

California Bay-Delta Authority Committee
Drinking Water Subcommittee
Minutes
Meeting of January 23, 2004

The Drinking Water Subcommittee met on January 23 from 9:00 am to 12:30 pm. The meeting was held at the California Bay-Delta Authority office in Sacramento. Co-chairs Greg Gartrell and Marguerite Young welcomed the group and requested that participants introduce themselves. A list of attendees from the voluntary sign-in sheet is at the end of this document.

Meeting Summary

Agenda Revision

Greg Gartrell received subcommittee approval to rearrange the order of the agenda, moving brief updates to the beginning of the agenda.

Notes from November 23, 2003 Meeting

Lisa Holm requested that the first sentence of the sixth paragraph on page six, be revised to read "Lisa Holm suggested that local entities should work on their ELPH plans, and then coordinate the development of regional ELPH strategies." The revision was made and the notes were approved.

Notes from January 9, 2004 Meeting

The notes from the January 9 meeting were reviewed and approved without comment.

Drinking Water Program Plan

Sam Harader reported that the three nominees to the DWS representing agricultural interests were approved by the CBDA. The new DWS members are Lynn Barris, Aaron Ferguson, and Walter Ward. Lynn Barris informed Sam that she would not be able to participate in the DWS. Mr. Ferguson and Mr. Ward have accepted and plan to participate in DWS activities shortly.

Sam informed the Subcommittee that the cycle for revising the annual Program Plan has started and the first draft of the Program Plan was due that day. He added that work still needs to be done before the document is finished. Sam reported that it was unlikely the Strategic Planning effort would be documented in the report this cycle. He referred meeting attendants to the DWS website to review the previous year's Plan.

CBDA/BDPAC Meetings

Sam reported that the CBDA would be meeting on February 11 and that discussion topics would include water quality. CBDA staff will present an Action Plan that addresses balancing planning efforts among the various Program elements. It appears that DWQ is slightly behind in its program planning progress. Sam added that performance measures for all Program elements will also be discussed, as well as the Delta Improvements Package. Sam reported that a subgroup of the agencies concerned with water quality issues has been formed to discuss the Delta Improvements Package.

The CBDA will also discuss criteria developed for the distribution of Proposition 50, Chapter 8 SWRCB/DHS bond funds (approximately \$500 million is available). Sam added that it is likely that the CBDA will delay approval of any grants pending the outcome of the March ballot and May budget revise. The group discussed the Governor's Executive Order which put a freeze on the State initiating new contracts or changing any existing contracts.

ABAG Funds

Sam reported that due to the Governor's December Executive Order, some funds received by the DWQP through a contract with ABAG might be put on hold. The contract is administered by DWR, and DWR is working on the mechanism for contract review and will try to avoid any delays. The group discussed any potential impacts the delay might have on subcommittee projects, including the release of the RFP for regional planning efforts. They concluded that development of the RFP should be expedited so that it can be released as soon as funds become available. Sam added that consultant support to the subcommittee through Public Affairs Management could also potentially be affected.

Sam reported that he has been working with CUWA to organize a water quality session for the CBDA Science Conference (Fall 2004).

January 8, 2004 State Water Board Meeting

The State Water Resources Control Board has initiated scoping of the Basin Plan for the Delta watershed. The Plan addresses water quality problems associated with salinity, bromide, and other constituents of concern. It has not been updated since 1995. New issues the plan will address include the relocation of monitoring locations in Contra Costa County, and the status of agricultural drainage standards in the Delta. The Board will establish sub-working groups to review different parts of the Basin Plan. Public comment on the Plan will be accepted until early February, with meetings to review and discuss public comment to be held in the Spring. People are encouraged to visit the State Board's website, review the document, and make comments.

Beth Jines reported that the State Board had voted to uphold the decision to continue with agricultural waivers for drainage. The Board ruled that farmers must apply for a NOI permit to discharge, which will describe the proposed mitigation monitoring and reporting program. Agriculturalists can form either watershed groups and apply for the NOI as part of a coalition, or they can apply for the permit individually. The discharge groups have six months to provide a list of all coalition members. The subcommittee discussed how the monitoring components of the ag waivers could be coordinated to avoid duplication. The Surface Water Ambient Monitoring Program (SWAMP) of the SWRCB has been coordinating that effort, and it was suggested to visit their website for information. Chris Leininger, Ducks Unlimited, asked the subcommittee if there was one database for the ag waiver program. Ken Landau, SWRCB, responded the Board intends to have one database and universal QA/QC measures in place as soon as feasible. Chris reported that SWAMP, Duck's Unlimited, and the Bay-Delta and Tributaries database project (BDAT) are working together to establish a consistent, collaborative database and other ag waiver program elements. She commented that a presentation to the subcommittee regarding these efforts would be useful.

