

**June 17-18, 1998  
Meeting  
Summary**

Draft  
**BDAC MEETING SUMMARY**  
**JUNE 17 & 18, 1998**  
**DOUBLETREE HOTEL, FRESNO**

**MEETING OUTCOMES**

Through out the two days, BDAC members provided the CALFED agencies with the following advice regarding the nature of the decision on the preferred alternative and implementing Program actions:

- Determine who will make decisions and clarify the role of BDAC and other stakeholders in making those decisions.
- Establish criteria for measuring progress, develop quantifiable goals and/or objectives, and guarantee Program actions to better assure progress toward attaining the goals.
- All stakeholders are looking for reliability of water supply.
- Implement the Program so that water will continue to meet federal drinking water standards.
- Plan for uncertainty of outcomes from Program actions.
- Link actions for an isolated conveyance with actions to implement water use efficiency.
- Consider links between watershed management and surface storage actions.
- Incorporate stakeholder preferences in implementing actions, such as using public lands for restoration prior to using private lands for the same purposes.
- Further work is needed on identifying actions for the Common Programs to ensure appropriate conditions and linkages.
- Integrate assurances into actions and includes them as part of the conditions.
- Limit socioeconomic impacts of implementing agricultural water use efficiency actions and consider establishing a mitigation fund.

**JUNE 17**

**Tour of Westside Farms**

The morning tour was hosted by San Luis & Delta-Mendota Water Authority, Firebaugh Canal Water District, Panoche Water District, San Luis Water District, Westlands Water District. The tour heard from a variety of speakers and visited several agricultural operations to get an overview of water management techniques used to address the local water quality and supply issues.

**1. Welcome and Introductions (Vice Chair Sunne McPeak)**

Vice Chair Sunne McPeak convened the meeting at 3:00 PM and welcomed Bay-Delta Advisory Council (BDAC) members and members of the public. Vice Chair McPeak thanked BDAC member Mike Stearns and the tour organizers, including Laura King of the San Luis & Delta-Mendota Water Authority, and provided an overview of the agenda.

Lester Snow (CALFED Bay-Delta Program Executive Director) introduced new CALFED Program Deputy Director of Programs Steve Ritchie and Public Affairs Director Valerie Holcomb.

## **2. Nature of the Decision and Selecting a Preferred Alternative (Lester Snow, Stein Buer, BDAC Respondents)**

Vice Chair McPeak introduced the topic by stating the nature of the decision on the preferred alternative demonstrates the complexity of the decision. She and Lester Snow, in response to a recent article in the *Contra Costa Times*, pointed out that the Governor and Secretary of Interior affirmed their commitment to a draft decision by the end of the year. They referred to a CALFED Program press release and attachments which explain the approach for developing a preferred alternative. Lester Snow iterated that a lot of work on developing the structure of the alternative must be done between now and release of the final draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) at the end of 1998. He explained the Program is focusing on two other time frames, as well: end of 1998 to release of the Final EIS/EIR (scheduled for the end of 1999), and the first seven years of Program implementation (stage one of Phase III).

During discussion with BDAC members Hap Dunning, Byron Buck, Tib Belza, Tom Graff, and Ann Notthoff on BDAC's role and stakeholder participation between now and the end of Phase II and during implementation, Vice Chair McPeak suggested enough questions were raised that the future of BDAC and stakeholder participation should be scheduled on a future BDAC agenda. Later in the meeting Vice Chair McPeak advised BDAC, based on information from deputy attorney general Danae Aitchison, that BDAC participates at the pleasure of the CALFED agencies and that its charter expires in June 1999.

