

**January 21, 1999  
Meeting Summary**

**Draft**  
**BAY-DELTA ADVISORY COUNCIL**  
**MEETING SUMMARY**  
**January 21, 1999**  
**Capitol Plaza Ballroom, Sacramento**

**Major Outcomes**

BDAC agreed to restructure its work group process by:

- Narrowing the focus of the Assurances Work Group so that it concentrates on governance of the CALFED Program, renaming the group, appointing a co-chair and other new BDAC members, and requesting participation by at least one CALFED agency decision-maker.
- Narrowing the focus of the Ecosystem Restoration Work Group to help plan for a spring 1999 workshop on the Ecosystem Restoration Program. Members of the work group include Roberta Borgonovo and Gene Andreuccetti.
- Expanding the BDAC membership of the Watershed Work Group.
- Retiring the Water Transfers work group and having results of technical discussions reported to BDAC.
- Retiring or restructuring the Finance Work Group. CALFED Bay-Delta Program staff was asked to identify a public participation process for finance issues by the next BDAC meeting (March 24-25, 1999).

**Welcome and Chair's Report (Chair Mike Madigan)**

Chair Mike Madigan convened the meeting at 9:20 am. He announced that Lester Snow (CALFED Bay-Delta Program Executive Director) would be the federal representative until Michael Spear arrived at the meeting. He also announced that Roger Patterson from the Bureau of Reclamation was resigning to become Director of the Nebraska Department of Water Resources.

Ryan Brodrick, acting director of the California Department of Fish and Game, read the portion of newly inaugurated Governor Gray Davis' State of the State message that pertains to CALFED and the letter of support from newly appointed California Resources Secretary Mary Nichols.

Lester Snow reported on the meetings hosted by Secretary of Interior Bruce Babbitt and former Governor Wilson's chief-of-staff George Dunn. Secretary Babbitt's participation was unique, having spent concentrated amounts of time in November and December 1998 in California to help the Program and BDAC move forward on the outstanding issues.

Chair Madigan, Vice Chair Sunne McPeak and BDAC member Alex Hildebrand commented that BDAC and the CALFED agencies will benefit from closer coordination and that many issues need much more attention.

Valerie Holcomb (CALFED Bay-Delta Program staff) reported on the public workshops that had occurred so far. The Program-sponsored hearings on the Draft Phase II report were venues for good dialogue and increasing the level of public trust in the Program. BDAC then viewed the video prepared for those public workshops.

### **Phase II Report and Critical Actions for 1999 (Lester Snow, BDAC Members)**

Lester Snow reviewed major sections of the Draft Phase II Report, published on December 18, 1998, and key points of the agreement facilitated by Bruce Babbitt and George Dunn. The agreement includes a commitment to a water management strategy, an environmental water account to facilitate the through-Delta conveyance option, approaches for addressing storage issues and improving drinking water quality. He noted that storage is still an item of considerable controversy and that major decisions on conveyance options are dependant on improving drinking water quality. Other critical issues which will need to be addressed in 1999 include water use efficiency, water transfers, the Clean Water Act section 404/401 compliance process, finance, the Comprehensive Monitoring, Assessment and Research Program (CMARP), Conservation Strategy and compliance with the Endangered Species Acts, and refining the actions for Stage 1.

### **Discussion**

- BDAC members Roberta Borgonovo and Byron Buck discussed with CALFED staff member Rick Woodard the purpose of the proposed water quality expert panel. The panel will not only focus on bromides, but it will also address ways to meet a program goal of making continuous improvements towards improving water quality and drinking water regulations and standards. The panel will likely be used on a continuous basis during Stage 1, when decisions on conveyance are expected to be made.
- Mr. Hildebrand, Mr. Buck, Vice Chair McPeak and Mr. Woodard commented that decisions on water quality and conveyance may involve tradeoffs between Delta and urban water users. However, a commitment to continuous improvement of water quality, ecosystem health and water supply reliability should lessen the tradeoffs. Ongoing improvement of water quality will require a combination of source water improvement and treatment. As these improvements are made, CALFED and the water quality expert panel will use adaptive management strategies to assess the effectiveness of the through-Delta conveyance alternative on improving drinking water quality in years 2003 and 2007. Future decisions on conveyance will be based not only on water quality conditions, but also on improvements in Delta fisheries.
- In response to a questions from BDAC members Stu Pyle, and later from Rosemary Kamei and Hap Dunning, Lester Snow informed BDAC that resolution of many of the critical issues is not required by NEPA or CEQA. The Program is identifying tasks that need to be accomplished to meet three milestones: issuance of the draft EIR/EIS (scheduled for June 1999), signing of the Record of Decision (sometime during the year 2000) and the seven year

