



## **Meeting Minutes DRAFT**

### **Meeting of the California Water Commission**

**Wednesday, April 17, 2013**

State of California, Resources Building

1416 Ninth Street, First Floor Auditorium

Sacramento, California 95814

Beginning at 9:30 a.m.

#### **1. Call to Order**

Chairman Joe Byrne called the meeting to order at 9:34 am.

#### **2. Roll Call**

Executive Officer Sue Sims called roll. Joe Byrne, Danny Curtin, Joe Del Bosque, Kim Delfino, Lu Hintz, and Anthony Saracino were present, constituting a quorum. Andy Ball was absent.

#### **3. Approval of Meeting Minutes**

A motion was made and seconded to approve the March 20, 2013 meeting minutes. A vote was taken and the motion passed unanimously.

#### **4. Executive Officer's Report**

Sue Sims provided the Executive Officer's report. The Resolutions of Necessity for geotechnical drilling in the Delta have been postponed until May to allow DWR sufficient time to contact property interests. The State Water Project (SWP) Encroachment regulations will not be an action item at this meeting, as they have not yet been approved by DWR's Director. The legislative update and briefing on the Salton Sea have also been postponed until May, because the Assembly budget hearing at the Capitol is concurrent with today's Commission meeting. Information provided by DWR's Legislative Director to the Commission states that the proposed water bond bills have not changed since the last report in February and hearings have not been set. The Delta Stewardship Council has invited Executive Officer Sims to one of their upcoming meetings to share the Commission's discussions on water storage and how it coordinates with the Delta Plan.

#### **~~5. Legislative Update (Postponed)~~**

**6. Update on State Water Project (SWP) Facilities: Ronald B. Robie Thermalito Pumping-Generating Plant (Butte County) and Dos Amigos Pumping Plant (Merced County)**

Dave Duval, Chief of DWR's Division of Operations and Maintenance, provided an update on SWP facilities. He provided details of the fire at the Ronald B. Robie Thermalito Pumping-Generating Plant on November 22, 2012. The origin of the fire is believed to be the cable trays near the Plant Control room. Site cleanup is being performed by 160 personnel, mostly contractors for hazardous materials cleanup. Cleaning has been completed on the first two floors, and continues on the top three floors. Safety is a top concern and appropriate safety measures are being taken. The contractor, NES, is performing continuous air monitoring and wiping samples for safety and to assess cleaning results.

DWR is conducting a three-step root cause analysis of the fire. It will include an investigative analysis of the event, post fire forensics, and recommendations. The first phase of the report is being reviewed and a draft of phase two of the report will be completed by the end of May. The third phase will involve reviewing the recommendations from the reports, an independent evaluation of Hyatt Powerplant fire suppression system, and a statewide implementation plan to correct any deficiencies. Plant restoration is still being assessed; a business case for plant refurbishment will be developed beginning in June. The fire has not affected water supply, due to a bypass around the facility. However, estimated lost energy generation is valued between \$6.5 and \$10.6 million.

Mr. Saracino asked how DWR is prepared to respond to emergency situations. Mr. Duval stated the SWP has emergency action plans and an incident command team at each field division. DWR personnel are only able to address incipient fires and minor cleanup of hazardous materials. The Department contracts out for emergencies requiring specific expertise. Mr. Duval stated that he would like to take the recommendations resulting from this process, evaluate them, and implement them across the SWP to improve fire preparedness. He also noted that DWR has begun a similar evaluation process for civil features. Mr. Saracino requested a report back on the recommendations and how DWR will structure command and control for future disaster incidents.

Mr. Curtin asked if there is a committee of ground-level workforce personnel to provide input in response to the fire. Mr. Duval stated all first responders were interviewed in the first phase of the fire analysis. After recommendations have been made, a team will

provide analysis. The report is expected in August. Decisions about upgrading the facilities based on new standards can then be considered.

Mr. Byrne asked why the Thermalito plant was unstaffed at the time of the fire. Mr. Duvall stated the Thermalito facility only has onsite staff during day shifts, and is controlled remotely on holidays and weekends. The plant has been operated this way for approximately the past 30 years.

Mr. Duval also provided an update on the Dos Amigos Pumping Plant. Urgent repairs were recently completed on a discharge line. A sinkhole was discovered on January 23 above the pumping plant near the siphon house. Staff then conducted dive inspections for all six discharge lines. Separations were found at multiple inverts, most likely caused by sediment. Currently, DWR and the U.S. Bureau of Reclamation are conducting geotechnical investigations to determine the foundation and what type grouting may be necessary. Two operational units are needed in April, three in May, and with more needed going into the summer. DWR anticipated being able to get units back online within that schedule. There is no expectation of interruptions of service.

