

**Draft Meeting Summary
California Bay-Delta Public Advisory Committee
Working Landscapes Subcommittee
March 4, 2004; 9:00 am – 12:00 pm**

Subcommittee web site:

<http://calwater.ca.gov/BDPAC/Subcommittees/WorkingLandscapesSubcommittee.shtml>

I. Introductions and Meeting Summary

Co-chair Denny Bungarz opened the meeting at 9:15. Self-introductions were made. John Dyer, Chief Counsel for the Department of Food and Agriculture, introduced himself and announced that Mike Krug, from his staff, would be attending future Working Landscapes Subcommittee meetings due to the Department's new Secretary, A.G. Kawamura's interest in the Subcommittee's work. Mike Krug introduced himself.

Co-chair vacancy:

Bungarz announced that Ryan Brodrick, Working Landscapes Subcommittee co-chair, has been appointed as the Director of the Department of Fish and Game. The Subcommittee discussed the process for a new co-chair to be appointed to the Subcommittee. Bay Delta Public Advisory Committee (BDPAC) makes the appointments, but WLS can make recommendations. It was noted that there have been a number of changes in BDPAC membership. Several Subcommittee members mentioned that Tom Zuckerman might be an excellent candidate as WLS co-chair, as he is a BDPAC member and long-time participant in WLS. Zuckerman was open to the suggestion, but wondered if his background was different enough from Bungarz's, and noted he was already a co-chair on another subcommittee. Nevertheless, he said that he would be willing to serve assuming BDPAC thought there be broad enough representation. A brief discussion ensued on the criteria a new co-chair should meet. Suggested criteria were BDPAC membership, willingness, diversity of regions represented, and differing constituencies represented. Casey Walsh Cady, CDFA, suggested that Bungarz verbally recommend Zuckerman to Gary Hunt, and they could discuss how to handle it. The Subcommittee expressed appreciation for the enthusiasm that Zuckerman brings to WLS and there was consensus that Bungarz should explore having him recommended as co-chair.

Previous minutes

Ken Trott stated that Tina Cannon, Dept of Fish and Game, who was absent, had provided comments on the LESA discussion in the previous meeting summary and wanted them reflected in the minutes. Some disagreements arose as to simply changing the language to reflect one member's viewpoint, especially as she was not there to discuss it. A proposal was put forward to insert Cannon's comments in italics, and attribute them to her. Bungarz stated a preference for this approach. Staff will revise the minutes.

II. Agency and Subcommittee Reports

Delta Levees and Habitat Subcommittee

Tom Zuckerman announced that the Delta Levees and Habitat Subcommittee had voted to sign on to the WLS memo requesting socio-economic expertise on the CBDA Science Board.

California Department of Food and Agriculture

California Performance Review: Trott reported that Steve Shaffer has been assigned to the Governor's California Performance Review Team. Shaffer will be out for the next four months, Trott will be covering for him. Trott gave the following report:

SWRCB Agricultural Water Quality Grant Program: Trott reported that CDFA is assisting the State Water Resources Control Board (SWRCB) with the development of a new grant fund for agricultural water quality monitoring. Funding for the program is from Propositions 40 and 50 and is at roughly \$20 million. Funding can be used for water quality monitoring, effectiveness monitoring of management practices, installation of practices, demonstrations and education. The grant dollars would go through local groups such as RCDs. It was noted that many RCDs are able to receive funds for installing practices but typically have a more difficulty finding funds for monitoring efforts. Jay Chamberlin asked why the focus just on EQIP. Trott replied that

NRCS had indicated EQIP was probably the strongest possibility and NRCS was less interested in some others, such as CREP.

Dennis Bowker, CBDA Watershed Program, noted that a problem in water quality grant programs is that they have focused on the pesticides once they are in the water, but it might be more helpful if there was some focus on them before they get there. For instance, it might be helpful if some of the monitoring funds went to improving applications of pesticides, in monitoring pests so that pesticides are only applied when seriously needed. Applied at a landscape level, such an initiative might be very helpful in reducing the amounts of pesticides introduced onto the land.

