

Meeting Summary
California Bay-Delta Public Advisory Committee
Working Landscapes Subcommittee
July 1, 2004; 9:00 am – 12:00 pm

Working Landscapes Subcommittee web site:

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

Ken Trott, California Department of Food and Agriculture acted as chair, as Denny Bungarz was unable to attend and the other co-chair is vacant.

Rhonda Reed with CALFED Ecosystem Restoration Program (ERP) introduced Jay Chamberlin, newly hired at CALFED ERP. Chamberlin will be working with the Working Landscapes Subcommittee to help develop criteria for the upcoming PSP that Dept of Fish and Game and CBDA ERP will put out jointly. He will also work with federal and state agencies on working landscapes issues, analyzing needs etc. The state hiring freeze ended on July 1, he will be working under a two-year inter-jurisdictional agreement

1. Review of June 3, 2004 Meeting Summary

Beck Sheehan with CA Farm Bureau expressed concern about the last paragraph of Chairs report (page 1, June 3 meeting summary). She did not understand from the previous meeting that it was agreed that work on LESA would be deferred. Trott recounted the history of the Subcommittee's work on LESA and that Co-Chair Bungarz had requested that the state agencies involved in the LESA discussion work out their differences on the application of LESA to non-urban conversion of agricultural land before bringing the topic back to the Subcommittee. Trott noted that at this point in time, such resolution had not been achieved, but that discussions pertaining to CEQA generally, including LESA, are ongoing at a policy level.

Tom Zuckerman, Central Delta Water Agency raised a question about the Delta Improvements Package revised MOU that is scheduled for discussion at the July BDPAC meeting. He thought that it was going to be an informational item and not an action item, which the current version of the agenda shows. Heidi Rooks said that she would send electronic copies of recent information on the Delta Improvements Program package to Subcommittee members.

Sheehan stated that in her comments regarding PILT (June 3 meeting summary, page 5, third paragraph under "Update on Payment In Lieu of Taxes") should be amended to include her recommendation that tax impact studies should target agricultural areas.

Staff will make the changes to the summary.

2. Chairs Reports

Trott suggested that at the next meeting of the Subcommittee the Subcommittee's work plan and stated priorities be reviewed for needed adjustments and updates. The Committee's workplan is posted on the WLS web site (see URL above).

With regard to the Subcommittee's recommendation to the Independent Science Board (ISB), which calls for a socioeconomics appointee to ISB, Trott has heard back from CALFED Deputy Director Wendy Halverson Martin. She recommends that the Subcommittee transmit the letter directly to the ISB. Trott said that he sees value in having the letter of endorsement go through BDPAC since the Subcommittee has put time and effort into this undertaking, but the letter would now be more of a vote of support for the direction that ISB is recently taking, which would likely include the desired socioeconomics expertise. Trott said that he would discuss an appropriate approach with Co-Chair Bungarz.

Trott reviewed a discussion at the June Subcommittee meeting where Zuckerman expressed interest in having the Subcommittee discuss issues surrounding agricultural land protection. Upon reviewing the minutes, Trott said that staff was not clear on what Zuckerman's focus on the topic was. He asked Zuckerman to elaborate on his ideas. Zuckerman said a recent series of articles in the Sacramento Bee examined the difficulties organizations are having in acquiring land for mitigation because the mitigation fees are having difficulty keeping up with escalating land prices. He mentioned specifically the difficulty that the Nature Conservancy is having in acquiring easements in the Elk Grove area. Zuckerman thought that the WLS Subcommittee could discuss the issue and suggested that Mike Eaton with The Nature Conservancy be contacted to make a presentation. The American Farmland Trust may also be interested in this issue. This issue will affect the agricultural community and how mitigation programs are set up in urbanizing areas.

Al Medvitz, rancher in Rio Vista, stated that conversion pressures are from both urbanization and conservation. Medvitz expressed concerns with the capacity of existing organizations to effectively conserve lands through fee title acquisition because of the ongoing management costs, but also sees problems with the state's existing agriculture easement program (CA Farmland Conservancy Program), which typically only deals with land itself, and is not flexible enough to ensure that lands protected will continue to be economically viable. He is also concerned because UC faculty member specializing in agricultural preservation, Al Sokolow, is retiring.

