

## Meeting Minutes

### Meeting of the California Water Commission

Wednesday, March 18, 2015

State of California, Resources Building

1416 Ninth Street, First Floor Auditorium in the morning

Room 340 in the afternoon

Sacramento, California 95814

Beginning at 9:30 a.m.

#### 1. Call to Order

The meeting was called to order at 9:33 a.m.

#### 2. Roll Call

Staff Legal Counsel Maureen King called roll. Commission members Andrew Ball, Daniel Curtin, Joe Del Bosque, Maria Herrera, David Orth, and Anthony Saracino were present. Commission members Paula Daniels and Armando Quintero were not present. Chairman Byrne and Acting Executive Officer Rachel Ballanti arrived later in the morning.

#### 3. Approval of February 2015 Meeting Minutes

Ms. King made a verbal clarification to the minutes, regarding Bagley-Keene regulations as they pertain to the noticing and interviewing process for the Executive Director position. A motion was made to approve the minutes. A vote was taken and the motion passed unanimously.

#### 4. Executive Officer's Report

Ms. King gave the Executive Officer's Report. She explained that Chairman Joe Byrne and Rachel Ballanti are testifying at the Assembly Budget Subcommittee 3 on Resources and Transportation, and that Mr. Byrne will also be testifying at a Senate Budget hearing the next day.

Ms. King also announced that the advertisement for a permanent Executive Officer has been posted online and will remain up until March 27. Staff will work with the Chair and Vice-Chair to select candidates, and the interviews will take place in noticed closed sessions. The Commission plans to hold interviews around the time of the May Commission meeting.

Ms. King then introduced new staff member Jenny Marr. Ms. Marr is helping Commission Staff implement the Bond project and will be a full-time staff member as of April 1<sup>st</sup>. She will be Project Manager for the Water Storage Investment Program (WSIP). Ms. Marr is a Supervising Engineer and Certified Floodplain Manager with 14 years of water resources planning experience, and is a welcome addition to Commission staff.

#### 5. Commission Member Reports

Vice-Chair Joe Del Bosque started the reports by discussing the Water Education for Latino Leaders (WELL) Conference that he attended on March 5<sup>th</sup>. The focus of his presentation was the State Water Project (SWP), in which he explained basic concepts such as how water is captured and delivered to local areas.

Mr. Curtin spoke at events held by the Urban Water Institute, California Association of Wine Grape Growers, and the American Society of Civil Engineers. His presentations focused on Proposition 1 and how its funds will be disbursed. He emphasized that the Commission cannot begin to allocate funding until December 2016 and that applicants need to be aware of the timelines and be ready to work expeditiously to ensure timely submittal of their completed applications.

Mr. Orth spoke at a Capitol Weekly panel in Sacramento. The topic was groundwater storage versus surface storage and how those types of projects might be funded through the Bond and the Water Storage Investment Program (WSIP).

Mr. Del Bosque also mentioned his participation at the World Ag Expo, where he spoke to a group from the Agricultural President's Council. He briefed the council on what the WSIP is and how it works.

#### **6. Public Testimony**

Joseph Rizzi, a member of the public representing Natural Desalination, said that natural desalination uses reverse osmosis, like traditional desalination, but requires no power. Natural desalination facilities must be located offshore, a half mile below the ocean's surface. Mr. Rizzi said natural desalination could provide for all of California's freshwater needs at a much lower cost and with far fewer complications than traditional desalination.

Mario Santoyo, Assistant General Manager for Friant Water Authority, spoke of the difficult challenges for Central Valley farmers as the drought continues to affect their trees and crops. For the past two years they have received no water allocations, and they have had to use groundwater because there was no surface water available. Additionally, Manuel Cunha from the Nisei Farmers League asked Mr. Santoyo to come before the Commission on their behalf to request that they be added as participants in the Stakeholder Advisory Committee.

Lauren Noland-Hajik spoke on behalf of the Agricultural President's Council, which is a body of regional, commodity specific associations and commissions that represent a majority of agriculture in the state of California. The Council would like to request that the Commission consider adding them as participants in the Stakeholder Advisory Committee.

