

DELTA STEWARDSHIP COUNCIL
June 14-15, 2012
Holiday Inn Capitol Plaza – California Room
300 J Street, Sacramento, California

REVISED
MEETING SUMMARY

Thursday, June 14, 2012, 10:00 a.m. – 4:30 p.m.

1. Welcome and Introductions

The meeting was called to order at 10:02 a.m., June 14, 2012, by Chair Phillip Isenberg.

2. Roll Call – Establish a Quorum (Water Code §85210.5)

Roll call was taken and a quorum was established. The following members were present: Hank Nordhoff, Patrick Johnston, Gloria Gray, Felicia Marcus, Randy Fiorini, Phillip Isenberg, and Don Nottoli (arrived at 10:45 a.m.).

Following the establishment of the quorum, Chair Isenberg announced that the Council was going into Closed Session and the Chair's Report would be heard when they reconvened for the Open Session of the meeting.

3. Closed Session – (Not open to the public) Personnel (Government Code §11126(a)(1)) (Action Item)

At 10:05 a.m., the Open Session of the Council meeting recessed. The Closed Session was opened at 10:07 a.m. with Chair Isenberg presiding. The Closed Session adjourned at 10:50 a.m.

4. Reconvene Open Session

The Council reconvened in Open Session at 11:00 a.m. Chair Isenberg briefly updated those in attendance of the progress made on the recruitment of the Executive Officer.

5. Chair's Report

Chair Isenberg said that he attended the Special Committee of the State Assembly on the Governor's Reorganization Plan on June 13, 2012 along with Natural Resources Agency John Laird to provide testimony on the Governor's proposed Reorganization Plan. At the meeting, Secretary Laird announced the Administration's intention to withdraw the request for the Delta Stewardship Council to become an entity of the Natural Resources Agency as proposed in the Reorganization Plan submitted to the Little Hoover Commission in March 2012. Chair Isenberg stated that the decision would

allow the Council to remain an independent body as stated in the Delta Reform Act and the Council appreciated the Governor's decision.

6. Executive Officer's Report (Information Item)

Mr. Grindstaff began the Executive Officer's Report by giving a preview of the meeting and discussed the proposed motions that would be used at the conclusion of the meeting and the staff draft proposed motion that would be used at the June 28-29, 2012 meeting. The proposed motions were posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/motion_0.pdf. Mr. Grindstaff also stated the Council would hear from two panels of stakeholders, assembled by staff, to assist in the review and discussion of the final staff draft Delta Plan. He briefly discussed the process for addressing comments received and stated that most of the comments been previously heard by the Council.

Finally, Mr. Grindstaff went over the materials provided to the Council as handouts that morning. The handouts included the following:

- Listing of Water Related Legislation
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_6_Legislative_Update.pdf.
- Agenda Item 8a, Attachment 1, Memo-Review of the 6th Staff Draft of the Delta Plan
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_8_Attach_1_6.pdf
- Agenda Item 8a, Attachment 2, Memo-Initial Recommendations for Integrating BDCP Science and for Improving the Reviewability of Draft BDCP Documents
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_8_Attach_2_5.pdf
- Agenda Item 9, Policies and Recommendations
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_9_Attach_FINAL%20STAFF%20DRAFT%20Policies%20and%20Recommendations_0.pdf
- Agenda Item 9, Performance Measures
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_9_Attach_Performance%20Measures_from_Final_Staff_Draft_by_Chapter_0.pdf
- Agenda Item 9, Staff Errata List
http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_9_Attach_Substative_Staff_Changes_Matrix%2006082012_Council%20Mtg.pdf
- Agenda Item 9, Open Issues List
http://deltacouncil.ca.gov/sites/default/files/documents/files/Open_Items_6-13-12_Final.pdf

a. Legal Update

Chief Counsel Chris Stevens briefed the Council on bills that could potentially affect the definitions of covered actions in statute. SB 1495 (Wolk), proposed by the Port of Stockton, would give the Port a statutory exemption for specified leases approved for

routine dredging activities necessary for maintenance of the Port's facilities. Mr. Stevens stated staff will continue to monitor the bill.

Mr. Stevens then introduced Ms. Tori Sundheim, the legal intern from McGeorge School of Law, who presented the Legal Update on cases that are relevant to the Delta Plan.

