



Meeting Minutes

Meeting of the California Water Commission
Wednesday, January 15, 2020
State of California, Resources Building
1416 Ninth Street, First Floor Auditorium
Sacramento, CA 95814
Beginning at 9:30 a.m.

1. Call to Order

Chairman Quintero called the meeting to order at 9:32 a.m.

2. Roll Call

Executive Secretary Kimberly Muljat called the roll. Commission members Teresa Alvarado, Andy Ball, Carol Baker, Daniel Curtin, Armando Quintero, and Matt Swanson were present, constituting a quorum.

3. Closed Session

The Commission did not hold a closed session.

4. Approval of December 18, 2019 Meeting Minutes

Commissioner Baker moved to approve the December 18, 2019, meeting minutes. All Commissioners present voted in favor.

5. Executive Officer's Report

Executive Officer Joe Yun reported the Governor's Water Resiliency Portfolio was released January 3, 2020. The Portfolio contains action items pertaining to the Commission. There will be presentation on the Portfolio at the Commission's February meeting.

6. Commission Member Reports

There were no Commission member reports.

7. Public Testimony

There was no public testimony.

8. Action Item: Election of Commission Chair and Vice Chair

Commissioner Ball moved to re-elect Commissioner Quintero as Chair and Commissioner Baker as Vice Chair. Commissioner Alvarado seconded the motion. Ms. Muljat called the vote for Chair. Commissioners Alvarado, Baker, Ball, Curtin, and Swanson voted in favor. Commissioner Quintero abstained. Ms. Muljat called the vote for Vice Chair. Commissioners Alvarado, Ball, Curtin, Quintero, and Swanson voted in favor. Commissioner Baker abstained.

9. Action Item: Strategic Plan

Executive Officer Joe Yun presented the revised draft Strategic Plan for consideration and possible adoption. He explained its mission statement that focuses on improving water planning and management in response to our changing climate and hydrology, as well as its five goals. The draft Water Resiliency Portfolio released on January 3 directs the Commission to conduct two actions: assess a role in state financing for regional conveyance projects, and research alternative ways to provide flood insurance beyond the federal flood insurance program. These tasks have been incorporated into the revised Strategic Plan as objectives under Goal 1.

Commissioner Alvarado commented that it was an impactful, wide-ranging plan but none of the objectives speak to the Commission's role as a primary public forum. She advised the Commission to rethink its role and lend its voice at the state, regional and local level, and urged the Commission to develop new objectives that will advance the larger goal of achieving greater understanding and engagement on water issues. Commissioner Quintero said that the next step would be to formulate a work plan and communication strategy. He said the Commission's Executive Officer, Chair, and Vice Chair meets regularly with the leadership of the Department of Water Resources (DWR) and the California Natural Resources Agency and stressed the importance of aligning with their priorities and key projects. Commissioner Curtin discussed Enhanced Infrastructure Financing Districts and how the regionalized approach allows different agencies to work together on mutually beneficial projects and suggested that model for regional conveyance projects. Commissioner Quintero suggested that staff schedule a presentation on finance portfolios for a future meeting.

Commissioner Curtin moved to adopt the Strategic Plan with the changes as discussed. Commissioner Ball seconded the motion. All Commissioners present voted in favor.

10. State Water Project Greenhouse Gas Reduction Update

This item was postponed.

11. Sustainable Groundwater Management Act (SGMA) Briefing

Taryn Ravazzini, DWR's Deputy Director for Statewide Groundwater Management, and Craig Altare, Section Chief for Groundwater Sustainability Plan (GSP) Review, briefed the Commission on DWR's review process, including how they will consider public comment, and how they will interact with Groundwater Sustainability Agencies (GSAs) during GSP review. SGMA requires governments and water agencies in high- and medium-priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge within 20 years of implementing their GSPs. GSPs for critically-overdrafted basins must be adopted and submitted by January 31, 2020. GSPs for medium- and high-priority basins are due January 31, 2022. DWR has two years to evaluate all GSPs to determine whether the plans are adequate, based on best available science and information, and whether implementation of the plans is likely to achieve the basin's sustainability goal. There are 19 critically-overdrafted basins that need to be covered by GSPs. DWR has received two GSPs which are now in the public comment period. GSAs are also required to submit annual reports each year after GSP adoption.