Strategic Plan

Charles Gardiner reported on the Strategic Planning process and the Strategic Plan workgroup meeting held on January 15, 2004. Twenty-six people attended the meeting including five

subcommittee members. The focus of the meeting was on the structure and content of the Plan, and to revisit the draft goal and objectives and incorporate comments from the DWS January 9 meeting. Charles distributed a draft outline of the Plan for subcommittee members to review, and invited them to submit comments to Sam. Liz Borowiec discussed revisions made to the draft goal and objectives, providing the subcommittee with the original drafted goal and objectives (reviewed by the DWS on 1/9), two revised goal statements, and a list of revised objectives. She explained that the footnotes on the revised goal and objectives hand-out reflected comments made from the DWS and the Strategic Plan workgroup. Liz explained that prior to drafting the original goal statement and objectives, Elaine Archibald had provided the workgroup with a presentation of goals, objectives, and targets of the DWQP collated from the CALFED ROD, the Drinking Water Program Plan, and other relevant documents. Liz distributed a hand-out with the pertinent slides from Elaine's presentation to the subcommittee.

Members of the subcommittee recognized that the new revised goal was very similar to what is stated as the goal of the Water Quality Program in the ROD, but took issue with the concept of the DWS "providing" good water quality. They preferred the idea of "advancing efforts to provide" good drinking water.

Subcommittee members also expressed concern over narrowing the focus of the DWQP away from groundwater quality. Prior to this meeting, several commenters had stated that the reference to the Delta watershed might be over-reaching the Program's area of interest and could set up an expectation that the Program would start supporting areas with groundwater quality issues, without a direct link to the Delta as the drinking water source. Some members of the subcommittee challenged this concept and strongly urged the DWS to seriously consider their charge. After some discussion, the subcommittee agreed that the first revised goal, with a clause from the second revised goal, should be adopted as the DWQP goal statement. The new goal statement reads as follows:

"Advance efforts to provide safe, reliable, and affordable drinking water to the millions of Californians who rely on waters from the Delta watershed through cost-effective continuous improvement to source water quality, water management, and treatment."

A member of the audience asked if there was a CBDA subcommittee whose mission is to address water quality in general. She was informed that non-consumptive water quality is addressed in the Ecosystem Restoration Program subcommittee and in the Watersheds subcommittee, and that joint meetings between these groups and the DWS occur frequently. Another member of the audience re-iterated the need for a broad stakeholder group to address water quality in the Delta. He stated that the Regional Board has several TMDLs that are not being addressed.

Tim Quinn stated his approval of the draft objectives and the outline, and asked what the next step would be. Greg Gartrell agreed that the outline looks good and suggested the formation of a sub-group to go through the previous planning documents from the DWQP and transfer language from them to the new Strategic Plan, revealing where the gaps in the document would remain. Greg suggested that the Strategic Plan have a matrix similar to that of a mitigation monitoring and reporting program plan required for environmental review documents. This would give CBDA an easy tracking mechanism to see what the DWQP has accomplished.

Lynda Smith reported that a subgroup has been formed to categorize potential projects, which will lead to a prioritizing activity where appropriate projects (short, medium, and long term projects) could be identified for immediate funding support – "low hanging fruit." The

subcommittee agreed that a substantial part of Chapter 1 has been written already and encouraged the workgroup to focus on Chapters 3 and 4.

Sam commented that an adaptive management approach would need to be incorporated as they prioritize and schedule projects. He would like the Strategic Plan to identify DWQP funding opportunities, and commented that the ROD has already identified some recommended activities. Tim Quinn responded that the “low hanging fruit” idea had been used by the ERP, with some success. The key is to identify simple, achievable projects and get them done.

The subcommittee discussed the integration of the Strategic Plan with the agricultural waiver program and other policies of the Regional Board. It was agreed that the implementation section of the Strategic Plan would address integration between programs.

The draft goal statement was re-read for subcommittee approval. It was suggested that members of the subcommittee be copied on correspondences regarding further Strategic Plan efforts.