Stage 1 period. One issue that must be resolved in the draft Programmatic EIR/EIS is agriculture water use efficiency, which is part of the water use efficiency common program. One of the alternatives which will not receive a full impact assessment is alternative 3, which includes an isolated conveyance and is now part of the Program's contingent strategy. A supplemental or new EIR/EIS may be needed if the Program decides that an isolated conveyance facility is needed to improve conditions for Bay-Delta fisheries and drinking water quality.

BDAC Coordinator Mary Selkirk iterated that BDAC can provide stakeholder advice needed to address the critical issues. She asked BDAC if it had any recommendations for structuring the decision-making process for addressing critical issues.

- Mr. Hildebrand, Mr. Buck, Ms. Kamei, BDAC member Gene Andreuccetti and Lester Snow discussed the roles of BDAC work groups in addressing agricultural drainage water and other issues. These issues are so closely tied to source control, use of pesticides, watershed management and storage that a single issue BDAC work group would be ineffective. Rather, results from small work teams, similar to those used at the end of 1998, should be brought forth to BDAC for deliberation by the whole Council.
- BDAC member Richard Izmirian, Chair Mike Madigan and Lester Snow commented that a small technical team has been developed to guide work on the economic modeling of the water management strategy. Results of this modeling will affect decisions on the critical issues. BDAC will receive updates on the progress of the modeling.
- Mr. Hildebrand, Ms. Borgonovo, BDAC member Ann Notthoff and Ms. Selkirk discussed that the decision-making process needed to resolve issues and address possible inconsistencies in the draft Phase II Report. The decision-making process needs to be solid and have an effective feedback loop between BDAC, other public panels and venues, and private discussions to properly implement the Program's adaptive management approach. It was suggested that work on CMARP be brought forward to BDAC.
- BDAC member EZE Burts and Lester Snow mentioned that finance issues to be addressed in 1999 include a better estimate of the cost of the Stage 1 actions, description of existing funding sources, identification of new funding sources and proper allocation of costs. There is a need for a lot of interaction between policy makers and stakeholders on these issues.

**BDAC Assessment and Proposed Changes to BDAC and Related Work Groups (Mary Selkirk, Eugenia Laychak)**

Mary Selkirk and BDAC Consultant Eugenia Laychak reviewed the results of the BDAC assessment included in the BDAC meeting packet.

### **Discussion**

Mr. Dunning, Ms. Notthoff, Mr. Meacher, Ms. Borgonovo, Chair Madigan and Vice Chair McPeak discussed the successes and challenges faced by the Ecosystem Restoration and Watershed Work Groups. It was stated that both groups worked with the Program to develop two significant plans. Certain problems with the CALFED and BDAC process, as a whole, have become evident: the work groups became captives of certain stakeholders, there was a lack of coordination between CALFED agency decision-makers, BDAC and the work groups, some BDAC members have disengaged from discussions, and the objectives of the work groups and focus of BDAC are unclear. It was suggested that in addition to having clear, focused objectives and better coordination with agency decision-makers, short time frames for achieving the objectives and active participation by BDAC members was needed to make BDAC and the work groups more effective.

Mr. Hildebrand, Vice Chair McPeak, BDAC member Tib Belza and CALFED consultant Greg Young discussed the Water Transfers Work Group. It was suggested that Work Group results, especially if different than reported in the draft Phase II Report, should be brought forward to BDAC. The product of the work group and Program will be in the soon to be released Water Transfers Program Plan. The Work Group has not completed its original task, but the remaining issues are technical and would probably benefit from discussions with different individuals. The Program should consult with the Work Group chair when determining the next steps for addressing water transfers issues.

