

California Bay-Delta Authority Committee
Drinking Water Subcommittee
Final Minutes
Meeting of September 24, 2004

The Drinking Water Subcommittee met on September 24 from 9:30 am to 12:30 pm at the CALFED offices in Sacramento. Co-chair Greg Gartrell welcomed the group and asked meeting participants to introduce themselves. A list of attendees from the voluntary sign-in follows the meeting summary.

Meeting Summary

Notes from August 27

The draft notes from the August 27 meeting were approved.

Performance Assessment

Cindy Paulson of Brown & Caldwell reported on the preliminary results from the performance assessment survey. The survey was distributed to 79 project managers in August. The assessment is meant to update the project database and receive feed-back on key deliverables of the DWQP. Cindy commented that the survey was meant to be user-friendly so that project managers could easily provide or update information, however only 35 of the 79 project managers responded, and the substance of the answers was less than adequate. Subsequently there are still gaps in the database and that more information is needed before a complete assessment can be made.

Cindy informed the Subcommittee that of the approximately \$95 million issued in grants, only \$6.5 million has been spent thus far on projects designed to protect drinking water quality. A pie chart and table of DWQP money distribution by action area showed that the majority (about 75%) of grant money went towards source improvement projects, followed by science and improved understanding (approximately 18%). Grants for treatment technology and institutional and program management comprised the remaining funding allocations. It was noted that some of the projects address more than one action area. A second pie chart displayed the distribution of grant money by region; the majority of grants (about 50%) went to projects in the San Joaquin region, followed by those in the Bay/Delta regions (approximately 25%). Cindy reported that the grant money has been well-leveraged, with matches of over 200% that tripled the total project value from sources such as DWR, SWRCB, UCD, MWD, EPA, and others. Cindy noted to David Spath that the numbers did not include the treatment technology grants funded by DHS. The group discussed including those projects as an addendum.

Cindy reported that many of the project managers expressed frustration with delays the contracting funding process. She speculated that many managers probably didn't respond to the questionnaire because they hadn't been funded yet. The Subcommittee discussed probable reasons for delays in getting projects funded, including the Jones Track levee break and general delays experienced by every agency in issuing funds. Cindy reported that a greater sense of certainty and timing for funding projects would be appreciated by the project managers.

When queried about performance measures, many respondents asked if they had been established and if not whether they were needed, effective, or applicable. Greg Gartrell stated that performance measures should be clearly stated in all proposals and contracts to be checked during and after each project. Other concerns expressed in the survey included a lack of communication,

engagement, and science or technical advice. Keys to success included the engagement of stakeholders and the ability to build on previous study results. Cindy reported that most respondents were focused on supporting a successful DWQP and the need to balance plans and studies with implementation. Next steps for the assessment include filling in the remaining gaps to complete the database, document the results (perhaps in a summary paper), and integrate the feed-back into the DWQP. It was suggested that the assessment effort be repeated on an annual basis.

To facilitate communication between the project managers and others, it was recommended to have current information regarding the DWQP on the web site. Tom Zuckerman suggested having an outside group (such as UC Davis) conduct an ongoing review of the projects. This idea was supported by others in the Subcommittee. Lisa Holm commented that she has had discussions with the State and Regional Water Boards to have a meeting with the water contractors and project managers to receive updates, or to hold a yearly forum.

Action Item: Greg Gartrell will draft a memo to the DWQP which suggests tracking money spent and encourages cross-communication and the role of education.

Performance Measures

Tom Gohring reminded the Subcommittee of its need for performance measures so that the CBDA can track the progress of the DWQP. Last year, CBDA almost declared CALFED “out-of-balance” since program elements including water quality seemed to be making inadequate progress towards the goals outlined in the ROD. In 2003, members of the Authority were skeptical if the DWQP was actually making substantive improvements given the amount of money expended at that time. To prevent a repeat of those comments this year, Lisa Holm and other program managers have drafted a list of performance measures for their respective elements. Tom asked Subcommittee members to review the list and provide comments to Lisa by October 1. They hope to have a revised version available for DWS review before the winter CBDA meeting. Tom and Lisa explained that the table contained only readily-available data and asked if it was complete. Greg Gartrell said he felt it was. Tom clarified that level 1 performance measures are administrative measures that are already in progress, whereas level 2 performance measures are not administration-related.

