

***DRAFT 6/2/14 – SUBJECT TO CHANGE
For Review and Adoption by the DSC at the June 26, 2014 Meeting***

**DELTA STEWARDSHIP COUNCIL
May 29-30, 2014
Park Tower Plaza
Second Floor Conference Room
980 9th Street, Sacramento, CA 95814**

MEETING SUMMARY

Thursday, May 29, 2014, 9:00 a.m. – 4:00 p.m.

1. Welcome and Introductions

The meeting was called to order at 9:03 a.m., May 29, 2014, by Chair Randy Fiorini.

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

Roll call was taken and a quorum was established. The following members were present: Patrick Johnston, Randy Fiorini, Phil Isenberg, Frank Damrell, Larry Ruhstaller, and Gloria Gray. After roll call the Council recessed at 9:05 a.m. for the Closed Executive Session.

**3. Closed Executive Session – (Not open to the public) (Action Item) Litigation:
Delta Stewardship Council Cases, Coordinated Proceeding JCCP No. 4758
(Government Code §11126 (e)(2)(a), (e)(2)(B)(i))**

The Closed Session (Litigation) convened at 9:10 a.m. and adjourned at 9:42 a.m., with Chair Randy Fiorini presiding.

4. Reconvene Open Session

Upon adjournment of the Closed Session, the Delta Stewardship Council reconvened in Open Session at 9:47 a.m.; Chair Fiorini stated that no action had been taken.

5. Chair's Report

Chair Fiorini began his report by formally announcing the appointment of Jessica Pearson as the Council's new Executive Officer. Ms. Pearson began her assignment on May 1, 2014. Chair Fiorini also announced that Council member Nordhoff's term had expired last month and Susan Tatayon, of the Nature Conservancy, had been appointed by the Governor to replace Mr. Nordhoff. Chair Fiorini expressed his appreciation for Mr. Nordhoff's service to the Council. Ms. Tatayon begins on June 1.

6. Executive Officer's Report (Information Item)

Executive Officer Jessica Pearson began with an overview of the agenda items scheduled for Thursday and Friday. Ms. Pearson highlighted the action items and briefly described them. Ms. Pearson updated the Council on activities in which she has been involved since the May meeting including the completion of contract negotiations with ARCADIS and workshops coordinated by the Science Program. Ms. Pearson stated that the focus of Thursday's agenda would be the review of the draft BDCP EIR/S in our Responsible Agency role under the Delta Reform Act and Friday's focus would include an update on the development of the Interim Science Action Agenda and the next steps in the development of the funding priorities for state investments in Delta Levees.

6a. Legislative Update

The Legislative Update was presented by the Council's fellow, Elizabeth Marsolais. An updated Bill Tracking Report was provided to the Council and is posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_6a_Updated_May_Bill_Tracking_Report_0.pdf

Ms. Marsolais discussed the Water Bond Comparison chart and the May Bill Tracking Report that were included with the meeting materials. The Water Bond Comparison chart highlighted the storage sections of each of the current water bond bills to show the similarities and differences as well as a general idea of how much funding is being allocated to storage in each bond. Ms. Marsolais' update is posted on the Council website at

<http://deltacouncil.ca.gov/sites/default/files/documents/files/May%20Leg%20Report%20Text.pdf>

Ms. Pearson briefed the Council on AB 2108 and stated it appears to conflict with the Delta Plan. Ms. Pearson stated the bill was headed to the Senate and recommended that the Council not take a position at this time. Vice Chair Isenberg stated that he was prepared to take a position on the bill, however Council members Ruhstaller and Johnston indicated they would prefer to hold off on taking a position. Ms. Pearson stated staff would continue to monitor the bill closely and report back to the Board with any updates.

Throughout the Legislative Update, Ms. Marsolais and Ms. Pearson answered Council members' questions and provided clarification.

6b. Legal Update

There was no Legal Update presented at this month's meeting.

6c. Approval of the San Francisco Estuary and Watershed Science Contract (Action Item)

Agenda Item 6c was presented by Dr. Rainer Hoenicke and Marina Brand. Dr. Hoenicke briefed the Council on the action item requesting the Council to authorize the

Executive Officer to enter into a new two-year contract to provide \$536,042 in Proposition 50 funds for continued publication of the *San Francisco Estuary and Watershed Science* online journal from July 1, 2014 to June 30, 2016. In-kind contributions in the amount of approximately \$460,000 will be provided by the California Digital Library, U.C. Davis, special issues requestors, and various other agencies, university and stakeholders.

