



MEETING MINUTES

Tuesday, September 28, 2010

1:00 p.m. to 5:00 p.m.

State of California, Resources Building
1416 Ninth Street, First Floor Auditorium
Sacramento, CA 95814

1.a . Call to Order

Meeting was called to order at 1:03 pm, September 28, 2010 by Anthony Saracino, Acting Chair of the California Water Commission. Mr. Saracino asked Commission Members to introduce themselves.

1.b. Roll Call

Roll call was taken and a quorum established. The following members were present: Joseph Byrne, Daniel Curtin, Joe Del Bosque, Kimberly Delfino, Luther Hintz, and Anthony Saracino. Commissioner Andrew Ball was absent. In the audience were future Commissioners Senator Dave Cogdill and Supervisor Paul Kelley, as well as a representative for Mr. Ball, Chris Brown.

2. Welcome and Introduction.

California Secretary for Resources Lester Snow welcomed the Commissioners and offered his support to the Commission in performing their duties.

3. Designation of an Interim Executive Officer

CWC Legal Counsel Spencer Kenner explained the duties of an Interim Executive Officer including handling the day to day administrative tasks necessary to keep the commission running. He presented a summary of Susan Sims qualifications for the position and her willingness to perform the duties.

Ms. Delfino asked when and how a permanent Executive Officer will be designated.

Ms. Sims explained the possible steps for recruiting an Executive Officer including using a state employee or finding exempt employees through a recruitment service.

Motion was made by Mr. Curtin to appoint Ms. Sims Interim Executive Officer and seconded by Mr. Byrne. Motion passed unanimously.

4. Delegation of Authority to the Interim Executive Officer

Ms. Sims presented the Delegation of Authority to the Interim Executive Officer. She suggested delegation be amended to limit contracting authority to administrative purposes only.

Motion was made by a commissioner to delegate authority as amended to the interim executive officer and motion was seconded. Motion passed unanimously.

5. Presentation on Rules and Procedures

Mr. Kenner presented an overview of rules and procedures that will affect the commission members. The focus included recent legislation, the Bagley-Keene Open Meetings Act, ex-parte communications, conflicts of interest and the commission's role in approving regulations.

6. Historical Role of the California Water Commission,

Jeanine Jones, Interstate Resources Manager at DWR and a former Executive Officer of the California Water Commission provided an historical overview of the duties for the commission including major activities and operational logistics.

7. 2009 Comprehensive Water Package Legislation

DWR Director Mark Cowin briefed the commission on the 2009 Comprehensive Water Package and their responsibilities related to the bond measure and water storage regulations.

8. California Water Plan Update 2009

Kamyar Guivetchi, Chief of DWR's Division of Statewide Integrated Water Management briefed the Commissioners on the California Water Plan Update 2009 including the purpose of the plan, the update process and key resource management strategies.

10. Presentation by the Little Hoover Commission on their report *Managing for Change; Modernizing California's Water Governance* (Item 10 was heard out of order)

Stuart Drown, Executive Director of the Little Hoover Commission introduced the Little Hoover Commission and presented an overview of two reports: *Managing for Change: Modernizing California's Water Governance* and *Bond Spending: Expanding and Enhancing Oversight*.

Mr. Drown explained that The Little Hoover Commission is an independent state oversight agency that was created in 1962. The Commission's mission is to investigate state government operations and – through reports, recommendations and legislative proposals – promote efficiency, economy and improved service.

In its recent reports, the Little Hoover Commission determined:

- Current water governance was outdated.
- The SWP is restricted due to state restrictions regarding employee pay given the current economic situation. The SWP should be a 24/7 project.
- Bond spending should be monitored to make sure funds are used efficiently.
- There should be public accessible reports and performance reviews.

- Funding is a huge concern. Bond funding is not security. The General Fund should be used.

9. Informational Briefing on Proposed Emergency Regulations for Industrial Process Water

Manucher Alemi, Chief of DWR's Water Use Efficiency Branch presented progress on the industrial process water regulation, which his branch has been working on as required by SBX7-7 and which will come before the Commission for approval at their next meeting in November. A stakeholder participant group was created to provide input on the creation of this regulation.

Mr. Curtin expressed concern that the timeline shows review and approval of the regulations occurring at the next meeting.

Staff clarified that if the commission does not approve the regulation in November, staff would revise it and bring it back to the commission in a subsequent meeting. The timeframe for approval provides about 3 months of flexibility while still allowing the final regulation to be approved prior to the deadline for water agencies to submit their urban water management plans.

Mr. Curtin asked that anyone in the public with opinions on regulations to make a comment during the public comment period.

Ms. Delfino requested as many advanced materials as possible before the Commission has to make a decision on the emergency regulation and more in-depth, individual briefings and discussions before the final regulation is adopted.

11. Consideration of Items for next California Water Commission Meeting

Ms. Sims presented potential meeting dates on the weeks of Nov. 8 or Nov. 15. Based on discussion and Commission requests possible agenda topics for the next meeting include:

Action item: Adoption of Emergency Process Water Regulations

Discussion: Briefing on "Option 4" water conservation, progress report on DWR's surface storage investigation, role of Commission in regulations on public benefits of water storage (next steps, Action Item)

Possible Other Topics: DWR Core activities including State Water Project, flood management and FloodSAFE, Bay Delta Conservation Plan and Delta Conveyance,

For a later date: Coordination with Delta Stewardship Council and other bodies

Discuss meeting schedule

Administrative update by Executive Officer

Mr. Curtin suggested we cover major topic area per meeting on major issues.

12. Public Comments

Tim Schmelzer, The Wine Institute: Wineries are concerned with the processed water regulations. There have been several public workshops and there is criticism of the overly complex regulation of processed water. The Wine Institute encourages DWR to take its time in creating a regulation that will work and will bring some specific ideas to the Commission at the next meeting.

13. Meeting Adjourned

Meeting was adjourned at 3:35pm by Acting Chair Saracino.

Further information regarding this meeting is available at www.cwc.ca.gov. This meeting will also be available for public viewing through a recorded webcast. The webcast is available at the following URL:

<http://rso6k.rmxpres.com/webcast/data/dwr09282010/msh.htm>