Lester Snow began the agenda item presentation by referring to the June 16, 1998 memo and attached draft paper on "Developing a Draft Preferred Program Alternative." handed out at the meeting. He explained that decisions on the actions to be included in the draft preferred alternative fall into the three categories of yes, no, and maybe for actions where uncertainty or important linkages exist. He further explained that decision-making will require a lot of stakeholder input. Both Lester Snow and Stein Buer reminded BDAC that the purpose of the proposed conditions and linkages was to suggest examples of how actions could be implemented. Stein Buer reviewed the discussion from the Redding BDAC meeting in May and continued to summarize the information in the draft paper. He reviewed proposed components of the preferred alternative: cost allocation, environmental documentation, operating rules, governance and assurances, stage one actions, and conditions/linkages.

### **Discussion Points**

- Vice Chair McPeak and BDAC members Alex Hildebrand and Richard Izmirian discussed with Lester Snow and Stein Buer the concept of staged implementation. They

acknowledged that all possible outcomes of implementing Program actions are not known, but that all known possible outcomes must be disclosed in the Programmatic EIS/EIR. Concern was expressed that if the Program begins implementation assuming in-Delta conveyance of all export water, certain actions may prejudice conditional decisions on the need for an isolated conveyance. Specifying the process for making decisions and identifying the decision-making institutions and roles of stakeholders by the end of the year will clarify how the Program moves from one stage to the next.

- Lester Snow, Stein Buer, Mr. Graff, Mr. Buck, Mr. Stearns, Mr. Hildebrand, Vice Chair McPeak and Patrick Wright (Federal agency representative) discussed expected outcomes from linkages and staging of actions. They discussed that the purpose of linking actions is to ensure balanced progress in meeting the goals of the CALFED Program elements. It was stated that agriculture may not see the same level of benefits as other stakeholders expect to experience. They concluded that stakeholders need more certainty and quantifiable goals and/or objectives. It was noted that the Program should guarantee actions, but not outcomes from those actions and that the State needs a drinking water protection standard. It was also acknowledged there is a need to plan for uncertainty, including changes in water quality standards and other public health issues.
- Vice Chair McPeak, Mr. Buck, Mr. Hildebrand, Ms. Notthoff, Mr. Graff, Mr. Stearns and BDAC member Stu Pyle examined the proposed linkages and conditions for conveyance. It was stated that an isolated conveyance does not yield significant amounts of additional water, given existing operating rules for the south Delta export facilities. Proposed conditions that would limit the amount of export water would be driven by in-Delta water quality and available water, unless agricultural land is taken out of production. Support was stated for linking isolated conveyance actions to actions that would maximize water use efficiency. It was stated that methods are available to increase water use efficiency in urban, agriculture and environmental sectors.
- Lester Snow suggested that linkages between water use efficiency and surface storage are quite strong. Ms. Notthoff, Vice Chair McPeak, Mr. Dunning, Mr. Pyle, and BDAC members David Guy and Steve Hall exchanged views regarding the proposed linkages. Some members wanted clarification on the expected water use efficiency requirements. Stein Buer explained that not all objectives had to be met before decisions regarding the need for surface storage were made. It was requested that beneficiaries role in financing storage be added to the next BDAC agenda. Some members wanted to see links to conjunctive use of groundwater, in addition to links to surface storage actions. Others iterated that agricultural water is currently used very efficiently, and that there is little reason to require water use efficiency measures prior to committing to surface storage. The agricultural community is looking for new surface storage to offset the losses which occurred as a result of the Bay-Delta Accord and Central Valley Project Improvement Act requirements.