Central Valley Drinking Water Policy Update

Karen Larsen provided the subcommittee with a PowerPoint presentation on the background of the development of the Central Valley Drinking Water Policy. She also distributed copies of the draft resolution to meeting participants. Karen explained that the CALFED ROD had identified the need for a comprehensive State drinking water policy for the Delta and upstream users by the end of 2004. Recognizing the time and resources needed to reach this goal are not available, the CVDWP Workgroup is developing as an interim step, a technical workplan, which the Regional Board can adopt as a Resolution, and may lead to the development of a Basin Plan Amendment. The Workgroup is currently developing the Regional Board resolution, and expects to submit a first draft to them in June. Highlights of the Resolution include:

- Provides regulatory setting, need for Regional Board effort, CALFED goals.
- Affirms Regional Board’s commitment to policy development
- Acknowledges challenges and limitations of effort

Karen was asked what type of stakeholder outreach had been conducted for this effort. She responded that they had coordinated with agricultural interests, storm water run-off managers, environmental justice leaders, and many others through the process of making presentations to the subcommittee, who themselves represent various stakeholders. Chris Leininger expressed her concern that the Basin Plan Amendment would be put on a fast-track and not allow time for sufficient public input. She was assured that a great deal of outreach has been and will be conducted for this policy, and that an amendment is not likely to be developed until 2009.

Martha Guzman asked Ken Landau to comment, if possible, on the intentions of the State Board regarding protecting surface, source, or groundwater quality. Ken responded that the primary focus of the Resolution is on protecting surface water exported from the Delta. The Board recognizes that there are larger issues to address, but views this Resolution as an important step in one specific direction. Karen Larsen added that when this policy was brought to the attention of the Board, the workgroup had stated that it would only address surface water, but that the Board had encouraged them to think more broadly and to consider the issue of groundwater.

Co-chair Marguerite Young commented that the statutory issues are not adequately captured, and that there should be a finding which recognizes that source water protection might be more cost-effective than fixing a problem after the fact.

Bruce Macler complemented the CVDWP workgroup on their efforts, and asked if formal presentations to ACWA, NCWA, and others water groups had been made. Karen responded that at this time, no formal presentations had been made except to this subcommittee. It was recommended to make a presentation at next year's ACWA conference.

This issue of adequate public outreach was discussed, with DWS Members reminding the group that amending the Basin Plan would involve a process which includes many opportunities for public input. Although the Board is not required to submit its policies to the CBDA Science Panel for review, it would strive to receive and incorporate input from CBDA where possible. However, it will ultimately be the Regional Board's policy and decision. Integration with CBDA policies and recommendations will occur to the greatest extent feasible. The group was reminded that the Regional Board is one of the CBDA implementing agencies, thus their goals are complementary and not totally separate.

Martha Guzman suggested that a more comprehensive outreach strategy, which goes beyond the mailing list or email database, needs to be incorporated, and should include presentations at churches and community centers to reach the optimum number affected populations.

US EPA Grants and Budget

Karen Schwinn reported that the federal FY2004 budget just passed, and so an Agency operating budget has not yet been finalized. However, as in past years, most of EPA's Clean Water Act and Safe Drinking Water Act funding is passed through to the States, and these funding levels are expected to remain stable. She commented that special appropriations grants that had supported the CALFED Drinking Water program goals in past years do not appear to be continued in the FY04 EPA budget. [Karen noted after the DWS meeting that the FY04 EPA budget did include a special appropriation to continue funding (\$500,000) to the Sacramento Regional County Sanitation District for monitoring river discharges in support of the Sacramento River Watershed program.] Karen reported that the RFP for EPA's Watershed Initiative grant program was released and proposals had been submitted. One proposal addressed agricultural concerns in the Central Valley. Decisions on which proposals to fund would occur in March [since delayed to May]. EPA will shortly release an RFP, for roughly \$1 million, for wetlands. Also, Bruce Macler added that the EPA has provided Contra Costa Water District with a grant (\$700,000 from special appropriations in EPA's FY03 budget) for drinking water treatment studies. The treatment projects will be highlighted in a press event on January 28 at the CCWD Concord treatment plant. Members of the DWS were invited to attend. Results from these treatment studies will be presented to the Subcommittee.

