
6 grazing.

7 MR. DUNNING: So when is BDAC going to
8 zero in on the programmatic storage idea?

9 EXECUTIVE DIRECTOR SNOW: I'm sorry,
10 Hap, I'm not sure I --

11 MR. DUNNING: I sort of get the idea
12 it's somehow emerged as if it's part of the common --
13 what do we call it? The common plan? The common
14 program? But maybe that should be discussed.

15 EXECUTIVE DIRECTOR SNOW: well, I think
16 it needs to be discussed because I guess that is what
17 we're saying in terms of these evaluations is that we see
18 storage needing to be coupled with all three
19 alternatives.

20 MR. DUNNING: But when is it going to
21 be discussed by BDAC?

22 EXECUTIVE DIRECTOR SNOW: When do you
23 want to discuss it?

24 MR. DUNNING: I don't know. Next
25 meeting.

1 in order for us to support the CALFED package there had
2 to be water supply improvement, I was chastised by one of
3 my members who said I wasn't clear enough, so let me be
4 clear: In our view the only way to comprehensibly reduce
5 conflicts in the system is to grow the water pie for all
6 uses -- agricultural, urban and environmental. Depending
7 on how you transfer water across the Delta, you can
8 achieve some of those benefits just by the conveyance,
9 but not enough, so we believe storage has to be part of
10 the package, additional storage.

11 Now, when, where and under what conditions,
12 I guess we're going to discuss next month. We have not
13 settled on any particular storage option, but like
14 CALFED, we are analyzing various storage options and will
15 have an opinion about what CALFED proposes, and we may
16 have some proposals of our own that should be
17 considered.

18 But let me restate so I can be clear: We
19 believe the water supply has to grow and storage is part
20 of growing it.

21 Byron, did I go far enough, do you think?

22 Thank you. It wasn't him, by the way, that
23 was criticizing.

24 MS. McPEAK: Roberta.

25 MS. BORGONOVO: This question came up a

1 MS. McPEAK: I think that is a good
2 idea. I agree with you.

3 Alex.

4 MR. HILDEBRAND: Speaking, and not only
5 I think for myself, but for much of the agricultural
6 community, our concern is if there isn't enough storage
7 they are just going to re-allocate water away
8 agriculturally, so we want to examine the interplay
9 here, the adequacies of the storage program to see that
10 we don't just have our water taken away.

11 And we -- some of us have repeatedly asked
12 to see just how much water would be taken away under
13 various scenarios from agriculture by various means, and
14 then how that relates to the agricultural share of any
15 potential share of any new water facilities or water
16 development, and it appears without the benefit of any
17 real analysis of that from the staff, that the idea is to
18 take away a lot of water from us and then give us a
19 little bit back, and so we'd like to know just how much
20 water we are going to lose with or without the storage,
21 to what extent is the storage adequate to keep us from
22 having a lot of water taken away.

23 MS. McPEAK: Steve.

24 MR. HALL: After I gave my ag urban
25 update this morning in which I thought I was clear that

1 year ago, but I want to bring it up again: The
2 possibility of doing flood management in conjunction with
3 the ERPP I think is very important, and so I don't know
4 if that gets integrated in the ERPP process or it's part
5 of also the levee program, but it would be nice to see
6 that integration.

7 MS. McPEAK: Okay. And by January 29th
8 it may be even more apparent to everybody.

9 Let me -- I think I must -- I am missing an
10 issue that you have all identified should be part of a
11 more in-depth discussion, getting back to either the
12 implicit or explicit assumptions that have to be laid on
13 the table that are perhaps constraints on these
14 alternatives. I'll summarize them in just a moment, but
15 let me recognize Stewart.

16 MR. PYLE: The ones that I was bringing
17 up that I thought we were kind of limited today in only
18 looking at the tradeoffs as between assurances and
19 water -- and effects on the fisheries, and it seems to me
20 that you need to go into the tradeoffs between water
21 supply, improved or liability, and effects on the
22 fisheries, and export water quality versus effects on the
23 fisheries. It seems to me that we need to look at both
24 of those in some detail because one of our big objectives
25 here is to improve the fisheries in the Delta, and as

1 between Alternatives 1, 2 and 3, there is a lot of
2 difference between the effects on the fisheries, given
3 those other items, and somehow, hopefully in the next
4 time we come together, or whether you mail this stuff
5 out, or whatever, that we could see more in those
6 aspects.

7 MS. McPEAK: Okay. Let me then see if
8 I've accurately recorded what you've said:

9 First we want to look at all three
10 alternatives against the solution principles and have a
11 worksheet for those that you'll develop and send out,
12 that we want to have further discussion with respect to
13 all three alternatives on certain issues that can be
14 constraints or use explicit assumptions about the
15 alternatives, demand management, and Roberta just left
16 the room, but is, I think, responsible for helping lead
17 that discussion, Bob and others.

