

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

The Drinking Water Subcommittee met on July 23 from 9:30 am to 12:30 pm at Cal EPA headquarters in Sacramento. Co-chairs Marguerite Young and Greg Gartrell welcomed the group. Meeting participants introduced themselves. A list of attendees from the voluntary sign-in follows the meeting summary.

***Meeting Summary***

Notes from June 2

The draft notes from the June 2 meeting were approved with minor grammatical edits.

Agenda Revision

The agenda was revised so that the DWQ Program Plan discussion could occur after the Strategic Plan update and presentation.

Central Valley Drinking Water Policy

Lynda Smith informed the Subcommittee that on July 9<sup>th</sup>, the CVRWQCB adopted the resolution regarding the Central Valley Drinking Water Policy. Lynda reminded the group that the DWS had previously reviewed and provided comments on the language of the resolution on numerous occasions while the resolution was being drafted. She told the Subcommittee that the CVDWP Workgroup is now focusing on the technical studies that are being funded by a \$300,000 grant from the US EPA. Liz Borowiec added that the RFP seeking a consultant to conduct these technical studies has been widely distributed; responses are due on Monday, July 26<sup>th</sup>.

Tom Zuckerman asked how the policy might be integrated with the Delta Improvements Package and the wetland drainage management actions now being considered by CALFED. Lynda responded that this resolution is focused on regulations and policy development, not on specific projects. Tom stated his concern that the TMDL part of the resolution is in conflict with current wetland drainage plans.

Leah Wills requested a copy of the final resolution. Lynda stated that Karen Larsen would distribute the resolution to the DWS upon her return from vacation. Leah also requested that the Subcommittee be informed of dates when policies pertinent to drinking water will be reviewed and discussed.

Marguerite Young asked if there was a group similar to the Association of Bay Area Governments (ABAG) in the Sacramento Valley area that coordinates or oversees water management practices of local governments. She was informed that the Sacramento Area Council of Governments (SACOG) would be the Sacramento equivalent to ABAG.

Pankaj Parekh inquired how committed the Regional Board is to regional planning and if they are familiar with the desires of the DWS to encourage regional planning. Lynda responded that Karen Larsen and others in the CVDWP Workgroup represent the DWS and have shared with the

Board the Subcommittee's thoughts. Lynda commented that the Board has committed to developing a regional Basin Plan amendment, which is a step in the regional planning direction.

*Action Item: Karen Larsen will distribute the final CVDWP resolution to the DWS.*

*Action Item: Sam Harader, et al, will inform members of the DWS when items pertinent to drinking water are being discussed by the RWQCB.*

### CBDA Meetings

Sam Harader reported that the CBDA will convene on August 11<sup>th</sup> and 12<sup>th</sup> to approve Program Plans, discuss the Finance Options Report, receive an update on the Delta Improvements Package, and review three grant-related items. One of the grant programs to be reviewed will be the Regional Planning grants that the DWQP is administering through ABAG. Funding for these grants must be spent by May 2005. Sam briefly explained that four Regional Planning proposals were recently submitted, three of which are recommended for funding—one is a Southern California project, the second is Delta-related and headed by CCWD, and the third involves the Sacramento Valley and is led by Glenn County. A fourth project was proposed by Cucamonga Valley Water District, however the proposal appears to be more related to treatment than regional planning. Sam added that the Bay Area Task Force is a regional planning program that is already being funded, and it will likely continue to be funded through CALFED. Marguerite Young suggested that the proposal proponents present to the DWS the intentions of their grants and receive feed-back from the Subcommittee. When asked about implementing agency review and involvement, Sam responded that representatives from the State and Regional Water Boards had served on the review panel. He added that input from the other implementing agencies is welcome, so long as it comes by August 11<sup>th</sup>.

### DHS Grants

Dave Spath distributed to the group a preliminary copy of ranking criteria for projects requesting Prop 50 funding. He informed the Subcommittee that an outstanding issue that has yet to be resolved is whether or not to fund projects of private water agencies. Approximately ten workshops regarding the criteria will be held across the state in the fall. DHS then plans to hold two public hearings to receive comments and finalize the criteria. Dave requested that people review the criteria again and provide comments to either him or Sam Harader.