Natalie Stork, Unit Chief of the Groundwater Management Program at the State Water Resources Control Board (SWRCB), briefed the Commission on their role in SGMA. If local

efforts fail, the SWRCB will step in to temporarily protect the basin until the locals come back up to speed but will not replace the GSA. SWRCB involvement is triggered by SGMA deadlines. If intervention is triggered, the basin is put on probation while the SWRCB makes decisions and develops an interim plan. During probation, the GSA will have opportunities to fix issues and come into compliance and will submit annual extraction reports. If the issues cannot be fixed, the SWRCB interim plan will take effect, which will include corrective actions to get the basin back on track, a monitoring plan, schedule, and enforcement to ensure the plan is followed. Ms. Stork summarized the process and timeline that will be followed if any basins have no plan or submit a plan that is deemed inadequate by DWR.

Commissioner Swanson asked how meters will be used to collect data. Ms. Stork replied that if intervention is triggered extractors will report through an online data portal. Probation requirements will be tailored to the basin's particular needs and may require full, partial, or no metering. Commissioner Quintero asked about the time requirement for reporting. Ms. Stork reported that extractions must be reported annually in December. Commissioner Curtin asked if there is planning occurring between agencies to consider infrastructure and other actions and programs that impact groundwater, such as flood control and watershed management. Ms. Ravazzini said this is the state's opportunity to simultaneously obtain local knowledge and understand local needs, while also providing guidance and policy direction regarding how water management actions can intersect. She added that SGMA implementation will not address all challenges and agencies will need to cooperate. Commissioner Baker asked how GSAs will ensure that the water they claim enters the basin is actually captured and if the state has a role in holding the GSAs and upstream diverters accountable. Mr. Altare said that GSAs will need to coordinate with other agencies, including those outside their basins, but they do not have any authorities outside their own basins. Ms. Stork added that everyone who diverts water in California is required to report their diversions to SWRCB. That data is available to the public and can be used by GSAs. Ms. Stork also discussed the SWRCB's role in water rights permits for groundwater recharge.

Commissioner Alvarado asked how DWR is sharing the information from basins that are already sustainably managed with the impaired basins. Steven Springhorn, DWR's SGMA Technical Assistance Section Chief, stated that DWR provides guidance and best management practices as well as raw data and modeling examples that basins can plug their own information into, so they do not have to create their own from scratch. Commissioner Alvarado also asked if there was tribal engagement in the GSP development process. Ms. Ravazzini stated that DWR engaged a tribal advisory group while developing the GSP regulations and released a guidance document for tribal engagement. DWR also has facilitation assistance contracts for tribal assistance in three basins. DWR Tribal Policy Advisor Anecita Agustinez described different approaches to how tribes interact with GSAs, some in an advisory capacity, some in a formal capacity, and the importance of DWR's facilitation contracts. DWR next needs to determine guidance for engaging tribes in GSP implementation. Commissioner Baker asked who attended recent SGMA workshops and what type of questions were received. Ms. Ravazzini responded that the workshops were well attended; the majority of attendees were GSA representatives, and there was a strong showing of Non-Governmental Organizations and members of the public. Questions included how DWR and the SWRCB will interact with each other and with the GSAs, and what type of assistance the state will provide. Commissioner Quintero discussed the

importance of disadvantaged communities having a voice in state processes. He then showed a graphic rendering of a groundwater basin. Commissioner Swanson commended DWR for its efforts to educate the community and seek feedback.

The Commission took public comment. Melissa Sparks-Kranz, with the Association of California Water Agencies, recognized all the work that has been done by both state and local agencies and expressed appreciation for the state's support of a locally driven planning process as local management is the most effective way to achieve groundwater sustainability.

Commissioner Ball excused himself and the Commission adjourned at 1:02 p.m., at which time the meeting became a workshop.