- Mr. Buck, Mr. Guy, Vice Chair McPeak, Mr. Hall, Mr. Hildebrand, and BDAC member Rosemary Kamei discussed assurances related issues with Stein Buer. It was suggested that assurances be added to the lists of conditions and linkages and that assurances be integrated into the actions. It was noted that assurances will vary depending on which alternative is ultimately selected. Different alternatives will meet different needs; those who benefit less from an alternative will want assurances that other actions will protect their needs. Urban water interests have very few assurances or options due to state and federal drinking water standards. If decisions to build an isolated conveyance are put off seven years the level of certainty needed by urban constituents may not be met. It was also noted that feasibility studies for an isolated conveyance would proceed during Stage 1, if the event that type of conveyance is needed.
- Mr. Graff, Mr. Buck, BDAC member Martha Davis, and Stein Buer raised the issue of Clean Water Act section 404(b)1 analysis and permitting. This section of the law requires that dredge and fill projects, such as surface storage reservoirs and an isolated conveyance, be the least environmentally damaging and practicable of all analyzed alternatives. In responding to a question from Tom Graff, Stein Buer explained that meeting Section 404 at the programmatic level is breaking new ground and he doubted that CALFED agencies would pursue a programmatic application either prior to or after the Record of Decision (ROD) on the programmatic EIS/EIR. Most likely Phase II will result in an explanation of the Section 404 permitting process to be pursued in Phase III. Screening of alternatives during Phase II may reduce the number of options to be analyzed during Phase III. The analysis will incorporate new information generated in Phase III.
- Mr. Izmirian, Vice Chair McPeak, Mr. Buck, Mr. Hall, and Ms. Davis finished the discussion by recommending the following points be addressed in future drafts of the paper: a) that the Program consider links between watershed management and surface storage actions, b) that stakeholder preferences, such as using public lands for restoration prior to using private lands for the same purposes, and c) that further work on Common Program actions is needed to ensure the conditions and linkages lists are complete.

**Public Comment**

Ed Petry (Mendota) stated he learned a lot from the BDAC meeting and that he supported surface storage.

Donald Rhoades supported water conservation and improving the aesthetics of the San Joaquin River and on-stream reservoirs for recreation.

### **3. Restoration Coordination (Cindy Darling)**

Cindy Darling (CALFED Program staff) provided an overview of the June 2, 1998 updated memo provided in the packet. The presentation and discussion focused on setting aside restoration funds for a drought water transfer program proposed by the Ecosystem Roundtable.

#### **Discussion Points**

- Mr. Hildebrand, Mr. Hasseltine, Ms. Kamei, Mr. Hall, Mr. Dunning, and Mr. Graff discussed the intent of the set aside program and concerns regarding the effect of this proposal on future restoration funding with Cindy Darling and Lester Snow. It was noted that all drought water acquisitions or transfers will follow a set of agreed upon principles and be consistent with the Ecosystem Restoration Program. An opinion was expressed that transferring water during a drought to an environmental use may harm agricultural uses. A response was that while there may be a lack of consensus on the merits of the drought water transfer program, the CALFED Program currently includes water transfers and regulatory constraints as the means for providing water to the environment. Environmental stakeholders prefer those options over the construction of a new surface storage reservoir.

It was noted that reserving federal funds this fiscal year may reduce the amount of funds authorized by Congress next year. The Ecosystem Roundtable was aware of the potential funding risk but agreed that the proposed program was important enough to accept the risk. The Program is working with the agencies that would accept the funds to ensure the funds would be obligated this fiscal year.

The meeting adjourned for the day at 6:15 pm.

### **JUNE 18TH**

#### **1. CHAIR'S REPORT (Sunne McPeak)**

Vice Chair Sunne McPeak convened the meeting at 8:45 AM and welcomed Bay-Delta Advisory Council (BDAC) members and members of the public.

The Vice Chair welcomed several public officials and invited their comments. California Secretary of State Bill Jones addressed BDAC and emphasized both the historic opportunity and risk of not resolving Bay-Delta system problems and the associated water supply reliability concerns. Issues of concern to San Joaquin Valley water users are supply reliability, particularly during drought conditions, and water quality. Measures to address these concerns including groundwater replenishment, water transfers and new surface storage are all possible. On the other hand, other measures such as land retirement to conserve water supply or water transfers that are not sensitive to area-of-origin concerns are not acceptable.

