

**California Bay-Delta Public Advisory Committee**  
**Water Supply Subcommittee April 14, 2004 Meeting Summary**  
**Bonderson Building Hearing Room**  
**9:00 a.m. to 4:00 p.m.**

**Introduction**

The following subcommittee members and alternates attended the meeting: Jerry Meral, Steve Hall, Bernice Sullivan, Richard Denton, Alan Zepp, Joan Maher, Dan Nelson, and Van Tenny.

The meeting focused on the following agenda items

1. Common Assumptions Monthly Update
2. San Luis Low Point Project
3. In-Delta Storage State Feasibility Study - Summary of Public Comments Received
4. Program Plan Review – Conveyance Program and Water transfers

**1. Common Assumptions Monthly Update - Presenters: Nannette Engelbrite (Reclamation) and Sean Sou (DWR)**

The objectives of this effort are to develop common model codes, common quantification of model inputs and outputs, common analysis procedures and common performance measures for CALFED storage projects. The presentation covered the roles and responsibilities of the Common Assumptions Team, agency management, Water Supply Subcommittee, and ad-hoc stakeholder group in the Common Assumptions effort. Common Assumptions is working to develop common baseline runs (CALSIM II, DSM2, and other models). For the next storage progress report update, an interim CALSIM II baseline that is based on the OCAP future no-action assumptions and Table A entitlement demand for Metropolitan Water District will be developed for the storage projects to run their scenarios. Results of the modeled scenarios will be reported in the progress report update. The Common Assumptions Team has held two discussions with an ad-hoc stakeholder group on the interim CALSIM II baseline assumptions. The Common Assumptions Team is developing a straw man common reporting metrics for the storage projects, and the team will present the straw man reporting metrics to the WSS in the June meeting.

**Comments:**

The subcommittee was concerned about significant data gaps in the Common Assumptions effort. Estimates for desalination use and water use efficiency are being developed by other programs such as the Authority's Water Use Efficiency Year-4 evaluation and Water Plan Update. The subcommittee was concerned about the danger of other water management options being further along and about there not yet being a tool even to make "an imperfect comparison". The subcommittee had questions about how Common Assumptions will weight performance measures. Finally, the subcommittee commented generally that a tool that can be recalibrated to meet a variety of operating criteria is needed.

**Action Items:**

- DWR will recalculate the costs and benefits of the In-Delta Storage Project using the interim Common Assumptions CALSIM II baseline.
- The Common Assumptions Team will update the Interim Common Assumptions CALSIM II baseline assumptions sheet and post it on the subcommittee's web page.
- DWR will bring all needed resources to the Common Assumptions effort since the baselines are needed now for Surface Storage Project analysis to go forward.

**2. San Luis Low Point Project - Presenters: Chet Bowling (Reclamation), Curtis Creel and Kathy Kelly (DWR), and Kurt Arends (Santa Clara Valley Water District)**

The San Luis Reservoir is jointly used (shared) by the California and Federal water projects. It is filled with water pumped from the Delta and is drawn down to supply the southern half of California through the State and Federal aqueducts. Normal operations are to fill and empty the reservoir each year. State and Federal operations personnel target draining the reservoir to approximately 70 thousand acre-feet (TAF) each year, but in reality this has not happened because of imprecise forecasts, deferred deliveries, and Federal and State low points not occurring at the same time. If the reservoir level falls below 300 TAF the water quality of the San Felipe Unit that serves Santa Clara Valley Water District and other Districts could be impacted. As forecasts become more precise and contractors take their full entitlements, it is expected that the reservoir will be routinely drawn down below 300 TAF. The San Luis Low Point Project is analyzing how to maintain a supply of high quality water when the reservoir level falls as low as 70 TAF.

The San Luis Low Point Team has conducted several public meetings to scope potential alternatives and take comment from the Public. Several fishery interest groups have commented that lowering the reservoir may impact or even destroy the world-class fishery in the reservoir. The Team has established a fisheries stakeholders group and fisheries impact studies are underway for inclusion in the EIR/S scheduled for completion next year.

**Comments:**

Subcommittee members emphasized the need for coordination among DWR, Reclamation, SCVWA, and other agencies because the potential water supply benefits extend beyond the Bay Area.