Ms. Sundheim's update was posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Legal%20Update%20June%202012.pdf>

7. Adoption of May 24, 2012 Meeting Summary (Action Item)

Chair Isenberg asked if there were any questions, suggestions or comments from the Council or the public regarding the May 24, 2012, Meeting Summary. Chair Isenberg requested that links to the documents that were included in the motions on page 5 of the May 24, 2012 Meeting Summary be added.

Chair Isenberg asked if there were any other questions or comments and, as there were none, it was moved (Johnston) and seconded (Nottoli) to approve the May 24, 2012 meeting summary as amended. A vote was taken (6/0: Nordhoff, Johnston, Gray, Fiorini, Isenberg, Nottoli. Council member Marcus, who was absent from the May 24 meeting, abstained from the vote) and the motion was adopted.

The revised meeting summary was posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_7_May_24_2012_REV_ISED_Meeting_Summary.pdf

8. Delta Independent Science Board Report (Water Code §85280(a)(4))

(Information Item)

a. Chair's Report

The Delta Independent Science Board Chair's Report was presented by Dr. Richard Norgaard, who briefed the Council on the Delta ISB's final memos reflecting discussions at the June 8, 2012 ISB public teleconference. The final memo on the ISB's review of the Final Staff Draft Delta Plan was posted at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_8_Attach_1_6.pdf and

the memo on integrating BDCP science, attachment 2, was posted at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_8_Attach_2_5.pdf. Dr.

Norgaard stated that the Delta ISB had discussed ideas about how to approach its review of the BDCP Draft Environmental Report/Environmental Impact Statement when it was released. Meeting materials from the June 8, 2012 teleconference were posted online at <http://www.deltacouncil.ca.gov/science-board/isb-meetings>.

Throughout the Delta ISB Chair's Report, Dr. Norgaard answered Council members' questions and provided clarification.

Public Comment – Agenda Item 8a:

Eric Ringleberg, Local Agencies of the North Delta, thanked the Delta Independent Science Board for the great job they had done in the review of the draft BDCP documents. Mr. Ringelberg stated a comment letter on the final draft Delta Plan that incorporated his comments had been submitted and is posted on the Council website at <http://deltacouncil.ca.gov/sites/default/files/documents/files/LAND%20061312.pdf>

Following the Public Comment for Agenda Item 8 and introduction to Agenda Item 9 by Mr. Grindstaff, the Council recessed for lunch at 11:50 a.m. and reconvened the meeting at 12:50 p.m.

9. Delta Plan (Water Code §85300 (a) (Action Item)

(Note: The Delta Plan agenda item was continued on Friday, June 15, 2012.)

a. Review of Sixth Staff Draft Delta Plan

Mr. Grindstaff opened the discussion of Agenda Item 9 by giving an overview of the final draft and commending staff on its development. The Final Staff Draft Delta Plan was reviewed chapter by chapter, beginning with Chapter 2. The Open Issues table was also used in the discussion. The table can be found at this web address:

http://deltacouncil.ca.gov/sites/default/files/documents/files/Open_Items_6-13-12_Final.pdf

Staff assembled two panels of stakeholders to assist in the review and discussion of the Final Staff Draft Delta Plan. The Council's Chief Deputy Executive Officer, Dan Ray served as the moderator. Each panelist made a brief presentation on their overall impressions of the draft plan and what they believed to be the key issues as well as specific recommendations to the Council. The first Stakeholder Panel included: Mark Rentz, Association of California Water Agencies; Greg Zlotnick, State and Federal Contractors Water Agency; Carl Wilcox, Department of Fish and Game; Dale Hoffman-Floreke, Department of Water Resources; Mike Machado, Delta Protection Commission, Gary Bobker, The Bay Institute for Cynthia Koehler, Environmental Defense Fund; and Tom Zuckerman, Central Delta Water Agency.

Mr. Bobker provided written comments that are posted at

http://deltacouncil.ca.gov/sites/default/files/documents/files/TBI_061512.pdf

and the Bay Institute, Natural Resources Defense Council and Defenders of Wildlife provided written comments that are posted at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/NRDC%20TBI%20Defenders%20061312.pdf>. Mr. Zuckerman provided written comments that are posted on the

Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Zuckerman_061412.pdf

The Council was able to review the document through Chapter 4 the first day of the meeting. Throughout the discussions of each chapter, the Council members heard the Stakeholder comments, requested clarification, and provided their comments. Public Comment was heard after each chapter discussion.