Felicia Marcus, administrator for Region IX of the Federal Environmental Protection Agency, described the CALFED process as having recently reached a more sophisticated level where discussion of staging, linking and triggers is occurring. At the same time there is a sense of closure emerging on some of the key issues. She will discuss with the CALFED Policy Group the possibility of a joint Policy Group-BDAC meeting. Vice Chair McPeak echoed support for the idea of a joint meeting. BDAC member Alex Hildebrand commented that the California Department of Food & Agriculture (CDFA) should be included as part of the Policy Group. Lester Snow (CALFED Program Executive Director) replied that CDFA is involved and that the U.S. Department of Agriculture has two representatives in the Policy Group. BDAC member Tom Graff added that it appeared that federal involvement in CALFED was greater than that of the State of California.

Vice Chair McPeak noted that representatives from the offices of the following officials were in attendance: Governor Pete Wilson, Senator Dianne Feinstein, Senator Barbara Boxer, Congressman Richard Radanovich, and State Senator Jim Costa.

Supervisor Alene Taylor (Kings County) provided written comments to BDAC. She noted that all interests are trying to meet their needs for economic security and to maintain quality of life. She remarked that the most valuable natural resource is farmable ground. While CALFED will likely not please all stakeholders, it can bring about improvements for all the major interests.

Vice Chair McPeak announced that a new watershed workgroup was formed with BDAC members Bob Meacher and Martha Davis as co-chairs.

## **2. UPDATE ON CALFED WATER USE EFFICIENCY PROGRAM (Rick Soehren)**

### **Presentation**

Rick Soehren (CALFED Program staff) reviewed the Water Use Efficiency program element. Comments delivered at the Environmental Impact Statement/Environment Impact Report (EIR/EIS) public hearings regarding the Program element were varied. Some thought that agricultural water use efficiency measures were too burdensome, whereas others commented that not enough was planned for this sector. Other comments recommended that participation in the program be voluntary backed by a regulatory mechanism. Next steps in formulation of the element are to determine fair and cost effective efficiency measures for the agricultural sector and to coordinate with the Central Valley Project Improvement Act (CVPIA) efforts and activities of the Agricultural Water Management Council. Vice Chair McPeak stated that the close of the public comment period on the EIR/EIS is July 1st. She added that a report summarizing the comments from the public hearings is now available.

## **4. AGRICULTURAL WATER MANAGEMENT IN THE SAN JOAQUIN VALLEY**

This agenda item was moved forward to accommodate presenters schedules. Panel presentations, coordinated by the San Luis & Delta-Mendota Water Authority were introduced

by BDAC member Mike Stearns. Written materials were distributed to BDAC and available to the general public.

Presentations were lead off by the panel on land retirement. Dr. Don Villarejo (California Institute for Rural Studies) reviewed his material in the packet distributed to BDAC. He summarized the findings of two studies examining socioeconomic impacts when land is retired from agriculture and recommended that further study of impacts was necessary. He recommended that a community-controlled mitigation fund be established to assist transition efforts. David Orth (Westlands Water District) informed BDAC that the District will support small scale land retirement that is locally controlled to achieve water supply reliability objectives. He noted that water saved due to land retirement should stay within the district and that measures to control pests and other impacts from fallowed land are necessary.

The next panel addressed drainage management as an alternative to land retirement. Dennis Falaschi (Panoche Water District) described the operations of the Grasslands Bypass Project which directs subsurface agricultural drainage around wetlands and discharges the drainage waters to the San Joaquin River. Water discharged from the Bypass Project is required to meet water quality objectives for selenium mandated by the Regional Water Quality Control Board. In addition to the Bypass Project, the water districts have a zero tolerance for off-farm surface water runoff and use tiered pricing for water supplies. Joe McGahan (Grasslands Bypass Project) described the history of the Bypass Project, the member districts, and its location. He noted that in its first year of operation, some improvement in reducing selenium and salts in drainage water was achieved, though further improvements are necessary. Both Mr. Falaschi and Mr. McGahan noted that the State Revolving Loan Fund was key to financing the project.