Marguerite commented that since these guidelines will likely be distributed with the RFP, it might be wise to draft a cover letter that explains the criteria. She suggested placing text in this cover letter that discusses projects within the CALFED solution area, and requested that an extra onus not be placed on those performing work within the CALFED solution area. Dave agreed to work with Sam to develop positive language that would not discourage applicants in CALFED's area from proposing.

The Subcommittee discussed the funding of potential projects in Southern California to alleviate problems with arsenic or perchlorate in the groundwater, which would reduce demand on Colorado River water. It was suggested to add language to this effect to criterion #7 at the bottom of page 14. Pankaj asked if their So Cal proposal, which was submitted for Sam's regional grant, could also be eligible for Prop 50 funds. Dave commented that there may be some complications with that, but agreed to work with Sam—interconnectivity is important.

Bob Neufeld thanked DHS for their effort in sharing these criteria with the DWS and seeking Subcommittee input. He asked if DWR or the State Board have similar criteria for their grants. Bob was informed that DWR and the State Board have held a few public workshops regarding criteria for their various grant programs. On August 12<sup>th</sup>, a workshop on desalination projects will occur. Dave agreed to forward that announcement to Sam to distribute.

Dave informed the group that it will be their intent to provide all of the funding at one time, but that it will probably be staged because of the State budget. He commented that they could always go out for a second round of pre-applications if need be. Sam agreed and stated that some applicants might need an extra couple of years before they are ready to submit a proposal.

Dave discussed the matching component of the grants and other loan programs. Ken McGhee, EJ Subcommittee Coordinator, asked if the 25 percentage match requirement for disadvantaged communities was set in stone. He also asked if the definition of "disadvantaged" had been statutorily defined. Dave responded that the match for disadvantaged communities could be flexible, and that its definition had been statutorily defined by AB 1747.

#### Finance Options Report and Ten Year Finance Plan

Kate Hansel, CBDA, reminded the subcommittee of the PowerPoint presentation on the draft CBDA Finance Options Report and Ten Year Finance Plan that she and Roger Mann presented at the last DWS meeting. Kate explained that these two reports are being reviewed by CALFED and its subcommittees. The Draft Finance Options Report has been available since May and it is expected that the CBDA will approve it soon. Comments on that report are due by August 15<sup>th</sup>. The Ten Year Finance Plan is a foundational report that details CBDA targets, available funding, and remaining unmet funding needs. Final comments on this report are due by September 15<sup>th</sup>. It is expected to go final and be approved by the CBDA in October. Kate requested additional input from the DWS on both reports. There will be a workshop to discuss the Ten Year Report on August 30<sup>th</sup>. The packet regarding the report will go to the BDPAC in August, perhaps before the DWS August meeting. Kate recommended that subcommittee members review the finance tables in the DWQ Program Plan and project those numbers out for the next ten years. She stated that the water user-fee issue is a possible idea to regain costs, but only if it makes sense.

*Action Item: Greg Gartrell recommended that subcommittee members examine the Finance Plan and Program Plan and provide input to the co-chairs regarding what is appropriate and what is not. Greg asked that arguments be written coherently so that the co-chairs can summarize issues for the BDPAC.*

Pankaj asked why the \$0.8 million that is being used to fund regional water planning projects through ABAG is not included in the table for money spent this year on regional planning. Marguerite agreed and suggested that the figure be added to the table. Pankaj also asked how the initial numbers in the tables had been determined. Lisa Holm responded that she had worked closely with Kate on those numbers and offered to distribute the source document for them.

*Action Item: Lisa Holm will distribute the finance document used to determine the original numbers regarding the DWQP funding to the DWS.*

#### BDPAC Meeting

Greg Gartrell informed the Subcommittee that the key item which had been discussed at the last BDPAC meeting was the Delta Improvements Package, which is now being termed as a Plan of

Action (not an MOU). Select Program Plans were also reviewed, and Greg reported that Levees and Habitat Program Plan had not been approved. Tom Zuckerman explained that the Levees Plan was not approved because the BDPAC felt it was an understatement of what is needed to run the program. This is a concern that is shared by those on the Drinking Water Subcommittee, that the program plan does not adequately address the needs of the DWQP. Greg reported that he had stated the Subcommittee's desire at the BDPAC meeting for the DWQP Plan to have funding numbers from the implementing agencies included before the Plan is adopted. Greg thanked the people who worked to get preliminary numbers and the DWQP finance plan together.