Motion: (Offered by Damrell; seconded by Isenberg) to authorize the Executive Officer to enter into a new two year contract to provide \$536,042 Science Program Proposition 50 funds for continued publication of the *San Francisco Estuary and Watershed Science* online journal from July 1, 2014 to June 30, 2016.

Vote: (6/0: Johnston, Gray, Damrell, Ruhstaller, Fiorini, Isenberg) and the motion was adopted.

The video showing this vote can be found at <http://dsc.videosscc.com/archives/052914/> Agenda Item 6 Index 4. Archive Segment Number 6 of 46 at 03:42.

Following the Executive Officer's Update, Chair Fiorini asked if there were any members of the public who wished to comment. There were none.

7. Lead Scientist's Report

The Lead Scientist's Report was presented by Dr. Peter Goodwin. Dr. Goodwin congratulated Ms. Pearson on her appointment to the Executive Officer position and, on behalf of the science community, acknowledged Hank Nordhoff's service. Dr. Goodwin said he felt Mr. Nordhoff understood big science and how to connect a diffused science community around a common theme. Dr. Goodwin also acknowledged Dr. Sam Luoma regarding the online journal because Dr. Luoma has made scientific information more assessable through the journal.

Next, Dr. Goodwin gave an overview of the Lead Scientist's Report and highlighted the activities in which staff is involved such as the development of the Interim Science Action Agenda. The second big activity is the State of the Bay-Delta Science, which is basically a statement of where we are right now. This effort is led by Dr. Lauren Hastings, of the Delta Science Program and Darcy Austin, from USGS.

Dr. Goodwin made brief comments on the State Water Resources Control Board Delta Outflow Workshop, held on February 10-11 and the State Water Resources Control Board Interior Flows Workshop, held on April 16-17. Dr. Goodwin stated that he hoped to bring the report from the second workshop by the meeting in June. Dr. Goodwin also briefed the Council on several other collaborative science activities, including the Seminar on Emergency Techniques to Quantify the Effects of Environmental Change in Bay-Delta Organisms, held on May 12, 2014. Next Dr. Goodwin discussed the Science Steering Committee meeting that was held on May 27. Dr. Goodwin stated he would like this group to comment on the Science Action Agenda and the State of the Bay-Delta Science. During the first meeting a draft charge was developed. The staff lead

for this effort is Marina Brand. The final activity is the Environmental Data Summit to be held on June 5-6. Dr. Goodwin thanked Dr. Hoenicke and George Isaacs for their work on the Summit. Dr. Goodwin gave an overview of the Summit.

At the conclusion of Dr. Goodwin's updates, Meiling Roddham, the Sea Grant Fellow, provided a summary of the current numbers related to Delta water and environmental management. *By the Numbers*, was provided to the Council and is posted on the Council website at

http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_7_Attach_1_05_2014_By%20the%20Numbers_mr.pdf

Council member Ruhstaller asked about the effect of rising salinity, as measured by electrical conductivity (EC), on agriculture, including the types of crops that can be grown in saltier water. Sam Harader joined Ms. Roddham to explain the water quality standards and stated agriculture began to be affected when electrical conductivity was between 700-1,000 ECs. Mr. Harader felt 1,000 was a good reference point for the Delta because at 1,000 ECs there will start to be reduced productivity in the crops. Council member Ruhstaller requested the next time sampling takes place, he would like it done in the South Delta. Mr. Harader also clarified "preferred" with regard to salinity levels for Vice Chair Isenberg. Mr. Harader said for the state and federal water projects 500 ECs was what was meant by "preferred". Judge Damrell requested a discussion on water quality standards at a future meeting and Council member Ruhstaller suggested the panel include someone from Contra Costa Water District.

Finally Dr. Goodwin reviewed the predation workshops that were held last year in response to Chair Fiorini's request to hear where we are now with the outcomes from the workshops.

Throughout the Lead Scientist's Report, Dr. Goodwin answered Council members' questions and provided clarification. At the conclusion of Lead Scientist's Report, Chair Fiorini asked if there was any member of the public who wished to comment on this item. There were none.

8. Adoption of the April 24 2014 Meeting Summary (Action Item)

Chair Fiorini asked if there were any questions, suggestions or comments from the Council or public regarding the April 24, 2014, meeting summary. There were none.

Motion: (Offered by Isenberg; seconded by Gray) to approve the April 24, 2014, meeting summary.

Vote: (6/0: Johnston, Gray, Damrell, Ruhstaller, Fiorini, Isenberg) and the motion was adopted.

The video showing this vote can be found at <http://dsc.videoss.com/archives/052914/> Agenda Item 8. Archive Segment Number 9 of 46 at 00:09.