#### **7. Discussion of Rules of Contact**

Ms. King provided a draft version of a communication disclosure form for the Commission. She emphasized that the form is voluntary and promotes a culture of transparency and openness regarding Commission operations. Ms. King spoke about the concept of Record Exclusivity (any communication that cannot be demonstrated in the record as it pertains to the rulemaking process) and how the use of a disclosure form will help avoid it.

#### **8. Discussion of Establishment of Ad Hoc Advisory Committees**

Staff proposes the formation of a Legal committee, a committee on Methods for Quantifying Public Benefits (WSIP), a Project Evaluation Process (WSIP) committee, and a Personnel Committee. These groups will work together to discuss and prepare items for submission to the Commission, and will act as a mechanism for informing the Commission as a whole.

**10. Update on Implementation of the Sustainable Groundwater Management Act**

This item was taken out of order. Dave Gutierrez, who is leading DWR's Sustainable Groundwater Management Act (SGMA) implementation team, discussed DWR's Draft Strategic Plan for implementing SGMA, which is a high-level document created with a large audience in mind and designed to be accessible to all. It provides information on current groundwater conditions, legislation, goals and objectives, and communication and outreach plans. Updated versions of the document will be created based on the input received from both internal parties (DWR and the Commission) and external feedback (the public and stakeholders). DWR staff will be taking comments through May, and a final comprehensive version should be ready by Fall 2015. The objective of the plan is to develop a framework for sustainable groundwater management, provide statewide technical assistance, provide statewide planning assistance, assist state and GSA Alignment, and provide financial and interregional assistance.

DWR will be working with state agency partners to create focused discussions. Mr. Orth and Mr. Saracino will be leading the Commission's interaction with DWR's SGMA implementation team. There will also be a practitioners' advisory panel whose panelists will be the water agencies and counties throughout the state that will actually be implementing the program. DWR is also engaging Tribal governments and plans on engaging federal agencies.

Trevor Joseph, one of DWR's SGMA implementation team leads, spoke about the implementation of the Basin Boundary and Groundwater Sustainability Plan Regulations. He explained DWR's overarching strategy for developing the regulations. The process will begin with internal project scoping, move to the development of draft principals for the regulations, continue with the development of Draft Emergency Regulations, and end with the adoption of Emergency Regulations. The Basin Boundary Regulations must be adopted by January 2016 and the Groundwater Sustainability Plan Regulations must be adopted by June 2016.

Mr. Saracino asked what part the Office of Administrative Law (OAL) will play in the approval of the emergency regulations. Mr. Joseph replied that OAL is acting in an administrative capacity and not currently performing a formal review of the content of the regulations.

Ms. Herrera asked about the advisory panels that DWR plans on utilizing and inquired whether or not there will be an effort to include special districts such as community services districts, public utility districts, and private stakeholders and well-owners. Mr. Gutierrez responded that DWR is absorbing as much feedback as possible and has met with dozens of interested parties on the subject. The current strategy is to develop an advisory body that has been honed down from the interested parties into a small, effective representation that can be leveraged as effectively as possible.

Dave Bolland, Association of California Water Agencies (ACWA) Senior Regulatory Advocate, discussed requirements and potential methods for the formation of Groundwater Sustainability Agencies (GSAs). There are two key deadlines for GSA formation: June 30, 2017 for the establishment of GSAs, and January 1, 2016 for Basin Boundary Regulations.

When it comes to GSAs, one of the challenges will be getting the many disparate groups of people on the same page. City and county planners and managers who have not historically been accustomed to dealing with matters of water management need to be brought to the table. There are also agricultural interests to be considered; many rural communities are dependent on groundwater and are concerned with how it is managed in California. Mr. Bolland emphasized the

importance of local control; individuals and agencies must lead GSA formation efforts. ACWA will do what they can to empower these agencies through education, outreach, and facilitation in management and planning.

One of the bigger challenges right now involves the topic of basin boundaries. In terms of geography and management, boundaries do not begin and end at county lines. They are a puzzle of inconsistent and overlapping lines forming basins and sub-basins of different sizes, shapes, jurisdictions, and districts. There are also geological, hydrological, and political considerations that need to be taken into account.