#### Delta Improvements Package

Greg explained to the Subcommittee that two issues are now being discussed in terms of the DIP. The first is the interim use of 8,500 cfs and how that ties into what is in the DIP plan. The second concern is in regards to the linkages of the many aspects of the DIP—what would happen to the whole plan if only parts of it move forward? Tom Zuckerman recommended conducting an annual balancing exercise of the DIP.

Dave Nesmith asked if there is an anti-degradation policy in the Action Plan. Greg responded that the Plan calls for continuous improvement and monitoring of such, which goes above and beyond the strength of an anti-degradation policy.

#### Initial Assessment of Progress

Cindy Paulson of Brown & Caldwell provided the group with blank copies of the assessment survey and explained its purpose to the Subcommittee. The assessment is meant to update the project database and receive feed-back on key deliverables of the DWQP. Cindy commented that this survey is meant to be user-friendly so that project managers can easily provide information on actual contributions made to improve drinking water quality. The survey should help to identify gaps in the Program and serve as a framework for future discussions on its strategy. The timeline for the surveys is to distribute them to project managers in early August, receive them back by late August, compile the responses in September and have a summary report completed in October.

Tom Zuckerman asked what the program is doing to validate the answers provided by project managers. Sam responded that they are trying to have the managers track the projects within CALFED and have the implementing agencies perform some ground-truthing. Sam offered to post the project database onto the CALFED website, and encouraged interested parties to contact him via email for a copy.

#### DWS Governance

Marguerite Young announced that she will be resigning from the BDPAC, and thus, due to CALFED policy, she will no longer be able to serve as DWS co-chair. Therefore, the DWS needs to have a discussion soon about her replacement. Marguerite said she will recommend that more NGO interests be represented on the BDPAC, and she promised to continue to be involved in the DWS, just not as co-chair. Marguerite might also suggest that people who are not members of BDPAC should be able to serve as co-chairs if they are engaged enough in the program.

#### Science Management Questions and Expert Panel

Liz Borowiec asked the Subcommittee to consider what types of science questions (“terms of reference”) should be developed for a water management board. There was a question about when and to whom the draft “terms of reference” were distributed. The group was also asked to consider who should be nominated to this expert panel. Related to Science, it was announced that the drinking water session was accepted to be part of the CALFED Science Conference this fall.

*Action Item: Sam agreed to distribute the latest version of the Science terms of reference to the DWS and request nomination ideas.*

#### Environmental Justice Subcommittee Guidelines

Ken McGhee, Coordinator for the CALFED EJ Subcommittee, addressed the DWS and introduced members of the EJ Subcommittee present in the audience, which included temporary EJS chair Dr. Henry Clark. Ken distributed copies of the revised EJ Guidelines to meeting attendees. Ken informed the DWS that EJ is not part of a CALFED program element, but its role is stressed repeatedly in the language of the ROD where it states that EJ concerns must be integrated into all CALFED programs.

Ken told the group that the objectives of the EJS as stated on the hand-outs had been already approved by BDPAC. However, the guidelines still have a few months before they are finalized or approved. Ken urged the DWS to coordinate with the EJS to revise the guidelines so that they adequately capture drinking water quality concerns and objectives. He suggested DWS members attend the next local EJS meeting (in September) or organize a joint EJS-DWS meeting. Ken reported that the guidelines have been presented and reviewed by the levees, watershed, and other subcommittees. He added that the guidelines will be a separate entity and won't replace what is in Program Plans or the ROD.

Ruben Robles raised a question about the origin of the drinking water quality target and action regarding the State Desalination Task Force, and the recommendation to investigate the designation of seawater in proximity to desalination intakes. Ken responded that he wasn't certain of that action's origin.

