

***Draft 12/23/2010 – SUBJECT TO CHANGE
FOR REVIEW AND ADOPTION BY DSC AT 1/27-28/2011 MEETING***

**DELTA STEWARDSHIP COUNCIL
December 16-17, 2010
MEETING SUMMARY**

DAY 1: Thursday, December 16, 2010, (10:00 a.m. – 4:30 p.m.)

1. Welcome and Introductions

The meeting was called to order at 10:00 a.m., December 16, 2010, 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 for the meeting: Phillip Isenberg, Randy Fiorini, Gloria Gray, Patrick Johnston, Felicia Marcus, and Don Nottoli. Absent: Hank Nordhoff.

3. Chair's Report

Chair Isenberg provided a brief update to the Council regarding an idea that was brought to his and Council Member Fiorini's attention from Mr. Pete Kutras, representative of the Delta Counties Coalition. The idea came from the early actions committee meetings where the Council had previously ratified the action. Mr. Kutras suggests the State "should cooperate with local agencies on establishing piles of repair rocks and other machinery and equipment around the Delta for ordinary events as opposed to just catastrophic activity." Chair Isenberg asked Mr. Kutras to put together a proposal and was told that it should be available by March when the Council will hold a possible hearing and receive a status report from Mr. Kutras. Chair Isenberg also introduced Aaron Farber, an Executive Fellow who has been assigned to the Council for this upcoming year. Chair Isenberg also mentioned that the new Administration will take office on January 3, 2011.

4. Executive Officer's Report

a. Legislative and Legal Update

Curt Miller highlighted one new piece of legislation that had been introduced since the Council met in November. SB 34, introduced by Senator Simitian, established a fee-based system to pay for costs associated with updating and modernizing water infrastructure projects in the state. Mr. Miller explained that there are no policies as of yet in the bill, but he said there will be and that the efforts are in tandem with the efforts of the Council of creating the finance portion of the Delta Plan. Mr. Miller also reported that the Governor's Budget will be out January 10th is required by statute, and that the Governor would like to have the budget adopted by March 11th. At the conclusion of Mr. Miller's report, Chair Isenberg requested that Curt review the budget when it is released and identify sections that apply to the Council and provide a brief explanation for the Board Members.

Chris Stevens provided a few brief comments on the BDCP report that was issued and explained that it would be discussed in further detail during a later agenda item. He also mentioned that there was a noteworthy decision handed down by Judge Wanger in the consolidated Delta Smelt cases. He also said that on Thursday and Friday there were going to be oral arguments on the consolidated salmon cases. Mr. Stevens then introduced Cathy Crothers, Acting Chief Counsel and Michelle Morrow, Senior Staff Counsel from Department of Water Resources, who provided a brief update on what the smelt decision said and what the implications will be going forward.

b. Follow-up on Informational Requests from Council

Joe Grindstaff discussed the draft letter written to Secretary Lester Snow regarding Yolo County's Early Action request for support on the Westside Yolo Bypass Management Option. He presented it to the Council for their review and recommendations. After Council discussion of the draft, Chair Isenberg suggested deleting "...and to encourage continued participating in the..." and replacing it with "...relative to the". Chair Isenberg called for public comments on the draft letter – there were none. The Council directed its Executive Officer (Grindstaff) to finalize the draft letter with the revision suggested by Chair Isenberg.

c. Delta Related Contracts (Action Item)

Grindstaff updated the Council on the execution of an Interagency Funding Agreement with DWR and the assignment of the Master Delta Plan Contract from DWR to the Council. The Council was asked to review and ratify 12 task orders. Grindstaff stated that all of the task orders were pursuant to the previously adopted DSC budget. The Council had requested a list of task orders for the Delta Plan Contract and a list of other Delta Plan related contracts for their review (Attachments 1 and 2).