Zuckerman believes there is a role for CALFED agencies to develop protection strategies that also protect CALFED investments and promote CALFED goals, and can provide models for other agencies at the local and state levels.

Sheehan stressed that the Department of Conservation's Farmland Conservancy program gives grants to jurisdictions with farmland conservation policies and plans, but that it is not a mitigation program.

Jeannie Blakeslee, with Department of Conservation, explained how CFCP works with respect to conservation planning and mitigation.

Reed suggested that this issue may be appropriate for a CALFED-sponsored workshop, where tools could be identified, and working landscapes maintained. It could focus in on what tools that CBDA can help further. The CALFED Science Program has done a number of workshops which have been effective.

Medvitz offered to host a meeting of a planning committee on his ranch. Zuckerman, Medvitz, Sheehan, Newlin, Chamberlin, Aramburu (subsequently) and Trott agreed to participate. A mutually agreeable date in August will be selected.

Agency Reports

Dept. of Food and Agriculture

CDFA's Secretary AG Kawamura hosted Resources Agency Secretary Mike Chrisman, CAL-EPA Secretary Terry Tamminen, USDA-NRCS State Conservationist Chuck Bell and CA Association of Resource Conservation Districts President, Nadine Scott on a one-day tour of Sacramento Valley. They visited farms and ranches that have taken significant steps towards innovation and on-farm conservation. Craig McNamara's Sierra Orchards, Yolo Land and Cattle, Montna Farms and the Lincoln High School farm in Placer County were the tour stops. A second such tour in the San Joaquin Valley will be held in August, with others to follow.

Reed suggested that potential site in the San Joaquin Valley would be Chris Robinson's ranch on the Merced River.

Levees Program

Zuckerman noted that he was gratified with the response from the Governor's Office and State Agencies regarding the levee break and flooding on Jones Tract.

Ecosystem Restoration Program

Chamberlin introduced Ruth Ostroff who is with the Central Valley Habitat Joint Venture. Ostroff said that they were recently at a CREP meeting in Washington, D.C. and learned a lot about how the USDA programs work and how they might be improved and better applied in western states.

Chamberlain noted that the Sacramento Valley CREP MOU expires on December 31, 2004. He said that only 2,700 of 12,000 acre target from the MOU have been enrolled in CRP contracts. Ostroff and Chamberlain agree that the CVHJV is well-positioned to assist in this and future CREP efforts. They are currently working on updating the Sacramento Valley CREP implementation plan.

Trott deferred other Agency reports to the end of the meeting so that Ms. Hansel could proceed with her presentation on the CALFED 10-Year Finance Plan.

3. CALFED Long-term (Ten-Year) Finance Plan

Kate Hansel reported that under current fiscal conditions CALFED will soon run out of funding to support its work unless a funding strategy is developed. To address this

situation, and consistent with the Record of Decision (ROD), CALFED is developing a Finance Options Report and a Long-term Finance plan. Hansel reviewed the process and schedule for the development of long-term financing for the CALFED Bay-Delta Program. She pointed out that the finance plan calls for water-user fees where the beneficiary pays; this was a commitment agreed to in the CALFED ROD, and the Draft Finance Options Report is, in part, an effort to determine what “beneficiary pays” means. Hansel explained that, In May, the Draft Finance Options report was released for public review. She noted that this report is being worked on concurrently with the 10-year finance plan. They hope to finish these reports by November 1, 2004.

The Options Report reviews all of the CALFED program elements and includes an extensive analysis of the benefits and beneficiaries. It was intended as a foundational report with no recommendations. Hansel noted that quantifying beneficiaries is often problematic. Now there is a need to decide on preferred options or combination of options and structure them for a plan to fund CALFED over the next 10 years. They are examining estimates of costs and allocations; these will be vetted through the BDPAC and its subcommittees. Handouts were distributed. The deadline for both reports is October. Hansel also stated that the current thinking is that only five of the CALFED programs would be funded by user fees. CBDA is looking for comments on both documents. Sheehan noted that if benefits can't be shown, i.e. how the fish are recovering then it is difficult to assign benefits. She asked how stakeholders can engage in the negotiations over the Finance Plan, particularly with respect to user fees. Hansel responded that Farm Bureau should request to be involved and notified of meetings of the negotiation group. Hansel said that the next steps are to solicit and incorporate public comments through outreach.