Mr. Dunning, Chair Mike Madigan and Vice Chair McPeak discussed the fate of the Assurances Work Group. It was suggested that, consistent with the written assessment, the Work Groups' scope should be narrowed to governance issues. It was suggested the revised work group report to BDAC at its March 24-25 meeting in Bakersfield on a proposed governance structure, including any goals or principles.

Ms. Notthoff, Mr. Dunning and Vice Chair McPeak wrapped up discussion with Lester Snow. It was requested that BDAC members have alternates to increase the effectiveness of members, especially those who can not make every meeting. This option was not acceptable to other members. It was suggested that BDAC decide the fate of its work groups, rather than leaving the responsibility to staff. It was recommended that Program staff consult with BDAC as it considers critical issues and that BDAC determine how it will interface with other participants.

### **Public Comment**

- Mr. Ed Petry (Mendota) complimented BDAC on its work and acknowledged the good work of Roger Patterson. He reiterated his view that new surface storage is needed for reliable water supplies for fisheries, recreation, wildlife and other uses.
- Ms. Vicki Newlin (Butte County) expressed concerns regarding the funding of certain Butte County restoration coordination projects. Some project proponents claim local support for

their projects, but their claims are unfounded. The County is concerned that impacts from the \$25 million worth of projects located within its boundaries are not adequately addressed. She claimed that the Ecosystem Roundtable has been unresponsive to the County's concerns. She asked that future restoration coordination projects have proof of public notice, a resolution of support from the Board of Supervisors, disclosure of cost sharing partners, be peer reviewed, include funding to local government for overseeing the projects and attending related meetings, require competitive bidding for consultant work, and review or oversight of the Roundtable project approval process.

Chair Mike Madigan and BDAC member Robert Meacher asked staff to report on how the Program is responding to Butte County's concerns.

- Mr. Steve Evans (Friends of the River) provided comments on the proposed surface storage projects mentioned in the draft Phase II Report. He reiterated written materials handed out at the meeting. He expressed concern with four proposed offstream storage reservoirs that would be supplied by flood flow diversions. These diversions, in a system where flows are already reduced by 30 percent, could adversely impact the minimum flows needed to protect the environment.

Vice Chair McPeak, Mr. Dunning, Ms. Notthoff and BDAC member Mike Stearns responded to Mr. Evans. It was expressed that the necessary flows for the Sacramento River need to be determined. Local concerns with expanding Millerton Lake center on possible inundation of recreation resources and lack of consensus of uses of the "extra" water. Other projects, such as Red Bank, should be reviewed, further.

- Mr. Jeff Phipps (private citizen) suggested that BDAC and other CALFED related groups need strategic, measurable objectives to frame their deliberations. Objectives are needed for development of assurances and the adaptive management strategy. He also provided advice on how to improve decision-making, communication and local involvement in the CALFED process.

#### **Chair's Report**

After lunch, Mr. Hildebrand, Chair Madigan and Lester Snow discussed the fact that the Program decided in 1995 that a San Joaquin Valley drain would not be part of the CALFED Program.

#### **BDAC Assessment and Proposed Changes to BDAC and Related Work Groups (continued)**

BDAC reviewed each of the work group recommendations in the written BDAC assessment report. The Council agreed that the focus of the Assurances Work Group should be narrowed to deal exclusively with governance issues. Membership of the newly named Governance Work Group includes Hap Dunning, EZE Burts (co-chairs), Stu Pyle, Roberta Borgonovo, Byron Buck, Bob Raab, and a member of the CALFED Policy Group (agency decision-makers).

The Council agreed that the Watershed Work Group should continue its work. No new members were assigned to the Group, although it was acknowledged that Martha Davis will remain as co-chair and that new BDAC members should be appointed in the future.

The Council agreed that the Ecosystem Restoration Work Group should remain in existence to help the Program plan for a spring 1999 workshop on the Ecosystem Restoration Strategic Plan. Membership of the Work Group will include Roberta Borgonovo (Chair) and Gene Andreuccetti.

BDAC agreed that the Finance Work Group should either be retired or renamed and restructured. The Chair asked that staff suggest a strategy at the next BDAC meeting.