The following panel presented information about on-farm water management efforts. John Giovannetti (B.E. Giovannetti & Sons) described cropping patterns and new high-efficiency irrigation management to maximize use of water supplies. He noted that his operation uses water more efficiently than the equivalent-sized urban area. He called for new water storage, equitable water distribution, reinforcement of area-of-origin rights, and the replacement of water supplies at pre-existing prices. Chris Hurd (Circle G Farms) described irrigation improvements at his operation. He commented that to justify further investment in water efficiency, supply reliability needs to be improved. Presently only 60% of their supplies are reliable. Marvin Meyers (Meyers Farming) provided a history of his farming operation and described efforts to improve efficiency using local funds. He cautioned that the cost of new water supply as a result of a CALFED agreement would likely be too expensive for agricultural operations. He noted that groundwater banking is a necessity. Sue Redfern LeCompte (Redfern Ranches) described her decision to continue farming when she inherited the operation from her father despite economic and water supply uncertainties. She noted the economic and social importance of the farm to the local community and to her employees. She also noted the significant expense related to improving irrigation management.

The panel providing an overview of changes in agriculture on the west side of the San Joaquin Valley concluded the presentations. Dr. David Sunding (UC Berkeley) reviewed changes agricultural operations undertook in response to the drought of the early 1990's. He cautioned that changes due to a short-term drought may not accurately predict effects from long-term reductions in agricultural water supply. He added that the complexity of running agricultural operations was significantly greater than for other businesses of equal size. Laura King (San Luis & Delta-Mendota Water Authority) reviewed her paper in the packet distributed to BDAC which discussed trends in water prices, changes in irrigation practices, changes in cropping patterns, and impacts to agricultural users resulting from the CVPIA and other statutory and regulatory programs. Mr. Stearns closed by noting that west side San Joaquin farmers need conjunctive use programs and replacement water to restore supplies lost to environmental constraints and regulations. He added that growers in the Authority are willing to participate in the Agricultural Water Management Council process.

#### **Discussion Points**

- Mr. Graff, Mr. Stearns, BDAC members Judith Redmond, Alex Hildebrand, Stu Pyle, Richard Izmirian and Marcia Sablan discussed the concept of a mitigation fund for impacts due to land retirement with Mr. Orth, Mr. Giovannetti and Dr. Sunding. While a mitigation fund may be necessary, socioeconomic impacts should be kept to a minimum. Agricultural operations are already tenuous. Mitigation planning should address a broad set of economic development activities. A proper balance between water transfers and long-term on-farm conservation measures may prevent job losses in agriculture. Perhaps the real problem driving both impacts to the agricultural sector and to fish populations is low commodity prices. It was suggested that BDAC meet in Bakersfield to hear additional information about the agricultural sector and learn about agricultural/urban partnerships for conjunctive use water management in Kern County.
- BDAC member Steve Hall and Ms. King discussed the uses of water supplied through a CALFED solution. It was noted that a key problem for CALFED is retaining agricultural production in the San Joaquin Valley while at the same time providing protection for endangered or threatened species. The CALFED solution must replace supplies redirected to other uses and do so at previous prices. Additional supplies are also needed and would likely come through water transfers.
- Mr. Stearns and BDAC member Howard Frick commented on the possibility of crop conversion to high value crops placing increasing demands on water supplies.
- Vice Chair McPeak and BDAC member Ann Notthoff described a study recently published by the Natural Resources Defense Council highlighting innovative agricultural producers who place fewer demands on the environment. Ms. Notthoff added that water supplies now directed to environmental uses are replacing supplies lost due to water supply development.