DHS Proposition 50 Grants

David Spath reported to the group that the Prop 50 criteria have been posted on the DHS website, and that public meetings will be held to receive comments on February 24 in Sacramento and on February 26 in LA. DHS plans to have the criteria revised and posted on the DHS website, in addition to the responses to comments, by early February. The RFP should be ready by the March 15 deadline. DHS staff will have to wait for their budget to be set before reviewing proposals. David was asked about any comments received by DHS to date. He reported that four groups had responded (Clean Water Action, EJ Coalition for Water, Issues Forum, and Self-Help Enterprises) in addition to about 20 agency responses. Some of the issues raised included limiting the number of grants potentially awarded to one agency, the level/flexibility of matching funds, providing funds to private-for-profit water agencies, and the possibility of determining a

funding cap for those applying for category B grants. David reported that another comment suggested that priority be given to projects within the CALFED solution area.

SWRCB Consolidated Grant Program

Shahla Farahnah reported on the 2003 Consolidated Grant programs. Approximately \$138 million is available in grants from eight interrelated programs administered by the SWRCB. The grants are funded from Propositions 13 and 50, and federal appropriations. Roughly 700 concept proposals were submitted, requesting a total of over \$860 million for the eight grant programs. About 170 applicants were asked to submit full proposals. The selection panel consisted of staff from SWRCB, RWQCB, CBDA, USEPA, and a representative from each review panel. Shahla reviewed a chart showing the funding distribution by region, noting that Region 5 (CBDA solution area) received the largest amount of funding (36%). Shahla reported that some proposals are not yet ready for funding, and referred to another chart displaying the amount of total funds recommended for each program, versus the amount of funds contracted and technically ready to begin. She noted that no funding was ready for dispersal for any Drinking Water Quality Program projects, and therefore there will be no projects for the CBDA to consider at their February 11 meeting.

The subcommittee discussed why the non-point source pollution prevention programs seem ready to be funded, but others are not. Shahla explained that the many non-point source applicants are more familiar with applying for grants and therefore tend to provide more complete proposals. Others seem to need more time, but only minor changes are required to their draft proposals.

Shahla added that there is a separate group which provides grants for coastal projects that address problems such as polluted beaches in Southern California.

Bruce Macler asked if the drinking water proposals are subject to peer review. Shahla answered that the full proposals are reviewed by a technical/scientific panel. Bruce commented that \$30 million is a substantial amount of funding for drinking water research in a national context. He would like to coordinate these research efforts with other national research.

Delta Improvements

Tim Quinn provided the Subcommittee with a PowerPoint presentation on the Delta Improvement Package, a 2004 CALFED priority, which incorporates aspects of implementing 8500 at Banks, a long-term Environmental Water Account program, ecosystem restoration, in-Delta protections, and water quality improvement projects. Handouts of the presentation were provided to meeting attendees. Tim reported that the proposed implementation package came out of discussions at Napa, at the University of Pacific, and amongst resource agencies. The package will protect Delta interests and enhance water quality by adding new water quality stations, maintaining the EC standard at Vernalis, potentially re-circulating CVP water through the San Joaquin River, reducing upstream salt loads in the San Joaquin River, and using voluntary water purchases to reduce demands on the New Melones dam. South Delta water quality standards will be improved with this package with the addition of new water quality stations, operational guarantees regarding 8500 cfs at Banks, the creation of gate structures to improve water levels and quality in several South Delta rivers, channel dredging and ag diversions, and the development of low-head, fish-friendly pumps on the Middle River and Old River. The Central Delta improvements will include the addition of new water quality stations, improvements at Franks Tract to reduce sea water transport, and Veale and Byron Tract lining and drain relocations. Tim stated that CCWD, MWD, and the other stakeholders that have been involved in this process agree that water quality

standards should be incorporated, and this package should move forward to facilitate that effort. The next steps for the project are to complete the environmental review process (early 2004), provide time for public review (through the CALFED process), and then await the likely involvement of the legislature.

Greg Gartrell also addressed the subcommittee with a Power Point presentation on the Delta Improvement Package. Greg reviewed the current list of Delta water quality standards, which includes the "gag rule" of 250 ppm of chlorine for human consumption. He informed the group that the strain on the Delta system and water resources will become greater as development in and around the region increases. Greg reviewed the ELPH diagram and addressed each project of the package and correlated it to an element of the ELPH strategy. Greg briefly described the seven CALFED water quality projects mentioned by Tim, including the Rock Slough/Old River Water Quality improvement projects, Veale and Byron Tracts improvements, Colusa Drain management, advanced treatment technologies, and research. Greg listed the strategic initiatives for water quality improvements, and concluded his presentation with the comment that this package has projects that address numerous elements of the ELPH strategy.