After discussion and clarification of the task orders, Chair Isenberg called for public comments. Since there were none, it was moved (Fiorini) and seconded (Gray) to ratify task orders 8-27, noting that task orders 1-7 had been previously ratified. A vote was taken (5/0) and the motion passed. No action was requested regarding the listing of other Delta Related Plan Contracts (Attachment 2).

d. Approval of Science Related Contracts/Grants (Action Item)

Grindstaff briefed the Council on the request to execute agreements with the UCSD, California Sea Grant for the next class of Delta Science Fellows (\$1.0M) and UCD for continuation of the SF Estuary and Watershed Science online journal (\$250,000). Council members had several questions about the funding of the grants and Lauren Hastings was asked to explain the details of the request. After discussion, the Council decided not to take action on this item and requested Hastings to return in January with a breakdown of the budget for both contracts and to provide further explanation for the need and purpose of both contracts.

5. Adoption of the November 18-19, 2010 Meeting Summary (Action Item)

Chair Isenberg asked if there were any questions or comments from the Council or members of the public on the November meeting summary. The Council requested that the vote tally for Item 7, the Early Actions Review Committee's final recommendations for Items 6, 7, and 8, had been left off the meeting summary and requested that it be

added. The vote tally was (5/0), Council member Johnston was not at the table at the time the vote was taken.

Public comment on Agenda Item 5 was provided by:

Pete Kutras, Delta Counties Coalition. Mr. Kutras will submit a letter correcting the comment he made on Friday, November 19, 2010, regarding agenda Item 13. The meeting summary stated he urged the Council *not* to do a “de novo” review of BDCP when it should have stated that he urged the Council *to do* a “de novo” review of BDCP. Staff will correct the meeting summary by deleting the word “not” from his comment.

Following public comment, it was moved (Johnston) and seconded (Gray) to approve the meeting summary with the noted revisions. A vote was taken (5/0) and the motion passed.

6. Lead Scientist’s Report

The Lead Scientist’s Report was presented by Cliff Dahm. Dahm provided the Council with a PowerPoint that discussed three climate indices that had been in the news of late. The indices are the El Nino (La Nina) Southern Oscillation, the Pacific Decadal Oscillation, and the North Pacific Gyre Oscillation. Dahm explained that these climate indices provide some useful insights into precipitation patterns in the western U.S. and the dynamics of fish populations in San Francisco Bay and the California Delta. Dahm answered questions and provided clarification to the Council.

Following the presentation, Chair Isenberg called for public comment. Public comment was provided by:

Mark Rockwell, Federation of Fly Fishers, Environmental Water Caucus commented on fishery resilience in the Delta system (salmon) and questioned whether it would be appropriate to take the climate variabilities that Dr. Dahm described into consideration in how water operations are managed year to year.

7. IEP Lead Scientist’s Report

Anke Mueller-Solger presented the IEP Lead Scientist’s Report. The Interagency Ecological Program (IEP) has completed a progress report containing the 2010 Pelagic Organism Decline (POD) Work Plan and Synthesis of Results (2010 IEP POD Report). The report tells the POD story from three different perspectives presented in “conceptual models” linking the POD species with environmental drivers (stressors). Conclusions are that the POD was caused by multiple and often interacting drivers, that the effects of drivers differed among the four POD species, and that the POD may represent a rapid ecosystem “regime shift” that followed a longer-term erosion of ecological resilience. These results can inform about management strategies ranging from individual species to ecosystem management.

8. Delta Independent Science Board Report

Richard Norgaard, Chair of the Delta Independent Science Board, reported on the outcomes of the December 9-10, 2010, Board meeting that was held in Sacramento. He

also discussed the next steps on developing a Delta stressors report. Dr. Norgaard briefed the Council on the discussion with Chair Isenberg and Grindstaff, regarding recruitment efforts for a new lead scientist to replace Dr. Cliff Dahm. Norgaard stated that USGS has historically funded the position and would like to take a role in the recruitment. Norgaard hopes to have a person in place by June or July.