Lisa Holm commented that it seems inaccurate to claim that the EJS has been coordinating with the DWS since the EJS representative on the DWS, Martha Guzman, has not been to a DWS meeting in some time. Furthermore, it appears that comments provided to the EJS from Lisa have not been incorporated into any of the revised guidelines. Ken apologized and added that Jennifer Clary of Clean Water Action and the DWS has been working with the EJS on the guidelines.

Aaron Ferguson asked Ken how one defines a vulnerable subpopulation. He commented that the EJ goals appeared to be quite broad and ambitious. Ken responded that EJ communities can be defined by race and income, but also communities which will have unmitigated impacts from projects such as water transfers can be considered to be vulnerable.

Marguerite Young suggested creating a working group comprised of the EJS and DWS co-chairs, Sam, Ken, and other interested individuals to work further on the guidelines and incorporate EJ concerns into the DWQP Strategic Plan. Pankaj Parekh commented that as a water provider, he is already doing everything he can to meet these guidelines and goals. He recommended that the working group consider what else can be done. Dr. Clark replied that implementation of various water programs with the best intentions often still result in ignoring certain communities.

*Action Item: Form a working group or arrange a joint meeting between members of the DWS and the EJS to further coordinate on the EJ guidelines.*

#### Bay Area Water Quality and Supply Reliability Project (BAWQSRP)

Amy Fowler of the Santa Clara Valley Water District addressed the DWS on the BAWQSRP. She provided the Subcommittee with a PowerPoint presentation that described in detail the Bay Area water quality project. The project includes a wide number of water agency partners from the area, and used to be known as the Bay Area Blending and Exchange program. There are four phases of the project: phase one (initial assessment) has been completed, phase two (feasibility studies) is currently happening, and phases three and four (detailed evaluation) will happen soon. Amy quickly reviewed the program's objectives for partner agencies, and noted that they hope to develop similar objectives with members of the environmental community who are also involved in the program. The process will likely result in consultants reviewing and developing a system analysis with a raw performance score card. They may then develop hybrids and carry concepts forward for agency evaluation. The major concepts of the Project are recycling, conservation, desalination, and reservoir expansion. Amy introduced the project manager in the audience, Craig Von Barckn, from CDM. Craig commented that they are in the process of developing a document to involve environmental agencies and groups.

Amy informed the DWS that no objectives have been weighted. She wasn't certain of the percentage of water quality projects to water supply reliability projects, but most concepts are a combination of the two; it depends on the project. Amy reported that there are no projects maximizing water use efficiency yet because that aspect of the Project is still being developed.

#### Strategic Plan Update

Before the discussion of the Strategic Plan took place, Bob Neufeld commented that he had spent a considerable amount of time reviewing the pre-meeting materials preparing for this discussion, but that he would need to leave at 12:15 pm. The time was currently 11:50. He stated his disappointment in not being able to contribute significantly to the discussion and requested that the item be brought back to the next meeting and prioritized so that adequate time is allotted for spirited discussion. Bob stated briefly that he likes the way the Strategic Plan seems to be going.

Lisa Holm addressed the group and began to explain the background behind the pre-meeting materials and the organization of the DWQP actions which had been prioritized by the Strategic Plan working group. Marguerite asked how the working group had developed the priorities and then prioritized the program actions. Lisa reminded the Subcommittee that the working group had been advised at the DWS April 23 meeting to take a first attempt at prioritizing the actions. The working group did that with the knowledge they had about the main categories, input from the Subcommittee, and examining the types of projects currently funded. Lisa reminded the group that this is a living document that can change and that the working group had given their best educated guesses when prioritizing.

Leah Wills commented on the difficulty in prioritizing when considering the different perspectives within the subcommittee—there could be a perspective involving the Delta, a different perspective concerned with EJ issues, and others. The group discussed the concern over ELPH becoming “regional planning” in the Plan, and members of the Subcommittee stated that they felt ELPH should be more over-arching than it appears currently. The group discussed at length the importance of regional plans and getting those started. They recommended removing

the word “planning” from the Regional ELPH box. Lisa suggested moving regional planning to the Program Management category since it is such an integral part of the program.