CDFA will circulate a copy of the 10-year report to the WLS subcommittee e-mail list.

4. North Delta Improvements

Gwen Knittweis with DWR presented this effort which is looking at opportunities and challenges regarding flood control and ecosystem restoration improvements in the North Delta. Some of the issues involve mercury and exotic and invasive species in restored tidal wetlands. Mosquitoes are also an issue. Creating levee setbacks is also problematic because the local peat soils are not generally good for levee building. There are also concerns with growth-inducing impacts; i.e., protecting agricultural or habitat lands from flooding and thereby making them desirable for urbanization. She noted that the North Delta Improvement Program is working with the University of Oregon on economic impact studies for the project.

The alternatives under analysis include a North Staten Island flood water detention, setback levees on the North fork of the Mokelumne, and Detention on the South Fork of the Mokelumne, as well as dredging and levee raising.

The public draft of the EIR/EIS will be released in the Fall of 2004 with construction to be completed by July 2008. Due to the uncertainty of federal CALFED funding, at this

point there is no funding identified for design and construction. The web site for the program is: <http://baydeltaoffice.water.ca.gov/ndelta/northdelta/>

5. Programmatic Biological Opinions Milestones Report

Scott Cantrell and Dave Zezulak with the Dept of Fish and Game reported on the status of the Multiple Species Conservation Strategy consultation (with US Fish and Wildlife Service) for re-initiation of permits under ESA. CALFED Agencies have developed a database documenting progress towards agreed upon conservation milestones under the first ESA biological opinion.

The Programmatic Record of Decision (ROD) for the CALFED Bay-Delta Program specified that CALFED programs must evaluate their progress toward meeting the 119 milestones listed in the ROD. This summer the consultation will be reinitiated, and it is anticipated that this fall a new biological opinion will be issued.

Reinitiation of consultation is necessary to extend programmatic compliance beyond September 30, 2004. This same reinitiation is also necessary to extend program-level regulatory commitments for water exports from the Delta beyond September 30, 2004.

The purpose of the reinitiation is to evaluate the efficacy of the EWA and progress toward achieving the milestones in conserving and promoting the recovery of "Covered Species."

Re-initiation of consultation serves as the measure by which the CALFED agencies' commitments toward achieving milestones and implementing the EWA can be assessed and confirmed. This process is independent of OCAP, but the evaluation of the Environmental Water Account is part of the effort. The milestones report of progress to date will be released to the public on July 9th for review. The purpose of the review is to capture information on other projects that contribute to progress towards the milestones that were not otherwise captured in the database of the report. Vickie Newlin suggested the Fish and Game contact USDA-NRCS and Resource Conservation Districts for capturing information on watershed and other conservation projects that they are conducting that contribute to milestones achievement. She suggested that contacting local governments about their projects might be useful.

Ken Trott asked if the assessment could lead to further scientific work, especially the opportunity to examine the value of easements over land acquisition. Zezulak said that to date nothing has been done to show that, however future PSPs could include such a project. Carol Wright mentioned that Sac River Conservation Area Forum is doing a good job at tracking efforts within their purview. Zezulak said that they had worked with Stacy Ceppello to gather that information.

Medvitz asked if the information collected for the report would shed light on CALFED projects that use a working landscapes approach to restoration. Zezulak replied that those projects will be captured, but not specifically categorized as such.

Zuckerman expressed his concerns over the difficulty of measuring achievements after the fact where monitoring for success wasn't initially part of the project design.

6. Ecosystem Restoration Program Proposal Solicitation Process

Jay Chamberlin announced that ERP is planning to release a monitoring PSP where to support monitoring of previously funded projects, including the monitoring of trends, implementation effectiveness and model validation. The Bay Delta Authority will review the PSP and act on it at its August meeting. ERP is still not clear on the schedule or process for future PSPs, including one that would address working landscapes issues. Chamberlain added that In addition to the ERP PSP, the Science Program will, upon approval, be releasing a PSP for roughly \$19 million in research projects.

7. Public Comment

Trott asked the other agency representatives if they had any announcements they would like to offer, none were made. No public comments were offered.

8. Next meeting

September 2, 2004.