18 Water quality at the tap, from particularly
19 the urban perspective, and we want to forewarn Patrick in
20 EPA that we want them to participate in this discussion
21 about what really is driving all of the assumptions in
22 those alternatives analyses.

23 Storage, both the positive benefits and the
24 disadvantages and start trying to get into that.

25 The water supply reliability versus export

1 MS. McPEAK: Okay. We're doing the
2 list, because we can work through it.

3 Bob and then Roger.

4 MR. RAAB: How about comparing water
5 storage and inflow into the San Francisco Bay?

6 MS. McPEAK: Storage and inflow
7 interplay. Good question. I think we should have that
8 because that is an aspect -- would you agree, it's an
9 aspect of this both positive and -- or advantages and
10 disadvantages of storage? We need to address that
11 explicitly under the storage question.

12 MR. RAAB: Yeah. And also my premise
13 is that depending on if we're talking about north of
14 storage -- north of Delta storage and south of Delta
15 storage that there will be a difference, the effects will
16 be different if there is one or the other, or if there
17 are both, and also at what size, what the effect is.

18 MS. McPEAK: I think what you're
19 hearing is a more full discussion around the storage
20 component in these alternatives that include some of
21 these additional questions.

22 I've got -- actually, Roger, Mary, Hap.
23 Roger.

24 MR. STRELOW: I'd just like to repeat
25 my request that these bar charts that we saw today be

1 quality and the impact on fisheries.

2 I've got --

3 MR. PYLE: I was thinking export water
4 quality versus fisheries itself.

5 MS. McPEAK: Okay. Export quality
6 versus fisheries.

7 MR. PYLE: And water supply
8 reliability --

9 MS. McPEAK: Versus fisheries. Okay

10 MR. PYLE: Yeah.

11 MS. McPEAK: Okay. Those two as
12 separate items.

13 MR. PYLE: Yes.

14 MS. McPEAK: Okay. Explicit objectives
15 on the ERPP, trying to get more clarity on those goals,
16 and specifically the outflow temperature timing necessary
17 for the rehabilitation of the ecosystem.

18 If we work through those --

19 MR. HILDEBRAND: Could we add one more,
20 and that is the interplay between the storage program and
21 the re-allocation of water away from agriculture.

22 MS. McPEAK: Interplay between the
23 storage program and prospective re-allocation to
24 agricultural from agricultural.

25 MR. RAAB: How about one more?

1 amplified with some percentages and absolute values and
2 just maybe a paragraph, or no more than a page in each
3 case, but probably just a paragraph, on what is the
4 staff's view of the significance of the differences,
5 say, for water quality or cost or whatever so we can
6 begin to compare them.

7 MR. HALL: Sunne, can I just respond to
8 that?

9 MS. McPEAK: Okay. Steve was going to
10 respond to that; then Mary and Hap.

11 MR. HALL: Roger, your comment early
12 really hit home with me, which is what prompted me to
13 start thinking about how do we compare these things, not
14 just the alternatives on a particular criterion, but, you
15 know, the relative merits of the criteria. And that's
16 where -- how I got to what I was proposing, which is
17 rather than a bar chart there ought to be -- there is a
18 bar that you've got to get over for each of these
19 criteria, and they vary depending upon the issue, but the
20 fact is there are certain criteria that all of them may
21 pass and others that all of them may fail, and so it
22 doesn't matter where the relative bar heights are, if
23 they all fail to meet certain basic measurements for that
24 criteria, then we obviously have to do something
25 different, and so my hope was that we could address your

1 problem and my problem with one approach.
 2 MS. McPEAK: And then I think we
 3 could -- I think that could be done in the information
 4 you're asking for, Roger, so there is an absolute bar and
 5 then there is the relative. We need to know what that
 6 scale is to really appreciate what the relative
 7 comparisons are.
 8 Okay. Mary.
 9 MS. SELKIRK: I simply had a
 10 clarification question because I had to leave the room:
 11 These are requests that BDAC members are making for -- to
 12 be addressed at the next meeting?
 13 MS. McPEAK: Yes.
 14 MS. SELKIRK: All right.
 15 MS. McPEAK: And we have to figure out
 16 how we are going to do that in a productive way.
 17 MS. SELKIRK: Right. Okay. So I want
 18 to make sure I have a complete list of what they are. I
 19 don't know who has been writing them down. I have a few.
 20 MS. McPEAK: I have, and they are
 21 there.
 22 Hap.
 23 MR. DUNNING: Just with regard to the
 24 storage, I'd like to suggest that the discussion includes
 25 attention to financing, not so much the details of the

