

**BDAC Water Use Efficiency Work Group  
Meeting Summary  
March 27, 1997**

The ninth meeting of the BDAC Water Use Efficiency Work Group was held on Thursday March 27, 1997 at the Resources Building from 1:00 to 4:00 p.m.

*(Some attendees who arrived late and/or who did not sign in are not listed below)*

BDAC Members present were:

Judith Redmond, Chair	Roberta Borgonovo	Richard Izmirian
Stu Pyle	Mary Selkirk	

Invited Participants of the Work Group present were:

Byron Buck	Ronnie Cohen	Ed Craddock
Mary Ann Dickinson	Bill Jacoby	Lance Johnson
Steve Kasower	Marsha Prillwitz	Nancy Yoshikawa

CALFED Staff/Consultant Team present were:

Rick Soehren	Mike Heaton	Greg Young
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Other Participants included:

Michael Alves	Lynn Barris	Linda Cole
Mary Lou Cotton	Bill DuBois	Connor Everts
Wilton Fryer	Ray Hoagland	Wendy Iwata
Karen Kianpour	Betsy Reifsnider	Andrew Sienkiewics
Lora Steere	Jeanette Thomas	Sarah West

Judith opened the meeting with introductions and a quick review of the agenda. CALFED wants to make sure they have a good sense of the remaining issues and what ideas exist to move forward on any of them. Some time will be allotted to discussing the issues. The meeting will also include discussion of the draft water recycling approach.

Rick Soehren gave a brief overview of the six issues as mailed to Work Group participants and as discussed at the March 20 public workshop. The public workshop had approximately 130 participants. Some of the input received at the workshop has been included in an issue summary discussion paper that was distributed at the start of this meeting. The statements presented under each issue are a distillation of comments and opinions that have been expressed over the past several months.

A question was raised regarding the timetable for a revision of the water use efficiency component approach. Rick stated that the component will be revised, but there is not a clear

direction for change at this time. Some issues may not be resolved until late summer or early fall when a more comprehensive package of assurances are developed.

**Issue 1 - Purpose of the Water Use Efficiency Component**

Several of the positions of various stakeholders were restated with no new ideas being developed. However, it was noted that the issue revolves around the difference between water supply and water supply reliability. Most water users, it was noted, will implement conservation measures to improve water supply reliability - one of the CALFED objectives. Securing a water supply for environmental purposes is a separate issue and most workshop and Work Group participants do not view it as the responsibility of this Work Group. It is the desire of some representatives to have the component allow for demand reduction in order to contribute to a workable non-structural alternative. There was a desire by the group for a definition from CALFED on supply reliability; what does it mean and how it will be analyzed for the Programmatic EIR/EIS?

**Issue 2 - Land Retirement**

One of the bulleted statements on the draft issue summary paper stated that the agricultural community is split on the notion of land retirement. It was suggested that this sentence be removed, since no real survey was done so there is no definition as to the "split". The discussion by Work Group members centered on the validity of including land use changes and resulting water management changes for development of water supplies. It was stated that most land use decisions are economically based, and crop selection is the result of many economic factors.

The primary issue related to land retirement is whether or not to have a structured government strategy to target lands for the purpose of water supply. The CALFED alternatives do not include land retirement in this way. Rick Soehren stated that CALFED is in the process of component refinement and starting component integration. This includes an effort to quantify the amount of land use changes that may occur as a result of the various CALFED components, namely ecosystem restoration and water quality. This total estimate of land use change may be useful for a discussion on land retirement for water supply purposes.

Work Group members noted that agricultural land is being converted to urban uses at a rapid rate. As a result, agricultural water use has actually gone down (statewide) and urban use is continuing to increase.

**Issue 3 - Water Measurement and Conservation Pricing**

Some participants in the Work Group and workshop believe it will be possible to move forward with the use of both the AB 3616 approach and the CVPIA approach. This could be accomplished by relying on the AB 3616 approach as a basis, and including the CVPIA approach for those who want "new" CALFED water or want to engage in water transfers.

It was also noted that proposition 218 may require measurement (possibly metering) by water agencies prior to passing rate increases along to customers. This may make some of this measurement issue moot.