A meeting participant commented that in order for performance measures to be effective, there should be no more than six to follow, because more than that can be a distraction. Tom agreed and stated that it was his intention to narrow down the number of measures between now and the winter CBDA meeting. Greg suggested adding a column that shows the ratio of money spent. Patrick Wright stressed that at the CBDA meeting, the DWQP should highlight the key projects that have made a difference in improving water quality.

Pankaj Parekh commented that this is a prime opportunity to show a connection with the work being conducted by DHS. He suggested adding the performance measures associated with DHS projects, sorting all of the performance measures, and then having the Subcommittee review them to make an assessment of progress. Pankaj recommended having the performance measures relate to the main targets in the ROD. Steve Macaulay commended the effort put forth by Lisa and Tom; he said it is a great improvement over the effort initiated several years ago and agreed that the CBDA should hear about other level 1 projects which are making accomplishments towards improving water quality.

Action Item: Provide comments on performance measures to Lisa Holm or Tom Gohring by October 1.

Science Board

Liz Borowiec provided the Subcommittee with information regarding the formation and purpose of a new Drinking Water Quality Science Board (formerly know as the Water Management Board). She and Tom Gohring reviewed the timeline associated with the Board. The terms of reference had been distributed to the DWS in June, while membership suggestions were requested in August. CALFED's lead scientist, Johnnie Moore, recently approved a shortlist of sixteen potential nominations. The nominees are currently being contacted. Some potential members, such as Bill Glaze, also serve on the Integrated Science Board and other commissions. They hope to have the first meeting convene in November. Liz distributed a list of suggested questions for the Board to consider and asked for comments to be e-mailed to her by October 15. She commented that issue-specific science panels or task forces could be formed to answer questions once the membership had been finalized.

Tim Quinn commented that all of the questions listed on the hand-out are valid and worth answering. However, he'd also like to see questions that encompass many components, like the Delta Improvements Project, and suggested questions such as "how are we packaging things" and "is it going well." Tim referred to the EWA technical panel as an example of a board that addresses many components of one project. Greg Gartrell agreed that more complicated projects warrant more comprehensive questions. The importance of developing a drinking water or public health index by the Science Panel was emphasized by Subcommittee members.

Action Item: Provide comments on Science Board questions by October 15 to Liz Borowiec at Borowiec.elizabeth@epa.gov.

San Joaquin River Water Quality

Presentations on the water quality of the San Joaquin River were provided by Les Grober of the Regional Water Quality Control Board and Byron Buck of the San Joaquin Water Quality Management Group. Les began by reviewing a fact sheet regarding the dissolved oxygen Basin Plan Amendment (BPA) to the Sacramento River and San Joaquin River Water Quality Control Plan. The BPA was considered by the Board in July 2004 and is expected to be approved in December. It recommends a control program for factors contributing to the dissolved oxygen impairment in the Stockton Deep Water Ship Channel (DWSC). In summary, the control program is the first phase of a Total Maximum Daily Load (TMDL). The TMDL is phased to allow time for control measures to be implemented to address the impacts of DWSC geometry and reduced DWSC flow, and for studies to be conducted to better understand the sources and linkages of oxygen-demanding substances and their precursors to dissolved oxygen impairment. The next steps of the process include revising the TMDL and staff report to address comments of the Regional Board, continue working with the San Joaquin River Water Quality Management Group on aeration demonstration projects and upstream studies, and continue the hearing in December or January. Les provided members of the Subcommittee with a copy of the staff report that has been provided to the Board. For more information, it was recommended to visit the following web site: http://www.swrcb.ca.gov/rwqcb5/programs/tmdl/sjr_do/index/html.

Tom Zuckerman asked about aeration projects and if elements of the Delta Improvements Package (DIP) have been integrated into the investigation. Les responded that the staff report acknowledges the DIP, but does not address its specific components. Tom commented that

certain aspects of the DIP might alleviate DO problems by increasing flow, and this should be considered as part of the control plan. Les stated his opinion that the DIP and BPA are complimentary. G. Fred Lee commented that he has been researching DO and TMDL problems for years and believes that there is potentially a strong relationship with the DIP, but integration is needed. He referred to three reports he has written on the subject, which can be viewed at his web site: www.gfredlee.com.