1 Mary.
 2 MS. SELKIRK: Well, I just want to
 3 point out that originally a more in-depth discussion of
 4 the policy controversies that have emerged in finance
 5 were supposed to happen at this meeting, so I think we
 6 have to find a way to get it on the agenda for January.
 7 MS. McPEAK: Okay. Well, Mary and
 8 Lester are the process masters here.
 9 What I was trying to do is identify the
 10 issues that emerged out of the group discussions that
 11 seemed to be still needing more discussion in order to
 12 get to the alternatives, some further resolution on the
 13 alternatives, and we will have to come up with a process
 14 that will work.
 15 What I am envisioning is that members of
 16 BDAC are going to be taking responsibility to further
 17 explain a particular aspect of these issues that have
 18 been identified and not have it rest only on the
 19 shoulders of staff in order to get the dialogue on these
 20 things that are still sticking there.
 21 So that is what I'm going to -- I'll work
 22 with Mike and Lester and Mary to try to organize on the
 23 agenda for the next meeting.
 24 Byron.
 25 MR. BUCK: I was just going to agree

1 financing, but broader questions. For example, to the
 2 extent storage is designated as being for environmental
 3 purposes, who is expected to pay for that? I think
 4 that's an important question.
 5 MS. McPEAK: Okay. A totally
 6 legitimate question.
 7 That may be asking a little too much for the
 8 next meeting, not too much for the whole process. We've
 9 got to get into that. I was just trying to deal with --
 10 not the costs -- or certainly not the financing of any of
 11 this at the next meeting, but trying to better understand
 12 these issues as matters of tradeoff; of course, cost is
 13 one of those. So, anyway, my first reaction is that may
 14 be a little more than we can deal with, but let's think
 15 about it.
 16 We'll note that you've asked that, Hap.
 17 Roberta.
 18 MS. BORGONOVO: It's a fundamental
 19 policy discussion that we have had in the finance
 20 committee, and there is definitely not consensus on it,
 21 but it's key because I think it influences the size of
 22 the storage and conveyance, so at some point it has to be
 23 answered.
 24 MS. McPEAK: I agree with that, where
 25 there is not consensus.

1 with you. I think it's most important for us at this
 2 point to find out why we need storage and how much we
 3 might need before we get onto the question of how it's
 4 paid for. If we get dragged down on that issue, we may
 5 never know why we need it and how much we need.
 6 MS. McPEAK: Okay. The list I think is
 7 now, if not complete, long enough to occupy a very
 8 significant portion of the next meeting, so I will work
 9 with Mary and Lester on this -- on trying to structure
 10 that.
 11 We're at a point on this agenda where we
 12 need to -- we'll ask for public comment.
 13 I think Stewart, who has left, said he would
 14 want to put on the table Alternative 1 as a candidate for
 15 not further consideration. I think I could get enough
 16 people to put each alternative on the table for not
 17 further consideration to the point where we would have no
 18 alternatives at all. So there is enough out there that
 19 don't like 2, there is enough that really don't like 3,
 20 so I think that we're at that -- that we're at that point
 21 still, and that's why I was trying to find out those
 22 issues that we'll have further discussion around.
 23 Before opening up for public comment, are
 24 there any other recommendations, suggestions or comments
 25 from BDAC on today's agenda items and what you need for

1 the future?
 2 Yes, Mary.
 3 MS. SELKIRK: I just wanted to do one
 4 scheduling matter, which is that having talked to Sunne's
 5 and Mike's secretaries for March, the tentative two-day
 6 meeting in L.A. will be Thursday, Friday, the 19th and
 7 20th of March, 1998.

8 MS. McPEAK: Thank you. So the 19th
 9 and 20th?

10 MS. SELKIRK: Yes.

11 MS. McPEAK: Thursday, Friday; 19th,
 12 20th.

13 MS. SELKIRK: And what I commit to get
 14 to BDAC members over the next two weeks is a tentative
 15 list of meeting dates on through 1998 so that you can
 16 begin to fill up your calendar.

17 MS. McPEAK: Great. Thank you, Mary.
 18 Okay. I have no further requests.

19 Also from the public, is there anyone still
 20 remaining who wishes to address the public.

21 Mr. Zuckerman.

22 TOM ZUCKERMAN: I'm Tom Zukerman. I'm
 23 co-counsel for the Central Delta Water Agency, and I
 24 didn't come today expecting to need to make these
 25 remarks, but I think it would be helpful coming out of

1 California, the other storage dams were discarded as
 2 being unpopular, unfeasible or whatever. A lot of
 3 thought was given to recommendation of a peripheral
 4 canal, about 1965 that recommendation came out.

5 And what has really happened is that we have
 6 developed a demand for the water, but we haven't
 7 developed the supply, and that creates a tremendous
 8 tension on the system, that we're really not talking
 9 about allocating a sufficient water supply, we're talking
 10 about who the weakest parties are that we can take it
 11 away from and exercise political dominance over the
 12 people who can't defend themselves.