Bob Neufeld commented that the only category which appeared to have low priorities is Source Improvement. He said that as a water provider, he felt that there should not be any project in source improvement that has a low priority. Sam responded that they had combined several projects previously discussed, so some might appear to have been dropped.

The Subcommittee agreed to move all of the currently funded and ongoing activities from high priority to medium with an asterisk which explains that the project is in progress.

Pankaj recommended adding an Implementation box to Treatment Technology (6.3) to read “maximize state-wide benefits in treatment technology of local investments.” The group discussed the importance of local knowledge in treatment technology. Jennifer Clary noted that this action could be a high priority involving EJ. Lisa asked Pankaj and Jennifer to write a fact sheet answering that concern based on the draft language mentioned above.

Lisa explained to the group the structure of the Source Improvement section which has five problem statements; this is many more than in the other categories. It was suggested to clarify action 3.2 to read “run-off to man-made canals.”

Walt Wadlow commented that he felt that the prioritization of program actions should be related to the Program’s accepted goals and objectives. He asked if the priorities matched with the goals and objectives. Lisa responded that they tried to have each of the problem statements correlate to a goal or objective.

Marguerite commented that Water Use Efficiency seems to have been left out. Lisa suggested perhaps adding another problem statement for source improvement that captures WUE. Tom Gohring agreed with the recommendation of putting a WUE box under source improvement.

Aaron Ferguson asked if the DWS had a chance to provide input into the problem statements. Lisa responded that they had the opportunity but no one had provided comments. Looking at PS 1 for source improvement, Aaron asked what the definition of “needs” was. Marguerite suggested adding language similar to “without additional investments” for clarification.

Steve Macaulay commented that the DWS should be focused on water quality projects, not storage or other program element projects. It was recommended and agreed to move the actions under the charge of other program elements to a separate column that should be entitled “actions to be tracked” by the DWS.

It was agreed that a document or explanation behind the working group’s original prioritization was needed for the next DWS meeting. Changes mentioned above will also be incorporated for further review at the next DWS meeting.

*Action Item: The Strategic Plan working group will provide further explanation of the prioritization originally done and revise the actions above for the next DWS meeting.*

#### DWQ Program Plan

The Subcommittee did not make a clear decision regarding adopting the current DWQ Program Plan. The blanks in the finance tables, particularly on page 19, were still resulting in the

Subcommittee not fully embracing nor approving it. Lisa Holm again agreed to distribute to the Subcommittee the document that explains the reasoning behind the numbers in the table. It seems to be the feeling of the Subcommittee that the implementing agencies can out more into the funding blanks, but the implementing agencies have stated that they have provided all of the information that they can at this point. It was recommended that the Subcommittee continue to review the Finance Plan and provide comments on funding to the co-chairs.

Public Comment

There was no comment from the public.

Next Meeting

The next meeting of the DWS will be on August 27<sup>th</sup>. The exact location in Sacramento and duration of the meeting has yet to be determined. Topics for discussion will include the Strategic Plan and the Finance Reports.



## **Partial List of Attendees for the DWS Meeting 7-23-04**

### **The following Subcommittee members participated the meeting:**

1. Aaron Ferguson
2. Greg Gartrell
3. Robert Neufeld
4. Pankaj Parekh
5. Ruben Robles
6. Walt Wadlow
7. Walter Ward
8. Leah Wills
9. Marguerite Young
10. Tom Zuckerman

### **Other meeting participants:**

11. Elizabeth Borowiec
12. Rich Breuer
13. Dr. Henry Clark
14. Jennifer Clary
15. Bill Crooks
16. Alisha Deen
17. Dave Forkel
18. Amy Fowler
19. Tom Gohring
20. Sam Harader
21. Butch Hodgkins
22. Lisa Holm
23. Steve Macaulay
24. Terry Macaulay
25. Ken McGhee
26. Cindy Paulson
27. Heidi Rooks
28. Karen Schwinn
29. Lynda Smith
30. Dave Spath
31. Amy Vanderwarker
32. Craig Von Barckn
33. Michael Warburton