Possible types of basin boundary adjustments include adjustments between basins, and adjustments between a basin and adjacent non-designated areas. A new boundary can also be created by establishing new basins within existing basins. In order to implement these boundary adjustments, action at the local level will be required. Mr. Bolland described the management structure and different models of local participation and infrastructure. The challenge will be to coordinate the different associations, agencies, and authorities. Funding and facilitation services are available from the state to incentivize GSA formation. ACWA also hopes to highlight successful models as they arise and offer them up as working examples to be utilized by local agencies struggling to get started.

Mr. Orth commented that some clarity in the GSA formation process might be appropriate, and asked for clarification as to whether GSA models must be adopted by June 2016. Mr. Gutierrez answered that the plans, rules, and regulations of GSAs and basin boundaries will be dependent on each other; as the regulations and rules are established the processes will evolve as agencies get more direction.

Chairman Byrne asked if private entities can participate as members of the GSAs. Mr. Bolland responded that there are many ways that they can be involved and participate, but Mr. Gutierrez added that only public agencies can become GSAs.

#### **11. Update on Program and Administrative Activities for Water Storage Investment Program (Proposition 1)**

Jenny Marr provided an updated version of the draft Program Goals, Objectives, and Principles for the WSIP. The updated version incorporated the suggested modifications that were provided in the February Commission meeting. She noted that all of the corrections were based on the input from the Commission and that Commission did not receive any comments or suggestions from the public or stakeholders. Mr. Saracino asked if the draft document will be officially adopted. Ms. Ballanti responded that the Commission may wish to wait until the Stakeholder Advisory Committee meetings are officially underway, but that the decision was up to the Commission. She did advise that if they chose to adopt the document, it would be prudent to do so by the beginning of the summer.

Mr. Saracino commented that when dealing with project applicants, there needs to be clarity in distinguishing between public benefits and beneficiary benefits. There also needs to be a clear expression of intent regarding how the project will go toward public benefits. Ms. King responded that there is a requirement that the project provide ecosystem benefits to the Delta ecosystem or its tributaries.

Ms. Marr then directed the Commission to a draft document that broke down how technical work and analysis fits into the application development and review process. She encouraged interaction between the Commission, DWR technical staff, and the potential applicants. She proposed that during the first half of the application process, DWR staff be available to answer questions and offer technical assistance. A group of experts can assist applicants by providing representation and clarifying ambiguities surrounding eligibility criteria.

After the application is submitted, the Agency team will conduct a completeness and eligibility review and provide a timeline for the applicant to restructure and complete their application. Next there will be a technical review of applications, followed by an integration study and independent review. The final step will be to provide the project evaluation data for the Commission to make their findings. Ms. Marr pointed out that the timeline has not been finalized and is open for discussion.

Mr. Ball asked how the independent review panel will be chosen. Ms. Marr responded that the actual make-up of the expert panel is still to be determined, but that staff is considering some nationally recognized experts in key areas such as water policy, environment, and economics. The project team is open to suggestions from the Commission and will provide a draft panel list for approval and review at a later time.

Mr. Curtin stated that the federal Central Valley Project is part of the integration discussion. Laws regarding what the Commission can and cannot mandate need to be taken into consideration, and some flexibility and consultation is advisable. He said that he hopes that people who propose projects have these items in mind so that they do not have to go back and re-format in order to incorporate new integration.

Mr. Byrne wanted to know if the applicants will need to perform the integration studies themselves. Mr. Marr responded they do need to do their own research, but that resources are available for assistance and there is an expectation that applicant will consult with these resources.

Ms. Marr then moved to the topic of the WSIP scoping survey. The goal of the survey was to both educate applicants about the eligibility requirements and what is needed to fulfill those requirements, and to inform staff on where project proponents and potential applicants are in the process of developing projects.

Preliminary findings indicate that stakeholders and applicants need more information. Technical assistance will be necessary to assist applicants in completing their applications properly. Few to no projects appear to be ready for funding at the present time. Most of the projects are on track to finish their feasibility studies and environmental documentation in 2 to 4 years.

As of March 11, there have been 147 separate projects submitted. Some submitted projects were not technically eligible (plans, desalination projects, and research that were simply seeking funding). Survey respondents were overwhelmingly public agencies (79%); other respondents included utilities, Tribes, nonprofit organizations, and mutual water companies. 50% percent of the submissions were groundwater storage or remediation projects, 38% were local/regional surface storage, 10% were system reoperation or conjunctive use, and 2% were CALFED surface storage projects.