Les then distributed a fact sheet regarding the BPA for the control of salt and boron discharges into the lower San Joaquin River. This BPA, a work in progress for decades, was adopted by the Regional Board in September 2004 as a phased program. Les informed the Subcommittee that public meetings and workshops were held before the BPA was adopted. In summary, the amendment recommends a control program which is the first phase of a TMDL, implementing existing salinity objectives at Airport Way Bridges near Vernalis. The second phase will include upstream objectives, allocations, and control programs to be considered by the Regional Board by June 2006. Next steps for this BPA include preparing an administrative record and submit it for approval to the State Water Board, implementing phase one work with the San Joaquin River Water Quality Management Group, and conducting phase two work (upstream objectives, determine water quality objectives that can be reasonably achieved through load reductions alone, revise allocations as necessary, evaluate the need for minimum flow requirements, and revise implementation program as necessary). Les informed the Subcommittee that there had been substantive debate before the Board adopted the BPA by a vote of 3-2. Les feels that by adopting this BPA, the Board is setting a standard to achieve water quality standards. He provided Subcommittee members with copies of the adopted salt and boron amendment.

Byron Buck provided the Subcommittee with a presentation on the work of the San Joaquin River Water Quality Management Group. Byron shared a list of approximately 25 agencies and groups who are participants in the Management Group. This large collaborative is open to the public and meets every two weeks. The objectives of the group are to develop an integrated alternative TMDL implementation plan to meet current salinity /boron and DO water quality objectives at Vernalis and within the Stockton Deep Water Ship Channel, respectively. Byron explained the numerous tools and strategies proposed for achieving water quality objectives, including flow-related actions, load-related actions, and others. Flow-related actions include recirculation, coordinated releases for water quality (20,000 acre-feet of transfers to manage), an analysis of flexible VAMP operations, possible urban wastewater management/exchanges, and the South Delta Improvement Project. Examples of salinity control actions include sub-basin load reduction and management programs, Franks' Tract modifications, and an accretion flow diversion project. Byron stated that they have many management tools to address the various water quality issues that arise throughout the year. The group hopes to utilize models to solve some of the water quality problems in the San Joaquin River. The Management Group plans to produce a report by the end of the year. Byron noted that it is likely that an MOU will be developed through CBDA to implement the tools on a real-time basis.

Ten Year Finance Plan

Kate Hansel, CBDA, provided a follow-up report on the Ten Year Finance Plan. Kate and Lisa Holm developed a straw proposal for the Drinking Water Program which was distributed to Subcommittee members for review. Kate has been engaged in this activity with each CALFED program element, and admitted that the DWQP's Plan has more data challenges in it than others and asked the Subcommittee for input. She is planning to have the Drinking Water Program's Finance Plan ready for CBDA review at their October 14 meeting.

The Plan identifies a funding target of \$373 million for 2005-2014 program timeframe. The funding target is broken down by component: regional ELPH planning, source improvement, treatment technology, science/monitoring/assessment, and program management/oversight. Kate reviewed the funding targets associated with these components with the Subcommittee and requested input.

Regional ELPH Planning, the top priority of the DWS, was targeted at \$12.6 million and proposed to be scheduled in the first three years of the program. The Subcommittee agreed with this number, the schedule, and the proposed 50/50 cost share. They further agreed that Prop 50 Chapter 8 might be the only source of funding. Meeting participants informed Kate that there is a \$500,000 cap on these types of grants, and that there is less money available for the public share than what is stated currently in the Plan (\$6.6 million). The group agreed that an entire regional plan might cost as much as \$2 million.

Source Improvement—Directed Actions was targeted at \$100 million over ten years. It was suggested to change the title to clarify the meaning behind Directed Actions (specific actions that have been identified in the Delta Improvements Package, including implementation of the San Joaquin River Water Quality Management Plan). Byron agreed to provide Kate with values to plug into this section of the Plan. Kate explained the reasoning behind the lack of funding allocation in this section. The group discussed what projects would be included in this category. Kate said she hoped to have a list that defines who is responsible for which actions by late October. Julie Maclay asked about the State's policy regarding regulatory requirements given that the DIP is moving forward as part of 8,500 cfs as part of a regulatory requirement,. The group discussed this and the concept of beneficiary versus polluter pays. Kate asked the Subcommittee to consider public funding as incentive or seed money.

Source Improvement—Grants was targeted at \$91.6 million for ten years. Aaron Ferguson requested clarification on the "Grants" aspect of the title and suggested having one main Source Improvement category with sub-headings for directed actions and grants (or whatever the new titles might be). Aaron asked what role the DWS would play in the agricultural water quality grants. Lisa informed him that the DWS will be reviewing the grants; she is currently drafting a one-page document that discusses the intentions of the DWQP to supplement the Ag Grant criteria developed by the State Board. Kate commented that the numbers behind the funding allocation are vague because Chapters 4 and 5 have not been clearly designated as CALFED money. David Spath asked that the language be clarified so it reads that low interest loans are available to everyone, not just environmental justice communities.