### **3. COMMENTS ON "BASIN EFFICIENCY" (Tom Gohring)**

#### **Presentation**

Tom Gohring (U.S. Bureau of Reclamation) addressed the question of whether the computation of "basin efficiency" is useful to resolving Bay-Delta issues. He stated that while the computation of determining efficiency within a basin is correct and can be used to determine the benefits and costs of water management actions to the agricultural sector, those computations may not accurately portray the amount of water available for uses outside the basin. However, measures to improve on-farm water use efficiency have potential benefits aside from the conservation of water. These include increased flexibility, improved water quality, public acceptability, and possible reduction in fish entrainment. He urged environmentalists to accept that efficiency of water use within the San Joaquin basin is already very high and to consider the economic stress of trying to increase efficiency further. He urged agricultural interests to engage the environmental community in discussions on all of the potential benefits of on-farm efficiency measures.

#### **Discussion Points**

- Ms. Davis, Mr. Hall, Mr. Frick, Mr. Hildebrand and BDAC member Hap Dunning discussed with Mr. Gohring that very little additional water would result from water use efficiency measures on the west side of the San Joaquin Valley. Additionally, water quality might deteriorate due to the lack of flushing flows to leach salts from the root zones of soils.
- Mr. Hildebrand, Ms. Notthoff, Mr. Dunning, and BDAC member Byron Buck further discussed water use efficiency and links to new storage facilities with Lester Snow. The Agricultural Water Management Council's approach requires that cost-effectiveness of water use efficiency measures be determined locally, not regionally. When determining whether or not to construct new storage facilities, the multiple benefits from additional yield should be considered. Measures to recycle and conserve urban water supplies are considerably more expensive than new surface storage. A one-sheet summary of costs associated with different measures was distributed by Mr. Buck. What remains unclear is how water use efficiency measures affect the entire water supply picture.

### **5. PUBLIC COMMENT**

- Lawrence Namey (Federation of Fly Fishers) expressed appreciation for the information on agricultural water efficiency. He reminded BDAC of the devastating impact dams have had on the availability of water for fish resources. He also noted the loss of migratory bird habitat. He recommended measures such as water meters in urban areas and better crop management.

- Dennis Fox distributed a hand out to BDAC. He spoke in support of a monitoring function for restoration projects and recommended using a coordinating mechanism of existing monitoring efforts rather than establishing a new monitoring function in-house.
- Ed Petry (Mendota) informed BDAC that the city of Mendota is now seeking new water supplies to substitute for supplies affected by agricultural drainage.

## **6. CALFED ECONOMIC EQUIVALENCY ANALYSIS (Mark Cowin)**

### **Presentation**

Following lunch, Mark Cowin (CALFED Program staff) discussed the Program's new effort to look at the economic impacts of varying combinations of CALFED Program elements. Material describing initial concepts for the analysis were included in the BDAC meeting packet. Potential water management actions to be analyzed include: new ground and surface water storage, re-operation of existing storage, in-lieu water exchanges, water use efficiency measures, crop shifting, and land fallowing. Actions to be completed within the next six months include a scaled down version of the analysis and support for work at UC-Berkeley examining the relationship between supply reliability and cost in the Westlands Water District.

### **Discussion Points**

- Mr. Graff, Mr. Hildebrand, Mr. Buck, Mr. Pyle, BDAC member Bob Raab, Mr. Hall and Mr. Izmirian asked several questions about procedures and assumptions for the analysis. Mr. Cowin provided the following responses:
  - the analysis will include sensitivity tests for both existing and projected future conditions and for varying water supply demand scenarios;
  - it will be statewide;
  - to a certain degree it will distinguish impacts to the agricultural sector due to drought conditions as compared to environmental regulations;
  - several scenarios for water supply reliability will be included in the analysis;
  - this particular analysis will not quantify environmental externalities;
  - the analysis will have to include many decision rules that will guide the input of such factors as varying prices for water supplies.
- Ms. Notthoff suggested that a useful outcome of this analysis would be determining the signals that caused irrigation management changes in the Westlands Water District and suggestions as to how to replicate those changes elsewhere.
- Mr. Hall noted that the analysis will be complicated and subject to misinterpretation. Stakeholder interest in this activity will be very high. Patrick Wright, federal representative to BDAC, noted that a stakeholder advisory committee was very helpful during the Bay-Delta Accord negotiations and might be useful to this challenging effort as well.