Following the approval of the meeting summary, the Council took a 10 minute recess, reconvening at 11:07 a.m.

9. Review of the Bay Delta Conservation Plan and Draft EIR/EIS (Action Item)

Chief Deputy Executive Officer Dan Ray provided introductory remarks about the agenda item and gave a brief overview of activities related to the BDCP and discussed the schedule for the day.

9a. BDCP and Delta Reform Acts and Goals

Mr. Ray was joined by Larry Roth, ARCADIS' project manager for BDCP. Mr. Ray and Mr. Roth presented a PowerPoint on How BDCP Addresses the Delta Reform Act's Goals and Objectives. The presentation is posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_9a_bdc%20and%20dra%20v3%20052814.pdf

Throughout the discussions of Agenda Item 9a, Mr. Ray and Mr. Roth heard Council members' comments, answered questions, and provided clarification.

Following completion of the first panel the Council recessed for lunch at 12:00 p.m., returning at 1:00 p.m. and continued Item 9 and the other panels' presentations.

9b. Independent Panel Review of BDCP Effects Analysis

Sam Harader made brief introductory comments about Item 9b, the Independent Panel Review of the BDCP Effects Analysis, then introduced Dr. Alex Parker who shared the findings of his panel. Dr. Parker provided highlights of the analysis that included four broad themes. The first theme stated the BDCP Effects Analysis (Chapter 5) document was difficult to review and comprehend and it was not a stand-alone document, as it relied on the associated appendices and other chapters for the presentation of scientific information, with insufficient guidance for the reader. The second theme Dr. Parker described was a "disconnect" between the assessments of the levels of scientific uncertainty present in Chapter 5 versus what was reported in the technical appendices. The third major theme was the lack of an integrated assessment of net effects that resulted from the lack of a "systems" approach. The last major theme reflected was the need to address the extensive uncertainties associated with the assumptions and predictions of the beneficial effects of the BDCP conservation measures.

9c. Independent Science Board Review of BDCP EIR/EIS

Marina Brand made brief introductory comments and provided an overview of Item 9c, the Independent Science Board Review of BDCP EIR/S, then introduced Dr. Tracy Collier and Dr. Jay Lund. Dr. Collier briefed the Council on the ISB's review and described the major concerns such as finding that the EIR falls short of meeting the "good enough" scientific standard. Dr. Collier noted several strengths of the BDCP documents, and also discussed the major concerns and suggested possible improvements. Dr. Collier expanded on several areas where the BDCP was noteworthy and the broad areas that were found to be scientifically incomplete or insufficient.

Dr. Lund followed by explaining adaptive management and its challenges. Dr. Lund stated it was found that the BDCP's adaptive management process was not fully developed. Dr. Lund explained that adaptive management was the key to dealing with uncertainties and successful implementation of BDCP. It was unclear, he said, how adaptive management would be integrated into the implementation of BDCP and whether the scientific skills need to plan and oversee adaptive management would exist in the Implementation Office and on an Adaptive Management Team.

9d. Proposed Council Comments on Draft EIR/EIS

Mr. Ray made brief introductory comments and an overview of Item 9d. Mr. Ray presented a PowerPoint that is posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_9d_Presentation_bdcpl%20comments%20dkr%20052714.pdf. In response to a question from Council member Ruhstaller, Mr. Ray introduced Dr. Lucas Paz, who discussed invasive plants in the Delta.

Throughout the discussions of Agenda Item 9, Mr. Ray and the panel members answered Council members' questions and provided clarification. At the conclusion of the panel discussions on Agenda Item 9 and before a motion offered and vote taken, Chair Fiorini asked if there was any member of the public who wished to comment on this item.

Public Comment – Agenda Item 9

Greg Zlotnick, San Luis Delta Mendota Water Authority, commented on the proposed letter regarding the Council's Comments on the BDCP Draft EIR/S, specifically, page 10, *B. Assess the contributions of water conservation and diversifying local water supplies to reduce reliance on the Delta*, Mr. Zlotnick stated multiple alternatives have been assessed including the decision tree and felt the paragraph implied that there should be an alternative that emphasized a reduction in demand for Delta water. Mr. Zlotnick also made brief comments on the By the Numbers summary.

Burt Wilson, Public Water News Service, commented that habitat restoration must be tested with the tunnels in operation. He stated DWR was pushing to get started and that habitat restoration wouldn't work if there were reduced flows in the Delta. Mr. Wilson expressed concern that the collaborative science and adaptive management program will vet all recommendations and the water agencies will vet the science. Mr. Wilson stated he believes this is allowing the fox to run the chicken coop. Regarding funding for the BDCP, Mr. Wilson asked if a general obligation bond that requires a vote would be used or a revenue bond that doesn't require a vote and felt there should be an explanation of what kind of funding would be used. Mr. Wilson also asked from where the public money came and asked why public money should be expended on a private project.