Respondents were asked the status of their feasibility studies. 11% of applicants said their feasibility studies were complete. The majority (45%) said theirs would be ready within two years, and the rest were split between 3 to 10 years. Of the applicants who responded, 23% said their environmental documentation was complete, and 51% said theirs would be ready in two years. The remaining applicants were split between 3 to 10 years.

Survey respondents were also asked to select which public benefits their project would provide. The most frequently selected benefit water quality, followed by ecosystem benefits. Mr. Marr pointed out that in order to be eligible for funding, projects *must* have ecosystem benefits. The fact that many submissions did not report ecosystem benefits indicates that the public needs more information regarding what is and is not an eligible project. She emphasized that the same rule applies to providing measurable improvements to the Delta ecosystem or to the tributaries to the Delta – those responses should all be “yes” by applicants who want their project to be considered.

Of the respondents who provided estimates of project costs, the total project costs were \$12.7 billion, with CALFED surface storage projects coming in the highest at \$7 billion. The remaining \$5.7 billion were split between local/regional surface storage, groundwater storage and remediation, and system reoperation or conjunctive use. Only 67% of applicants provided cost estimates. CALFED projects account for the most costs because 100% of the CALFED projects responded to the question. The costs are based on applicants who responded and not necessarily a reflection of which projects are the most expensive.

Mr. Del Bosque asked if there is some interregional planning funding for some of the smaller projects for local facilities. Tracie Billington answered that there is implementation funding for Integrated Regional Water Management (IRWM) so some of the projects could be funded under that program. There is \$800 million for groundwater contamination and remediation in the bond that could potentially provide funding.

Ms. Marr concluded by stating that the survey will remain open through the spring to allow additional applicants to fill out the survey and allow current applicants to update their submissions. The results will be used to inform project solicitation timeline and funding scenarios. Outreach and education will extend to the Stakeholder Advisory Committee meetings and public meetings, which will begin on April 1<sup>st</sup> and are planned throughout the year. There will also be a series of publicly noticed issue workshops, where the members of the Commission can discuss and resolve smaller details of the regulations and guidelines.

## **12. Update on Stakeholder Process for Water Storage Investment Program and Presentation of Communication and Engagement Plan**

Ms. Marr presented a Draft Communications and Engagement Timeline and gave an overview of the activities of the Communications and Engagement (C&E) team. Their purpose is to engage the public and stakeholders in the WSIP process. Part of the C&E plan is to reach out to key stakeholder constituencies in order to form the Stakeholder Advisory Committee (SAC). The SAC will act as a representative body that can speak as experts on certain specific projects and project types. The C&E team has located a group of stakeholders that represent the public benefits, and has also sought representatives to speak for tribal, business/economic, and environmental justice/disadvantaged community groups. Staff has sent out 30 invitations to carefully selected organizations. Fourteen agencies have accepted their invitations so far, and several more have expressed interest in participation. Ms. Marr noted that if an organization wishes to be added to

the SAC, they must submit a written request to the Executive Officer, explaining what interest they represent.

For clarification purposes, Chairman Byrne pointed out that the SAC is an advisory body only and will not be involved in the rulemaking process. They will be asked to provide input but will not engage in any formal rulemaking or taking of votes.

Ms. Marr reviewed the C&E calendar, which laid out the dates and locations of the major meetings throughout 2015. The SAC meetings are scheduled for the first Wednesday of each month, the Commission meetings take place the third Wednesday of each month, and the public meetings will be scattered throughout the month and will take place in varying locations throughout the state. Members of the Commission are encouraged to attend some of these meetings.

**13. Update on Tribal Government Consultation Process for the Water Storage Investment Program**

Tribal Policy Advisor Anecita Agustinez provided an update on DWR's current consultation activities with Tribal governments. She stated that DWR wants to provide their services in whatever advisory role they are able within the guidelines set by the Governor's Executive Order B-10-11. She provided a list of upcoming Tribal Consultation activities and encouraged Commission members to attend. She stressed in particular the importance of the Tribal Consultation Workshops taking place on June 9<sup>th</sup> and 10<sup>th</sup>. June 9<sup>th</sup> will be the actual Tribal Consultation and June 10<sup>th</sup> will be a day devoted to workshops surrounding the grant programs. DWR is hoping to engage in a full interdepartmental government-to-government consultation.