9. Delta Plan Development (Note: This item continued on Friday)

Consultant Gwen Buchholz began the discussion on the Delta Plan by giving the Council an update on the coordination activities. Preparation of the Delta Plan has been initiated with development of white papers and the Notice of Preparation (NOP) for the Environmental Impact Report (EIR). The NOP was issued and filed last week with OPR and 420 copies were mailed to the agencies. Close of comments will be on January 28 and the newspaper announcements for the scoping meetings will begin shortly.

Buchholz introduced Jeff Goldman, who summarized the Agriculture White paper (Attachment 1), took comments, provided clarification and answered questions. Following discussion with the Council, Chair Isenberg called for public comments on the Agricultural White Paper and requested written comments from interested parties.

Public comments on Agenda Item 9 were provided by:

Tom Zuckerman, Central Delta Water Agency, stated the Council needs to spend more time on the white paper. He understands the difficulty the consultants have to pull all of this together, but he feels it is important to get it closer to being right. Some statistics provided are relevant - some are not. The paper misses the overall character of the agricultural economy in the Delta and how it is integrated with wildlife management and "wildlife friendly" agriculture and the fact that it has not changed over the last 100 years. In fact we're still farming the same way as we did then. There are impressions created that are false and that could create false basis for conclusions. Mr. Zuckerman stated he would be willing to help if an opportunity presented itself to provide information that would be read and used. Chair Isenberg requested Mr. Zuckerman submit written comments to the Council of his top ten concerns.

Greg Zlotnick, State Federal Contractors Water Agency, made comments on the Ag White Paper and will submit written comments.

The next item discussed for the Delta Plan Development was the Delta Plan Proposed Draft Outline (Attachment 3). Consultant Gwen Buchholz explained that work had begun on the preparation of the Delta Plan and the first draft of the plan is scheduled to be presented at the February 2011 Council meeting. Buchholz discussed the draft Delta Plan Outline with the Council, answering questions and providing clarification. Following the discussion, Chair Isenberg called for public comment on the on the proposed draft outline.

Public comments on the draft outline were provided by:

Pete Kutras, Delta Counties Coalition, commented on the draft, page 2, known as Other Plans. He asked the Council to recall a PowerPoint presented by a member of the Conservancy at the Clarksburg meeting. Kutras stated the presentation listed the

responsibilities and actions of the Conservancy and believed that they should be included in the Other Plans section. Kutras cited the statute and asked the Council how the BDCP Plan, which will not be completed in time, would be included in the Delta Plan. Kutras believes that this subject would be a good discussion topic for an upcoming meeting.

Jonas Minton, Planning and Conservation League, commented on the making the document more readable. Regarding BDCP – even if it is incomplete – the PLC does not believe that the Council should disregard materials and urges the Council to look at everything. Minton offered the following caution: when we do “findings” have some humility and a process for re-checking the findings -- and as the five year updates are done, go back and check the findings. He also suggested somewhere up front, phasing should be addressed; what should be specifically done by certain time periods, recognizing that the plan is “programmatically” not project specific.

Connie Ford, Sacramento County Department of Water Resources, commented how she sees the Delta Protection Commission in the outline. How will the Delta Conservancy Board and its corresponding strategic plan interface with the Delta Plan? The Independent Science Review was talking about world-wide plans that have been successful and Ford stated that she believes that looking at the similarity and successes of those plans would be helpful.

Mark Rockwell, Environmental Water Caucus, said he agreed with Jonas Minton on the issue of phasing – and stated he thought phasing was an important aspect, and gave an example of phasing. Regarding the Executive Summary, Mr. Rockwell asked about how water reliability fit into achieving the co-equal goals and felt that it needed to be articulated that water reliability extends beyond the borders of the Delta. Rockwell commented on the Development and Evaluation of the Delta Plan Alternatives. The EWC is working on a document with their concepts of alternatives and Rockwell questioned Chair Isenberg as to what level of completeness the Council wants to see? Chair Isenberg urged the Caucus to take the broad approach.