Melinda Terry, California Central Valley Flood Control Association, thanked the ISB and other panel members for looking at the Effects Analysis. Ms. Terry had several observations and comments on the EIR/EIS such as: flood management was not

addressed and regarding Delta as a Place, Ms. Terry felt it was clear the communities will suffer from blight due to the 10-year construction of CM 1. Ms. Terry urged more focus on the economy. She felt it would be difficult to maintain the levees over the next 50 year if blight caused assessments not to be collected. Ms. Terry stated she didn't hear if the panels reviewed the section on real-time operations decision making process and felt that would be something for them to review.

At the conclusion of the public comment for Agenda Item 9 and before the motion and vote on this item, Council member Gray stated she thought BDCP had been a very transparent and lengthy process, developed with input from the state and federal agencies, the science community; as well as holding hundreds of public hearings with stakeholders. Council member Gray stated that although she believed in being thorough and comprehensive, she felt at some point, a decision had to be made about BDCP and requested the meeting summary reflect her comment.

Mr. Ray restated the staff's recommendation and discussed clarifications of the language including adding further analysis of flood fighting and evacuations plans as suggested by Ms. Terry; adding a more stronger involvement of science and reorganizing parts of the cover letter, as suggested by Council member Isenberg; the inclusion of invasive aquatic weeds, possibly under the biological measures; and Dr. Goodwin's suggestion of rewriting the first sentence on Page 9 under Uncertainties and Modeling for clarity.

Motion: (Offered by Gray; seconded by Isenberg) to authorize the Council to submit the recommended comments on the BDCP's draft EIR/S, including any alterations directed by the Council, to the Natural Resources Agency and DWR.

1) The Council has received and formally accepts the ISB comment letter and thanks it for its hard work and fulfillment of its statutory duty.

2) The Council directs that the ISB letter be incorporated--by reference and attachment--into the Council's responsible agency comment letter, and requests that DWR address the ISB's issues as if they were raised by the Council, with the understanding that a CEQA evaluation using best available science, while not required by CEQA, may facilitate DWR's and DFW's use of best available science for purposes of the Natural Communities Conservation Planning Act.

3.) The Council adopts the draft responsible agency comment letter, with the incorporation of the ISB letter and with the other substantive changes agreed upon at this meeting, and directs the Executive Officer to send the comments to the DWR after making appropriate technical, non-substantive changes as appropriate.

Vote: (6/0: Johnston, Gray, Damrell, Ruhstaller, Fiorini, Isenberg) and the motion was adopted.

The video showing this vote can be found at <http://dsc.videoss.com/archives/052914/> Agenda Item 9-10. Archive Segment Number 27 of 46 at 00:01.

10. Public Comment

Chair Fiorini asked if there were any members of the public who wished to address the Council. There were none.

The Council adjourned for the day at 3:22 p.m.

Friday, May 30, 2014, 9:00 a.m. – 2:00 p.m.

11. Call to Order

The meeting was called to order at 9:01 a.m., May 30, 2014, by Chair Randy Fiorini.

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

Roll call was taken and a quorum was established. The following members were present: Patrick Johnston, Randy Fiorini, Phil Isenberg, Frank Damrell, Larry Ruhstaller, and Gloria Gray.

13. Update on Levee Investment Prioritization Contract (Action Item)

Deputy Executive Officer for Planning Cindy Messer introduced Agenda Item 13 and briefed the Council on activities associated with initiating the interagency agreement between the Council and DWR for work related to updating funding priorities for state investments for Delta levees. Ms. Messer described key activities associated with this effort currently underway as well as the proposed project approach.

13a. Program Outline

Ms. Messer introduced the Panel, William Hinsley of ARCADIS, the consulting firm who was the successful bidder for this project and Leslie Moulton and Brian Boxer both with ESA, one of ARCADIS's subcontractors on the project. Mr. Hinsley presented a PowerPoint that has been posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/Item%2013%20DSC%20Levee%20Prioritization_Client%20Presentation_final.pdf

Throughout the presentation of Agenda Item 13, Ms. Messer and panelists heard Council members' comments, answered questions and provided clarification. Following Mr. Hinsley's presentation, Chair Fiorini asked if there was any member of the public who wished to comment. There were none.