**Public Comment and Presentation by California Fly Fishermen Association:**

This presentation stated that the San Luis Low Point Project would harm the world-class fishery in the O'Neill forebay and the San Luis Reservoir. The reservoir provides recreational benefits to between 500,000 and one million visitors each year that come to fish and boat, both of which boost the local economy. The legislation authorizing the construction and operation of San Luis Reservoir included providing fishing and other recreational benefits.

The Association is concerned that the project's draw down will impact or even destroy this fishery as well as negatively impact the recreation opportunities. They are recommending that studies be conducted to determine a draw down level that will preserve the fishery. The

Association has specific concerns that changes in temperature, dissolved oxygen, crowding, poaching and predator/prey proximity will be the specific causes of the fishery impacts. Another public comment from the audience stated that drainage from agriculture in the Delta must be dealt with to improve water quality in San Luis Reservoir (and south of the Delta in general). The question was raised as to why an alternative to maximize fisheries was not included in the planned NEPA and CEQA analysis. The Association requested that the subcommittee make a formal recommendation to include an alternative to maximize fisheries and recreation.

SCVWD responded that various studies addressing specific aspects of fishery health are being conducted. The projects purpose is to allow operational flexibility of the reservoir and the system as a whole by eliminating the low point constraint, allowing the reservoir to operate the way it was designed, and at the same time allow the San Felipe Unit to receive high quality water.

### **Comments**

Subcommittee members concluded:

- These fisheries issues cannot be settled in this forum.
- The legislation authorizing the reservoir created the fishery as a side benefit.
- The Low Point Project will not affect the fishery in the O'Neil Forebay.
- Studies should include a comparison of the value of the trophy fish to the cost to constrain the water supply at San Luis Reservoir.
- The CEQA/NEPA documents will analyze and address the fisheries issues.
- The San Luis Reservoir will be drawn down whether the Low Point project goes forward or not--it is the purpose of the reservoir.

### **Action Item:**

- DWR must post the Association's February 22, 2004 letter on the subcommittee's web page.

### **3. a. In-Delta Storage State Feasibility Study – Summary of Public Comments Received - Presenter: Steve Roberts (DWR)**

DWR completed a feasibility study of the Delta Wetlands Project earlier this year. Extensive changes to the design and operations were necessary to meet State ownership requirements and to calculate the value of the project to the state water project. A public review period yielded over 150 pages of comments mainly on economics, water quality, operations modeling, and engineering concerns. An outline of a short and long-term schedule was presented (see meeting materials). A general response letter will be sent out to all commenters, and the comment letters will be posted in their entirety on the subcommittee's website. One comment at the Public workshops was that other Delta landowners opposed the In-Delta levee upgrades because it would increase the likelihood that their levees would fail first in a flood. Essentially, while strengthening levees is supported, raising the height of levees may create third party impacts that the project needs to address.

A plan will be prepared for future project work based on the comments received. The Plan will consider stakeholder input before prioritizing work for fiscal year 2005.

## **Comments:**

### **Water Supply Subcommittee**

The Subcommittee members questioned the timing of a decision on the future of the In-Delta project with so much economic, water quality, engineering, and operations modeling yet to be completed. The project will not be comparable to other projects until common assumptions are applied to all projects. The DWR economic models have not been peer-reviewed and are generally thought to undervalue water project benefits. The new Metropolitan Water District Article 21 demands have not been modeled nor are the project's added benefits valued. Finally, there is no standard method for valuing the benefit for added flexibility to the system as a whole.

Nevertheless, the subcommittee felt it needs to send a recommendation to the Bay-Delta Public Advisory Committee (BDPAC) on future expenditures for the project and funding prioritization for all surface storage projects.

### **Delta Wetlands –Andy Moran**

The Delta Wetlands representative made several clarifying remarks about the comments received and analysis needed to be completed.

1. The issue with the project is yield not water quality. The project must meet State Water Resources Control Board permit requirements.
2. The DWR economic model predictions will not value any surface storage project to be economically viable. This model needs work.
3. If the real cost of debt and the increased demand from Metropolitan is modeled, the cost/benefit ratio is very close to one.
4. There is a sense of urgency held by outsiders to CALFED that the In-Delta project needs to move forward.
5. Delta Wetlands has done most of the project work so far; only a small share has been provided by the State.