Public Comment – Chapter 2

Paul Gosselin, Butte County, stated the County's Board of Supervisors is opposed to streamlining water transfer programs if they preempt local authority. Written comments were submitted and are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Butte%20County%20061212.pdf>

Charles Gardiner, Delta Vision Foundation, stated he felt it was fundamental to expand the emphasis on performance management. The DVF submitted written comments that are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Delta%20Vision%20Foundation%20061312.pdf>

Steve Ottemoeller, Friant Water Authority, urged the Council to use the language in the 5th staff draft. He felt the transfer exemption language did not add anything but an extra layer of complication. He urged the Council to revert to the language in the 5th staff draft.

Joshua Horowitz, Browns Valley Irrigation District for the Water Transfers Group, stated the District preferred the transfer language in the 5th staff draft. The Water Transfers Group submitted written comments that are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Water%20Transfer%20Group%20061312.pdf>

Anjanette Shadley Martin, Western Canal Water District, stated that Western Canal Water District's comments are included with the comments submitted with the Water Transfers Group. The comments are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Water%20Transfer%20Group%20061312.pdf>

Public Comment – Chapter 3

Doug Wallace, East Bay Municipal Utilities District, requested clarification as to the basis for reduced reliance and stated he felt WR P1 should be revised to make it clear that suppliers could meet the policy by contributing to regional efforts. Mr. Wallace also requested clarification as to what the baseline was to reduce reliance. Written comments were submitted and are posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/EBMUD_061212.pdf

David Guy, Northern California Water Agency, on behalf of the North State Water Alliance, expressed concern with the issues of reduced reliance on the Delta and

increased regional self-reliance with respect to water supplies in Northern California within the Delta Watershed. Written comments were submitted and are posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/NSWA_061212.pdf

Ryan Bezerra, Barkewitz, Kronick & Shanahan on behalf of the upstream agencies, commented on the coequal goals and reducing reliance on the Delta, pg. 78, lines 13-18. Written comments were submitted and are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/BKS%20061312.pdf>

Jan Goldsmith, representing Placer County Water Agency, had several suggested language changes for the policies in Chapter 3. Written comments were submitted and are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/PCWA%20061212.pdf>

Kathy Manion, Regional Council of Rural Counties commented on the misinterpretation of Section 85021 and the use of the word “watershed.” Written comments were submitted and are posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/RCRC_060512.pdf

Steve Ottemoeller, Friant Water Authority, stated he agreed with the Water Districts regarding reduced reliance on the Delta and agreed with the other water districts misinterpretation of use of the word “watershed.” He stated he didn’t think it was meant to reduce current reliance on the Delta for current water supplies. Mr. Ottemoeller also commented on a plan the Bureau of Reclamation was working on to recapture and recirculate water.

Charles Gardiner, Delta Vision Foundation, commented on the challenge of linkages in the chapter and the importance of levees in improving water supply reliability. Mr. Gardiner also felt that near-term projects/actions were lacking in the document. The DVF submitted written comments that are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Delta%20Vision%20Foundation%20061312.pdf>

Eric Ringelberg, Local Agencies of the North Delta, stated that his agency was reliant solely on river water and spoke on the impacts of agricultural use of water in the Delta. Mr. Ringelberg stated that a comment letter on the final draft Delta Plan that incorporated his comments had been submitted. The letter is posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/LAND%20061312.pdf>

Following the Public Comment on Chapter 3, a motion was made to direct the staff to include the proposed staff language for WR P1, WR P2, and WR R15 based on the days’ discussions on the Delta Plan that will be reviewed at the June 28-29, 2012

meeting. The proposed staff language to be used is included in the Open Issues document, http://deltacouncil.ca.gov/sites/default/files/documents/files/Open_Items_6-13-12_Final.pdf. It was moved (Johnston) and seconded (Nordhoff). A vote was taken (7/0: Nordhoff, Johnston, Gray, Marcus, Fiorini, Isenberg, Nottoli) and the motion adopted.