Source Improvement—Conveyance was targeted at \$94.4 million total, with \$15.2 million in phase one. The Subcommittee discussed its role in the Frank's Tract and Old River & Rock Slough projects. Greg Gartrell informed the group that the Frank's Tract project was funded by the Ecosystem Program (not Conveyance). Julie Maclay commented that Frank's Tract is already in federal legislation as part of the conveyance program; she wondered if changing it to the responsibility of DWQP would generate any concern. The Subcommittee agreed that these two projects had been targeted to be moved to the DWQP finance section in a previous meeting, but that the DWQP does not want to be completely financially responsible for or in charge of those projects.

Treatment was targeted at \$34.4 million. It was suggested change the title of this section to Treatment Technology Demonstration. Kate asked what the cost-share should be for treatment. David Spath commented that DHS offers a 50/50 cost share, which he felt is reasonable. Kevin Wattier noted that the Bureau of Reclamation will fund 50% if treatment is necessary.

Science, monitoring, and assessment was targeted at \$15.7 million. Tom Gohring reminded the Subcommittee of their desire to have a program designed to review funded projects and see if targets are being met. Several Subcommittee members stated that they liked Tom Zuckerman's idea of having an outside group (UC Davis) provide ongoing oversight and review of projects.

Program management and oversight was targeted at \$7 million total with \$700,000 per year. Subcommittee members asked if this was adequate and similar to oversight needed for other program elements. They were informed that the numbers appear to be adequate. Lisa commented that CBDA staff and the Science Board will help the DWQP achieve their goals within the timeframes stated.

Kate reported that she plans to fill in the data gaps of the Straw Plan for the DWS to review before it goes to the CBDA.

Draft Memo RE: Prop 50—Integrated Regional Water Management Grant Program Guidelines

Greg Gartrell asked for comments on a memorandum he drafted and distributed to the Subcommittee regarding the guidelines of Prop 50 Integrated Regional Water Management Grants. Jennifer Clary commented that the letter needed more specific language, particularly regarding eligibility criteria. Leah Wills asked about the potential distribution of funds. The group was reminded that there is a \$500,000 cap for these grants. There was a comment that DWR might think that regional ELPHs are too narrow in scope for this type of funding.

Central Valley Drinking Water Policy

Karen Larsen provided an update on the Central Valley Drinking Water Policy. The group is now compiling the numerous data sets into one database. Funding has been allocated to Tetra Tech to develop a conceptual model. The Work Group has also spent time prioritizing tier one and tier two criteria that will be part of the conceptual model. Tier one criteria is based on the collective knowledge of the group, and will be reviewed by an expert panel. Karen recommended visiting the Regional Board's web site for more information on past and future efforts of the Work Group. When asked which intakes the group is considering improving, Karen responded that the majority of intakes are located in the Delta, but some are in Sacramento and in West Sac.

Periodic Review of SWRCB's Water Quality Control Plan

Greg Gartrell encouraged Subcommittee members to participate in this review of the WQCP. He suggested that the DWS might want to provide language to the State Board regarding the main priorities of the DWS and agreed to draft such a letter. Lisa has been in contact with staff at the Board, and has learned that drinking water quality issues won't be addressed until January. It has been recommended that the DWS give a presentation at the appropriate workshop.

Public Comment

There was no comment from the public.

Next Meeting

The next meeting of the DWS was tentatively scheduled for October 15, subject to cancellation.

Partial List of Attendees for the DWS Meeting 9-24-04

The following Subcommittee members participated the meeting:

1. Aaron Ferguson
2. Greg Gartrell
3. Pankaj Parekh
4. Tim Quinn
5. Ruben Robles
6. Dave Tompkins
7. Kevin Wattier
8. Leah Wills
9. Tom Zuckerman

Other meeting participants:

10. Elaine Archibald
11. Elizabeth Borowiec
12. Byron Buck
13. Jennifer Clary
14. Bill Crooks
15. Vicki Fry
16. Larry Joyce
17. Paul Gilbert-Synder
18. Bill Glaze
19. Tom Gohring
20. Les Grober
21. Lisa Holm
22. Karen Larsen
23. Eugenia Laychak
24. G. Fred Lee
25. Gene Lee
26. Steve Macaulay
27. Julie Maclay
28. Lee Mao
29. Cindy Paulson
30. Heidi Rooks
31. Karen Schwinn
32. Lynda Smith
33. David Spath
34. Patrick Wright