

California Bay-Delta Public Advisory Committee
Water Supply Subcommittee January 12, 2005 Meeting Summary
Bonderson Building Hearing Room
9:00 a.m. to 12:00 noon

Introductions

The following subcommittee members and alternates attended the meeting: Steve Hall, Jerry Meral, Ron Jacobsma, Tom Zuckerman, Alan Zepp, Marguerite Naillon, Barry Nelson, and Randall Neudeck

The meeting focused on the following agenda items:

- 1) Delta Facilities Briefings
 - a) Future of the Delta
 - b) Delta Improvement Package
- 2) Finance Plan Briefing(s)
- 3) Common Assumptions Progress Report/Modeling Results

1) Delta Facilities Briefing

a) Future of the Delta -- Presenters: Jeff Mount and Peter Moyle (UC Davis)

Professor Mount began with his presentation. In it, he took a hard look at the Levee Integrity Program in the Delta. He began by generally stating that the Delta is dynamic but DWR and CALFED policy view it as static. His presentation gave a brief overview of the Delta and reviewed its history. It explained that the oxidization of soil causing islands to subside is the most major issue that Delta levees are facing. Professor Mount has developed for use in his analysis two indices: accommodation space and levee force (hydrostatic). His analysis, making the assumption that both farming and subsidence continue and not including either a threshold effect or climate change, predicts multiple island failures in a 100-year flood or 100-year seismic event, with the greatest risk being to the Central Delta. Filling subsiding islands with such material as sediment would occur at too slow a rate to provide protection. Professor Mount stated that there is no State policy to address this multibillion dollar, multiyear storage problem.

Professor Moyle next made his presentation. It began by explaining that the situation is improving for native fish but that the climate has also been benign. It next covered what the analysis shows as the consequences to inland fishes of possible climate change and a possible earthquake in the Delta (as well as human population growth and sea level rise): native fish population would decline, habitat for native fish would decline, non-native fish population would increase, and more intense work would be needed to maintain native fish population and habitat. Professor Moyle's analysis proposes that in order to maintain native fish population and habitat, the CALFED process needs to: recognize that the Delta landscape is not fixed but rather dynamic, stop responding to problems with emergency solutions, create more floodplains (such as the Yolo Bypass), and take marginal farmland out of production.

Comments:

Two members of the audience asked for clarification on what a 100-year flood in the Delta is; Professor Mount clarified that such a flood is as based on the stage of water in the channels and not as based on a rainfall event. Professor Mount was next questioned if the time of year when a failure takes place matters; he said that it does but that his analysis does not account for such factors (including such factors as tide). Subcommittee member Zuckerman stated that Professor Mount and the subcommittee must acknowledge a decline in levee failures since the state levee maintenance program began, but Professor Mount responded that the climate has been benign and that it will take a relatively long time (50 years) to see the cumulative effects (at which time business as usual will not be sustainable). The subcommittee next asked what happens to fish if flooding of the Delta takes place; the professors responded that in general it will be a bad place for native fish. Next, the difference between impacts on natural fish and hatchery fish was questioned; the professors stated that there still would be some impacts and that this would not be so much a matter of biology. The subcommittee then asked what a plan to heroically save some islands and let others go "organically" (that is, by the process of island failure that Mount's analysis predicts) would look like; Professor Mount stated that he did not know. Mr. Zuckerman stated that he appreciated this presentation and its raising these issues. A member of the audience asked how this information is being communicated to local governments; the professors responded that agencies are not doing a good job.

b) Delta Improvement Package -- Presenter: Ron Ott (Authority)

This presentation covered the status and schedule of the water supply actions, water quality actions, environmental actions, Delta levees actions, science actions, and fish facilities actions that make up the Delta Improvements Package (DIP). (See the presentation.)

Comments:

A member of the subcommittee asked if Reclamation will use Common Assumptions to make decisions on projects in the DIP. Staff answered that Reclamation will not because Congress will make such decisions, but staff pointed out that Congress will listen to stakeholders. *Common Assumptions is, however, coordinating its work with DIP and projects and programs included in DIP to show consistency between storage, conveyance and other DIP actions that are being proposed.* A subcommittee member next asked how the Authority responds to Professors Moyle and Mount's presentation; staff responded that DWR is beginning a comprehensive look at the issues that Moyle and Mount's presentation raise. A member of the audience asked about the status of any interim DIP; staff responded that there is no interim DIP.