#### **7. CHAIR'S REPORT Continued**

Debbie Hurley, representing Congressman Radanovich, informed BDAC of the Congressman's ongoing interest in CALFED. As part of the solution, the agricultural community must have long-term assurances that water supplies will be reliable. Congressman Radanovich supported operational funding for CALFED for fiscal year 1999.

#### **8. CALFED WATER TRANSFER POLICY FRAMEWORK (Tib Belza)**

##### **Presentation**

BDAC member Tib Belza reviewed the materials on this topic in the BDAC meeting packet.

##### **Discussion Points**

- Mr. Meacher inquired about the effects of limited transfers. Mr. Belza replied that the work group had discussed the cumulative impacts of short-term transfers early in their deliberations and that further input on that topic is appreciated.
- Mr. Buck noted that the outcome of the work group to date was helpful, but modest. As elements are staged and linked in Stage 1 implementation, it will be challenging to link together water transfers and storage & conveyance activities because of the voluntary nature of the transfers.
- Mr. Frick urged that a new bureaucracy which interferes with existing exchanges should be avoided.

##### **Public Comment**

- Steve Ottomoeller (Westlands Water District) commented that if it is assumed that long-term transfers from north to south are desirable, then Alternative Three is the only alternative which provides the necessary infrastructure to do so. Legislative changes alone will not be sufficient.

#### **7. SAN JOAQUIN VALLEY ISSUES OF CONCERN**

Mary Selkirk (CALFED Program) introduced the afternoon panelists. Dr. Alvin Sokolow (U.S. Cooperative Extension) addressed issues of the relationship of land use and water supply. There appears to be an inherent mismatch in California between water policy which is highly centralized in state and federal agencies, and land use policy which is highly decentralized among general purpose local governments. One outcome is that, historically, land use decisions have not had to consider the impacts to water supply. It was assumed that the supply would be available. However, the current status is that water supply is more limited than land. Dr. Sokolow recommended building on the concept of stabilizing the supply of water for those agricultural areas that commit to long-term production.

Dan Whitehurst (Great Valley Center) described the rapidly growing urban population in the Valley. The growth is an unusual phenomenon since the economy and job rates remain flat. Hence, people are moving to the Valley to be closer to their families and social networks. The Great Valley Center, through its programs on agricultural preservation, environmental quality, growth management, and economic development is aiming to create a sense of common ground throughout the Central Valley.

Michael McFarland (Fresno Audubon Society) addressed the CALFED Program elements. He voiced support for the water quality program, a voluntary land retirement program to reduce selenium and other pollution constituents, and maximization of water use efficiency measures. Developing groundwater storage prior to constructing new surface storage is a preferred approach. He expressed caution about the use of water transfers, recommending scrutiny of the associated impacts. Habitat improvements on levee systems are desirable as is more emphasis on the lower San Joaquin River, including an increase in water flows.

Eric Vink (American Farmland Trust) distributed a handout and described the existing and potential conversion of agricultural land in the Valley due to urbanization and environmental policies. Tools to direct and reduce farmland conversion include compact land development patterns and stabilizing the supply of water for those agricultural areas that commit to long-term production. He provided the example of a policy dialogue in the Fresno area with the development sector and other community representatives as a model for what needs to occur throughout the Valley.

Lloyd Carter (Save Our Streams) described water quality problems and probable sources in the lower San Joaquin River as well as other areas of the Valley. A contributing factor to the river's conditions is the lack of policy discussion of the public trust values of the San Joaquin River. He recommended consideration of a proposal to build a new dam on the river to increase the reservoir while at the same time restoring permanent flow to the lower San Joaquin River. The project would be paid for by beneficiaries of the increased water supply.