The Council recessed at 4:10 p.m. for 5 minutes, reconvening at 4:15 p.m.

Public Comment – Chapter 4

Charles Gardiner, Delta Vision Foundation, commented on references in the chapter for “more natural functional flow patterns.” Mr. Gardiner stated that best available science says it is a problem. He requested clarification as to what the problem was and what direction the State should head to solve the problem. Mr. Gardner also suggested the Plan should be consistent in how the goals were structured in each chapter as well as including them in the Executive Summary. The Delta Vision Foundation submitted written comments that are posted on the Council website at <http://deltacouncil.ca.gov/sites/default/files/documents/files/Delta%20Vision%20Foundat ion%20061312.pdf>

Audrey Kelm, O’Laughlin and Parris, referring to page 126, line 35, stated using flow as a master variable was sending the wrong message. Chair Isenberg requested Ms. Kelm submit her suggested changes to the language in writing.

10. Public Comment

Chair Isenberg asked if there were any members of the public wishing to address the Council and comments were provided by:

Doug Wallace, East Bay Municipal Utilities District, who commented on Chapter 8 because he could not attend Friday’s meeting stated that the development of a beneficiary pays alternative was the most promising to build support among the Delta stakeholders. He also discussed a “stressor pays” fee system and felt it also held some promise. Written comments were submitted and are posted at http://deltacouncil.ca.gov/sites/default/files/documents/files/EBMUD_061212.pdf

The meeting adjourned for the day at 5:37 p.m.

Friday, June 15, 2012, 9:00 a.m. – 3:30 p.m.

11. Call to Order

The meeting was called to order at 9:04 a.m., with Chair Isenberg presiding

12. Roll Call – Establish a Quorum (Water Code §85210.5)

Roll call was taken and a quorum was established. The following members were present: Hank Nordhoff, Patrick Johnston, Gloria Gray, Felicia Marcus, Randy Fiorini, Phillip Isenberg, and Don Nottoli.

13. Delta Plan (Water Code §85300 (a) (Action Item))

Joe Grindstaff opened Agenda Item 13 by summarizing the previous day's (June 14, 2012) discussion. Mr. Grindstaff stated that many of the non-substantial issues were not covered. However, at the June 28-29 meeting, all issues will have been discussed. Mr. Grindstaff expects the Council to take a position in the next few months on the implementation committee, short-term projects, and a levee prioritization project. He also expects the Council to be heavily involved in commenting on BDCP, the Delta Science Plan, a finance plan and a governance recommendation.

The Delta Plan agenda item began with a continuation of the Stakeholder Panel Discussion from the previous day. The panel participants were Mark Rentz, Association of California Water Agencies; Greg Zlotnick, State and Federal Contractors Water Agency; Carl Wilcox, Department of Fish and Game; Gary Bardini for Dale Hoffman-Floreke, Department of Water Resources; Mike Machado, Delta Protection Commission; Cynthia Koehler, Environmental Defense Fund; Barry Nelson, Natural Resources Defense Council; Tom Zuckerman, Central Delta Water Agency. Dan Ray moderated the panel and opened the discussion, working from the Open Issues list, beginning with Chapter 5, DP P1. Mr. Ray stated that Bethel Island was the focus of the discussion of the policy in Chapter 5.

Public Comment – Chapter 5

Tony Berzinas, Bethel Island Municipal Improvement District, commented on the legacy community designation for Bethel Island, levee improvements, and emergency preparedness. Mr. Berzinas stated he felt the draft plan had conflicts in costs and cost sharing, upstream diversions and water quality/salinity. Written comments were received and are posted at http://deltacouncil.ca.gov/sites/default/files/documents/files/Berzinas_061512.pdf. Mr. Berzinas stated he will send additional written comments.

Lisa Kirk, provided comments on Bethel Island. Ms. Kirk stated the island is a varied community made up of agricultural, recreational and residential development. Ms. Kirk made comments on levee upgrades done on Bethel Island and spoke on the urban limit line. Ms. Kirk stated she felt the legacy community status was important and urged the Council to include Bethel Island in the designation. Ms. Kirk provided materials that are posted at http://deltacouncil.ca.gov/sites/default/files/documents/files/Kirk_Bethel%20Island_%20061512.pdf.