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2) Finance Plan Briefing(s) -- Presenter: Tom Ghorring (Authority)

This presentation covered the reasons for the CALFED finance plan, the process used to develop it, its schedule (including placing proposals in the governor's 2005-2006 fiscal year budget and continuing discussions with agencies, stakeholders, and the legislature), the portions that are updated annually and the portions that are updated periodically, and its principles. Of particular note, staff stated that the finance plan is staying with a beneficiaries-pay approach. Because of reduced CALFED annual allocations relative to

the targets in the Record of Decision, a ten-year plan has been developed to fund this reduction. Major remaining issues include water user contributions, the Ecosystem Restoration Program, the Environmental Water Account, levees, the science program, the likelihood of increased federal funding, and reliance on new state funds beginning in 2006-2007. Surface storage planning also faces funding issues: if additional state funding is not allocated in the near term, there may be delays in the investigations. Surface storage construction would be funded by the beneficiaries, namely, the water users. Next steps include making the final plan available in January, discussion with the state legislature in 2005, federal appropriation requests in fiscal years 2006 and 2007, and ongoing discussions with stakeholders and agencies.

Comments:

A member of the audience asked who the finance plan considers a user. Staff responded that a rate structure will be defined; it is not yet clear how to assign fees to beneficiaries and to those who impact water upstream. Staff next announced that the Authority will hold a public workshop on January 19 and that there will be a panel presentation at a conference the following day.

Next, East Bay Municipal Utility District's Assistant to the General Manager, Randel Kanouse, stated that the work done on the finance plan is good but must include storage and conveyance in it. He further stated that he sees no reason to expect federal funds or state bonds and therefore assumes that this realistic funding gap will be passed on to users. Mr. Kanouse stated that a more rigorous process to identify the communities that will derive benefits was needed; at that point a surcharge to fund public benefits would be appropriate. He stated that he wants these protections to prevent abuse of general tax dollars and fees. Co-chairman Hall responded that if a surcharge was used he would want the scope of activities to be carefully circumscribed. Another member of the audience stated that if no federal funding is provided in the future then a back-up (or second and third options) was needed in the plan; staff responded that there is no back-up in the plan and that such a case will be handled by annual updates. Mr. Kanouse stated that he supports Senator Machado's idea of a bill during whose development there would be an open public process. Co-chairman Meral asked what would happen if local property taxes were not restored to local agencies in the state budget beginning in the 2006-2007 fiscal year; Mr. Hall responded that they will be restored to local agencies under Proposition 1A but that loans can be expected from time to time. A member of the audience and Mr. Hall further stated that no project has been fleshed out in enough detail to allow a discussion of funding through the beneficiaries-pay principle.

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3) Common Assumptions Progress Report/Modeling Results -- Presenters: Sean Sou (DWR) and Nannette Englebrite (Reclamation)

This presentation began by reviewing the objectives of the Common Assumptions effort and the Common Assumptions team structure. Regarding the development of common model packages, the progress report baseline was completed in June 2004 and intensive work has taken place to refine the models and to identify and resolve various technical issues. This package assumes a Delta-Mendota Canal/California Aqueduct intertie, 8,500 cfs pumping at Banks, and integrated operations. Surface storage projects modeled were

In-Delta Storage, North-of-the-Delta Offstream Storage, Shasta Lake Enlargement, and Los Vaqueros Reservoir Expansion; the presentation covered the scenarios modeled and the results (showing both those from using the common model package and project-specific modeling such as the use of the Salmon Mortality Model on the Shasta Lake project). Detailed common reporting metrics will be discussed in detail at the Ad Hoc Technical Stakeholder Workgroup meeting on January 13. A progress report will be available to the subcommittee in March, the plan formulation report baseline is expected by July 2005, and the feasibility study report baseline is expected by July 2006. The presentation finally covered the activities of the economics and cost team and the technical coordination team. Issues outstanding are descriptions of the no action alternative and cumulative impacts.

Comments:

A member of the audience asked what sorts of assumptions are being made regarding the renewal of contracts; staff answered that Common Assumptions assumes that current contracts will be in place. Regarding a direct connection with an expanded Los Vaqueros Reservoir with the South Bay Aqueduct, staff explained that a new pipeline would be constructed. Co-chairman Hall stated that this work and the presentation were exactly what he wants, and he thanked staff for their effort.

North Delta Flood Control and Ecosystem Restoration Improvement Program

This item was deferred to the next subcommittee meeting.

Public Comment:

There was no additional public comment.

Next meeting:

The next BDPAC Water Supply Subcommittee meeting will be in March. The agenda should include a presentation on the North Delta Flood Control and Ecosystem Restoration Improvement Program.