Tom Zuckerman, Central Delta Water Agency, commented that he felt the biggest problem is that at some point the exportable yield of the Delta will have to be determined. Zuckerman stated he did not believe that it is known and doesn't think that the hard decisions about facilities can be made until the exportable yield of the Delta has been determined. Zuckerman stated he agreed with Minton and Rockwell that there is wisdom in using the phasing or staged approach.

Following the public comment, Buchholz discussed the Comment Matrix for Comments Received from 11/8/20 through 12/3/10 (Attachment 4) stating that a number of comments were received on the NOP, and that the resolution of those comments was included on the matrix as they moved forward with the NOP. Buchholz said that a separate e-mail address has been established to separate the scoping comments from the other comments received, and it will continue to be reviewed. That email address is deltaplanscoping@deltacouncil.ca.gov.

The Delta Plan and EIR Schedule (Attachment 5) was discussed next. Buchholz went over the schedule with the Council. Following the discussion of the schedule, Buchholz

answered questions and provided clarification. Stevens said that the scoping meetings will be noticed as public meetings.

10. Public Comment

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

The meeting concluded for the day at 3:30 p.m.

DAY 2: Friday, December 17, 2010 (9:00 a.m. – 3:30 p.m.)

11. Call to Order

The meeting resumed at 9:00 a.m., with Chair Isenberg presiding.

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

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

Chair Isenberg began by giving an overview of the day noting the rearrangement of agenda items beginning with the BDCP Update and following with the Water Resources White Paper discussion.

13. Update on Bay Delta Conservation Plan

Keith Coolidge began the update by introducing Karla Nemeth, Natural Resources Agency, who briefed the Council on the BDCP highlights document, released by the Administration late Wednesday, 12/10/10. Ms. Nemeth walked the Council through the document, as well as the new parts, including a new proposal under evaluation as well as the next steps on where BDCP goes from here. Nemeth stated it was the Administration's intent to release a document at the end of the year that could provide an assessment and overview of key elements of the plan, some of the challenges of resolving the remaining issues of the plan, and to provide a path forward. Following Nemeth's presentation, she answered questions and provided clarification on such items as water operations, adaptive management ranges, appeals processes, schedules, etc.

Larry Roth and Lucas Paz, ARCADIS consultants continued the BDCP discussion. Paz walked the Council through its evaluation of the targeted review of the November 18 BDCP draft report (Attachment 3). Roth presented the fourth update of BDCP unresolved issues matrix (Attachment 4) and the transition documents.

Following the discussion, Chair Isenberg requested that ARCADIS perform an evaluation of the "public" information and also to look at what information is considered complete enough and compare it to the co-equal goals. Isenberg also requested they go back and look at all the information available and determine what information is important or valuable for the Council to know and discuss at the January meeting.

Public comment on Agenda Item 13 was provided by:

Greg Zlotnick, State and Federal Contractors Water Agency, asked the Council how BDCP fits into the Delta Plan and the how the document will deal with incorporating the BDCP into the Plan. He also discussed consistency with the Delta Plan. He also commented on the Westlands situation – and gave a status of their position. He also gave the export communities' position on balance, a good step forward.

Mark Rockwell, Environmental Water Caucus, spoke on a comment made by Chair Isenberg on “budget and water”. Rockwell also stated BDCP does not consider conservation, water efficiency, land retirement or other strategies to meet water supply needs.

Gary Bobker, The Bay Institute, commented on the status of BDCP and its relationship to the DSC. Bobker stated in order for the Council to determine how BDCP's plan fits into the Delta Plan, there needs to be a definition of the outcomes of those projects and their performance realizing that outcomes can't be guaranteed but are the drivers of policy, allocation of resources, and of permitting resources.