BDAC agreed that the Water Transfers Work Group be retired and that remaining issues be addressed in other forums that have broad stakeholder participation. Technical discussions on water transfers will be reported to the Council.

#### **Progress Report on Agricultural Water Use Efficiency (Tom Gohring and Bennett Brooks)**

Ms. Selkirk introduced the topic. Tom Gohring (CALFED Program staff) and Bennett Brooks (CALFED consultant) reviewed the results of stakeholder discussions on agriculture water use efficiency. The Program is using a two track approach for addressing the key issue of how to estimate agriculture conservation potential in a credible way.

The key policy issue is figuring out how CALFED can assure agricultural water conservation potential. Guiding principles for discussions include a commitment to a credible process, relevant/timely work products, strong stakeholder involvement, small group size, strong direction but flexible parameters, and neutral facilitation. Discussions have resulted in broad stakeholder participation, agreement on key concepts, emerging consensus around pressing issues, and a foundation for continued discussion.

Recommendations from a facilitated technical panel discussion included the need to: refine and utilize the flow path tool, use measurable objectives to track outcomes, develop conceptual models, use economic screening of alternatives, structure a package of assurances, foster cross-disciplinary dialogue, build on earlier work, move towards measuring surface and groundwater use, develop baseline data, and critique chapter 4 of the Water Use Efficiency report.

#### **Discussion**

Ms. Borgonovo, Mr. Dunning, discussed with Mr. Gohring and Steve Shaffer (California Department of Food and Agriculture) use of the flow path tool. Use of the tool, which tracks the amount of water that enters and leaves the system, demonstrates there are no irrecoverable losses.

Mr. Pyle, Mr. Izmirian and Mr Goring discussed that two areas of disagreement are the need to meter diversions at each turnout and use of incentives and water pricing to encourage water

conservation. Measurement and the method of measuring should be flexible and transfer of water to other uses was beyond the scope of the discussions.

Mr. Meacher, Vice Chair McPeak, Mr. Dunning, Mr. Gohring and Lester Snow discussed the need for comprehensive monitoring of flow and groundwater use. Discussions will likely need to integrate watershed and other issues. There may be a need for a focused workshop on groundwater management.

Mr. Shaffer wrapped up discussion by informing BDAC that in 1999 the Program will conduct strategic planning and develop measurable objectives.

### **Governance Issues Update (Hap Dunning)**

Mr. Dunning opened discussion by reviewing the meeting summary from the January 12, 1999 Assurances Work Group meeting, handed out at the BDAC meeting. Two main points from the meeting were that certain functions related to implementation of the Program and others relate to oversight. The group was in general agreement that functions for overall CALFED management should focus on oversight, and that there may not be a need for a new oversight entity.

### **Discussion**

- Chair Madigan, BDAC member Bob Raab, Mr. Burts, Mr. Buck, and Tom Hagler (EPA) discussed the appropriate role for the federal agencies in the short and long term. Active involvement of federal agencies was the lynch pin for keeping the CALFED process together in the last few months. However, the federal agencies do not support creation of a new state/federal entity. A possible interim solution is to strengthen the current relationship between the agencies. A long term solution may be to establish a state joint powers authority (JPA) and involve the federal agencies through a memorandum of understanding with the JPA. Perhaps an even stronger link between the state and federal agencies is needed for the long term. Regardless of the solution, the stakeholders and BDAC should be on the forefront of this issue.
- Lester Snow, Mr. Dunning, Mr. Hildebrand, Ms. Borgonovo, Chair Madigan discussed a strategy for moving forward on the issue of governance. The legislature will likely consider management structures for CALFED and the Ecosystem Restoration Program (ERP). The Program and BDAC need to continue discussion on this issue and come forward with recommendations. It may make sense to concentrate on developing a recommendation for overall management before proceeding much more on ERP management. However, there is more consensus on the need for a new ERP management entity and perhaps exploring options, such as a conservancy, is prudent. The new Governance Work Group will present the results of its discussions at the next BDAC meeting in March.

Chair Madigan adjourned the meeting at 3:20 pm, after having asked for public comment and receiving no additional requests to address BDAC.