Public Comment – Agenda Item 13:

Brenda Burman, Metropolitan Water District of Southern California, congratulated Ms. Pearson on her appointment. Ms. Burman was concerned that there were missing items from the levee strategy. Ms. Burman stated that because this was in the Delta, we were bound by the coequal goals as a framework. The Delta Plan calls for protecting opportunities for habitat and finding appropriate locations for habitat

restoration. Ms. Burman commented on the timeline, saying that setting priorities for levee strategy should be a top priority for the Council. Ms. Burman was concerned about extending the schedule to two years to address allocation of levee costs. Ms. Burman stated the levee investment should be a priority for the Council. Ms. Burman thanked the Council for the discussion on habitat restoration and the coequal goals.

Gil Cosio, MBK Engineers, stated he was not excited about ranking their 27 clients against each other and preferred a tiered approach, hoping for 3 tiers. Regarding the statement that the levee investment was a re-creation of the Delta Risk Management Study (DRMS), Mr. Cosio felt that DRMS should be used as a tool in the work related to updating the funding priorities for state investments in Delta levees.

13b. Approval of Consultant Contract for Delta Levee Investment Priorities

Ms. Messer restated the staff's recommendation authorizing the Executive Officer to approve a contract between the Delta Stewardship Council and the consulting firm, ARCADIS for work related to updating funding priorities for state investments in Delta levees. The total funding capacity of this contract is \$1,981,491.

Motion: (Offered by Isenberg; seconded by Damrell) to authorize the Executive Officer to approve a contract between the Delta Stewardship Council and the consulting firm, ARCADIS for work related to updating funding priorities for state investments in Delta levees. The total funding capacity of this contract is \$ 1,981,491.

Vote: (6/0: Johnston, Gray, Damrell, Ruhstaller, Fiorini, Isenberg) and the motion was adopted.

The video showing this vote can be found at <http://dsc.videosscc.com/archives/052914/> Agenda Item 13 Index 13. Archive Segment Number 41 of 46 at 00:04.

14. Quarterly Update from the Delta Watermaster

The Quarterly Update from the Delta Watermaster was presented by Craig Wilson. Mr. Wilson provided the Council with a PowerPoint presentation on water use in the Delta, Term 91 drought curtailments, compliance issues and formal reports filed by Mr. Wilson during his tenure, and water rights enforcement actions. Mr. Wilson's presentation is posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_14_Attach_1_PPT.pdf

Throughout the presentation of Agenda Item 14, Mr. Wilson heard Council members' comments, answered questions and provided clarification. Following Mr. Wilson's presentation, Chair Fiorini asked if there was any member of the public who wished to comment. There were none.

At the conclusion of Mr. Wilson's presentation the Council recessed at 10:55 a.m. and reconvened the meeting at 11:05 a.m.

15. Update on Interim Science Action Agenda

Dr. Goodwin introduced Agenda Item 15. Dr. Goodwin updated the Council on the status of activities underway to develop the Interim Science Action Agenda, an initial assessment of priority science needs shared by agencies and stakeholders, questions and proposed and recommended science actions. Dr. Goodwin explained that staff is working to create an “interim” action agenda because developing the full Science Action Agenda will be a two-year process.

Dr. Goodwin was joined by Lindsay Correa, of the Delta Science Program, who presented a PowerPoint that highlighted progress to date, including the completion of a preliminary summary of science needs and actions from existing plans/reports and the results of a public workshop including examples of priority actions and strategies suggested by agencies and stakeholders. Ms. Correa described the next steps the Delta Science Program will take to develop and complete the Interim Science Action Agenda. Ms. Correa’s presentation is posted on the Council website at http://deltacouncil.ca.gov/sites/default/files/documents/files/Item_15_ISAA_presentation-Council_meeting_05302014_revised.pdf

Throughout the presentation of Agenda Item 15, Dr. Goodwin and Ms. Correa heard Council members’ comments, provided clarification and answered questions. Chair Fiorini asked if there was any member of the public who wished to comment on this item. There were none.

At the conclusion of Agenda Item 15, Jessica Pearson announced the deadline for the BDCP comments had been extended to July 29, 2014. Ms. Pearson stated pursuant to Council direction, a letter with comments would be forwarded to DWR and ARCADIS would continue to work on the Implementation Agreement.

16. Public Comment

Chair Fiorini asked if there were any members of the public who wished to address the Council. There were none.

17. Preparation for Next Council Meeting – Discuss (a) expected agenda items; (b) new work assignments for staff; (c) requests from Council Members; and (e) confirm next meeting date – June 26, 2014, in the 2nd Floor Conference Room at Park Tower Plaza, 980 9th Street, Sacramento.

The meeting adjourned at 11:26 a.m.