#### Issue 4 - Cost Effectiveness

Who is going to perform cost-effectiveness determinations? That was a main question from some Work Group members. There seems to be consensus that many people want to see cost-effectiveness analysis include regional and statewide benefits, in addition to the local benefits. The California Urban Water Conservation Council has recently finished a new guidebook on cost-effectiveness analysis. The methodology includes a larger look at regional and statewide benefits. The primary purpose for this expanded focus was to provide a consistent basis for analysis and to attract more outside funding sources. The AB 3616 net benefit analysis also includes a broader look at benefits. However, unlike the urban approach which is quantitative, the net benefit analysis is only qualitative. Work Group members suggested that CALFED agencies undertake an effort to improve the cost-effectiveness analysis methods available for agriculture.

Concern was expressed that some water agencies will be forced to implement measures that are not cost-effective, even though CALFED has repeatedly stressed the implementation of cost-effective measures. Furthermore, Rick Soehren stated that CALFED will ensure lack of funding is not an impediment to implementation of cost-effective measures. The issue then becomes one of an assurance.

A question was raised as to ownership of water associated with efficiency improvements. Several participants agreed that this is defined by the transaction associated with the improvement. It basically is a water transfer if dollars are exchanged for benefits. It was stated that if CALFED is funding efficiency improvements and is also looking for ecosystem water, then there should be some sharing of benefit. This is what occurs with CVPIA funding, it was stated.

The issue of statewide versus local benefit was raised with regard to water recycling. For instance, it was stated, if Sacramento recycles, there is no water supply benefit from a statewide perspective, but it can be advantageous locally. However, there can be statewide water quality or other benefits. It was noted that the economics of a cost/benefit analysis must be viewed over the long-term. Also, when large wholesalers get involved (e.g., Metropolitan Water District), they can achieve economies of scale to help subsidize local projects for the benefit of the larger region.

### **Issue 5 - Assurances of Agricultural Efficiency**

In response to a question, Rick Soehren restated that the 2-year term was selected for the assurance mechanism for two reasons: 1) this is the length of time presented in the MOU itself for completion and adoption of water management plans, and 2) the length of time available for development of all assurances is constrained - concern exists that if an assurance is not included as part of the CALFED package of assurances, it would be too late. One work Group member suggested that the time needs to be extended to four or five years. In addition, a subsequent assurance mechanism that relies on legislation to accomplish what agricultural interests will not do voluntarily will not be successful because agricultural interests will be able to influence legislation.

The intent of the assurance, it was felt, was not to create a heavy regulatory burden, but to ensure that the program moves forward. It was pointed out that many present in this meeting were involved seven years ago and there has been an opportunity to advance quicker.

Judith suggested that the assurance issue be referred to the Assurances Work Group, with the issues presented, for their inclusion into a larger set of assurance needs. The Work Group was comfortable with this approach.

It was noted that the different papers make reference to different time periods. Some say "2 years" others state "by January 1, 1999". Reference to a trigger date should be consistent document to document. CALFED will address any inconsistency.

### **Issue 6 - Assurances of Urban Efficiency**

Similar to agricultural efficiency assurances, this issue will be referred to the Assurance Work Group. One comment was provided, though. It was suggested that a bullet be added to state that there is general agreement to develop a method for assuring more widespread implementation of the BMPs.

It was noted by Mike Heaton, a member of the Assurance Work Group, that the purpose of assurances must be kept in mind. Assurances are developed to ensure a process, they are not designed to guarantee outcomes. The Assurances Work Group is working on a case-study to attempt to refine the integration of actions and the various levels of assurances necessary to make a solution workable. Environmental interests noted that they were sympathetic to the inability to assure results, but assurance of results is important to them. It is easier for the environmental interests to accept the desires of water users for more flexibility if there are definite results assured. Less assurance on results must be balanced with less flexibility.

## **Other Issues**

It was felt by some that CALFED should not infer that it is relying on independent stakeholder groups for a lead on any issue. The example was given of the CUWA/EWC effort to modify the urban BMPs. Reference is made in the draft text to this effort. It would be more appropriate to just state stakeholder input and not be specific.