Dave Todd (City of Fresno Water Division) explained that the city has developed all locally available water sources. The city is now employing an array of best management practices to use water efficiently and reduce the amount that is wasted. This will continue to be fundamental to the city's supply picture. He suggested that water transfers be approached with caution, so as not to further overdraft groundwater resources.

Mike McElhiney (Natural Resources Conservation Service) described efforts underway by NRCS to partner with Resource Conservation Districts to deliver programs and cost-sharing to reduce non-point source pollution from agricultural operations. He also briefly reviewed several programs available through U.S. Department of Agriculture to protect wetlands and maintain flood protection in agricultural areas.

State Senator Jim Costa also addressed BDAC. He explained that every part of the state shares interest in water supply reliability, water quality, environmental mitigation/restoration, and flood management. Three years ago he predicted the CALFED planning effort would be were it is today. The need to continue to provide options for water supply while restoring the Bay-Delta is great. He urged BDAC members to meet with legislators as they are not fully aware of the issues being addressed by CALFED. With respect to the San Joaquin Valley, Senator Costa noted that it will experience the fastest rate of growth in the state in the foreseeable future. Concern exists that the agricultural economy will be hurt as a consequence of this growth. He also noted that efficient irrigation measures, while important, will not solve the entire problem. Senator Costa also provided an update on discussion regarding the proposed water and flood control bond measure. He noted that the momentum for this proposal is slow and may turn on the inclusion of a provision to resolve differences regarding the proposed water transfer between the Imperial Irrigation District and the San Diego County Water Authority. He added that funding for studies of storage and conveyance are now included in the General Fund appropriation.

#### **Discussion Points**

- Ms. Notthoff commented that the decentralized nature of land regulation makes resolving the issues driving CALFED much more challenging. She was encouraged by Senator Costa's support of a phased approach to CALFED implementation, which would maintain flexibility and a range of tools to address the problems.
- Mr. Buck noted the need to direct future growth away from prime farmland, and the challenge of implementing this policy since water supplies needed for urban growth are located in agricultural areas. Regarding groundwater overdraft, while not strictly within the purview of CALFED, models for addressing the problem can be drawn from approaches used in southern California. These basins are now managed as adjudicated reservoirs.
- Vice Chair McPeak, Mr. Raab, Ms. Notthoff, Mr. Frick, and Mr. Hildebrand discussed the challenges associated with land use regulation with Mr. Vink, Dr. Sokolow and Mr. Carter. Growth pressures in the San Joaquin Valley have occurred partially because growth was not managed well elsewhere. Legislative and local attempts to regulate development away from prime agricultural land have not usually been embraced. This may be changing with the results of the policy dialogue in Fresno where agreement was reached with both the development and agricultural sectors. On the other hand, if development is directed onto non-productive land this may exacerbate the water supply reliability problem.
- Mr. Dunning and Mr. Pyle discussed with Mr. Carter the lack of media attention both to water supply issues and to the ongoing impacts of drainage waters on wildlife. Mr. Carter noted that the issues differ from one side of the valley to the other and suggested

that further urban growth be directed to the westside of the valley. Mr. McFarland added that a public "champion" for the Valley is needed in the same manner as has occurred with restoration for the Salton Sea.

- BDAC member EZE Burts complimented the American Farmland Trust on its efforts. He inquired if development projects in Fresno had been turned away due to limited water supplies. Mr. Todd replied that some slowdowns in projects have occurred. If water efficient technologies are not fully applied, some impact on development in the future could occur.
- Mr. Wright inquired what federal or state entities could do to address land use problems. Mr. Vink replied that more funding for the Agricultural Land Stewardship Fund which is now in the proposed bond would be helpful.

**PUBLIC COMMENT**

No comment was presented at this time.

Vice Chair McPeak reminded BDAC that the next meeting will be in San Jose on July 16th. The meeting was adjourned at 4:50 PM.