13 Now, I'd like you to think of that in the
 14 context of considering storage as part of your program.
 15 I think it is really the be all and end all of a
 16 successful program. The concept of an isolated facility
 17 has not been voted upon favorably by the people of the
 18 state twice. I suppose we could enter WW3, which would
 19 be, I guess, Water Wars III, and go through that exercise
 20 again.

21 But in the absence of developing the
 22 storage, which really does allow the possibility of
 23 meeting the municipal water supplies along with the
 24 in-stream needs, these environmental concerns, and the
 25 agricultural supplies we're going to continue to have

1 the discussions today, and it has to do with the subject
 2 of storage.

3 I'm not sure everybody was around to be a
 4 part of the formulation of the California Water Plan and
 5 the elections that were held in 1959 and 1960, but it is
 6 important to remember that when the California Water Plan
 7 was conceived and the issues went before the voters,
 8 there was an anticipation that there would be a lot more
 9 storage created in the system than actually occurred.
 10 Now, whether that's good or bad... The north coast
 11 rivers were not dammed, one thing or another, but one
 12 thing that did happen was that the contracts were entered
 13 into with the state water project contractors on the eve
 14 of that election.

15 What was before the voters at that time was
 16 very clearly a common pool within the Delta. The
 17 bulletin '76 facilities did not include a diversion
 18 around the Delta. They were talking about through-Delta
 19 facilities.

20 The Delta Protection Act was passed on the
 21 verge of the election, which was the assurance Northern
 22 California, that only surplus waters would be exported by
 23 the state water project to its customers.

24 In the time that transpired after that, of
 25 course, mostly during the Reagan administration in

1 these battles.

2 The flexibility of your system is going to
 3 come not from a diversion facility, but from creating
 4 additional storage, and I think that came out clearly in
 5 the discussion, was pointed out very clearly by Sunne
 6 this morning, both in this session and in the smaller
 7 session.

8 So I think that's where you need to focus
 9 your attention, is how are we going to develop a supply
 10 that we can legitimately talk about dividing up amongst
 11 the needy beneficiaries, and not just continue the
 12 dialogue over who is -- you know, who is going to suffer
 13 the deficiencies as a result of, you know, successful
 14 court actions, referendums, political muscle, or whatever
 15 the case might be, so I think you're on the right track
 16 in that regard, and I think this meeting today tended to
 17 refocus that clearly, at least in my mind. I hope it did
 18 in yours.

19 Thank you.

20 MS. McPEAK: Thank you, Tom.

21 MR. DUNNING: Can I ask him a question?

22 MS. McPEAK: Sure.

23 Tom, Hap has a question to you.

24 MR. DUNNING: The only popular vote I
 25 recall on isolated facility was June of 1982. Was there

1 another one?
 2 MR. ZUCKERMAN: Well, the vote in 1959
 3 or 1960, whenever the vote on the Burns Porter Act
 4 occurred, at that time if you go back and look at the
 5 history of it, what was before the people was a common
 6 pool concept in the Delta, it was clearly stated in the
 7 Delta Protection Act, and it was part of the description
 8 of the project that the people were voting on at that
 9 time.

10 MR. DUNNING: But an isolated facility
 11 at that point in time wasn't on the table.

12 MR. ZUCKERMAN: NO.

13 MR. DUNNING: So people were not voting
 14 no on that at all.

15 MR. ZUCKERMAN: No. But what they were
 16 voting yes on was a common pool on the Delta.

17 MS. McPEAK: Okay. Thank you.

18 Is there anyone else who wishes to address
 19 the council?

20 All right. This 1997 has been an
 21 interesting year, intense.

22 A lot of work has been done, Lester, by you
 23 and your staff and the CALFED agencies.

24 We've seen a lot of work done by the folks
 25 around this table, and appreciate all of your sincere

1 STATE OF CALIFORNIA } ss.

2 COUNTY OF SAN JOAQUIN)

3

4 SUSAN PORTALE and LESLEY D. SCHNEIDER,

5 Certified Shorthand Reporters of the State of California,
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7 That on the 12th day of December, 1997,
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 10 took down in shorthand notes all proceedings had, and I
 11 thereafter transcribed my shorthand notes of such
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 13 and foregoing being a full, true and correct
 14 transcription thereof, and a full, true and correct
 15 transcript of all proceedings had this date.

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 Susan Portale
 CSR No. 4095

 Lesley D. Schneider
 CSR No. 10580, RPR

1 efforts.
 2 We have had an interesting meeting today.
 3 I will look forward to our meetings in 1998,
 4 and in the interim please have a safe and joyous and
 5 blessed holiday season.

6 We are hereby adjourned.

7

8 (The meeting adjourned at 3:48 p.m.)

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