## **Update on the Agricultural MOU**

Ed Craddock gave an update on signatories to the AB 3616 MOU. Glenn-Colusa Irrigation District has just signed which brings the total acreage of irrigation district signatories to just over 2 million. This is enough to start the Agricultural Council as directed in the MOU. The Council will first meet sometime near the end of June. The MOU currently has 45 signatories. The only environmental signatory to date is Californians Against Waste (CAW). A Work Group participant noted that the CAW representative on the Agricultural Council is someone who has long been associated with agricultural interests. This is likely to jeopardize the perceived balance of the Council.

## **Update on the Effective Use of Environmental Diversions Approach**

Rick Soehren gave a brief update on the approach being drafted. Joel Miller of the U.S. Fish and Wildlife Service has told Rick that a consultant has been selected to aid in the development of the Interagency Coordinated Program. They are planning to have the first public meeting in April or May. It was noted by one participant that drain water from refuges is becoming more recognized as one of the contributors of salts and contaminants to the San Joaquin River. The refuges' surface drainage salinity levels, it was stated, are on par with subsurface (tile) agricultural drainage.

## **Water Recycling Approach**

Steve Kasower gave the Work Group a quick overview of the draft urban water recycling approach paper. The Urban Water Management Planning Act now requires agencies to perform feasibility analysis for recycling projects. The draft approach will emphasize this planning and look to DWR to certify agency water management plans. The draft approach is similar to that for urban conservation. It requires completion of planning efforts and where cost-effective, implementation of planned measures. It also is supported by technical, planning, and financial assistance programs. Assurances are not included at this time. Work Group participants suggested that mechanisms need to be included to ensure feasible projects are actually implemented.

A question was raised as to the limits CALFED may place on the geographic scope of projects. For instance, should a water district that relies on groundwater and that disposes of the

wastewater through evaporation ponds be included in CALFED's geographic scope? This concern stems from the notion that CALFED funding used for recycling programs may be generated through user fees. If there is no benefit to the Delta or its tributaries, then should it be funded? Steve commented that this as well as related questions still need to be answered. Because of the hydraulic connections in the state, it is possible that recycling in most areas can result in Bay-Delta benefits, though possibly other than water supply.

A question was asked regarding the mismatch between recycling projections from local agencies, versus those of the WaterReuse Association, versus what has actually been implemented. There is large discrepancy between what has been implemented versus what was projected. Is there a role for CALFED to provide leadership in setting parameters for levels of effort? For instance, most local projections are developed internally by district staff. Can CALFED create a more common platform for projecting potentials? Currently, according to Steve, there are projects "on the shelf" that have been identified with over 300,000 acre-feet of recycled water. CALFED can be a great vehicle to encourage implementation of these plans. The focus needs to be on educating municipalities about what shortages actually mean to them and that they need to seriously consider them. One benefit is that recycled water can become a locally controlled water supply. It was stated that MWD is increasing its recycling activity. It was cautioned, however, that these projects are difficult to implement and take time to get started and that is why projections have not been reached. Some of the issues include public acceptance, growth that does not occur, time needed to secure regulatory approvals, local disruption associated with installation of new distribution systems beneath streets, and capital cost.

A question was raised regarding whether or not the numbers presented included only flows that are discharged to salt sinks or all flows. Steve stated that flows include what is defined under Title 22. This does include flows that otherwise would contribute to instream flow rates.

It was stated that it would be a good idea to have a better planning standard for recycling projects and that the CUWA handbook will help in this regard.

Concern was expressed with regard to developing a recycling BMP. It was felt that not much additional benefit would be derived in addition to what occurs through the Urban Water Management Planning Act. Others felt that it would make sense to bring the idea of a recycling BMP to the CUWCC again for consideration. Byron Buck stated he would bring the request for a recycling BMP to the CUWCC for their official comment.

It was stated that recycling is becoming increasingly limited by the salinity in the potable supply. This is especially true in drought periods when recycled water is very much in need.

It was noted that the Central California Regional Water Recycling Project is preparing a memo to send to CALFED regarding potential recycling quantities of that project.

**Next Meeting**

No future meetings of the Work Group were scheduled. CALFED staff will review written comments on recycling and other comments on the water use efficiency common program and revise the program description accordingly.