CDFA Secretary Ag Tour: Trott stated that the Secretary of CDFA, A. G. Kawamura has asked staff to put together a two-day tour in May (probably 5-6, now postponed to June 7th and 8th) to visit with growers who are demonstrating good stewardship efforts on their lands. Staff has developed a list of potential sites, but welcomes any recommendations. The Secretary wants to use the tour to build cooperation between agencies.

USDA Conservation Security Program: Trott reported that he was finalizing CDFA's comments on the proposed rule for the CSP and he has worked with about 20 other organizations to capture their concerns and try to ensure the comments are consistent.

Delta NRCS Grower's Forum: Trott and Zuckerman reported that a forum would take place on March 5 featuring the NRCS programs and practices that are relevant to the Delta. The format is intended to simulate a typical field consultation with few hypothetical Delta growers, where the growers would explain their situations to the NRCS specialists (and forum attendees), and the specialists would then explain the programs and practices that might best serve their needs.

CALFED Science Conference: Trott reported that the Conference organizers had turned down the application for a Special Session on cooperative stakeholder processes in achieving CALFED goals. However, the Conference will have a broader general session that focuses on human consequences of CALFED, with much of the same material being covered there.

CALFED Program Plans, Years 5-7: Trott stated that staff will review and comment on the Program Plans, looking at them with a working landscapes and agriculture point of view. He encouraged the members to provide input but noted that they had only 8-9 days to prepare comments. They would try to incorporate any input into the comments.

Dan Ray, CBDA wondered about the process, because people would be submitting their individual comments, from their own viewpoints, and there'd be no discussion to develop a consensus of the subcommittee. Trott thought staff could reconcile and reflect different points of view, and noted this was just the first round of comments and any conflicts could be aired at the Apr. 1 meeting. Zuckerman wondered if commenting would do much good. He sees CALFED moving towards the regional planning model, and he thought it would be difficult to integrate widely differing approaches in that process. Their stated approach is to proceed with a wider general awareness of the range of concerns. Trott said the process he'd proposed had been suggested by the CALFED coordinators, but everyone concerned had been caught off balance by the short timing. The other approach is to have separate agency and individual comments. He would like to start integrating them, but was open to the committee's pleasure.

After further discussion, the consensus was that integrating comments would be a good plan if there were enough time, but with a short time frame the effort might just become a compilation of individual comments. The final proposal was for individuals to prepare their own comments, but copy them to CDFA staff. Staff would try to be aware of those comments in preparing the agency comments on the Plans.

III. Presentation on In-Delta Storage Project Briefing - Pal Sandhu and others

One of the commitments in the CALFED Record of Decision (ROD) was the evaluation of five water storage projects including the In-Delta Storage project. DWR has released a feasibility report (see for greater details on the project...). This project would provide capacity to store approximately 217,000 acre-feet of water in the south Delta for water supply, water quality and ecosystem benefits. Two islands would serve as water storage

and two islands would serve as habitat islands. Chuck Vogelsang presented the project description and environmental aspects, and Ray Hoagland provided a detailed economic study of the project impacts.

Trott asked whether, after the NEPA analyses referred to in the presentation, CEQA will be the next process. Vickie Newlin, CBDA stated that they will also have to consider issues with the Williamson Act and impacts on local governments. Steve Roberts, CALFED Water Storage Program Manager replied that they will be talking to the Delta Protection Commission about these kinds of issues. Al Medvitz noted that they will probably have to mitigate by acquiring easements, and he wondered how they will find equivalent lands within the Delta. Vogelsang acknowledged that would be a challenge because Delta lands are unique, and it is not clear there are enough Delta lands to find appropriate easements. Medvitz also noted that there is a trend to incorporate more habitat values into agricultural operations. He questioned how will they make the distinction between agricultural and habitat lands. Vogelsang said that the two habitat islands proposed would probably go into public ownership but be leased back to farmers to manage for habitat values. Medvitz wondered if they couldn't remain in private ownership but be contracted to manage for habitat. Vogelsang was open to this idea.