### **3. b. Water Supply Subcommittee Co-Chairmen's Proposed Letter to Gary Hunt**

The co-Chairmen presented their draft letter for consideration to the entire subcommittee. It highlighted three areas needing further studies before a final decision could be made: 1) the value of the project preventing sea water intrusion due to upgraded levees has not been fully analyzed; 2) there is no consensus on the impact of this project on water quality; and 3) The economic analysis probably understates the projects value, but even with various corrected assumptions the cost benefit ratio is not attractive. The letter goes on to say that, given a lack of identified customers for the water, the subcommittee questions whether substantial additional funds should be allocated through the CALFED program to answer these remaining questions. The co-chairmen agreed that developing and applying common assumptions was also necessary and should be added to the letter.

### **Water Supply Subcommittee Comments**

There was disagreement among the Subcommittee on whether to include the value of preventing seawater intrusion since levee protection is an incidental benefit and not an objective of the

project. In addition, these levee upgrades also have a negative impact on other islands that now become the weak link in the levee system. The letter also did not mention the project's value in controlling X2 on a daily basis or that the yield may be over estimated. Finally, a comment was made by the subcommittee that if the project has value for the Ecosystem Restoration Program (ERP) or the Environmental Water Account then these programs should contribute to the studies.

### **Delta Wetlands Comments by Andy Moran**

Mr. Moran had several additional comments:

1. The subcommittee may be taking action in an informal way.
2. It is appropriate to address all actions concerning any CALFED surface storage project in an established formal manner.
3. It is inappropriate for the subcommittee to make a decision on a project –only to recommend a decision on a project to the BDPAC.

### **Subcommittee Response**

The committee supports the continued study of these issues as a test case for CALFED. However, there is a funding shortage, and funding must be prioritized. Activities must be prioritized for all surface storage projects and funding decisions made. An In-Delta spending plan will be produced that prioritizes the needed studies along with their costs.

Action Items:

- The subcommittee will re-draft the co-chairmen's letter.
- The subcommittee will consider a meeting to discuss and finalize the letter before the May 13 BDPAC meeting.
- Common assumptions application will be added to the letter.
- Each Surface Storage project will list its critical activities and costs so funding can be prioritized.
- Response to comments will be posted on the subcommittee's web page.

## **4. Program Plan Reviews**

**Water Transfers** - there was no presenter, therefore the subcommittee decided to read the meeting materials after the meeting.

**Conveyance Program Plan-** Presenter: Don Kurosaka (DWR)

Staff presented all 13 conveyance projects (see meeting materials). The Franks Tract project has been moved from the ERP to the Conveyance program because its potential water quality benefits may improve the ability to move water through the Delta. However, this work is slow because many studies are still being conducted by the ERP and need to be completed. Clifton Court fish screens and Tracey Fish Test Facility are being reevaluated due to their high cost and probably low increase in project yield. The Conveyance Program plan emphasizes a \$2 to \$3 billion funding need to complete all projects because bond funding will be ending and because local and federal funds are not secured. Finally, water supply benefits of the various projects were summarized.

**Comments:**

Taking exception with the presentation, there was comment that Conveyance is not considered a water supply benefit. The subcommittee questioned what would be a logical range of funding and financing. The subcommittee stated that it wants a sense of prioritization of remaining activities and costs. The subcommittee also wants to review the Conveyance Program Plan and make a recommendation to the BDPAC. In addition, there was broader concern about timelines for recommendations on all program plans. The co-chairs mentioned that it might be necessary to hold a special meeting between May 13 and August to address the letter and program plan recommendations to the BDPAC.

**Action Item:**

- Co-chairman Hall will report to the BDPAC on May 13, 2004 that the program plans are under review by the subcommittee.

**Public Comment**

There was no additional public comment.

**Next Meeting**

The subcommittee members decided to hold their June meeting on the 23<sup>rd</sup>. They plan to consider on their agenda:

- All program plans--to make recommendations to the BDPAC on activities and spending.
- The revised letter on the In-Delta Storage project.
- Storage projects priorities (in the interim working with DWR management).
- Common Assumptions (which is a standing item).
- Briefing on the Water Transfers Program Plan.

**Adjourned at 2:30 p.m.**