Ms. Agustinez also informed the Commission members that two Tribal leaders representing Northern and Southern California have accepted invitations as representatives on the SAC. Additionally, three responses to the WSIP scoping survey originated from Native American Tribes.

**9. Legislative Update**

Kasey Schimke, DWR Assistant Director for Legislative Affairs, provided a list of bills relevant to the interests of the Commission, such as legislation surrounding groundwater and flood protection, technical cleanup, drought, and a new bill recently put forth by Senator Lois Wolk. Proposed drought legislation would render null any fees that would have otherwise been assessed for not watering a lawn. Legislation put forth by Senator Wolk would add loss of their position on the Water Commission to the penalties Commission members would face if found to have violated conflict of interest laws.

**14. Working Session: Content Review of Statute, Regulations, Guidelines, and Project Solicitation Package Matrix**

Tracie Billington, Chief of DWR's IRWM Financial Assistance Branch, discussed how content should be distributed between the statute, regulations, guidelines, and Proposal Solicitation Package for the WSIP. She presented a matrix breaking down Chapter 8 of Proposition 1 section by section.

Definition of a Statute: A high level directive. A statute cannot be changed without voter approval. WSIP code sections have further limitations on their ability to modify the code, but it is possible for the Legislature to enact clarifying legislation that could impact the program requirements.

Definition of a Regulation: Regulations are more detailed and specific. They can be modified, using OAL processes for rulemaking. These modifications can take up to a year.

Definition of a Guideline: Program specific requirements. Guidelines present overall processes and program requirements. They can be modified using the procedure outlined in the bond, and the modification process is not overly time consuming (a few months).

Proposal Solicitation Package (PSP): Provides potential applicants with solicitation specific requirements, deadlines, etc. PSPs will need to be updated on a per solicitation basis since they are generally used to convey solicitation specific information, such as application due dates.

When dealing with regulations, the Commission has broad statutory authority. They are designed to take something general and make it more specific. New authority cannot be added, but existing items can be clarified if necessary. The idea is that there is a hierarchical structure that starts with the statute, narrows down to the regulations, and ends on guidelines. Each tier becomes more acute in specificity.

The regulations also require the Commission to conduct a formal rulemaking process for the quantification and management of public benefits. Changes to the language in chapter 8 at would require a supermajority vote of the legislature and voter approval.

Mr. Byrne expressed concern that in the past, the draft guidelines were not always as specific as they should be, and there was a risk of unintentionally incorporating language that may be in opposition with the parameters set by the statute. Ms. Billington replied that the final guidelines will likely be significantly different and will primarily contain process-related information. DWR can provide examples of other guidelines. The guidelines are also likely to include requirements from other pieces of statute that apply.

Ajay Goyal, Chief of DWR's Statewide Infrastructure Investigations Branch, noted that was information about feasibility reports needs to be included in the guidelines. He stated that there is currently no language regarding value and potential public benefit, and that a baseline needs to be developed and values need to be determined and made available to the public.

Ms. Billington then discussed other program requirements. She focused on three issues: program requirements from sources other than Proposition 1, funding for environmental documents and permits, and cost share requirements.

There are several pieces of statute aside from Proposition 1 that may impact the WSIP. For example, projects that receive State funding generally need to abide by labor compliance statutes. The Commission may also wish to require that any agencies that receive funding for groundwater projects have an adopted Groundwater Management Plan.

Ms. Billington discussed potential funding for environmental documents and permits. She stated that there is a section of Proposition 1 that provides general authorization for the agencies administering funding to spend up to 10% for planning and monitoring. The Commission has discretion to decide whether to allocate up to 10% of the funds for completion of environmental documentation and permitting for projects that could potentially receive funding.