Becky Sheehan, CA Farm Bureau asked if they planned to tier off the CALFED EIS or go for a separate one. Vogelsang replied that he had participated in the development of the CALFED NEPA/CEQA approach while he was at CALFED, and was very interested in seeing if the integrated, tiering process would work. They intend to follow the ROD as much as possible and see how the plans compare to reality. Zuckerman asked how to get a copy of the report and was told that the reports had been mailed to BDPAC and CBDA members and it's also on their Web site. Zuckerman said he'd appreciate having the same presentation at the Delta Levees meeting.

Medvitz asked if they were taking potential rises in sea level into account. He was told that the project has a 50-year projected economic life and a 100-year planning horizon. Modeling has been done on effects of increase in sea level and the facilities were designed to tolerate this increase. One of the DWR representatives noted that probably a bigger question was how the other, non-project Delta islands would fare in the face of rising sea levels.

John Brodie, San Joaquin County Resource Conservation District watershed coordinator, asked what the local response had been to the storage plan. Pal said there has been little enthusiasm, and there is a concern about a loss of jobs and agricultural land. DWR held a public meeting in the Delta a few weeks earlier where 30 people showed up. Medvitz commented that he hoped the process would incorporate the idea of using the farmers as manager of habitat and helping them transition to this new kind of production, while keeping lands in private ownership. Ray concurred with the idea of local ownership and suggested transferring some of the capital costs to operational costs: let locals bid and lease land to the system.

Ray asked if the DWR group thought that the LESA process was useful to them. Vogelsang replied that, based on the location and soil types, its conclusions were useful, but it didn't incorporate other values of the land.

Ray asked what areas they would target for acquiring mitigation lands, and wondered if the below-sea-level areas of the Delta were really the best targets. They are pretty safe from most conversions because of the flooding threat; other lands, for example, near urban areas, are under greater threat and perhaps should be given greater consideration for protection. He also noted that the project seemed to be projecting easement costs of about \$1200 per acre, and, near urban areas in particular, they were likely to be much higher. Sheehan noted that degree of threat was one useful criterion, but the most important point is to protect excellent agricultural lands, and not to let that get overridden by proximity to urban areas. Sutton said he believes that mitigation meant creating new lands of equal value, so he didn't see easements as serving for mitigation. Sheehan countered that easements do address cumulative impacts over time of various projects that develop in an area, so they help maintain an area even if they can't make new lands.

Ray Hoagland with DWR presented the economic analysis of the project including project impacts and benefits. There are still some elements that require further study such as benefits to the Delta, water quality improvements and the value of operational flexibility.

There was a question concerning where the water identified in the project would go if there was not a project. Sandhu replied that the current conditions would continue, that is, the water would go as outflow to the ocean.

The project would send water to the CVP and SWP customers, although some would get stored as summer groundwater storage south of the Delta. Some would also serve EWA and habitat needs. Dave Zezulak, Dept. Fish and Game asked about the timing of water capture by the project. Sandhu replied that SWRCB decision 1643 has many specifications about how and when the water can be taken for the project, but basically it captures peak flows and returns them later.

Zuckerman commented that BDPAC had thought there would be several of these projects being analyzed in a parallel fashion and they'd be able to make comparisons among them. Steve Roberts acknowledged that that had been the plan, but lack of funds and Federal commitment to CALFED has set back the process. The analysis for this project is much farther ahead than the analyses for the four other storage projects listed in the ROD. Roberts said that DWR will be looking to BDPAC and CBDA for recommendations on whether and how prioritization of the projects should take place. He continued that federal agencies are the nominal leads on the Shasta and upper San Joaquin basin projects, and they are not making progress at this point. Thus, he concluded that there is no apples-to-apples comparison between projects. He also noted that the State has put \$19 million while the Feds have contributed only \$2 million to analyses. He pointed out that at this rate, it will not be before 2006 that they have enough information to do a good comparison of all of the storage projects. Roberts added that their economic modeling approach will go out for scientific peer review. Ray asked if that will go before the CBDA Science Board. Roberts replied that they are trying to get economists involved with CBDA to look at it, but it won't get underway before the May BDPAC meeting. They have a list of about 10 economists they are considering recruiting to look at the model and they would like BDPAC's help in deciding which ones to approach.

Comments on the report are due by March 20. Later comments will be used, but they won't be included in the materials presented to the BDPAC at its April meeting.