12. Headwaters to Floodplains (H2F) Flood Plain Safety Partnership

Mike Mierzwa, head of DWR's Office of Floodplain Management, presented a new safety initiative called Headwaters to Floodplains (H2F), an informal collaborative partnership among public agencies intended to further reduce flood risk by enhancing communication and project coordination among flood management agencies, and encouraging a watershed approach as opposed to focusing on individual flood protection assets. The H2F initiative will enhance public engagement, inform funding decisions, and facilitate sharing innovative ideas and solutions, with an emphasis on cooperation. H2F does not replace existing programs and processes. California's agricultural economy is at risk as more significant rain events earlier and later are impacting agricultural activity outside of the growing season. Flood management challenges include aging infrastructure, growing populations moving into the floodplains, land use within floodplains increasing, insufficient funding and technical resources, and climate change impacts. Flood risk reduction activities that benefit from an informal partnership approach include emergency management planning, floodplain management, land use planning, development of risk-based tools, insurance, reservoir and floodplain storage operation, and managing residual risk. H2F is built around three cornerstones: engagement, technical assistance, and funding assistance. Mr. Mierzwa discussed activities related to each cornerstone. Next steps include data and information gathering, conducting needs assessments, and identifying and cataloging funding opportunities.

Commissioner Quintero discussed forecast informed reservoir operations and making better use of data collection and forecasting models to optimize the balance between water storage and flood operations. Mr. Mierzwa pointed out the effective coordination amongst multiple reservoir operators, local, state, and federal agencies to manage the peak flows of the San Joaquin River in 2017. Commissioner Quintero asked about the severity of subsidence in the San Joaquin Valley. Mr. Mierzwa said the physical extent of the subsidence can affect the ability of our levee and flood bypass system to effectively convey flows. Commissioner Baker asked how H2F coordinates with Integrated Regional Water Management, Flood-Managed Aquifer Recharge, and other programs that relate to floodplain management. Mr. Mierzwa stated that the funding opportunities cornerstone is intended to promote all floodplain management floodplain programs and that H2F is bringing different grant program staffs together.

13. Water Storage Investment Program Update

Water Storage Investment Program (WSIP) Program Manager Amy Young updated the Commission on the current status of the WSIP. Since receiving their Maximum Conditional

Eligibility Determinations in 2018, the eight applicants have been moving forward with their projects to meet the statutory and regulatory requirements of the WSIP and submitting quarterly reports that summarize their activities as they move towards their final award hearings. The applicants' recent activities include completing feasibility studies, working on environmental documentation, refining project descriptions, coordinating with other agencies to determine pulse flow agreements, and coordinating with funding partners, property owners, and administering agencies. To date, the three applicants that received early funding awards have received more than \$8 million in reimbursement funds to help their projects move through their planning phase.

For projects to maintain eligibility, the following must be completed by January 1, 2022: draft environmental document released for review, 75% commitment of non-public benefit cost share, and completed feasibility study. Once those items are completed, the applicants can come before the Commission to address their continuing eligibility and the Commission will then decide if the project is feasible. To meet the January 2022 deadline, projects need to be deemed feasible no later than the December 2021 Commission meeting. Program requirements for the final award hearing include completed contracts for the administration of public benefits, contracts for non-public benefit cost share, completed environmental documentation, required permits obtained, and completed feasibility study. Applicants are working with the three administering agencies to develop draft contracts that will ensure the public benefits funded by WSIP are realized. The administering agencies will submit draft contracts to the Commission after the final environmental documents are completed and required permits are obtained. The Commission will hear public comment on the draft contracts at a Commission meeting. Final contracts must be executed before the final award hearing. There is no deadline identified for scheduling a final award hearing. Applicants will come before the Commission for the continuing eligibility requirement, draft contracts for the administration of public benefits, and the final award hearing.

Commissioner Alvarado asked Ms. Young to explain the required 75% commitment of non-public benefit cost share. Ms. Young said it is a requirement for commitments for 75% of the project's cost beyond WSIP funding. Commissioner Swanson asked how often the project's timelines are updated. Ms. Young stated that they can be updated quarterly based on information in the applicants' quarterly reports. Commissioner Baker asked when site visits might occur. Ms. Young responded that the Commission could schedule site visits between the development of draft contracts and final award hearings, when the Commission's *ex parte* communications policy will still be in effect.

The Commission took public comment. Vernetta Marsh commented that those who are on location working on the projects are very concerned about the costs of the projects.

14. Consideration of Items for Next California Water Commission Meeting

Agenda items at the next meeting will include consideration of the draft of the Commission's 2019 Annual Review of the State Water Project and briefings on the Water Resiliency Portfolio and DWR's plan for developing new Delta conveyance.

15. Adjourn

The Commission workshop ended at 2:03 pm.