Nicky Suard, Snug Harbor Resorts, thanked the Council for correcting the White Paper on Delta levee history regarding Ryer Island but stated she believes that some reports still remain incorrect and as an example, stated the modeling data flow conflicts in current BDCP document, (chapter 2).

Phil Harrington, City of Antioch, commented that he feels it is important for the Council to move forward. He stated that the City supports the process and benefits from the co-equal goals in terms of ecosystem restoration, water quality and water supply. He stated that there has to be compromise and there are no guarantees on water exports. There has to be change and the City understands this. Harrington stated adaptive management/science has to link ecosystem restoration and water supply and we are at a critical point and emphasized compromise.

Melinda Terry, North Delta Water Agency, gave the Council a status update on the BDCP November 18. She stated the Steering Committee did not come to agreement because they did not have a chance to review the effects analysis and determine if they include the correct conservation measures. She also stated that there are other key issues that the Steering Committee did not have a chance to discuss such as who pays, (Chapter 6) and the flood impacts. Most of the conservation measures are flood projects and that analysis is very important.

14. Continuation of Agenda Item 9 – Delta Plan Development

Gwen Buchholz continued Agenda Item 9, the Delta Plan. She began with the Water Resources White Paper, which is the last white paper that will be presented. Buchholz summarized the intent of the white paper and highlighted key issues and challenges and lessons learned. Following the presentation of the white paper, Buchholz, answered questions and provided clarification for the Council.

After the Council's discussion, Chair Isenberg called for questions and public comment.

Public comments on Agenda Item 9 were provided by:

Greg Zlotnick, State Federal Contractors Water Agency, had several comments on water supply, groundwater management and conjunctive use. He updated the Council on what ACWA has been working on regarding these issues. Regarding the white paper, Zlotnick stated he will submit written comments. He also feels that there is an operations and maintenance issue with the pumps.

Linda Dorn, Sacramento Regional County Sanitation District, stated she thought the Delta Plan should include a recycled program study as a case study and will submit written comments.

Mark Rockwell, Environmental Water Caucus, commented on ground water, and from his experience, says there may be useful data available from USGS. He recommends that it is important to put language in the Delta Plan and says some sort of analysis needs to be done if you're going to talk about use and manipulation or inclusion of a ground water system into the water planning. So he suggests having credible scientific documentation upon which decisions can be made rather than drilling a few test wells. He also stated he believed that local decision-making on water gives local communities a way to manage their area in a way that works well for them. DWR's IRWMP's are a terrific idea and working well in some regions (CABY) – others not so well (Butte County).

Melinda Terry, North Delta Water Agency, commented on future water needs. She understood that the SWP was never completed and that the full amount of water never developed. Regarding groundwater, she worries that we shouldn't overdraft in one surface water area to replenish another area. She also commented on page 3-3, line 45, on the water contracts done -- one being with NDWA stating the contract is working and the water quality has been maintained.

Leo Winternitz, The Nature Conservancy, commented on conjunctive management of both groundwater and surface water. He felt that the report could benefit from more discussion in the section on water to meet environmental requirements and stated in his opinion there were a couple of sentences that are not incorrect but could use more detail. Winternitz stated that the State Board's priority list of river and streams that require flow protection would be useful information to include. Winternitz would also like to see a definition for over allocation and discussed the problems with living with an old water rights system and the importance of focusing on the protection that these public trust resources need.

Ryan Bezerra, Bartkiewicz, Kronick & Shanahan, commented on stream flows in the American and Yuba Rivers and appreciated the comments on Yuba River Accord and the Water Forum Agreement. Regarding regional sustainability, Bezerra explained that he believes a big concern of upstream communities is not only that water resources are at issue, but also what happens to the work that has already been put into managing the local water uses in a sustainable way. He also commented on the definition of a groundwater basin/sub-basin.

15. Public Comment

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

16. 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.

The next meeting is scheduled for January 27-28, 2010, in the same location, the West Sacramento City Hall Galleria.

The meeting adjourned at 2:55 p.m.