**9. Briefing on State Water Project Recruitment and Retention Issues (Taken out of order)**

Carl Torgersen, Deputy Director for the SWP provided an update on recruitment and retention issues. Historically, the SWP operations have been very flexible allowing DWR to reduce energy and conveyance costs by pumping during off-peak times. Pumping restrictions to address environmental conditions have made operational availability (OA) even more critical. OA has declined since 2004. This is due in large part to problems recruiting and retaining qualified staff because of noncompetitive salaries. This lack of flexibility has cost water users an additional \$70 million dollars in 2011 and 2012 in additional energy costs. Last year, SWP was unable to transport water from Oroville to a water agency that had purchased the water because of operations issues. These issues have gained the attention of the administration. Due to ongoing labor negotiations, Mr. Torgersen could not provide a detailed status update. However, he believes there will be a solution in the near future. Fixing the recruitment and retention issue is an essential step towards recovering the reliability of the SWP. However, additional steps will need to be taken in order to ensure sustainability in the future. DWR is looking at recommendations from the Little Hoover Commission and others. Mr. Torgersen will keep the Commission updated on these issues.

Tim Neap, Director for Bargaining Unit 12, and representative of DWR's trades employees spoke on the issue. He pointed out that DWR invests a significant amount of money for training including the apprentice program, and then loses that investment when employees leave for higher paid positions at other utilities and agencies. He also pointed out that understaffing has the potential to cause safety issues. He asked for the Commission's continued support on this issue and encouraged them to write a letter.

Sean Rossi, SWP Senior Operator, said the best way to detect a fire in a SWP facility is to have a person on site. The San Joaquin Field Division currently has six unmanned facilities. Robert Belgeri, Business Representative for Stationary Engineers Local 39, a component union of Unit 12 and Union Representative for the Oroville Field Division, said the Thermalito fire could have been discovered earlier, had there been sufficient staff for that facility. He also spoke about the lack of preventative maintenance in the field divisions.

The Commission directed staff to write a letter of support to Secretary Laird for his continued leadership to address these critical SWP staffing issues.

#### ~~7. Briefing on Salton Sea Issues (Postponed)~~

#### **8. Briefing on Biodiversity Council Proposal for Agency Alignment**

Kamyar Guivetchi, Manager of Integrated Water Management, briefed the Commission on the Biodiversity Council's draft Resolution for Agency Alignment. The Commission's Strategic Plan discusses development and support of integrated water management policies by improving coordination between government agencies and developing policies that advance integrated resource management.

The Council sponsored a two-day workshop during which discussions took place between state, federal, and local government leaders. Those discussions led to the Council's draft Resolution for Agency Alignment, which was adopted. The resolution underscores the importance of continued work in California to conserve natural resources and utilize multi-agency venues in order to do so. Resolution goals include increasing coordination among agencies, leveraging existing networks, sharing data, and better alignment of policies. The Council is asking other agencies, including the Commission, to endorse the resolution. A motion was made and seconded to endorse the Council's resolution. A vote was taken and the motion passed unanimously.

### **11. Follow-up Discussion on Public Benefit Cost Share and Eligibility (Taken out of Order)**

Maureen King discussed legal counsel's interpretation of the cost share eligibility language in the Chapter 8 of SBX7-2. She provided a memo clarifying sections 79746 (a) and 79746 (b) of the Act. The statute implies there will be non-public funds used for projects under the Act, as no more than 50% of the total cost of the project may be paid with public funds. This means there may be a range of acceptable public cost shares between 1% and 50%. Additionally, at least half of the public benefits funded under the Act must contribute towards ecosystem benefits. She clarified that 50% ecosystem benefits modifies the "the total public benefits of the project funded under the act" and not "the project." She reviewed examples of how theoretical projects might be funded. Ms. Delfino said this interpretation is in agreement with the Senate floor analysis of this regulation. Definitions of public benefits will be discussed at the next meeting.

### **10. Action Item: Initial Consideration of State Water Project Encroachment Regulations**

Jim Openshaw provided an update on the status of the SWP Encroachment regulations, which are currently in the approval process at DWR. After the Director has approved the package, Mr. Openshaw will present the regulations to the Commission for action.

### **12. Consideration of Items for Next California Water Commission Meeting**

The Commission's May meeting will include initial consideration SWP encroachment regulations, consideration of the amendments to the Resolutions of Necessity, a follow up on SWP recruitment and retention, and updates on legislation, the Salton Sea, and the Tribal Water Summit. Ms. Delfino requested information on the SWP and Central Valley Project be included with the conditions update. Mr. Saracino requested information on subsidence. A presentation on fracking will be made in June or July.

### **13. Public Comments**

None.

Mr. Byrne adjourned the meeting at 11:53 am.