IV. Recommendation from the Subcommittee to BDPAC for inclusion of socio-economic expertise on the CBDA Science Board

The Working Landscapes Subcommittee staff has been working with the other Subcommittees on a recommendation to BDPAC requesting the CALFED Independent Science Board include expertise on socio-economics. CDFA staff has made presentations at all the Subcommittees. Zuckerman said that the Delta Levees and Habitat Subcommittee had accepted the WLS memo as originally written. Dennis Bowker said that the Watersheds subcommittee is very interested, but it wants to review the make-up and charge of the Independent Science Board before making a recommendation. Others reported that the feedback from other subcommittees is that they are in favor of the proposal in general but would like to see the language broadened beyond its agricultural focus. The Subcommittee agreed that the broadening the request was acceptable, but not to substitute other requests for Working Landscapes'. Bowker said that the Watershed Program will create its own Science Board in the next nine months. It will probably be weighted towards sociology and economics, and will likely serve WLS' interests as well. Staff will draft a revised recommendation and bring it to the next Subcommittee meeting for approval before advancing to BDPAC. Bungarz will also consult with the other Subcommittee chairs to see if the revised memo captures their concerns without diluting the original concerns raised by the WLS Subcommittee.

V. Next Steps – Land Evaluation and Site Assessment (LESA)

Ken Trott introduced the topic saying that over the last few months the Subcommittee has been analyzing the LESAs model. The Subcommittee should discuss what the next steps are for their purposes of LESAs and CALFED. However, because of time constraints and because some of the most interested parties were absent, it was suggested that the Subcommittee not take action at this meeting. Trott distributed a handout developed by CDFA which encapsulates the subcommittee's study of this issue to date.

Zuckerman said he thought something like LESAs was necessary, because it's often very difficult to find direct comparisons between projects, and LESAs is at least an attempt to provide that sort of measure. Trott agreed, saying that he had tried to get LESAs incorporated into CEQA, because discussions of agriculture conversions so often ended up being based on emotional grounds. LESAs at least attempts an objective enumeration of factors and impacts. Bungarz said that he didn't want to move on to a full discussion of the issue until more of the key participants were present, and this should be brought up again at the next meeting. Ray asked if they could work with Trott to make factual additions to the handout and Trott agreed.

VI. Update on April 1 Joint Meeting with Environmental Justice Subcommittee on the Subject of Water Transfers

Cady reported that it was originally to be a meeting with EJ and Delta Levees, with a focus on water transfers. They have had a conference call with EJ to talk about agendas. EJ wants an educational format and an in-depth look at third party impacts from a number of different viewpoints. The proposed outline of the meeting is a 3-hour meeting, beginning with a primer on the legalities and workings of a water transfer, followed by a panel discussion, with six people representing different sectors.

Cady asked for suggestions for the two presenters and six panelists. Ray suggested that the panelists include someone from the water fowl or rice production community, where transfers often lead to habitat losses. He normally would have suggested Ryan Broddrick, but he may be too busy now. Newlin said that one of her groups had held a water transfer forum about a year ago and she had given Trott a copy of the program. Some of those presenters had been very good.

Sheehan asked if anyone would be taking on the topic of the proposed expansion of the EWA, as it might greatly increase transfers, especially from the Sacramento Valley. Zuckerman said that the Delta Levees and Habitat Subcommittee probably would not participate, as they had misunderstood the thrust of the meeting and transfers did not have much of an impact on their mission.

Bungarz asked that people contact Cady with suggestions for presenters, panelists, topics, and participants. Trott noted that the intent is to give everyone a basic knowledge of how transfers are done, and about their impacts and possible mitigation.

VI. Public comments: None.

VII. Next meetings: Next meeting will be the April 1 joint meeting with Environmental Justice. May's meeting would fall on May 6 if we followed the pattern, but staff noted that it conflicts with CDFA's Secretary's agricultural tour and the ACWA conference. There was a suggestion to drop the May meeting because the next regular meeting would be Thursday, June 2. (*Note the Water Transfers meeting has been postponed until May 14, the April 1 meeting will focus solely on the CALFED Program Plans*).