Jody Mazzarella, clarified what she said were misleading statements made during the April 26, 2012 Council meeting on the Island's new bridge, parcel taxes to repair the levees and make improvements, funding, and the emergency flood preparedness activities that are being done. Ms. Mazzarella provided written comments that are posted on at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Mazzarella_061512.pdf

Eric Ringelberg, Local Agencies of the North Delta, regarding RD 554, Mr. Ringelberg stated he was concerned about the boundary and submitted comments that are posted at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Ringleberg%20062112.pdf>

Public Comment – Chapter 6

Richard Denton, Contra Costa County Water District, made comments on the lack of water quality policies in the final staff draft Delta Plan. Written comments were submitted and are posted at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/CCWD%20061312.pdf>

Following the public comment on Chapter 6, the Council recessed for lunch at 1:08 p.m. and reconvened at 1:50 p.m.

Public Comment – Chapter 7

Charles Gardiner, Delta Vision Foundation, felt the chapter was in need of near-term actions, levee investments, and secure water supply systems in the immediate and near-term. Mr. Gardiner also commented on levee prioritization. The DVF submitted written comments that are posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Delta%20Vision%20Foundation%20061312.pdf>

Following the public comment for Chapter 7, the second Stakeholder Panel assembled to discuss Chapter 8 – Funding Principles. The panel began a discussion of the chapter. The Stakeholder Panel included Mark Rentz, Association of California Water Agencies, Ellen Hanak, Public Policy Institute of California, Barry Nelson, Natural Resources Defense Council and Charles Gardiner, Delta Vision Foundation. Mr. Gardiner, Delta Vision Foundation, provided written materials posted at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Gardiner_061512.pdf.

Ms. Hanak, PPIC, provided written materials posted at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/Hanak%20062112.pdf>.

Throughout the discussion of Chapter 8, the Council members heard the Stakeholder comments, requested clarification, and provided their comments to staff.

Council member Fiorini requested that staff assemble a workshop to discuss the financing. Mr. Fiorini requested the workshop review current spending (state and federal) and receive an analysis of the review, identify all projects/programs/directives in the Delta Plan and assign dollar amounts (Delta Plan Budget) in spreadsheet form. He

also asked that sources of funding be identified to a particular expenditure, and then identify the gaps. It was moved (Johnston) and seconded (Isenberg) to coordinate the workshop for the Finance Plan. A vote was taken (5/0: Johnston, Marcus, Fiorini, Isenberg, Nottoli) and the motion adopted.

Public Comment – Chapter 8

Greg Zlotnick, State and Federal Contractors Water Agency, offered specific suggestions for language changes in Chapter 8. He suggested that on page 291 lines 16-18 the bullet be deleted. Mr. Zlotnick didn't think the dollar amount (\$20 M) in the Appendix on Science should be determined until the Delta Science Plan has been developed. He also suggested an inventory of the dollars spent on science would be helpful. Mr. Zlotnick requested clarification of the cost benefit analysis discussion.

14. Public Comment

Chair Isenberg asked if there were any members of the public wishing to address the Council – there were none.

At the conclusion of the meeting it was moved (Nottoli) and seconded (Fiorini) to direct DSC Staff to:

- 1) Return at the next meeting (June 28-29) with proposed revised Delta Plan changes to the plan, reflecting the following:
 - a. Council Action Table, as updated to reflect discussions at the June 14-15 meeting,
 - b. DSC Staff "open issues" list, and
 - c. DSC staff errata list.
- 2) Prepare a redline version of the changes identified in the Council Action Table.

Staff shall organize the June 28-29 meeting as follows:

- 3) All staff or Council proposed changes resulting from the June 14-15 meeting, staff editing changes as subsequently discussed, and any additional changes directed by the Council will be reviewed at the meeting on June 28-29, with further changes, if any, at Council direction.

A vote was taken (5/0: Johnston, Marcus, Fiorini, Isenberg, Nottoli) and the motion was adopted.

15. Preparation for Next Council Meeting – Discuss (a) expected agenda items; (b) new work assignments for staff; (c) requests of other agencies; (d) other requests from Council members; and (e) confirm next meeting date – June 28-29, 2012, at the Ramada Inn and Suites in West Sacramento.

The meeting was adjourned at 3:50 p.m.