Marguerite Young asked if modeling had been performed on the Frank's Tract project. Tim responded that his staff was working on it, and offered to share results with the DWS when they become available. The subcommittee discussed the "fish friendliness" of the pumps, and was told that DWR has been consulted in the review of these projects. The pumps are considered to be a last resort option. The group was informed that environmental interests are being represented by Tom Graff and Barry Nelson (ED) and others. Bruce Macler recommended that the subcommittee be provided with information on the potential project involving Frank's Tract. He was told that the DWS had been briefed already on the subject, but perhaps an update would be advisable. Bruce asked if a cost/benefit analysis had been performed yet for the package. Tim responded that his staff has been developing an analysis for the Southern California elements of the package.

The group discussed what impact recirculation might have upon water supplies. They were told that the recirculation process would use excess pumping capacity if Banks is increased to 8500, so there would be no conflict between water supply and water quality. The project will result in more pumping, thus the exporting capacity will only be slightly impacted (about a 10% loss of exported water), and would result in a substantial augmentation of water to the San Joaquin River. Tim informed the subcommittee that a coalition has been formed to assess flows in the San Joaquin River, and that members from the DWS have been added to that group to provide input. Finally, Tim reported that the package does not propose any new in-Delta storage.

Meeting participants discussed the environmental review process. They were told that DWR has begun the CEQA process and they will address some of the projects in their draft EIR for South Delta Improvements. DWR is trying to release its draft EIR on schedule, and may be reluctant to include some of the package's concepts because it would expand the document and necessitate additional public scoping. Sam reported that resources and water quality agencies have been providing input regarding dissolved oxygen and salinity into the review.

Public Comment

Ken Trott, Working Landscapes Subcommittee Program Manager, addressed the subcommittee and requested that they support the efforts of the WLS to include an agricultural socio-economist on the CBDA Science Panel. The WLS has drafted a letter requesting CBDA to appoint an ag economist to the Panel, and would like other CBDA subcommittees to also sign the letter.

Martha Guzman made a motion for the DWS to co-sign the letter, but was informed that the issue must be placed on an official agenda before a motion to approve can be made. It was decided to place that item on the next agenda for subcommittee approval.

Martha Guzman distributed copies of the Environmental Justice Subcommittee's draft performance measures as they relate to the Drinking Water Quality Program. She reported that all of the EJS draft performance measures are on their website. Martha requested that subcommittee members review the draft measures and move to adopt them at the next meeting. She noted that any comments should be emailed to EJ Coordinator Ken McGhee (kmcghee@calwater.ca.gov).

Beth Jines reported that a recent court ruling calls for the restriction of pesticides in the Central Valley proximate to or affecting coastal salmonid spawning areas. Grey zones have been established for salmon protection. For more information, Beth recommended visiting the website of Earth Justice, who brought the suit to court.

There was no additional comment from the public.

Next Meeting

The group was reminded of the upcoming Strategic Plan workshop on Tuesday, 2/17, and of the next regular DWS meeting on 2/27. A draft agenda has already been distributed for the 2/17 Strategic Plan meeting.

The agenda for 2/27 includes:

- Review of draft Strategic Plan work
- Motion to co-sign WLS letter for ag economist on CBDA Science Panel
- Adoption of EJ Performance Measures

Partial List of Attendees for the DWS Meeting 1-23-04

The following Subcommittee members participated the meeting:

1. Greg Gartrell
2. Martha Guzman
3. Tim Quinn
4. Marguerite Young

Other meeting participants:

5. Elizabeth Borowiec
6. Brian Campbell
7. Bill Crooks
8. Shahla Farahnah
9. Charles Gardiner
10. Sam Harader
11. Lisa Holm
12. Syed Khasimuddin
13. Karen Larsen
14. Eugenia Laychak
15. G. Fred Lee
16. Chris Leininger
17. Julie Maclay
18. Bruce Macler
19. Terry Macaulay
20. Lee Mao
21. Irenia Quitiquit
22. Karen Schwinn
23. Lynda Smith
24. David Spath
25. Phil Wendt