Ms. Billington broke down the available bond funding from the \$2.7 billion continuously appropriated to the Commission. After removing 2% for state bond costs and 5% for program delivery, there is approximately \$2.5 billion available to award. From this amount, if 10% is used for environmental documentation and permit costs, approximately \$2.2 billion will be left. When

asked if the 10% for environmental documentation and permits is a part of the 50% maximum state cost share or in addition to it, Ms. Billington replied that the topic needs to be discussed, since there are risk factors to be considered. For example, there is the risk of premature allocation; if a project receives funding before it is fully developed; there is the risk that as it evolves it may unintentionally turn into something that is no longer eligible for funding. The project would end up ineligible and partially-funded, and the money that had been spent on it would not be recoverable.

Mr. Goyal added that the best practice is to direct the 10% for documentation and permits to the parts of the project that will serve to inform the project costs and public benefits. The applicants would come up with a preliminary design and DWR would pay the public benefits share. The Commission and the project managers would act as partners, and only after the permits are obtained would the project be allowed to go forward. If the permits are not issued, the funds spent to that point would be gone and will not be reimbursed.

Ms. Herrera asked for a real world example of environmental permitting costs. Mr. Goyal answered that for Sites Reservoir about \$70 million has been spent so far, which is 4% of the total costs. He added that another 7% or so will be spent design. He said this is a typical cost distribution for such a project. Ms. Herrera asked if there seems to be a great need for funding for environmental permitting. Ms. Marr said that the scoping survey results indicated that most projects are still working on their environmental permits and many have not begun. Mr. Goyal emphasized that the funding would assist with the completion, rather than the development, of environmental documents.

The Commission discussed the bidding process, and on what basis the money will be given compared to estimates and feasibility studies. The consensus was that, since it is impossible to know the actual cost of a project before bidding has begun, it would be beneficial to add language to the allocations that include "not to exceed," in order to put parameters around projects and mitigate risk. Mr. Ball agreed that putting a cap on the allocations was a good idea as it keeps mismanaged projects and project costs in check. Ms. Billington offered to provide the Commission with a more refined proposal in the future.

The Commission discussed if and when project applicants will receive reimbursement for past environmental documentation costs. A provision of clarity will be necessary that states facts such as what percentage can be reimbursed, and at what stage in the project development the reimbursement should be given. Mr. Curtin brought up that the Commission may be well served by advocating for reimbursement for small projects that may be deserving of assistance, but others argued that disparate treatment of applicants may be unfavorably perceived. There was also debate of whether applicants need to be informed ahead of time if their submissions qualify as reimbursable and if they should be given guarantees in advance so that they can use that guarantee of reimbursement to inform their decisions.

Ms. Billington moved to the topic of cost share, stating that the WSIP cost share shall not exceed 50% of the total project costs. The exceptions are conjunctive use and reservoir reoperation projects, which are not restrained by the cap. She pointed out that the Commission does not have to fund the full 50%, but it can go up to 50%. The Commission members discussed the possibility that applicants may submit their projects under the classification of conjunctive use in order to bypass the 50% constraint dictated by the statute. It was determined that clarity will need to be added to the language that makes project definitions more precise.

50% of the WSIP cost share must go toward ecosystem improvements. For example, a project may have 50% that the project sponsor is paying for which is comprised of non-public benefits. The other 50% can be split between 25% ecosystem improvement public benefits and 25% all remaining public benefits. Ms. Billington asked the Commission about how they wish to handle situations where the ecosystems benefits at time of evaluation are smaller than the anticipated percentage of the cost. Ms. Ballanti pointed out that previously, the Commission agreed that it was acceptable to rescale the cost share so ecosystem benefits would comprise 50% of what is funded by the Commission. Eligibility would not be hindered even with a restructuring of cost share.

Ms. Billington then moved to review process concepts, stating that the best approach would be treating the process from application to implementation as a partnership journey. The first method would be to assign a "case worker". The case worker would be Commission (non-technical) staff assigned to prospective applicants to help guide them through the specifics of the process such as scheduling, coordination, and documentation readiness. They would steward individual projects through by helping with details so that the projects are moved forward expeditiously and with minimum mistakes.

The next concept was that of technical assistance. DWR will provide training in how to use the tools developed for review process. The technical assistance goes hand in hand with the interactive review. With previous DWR grant programs, when project applicants have submitted their documents, there was no interaction afterwards. The applicants were left in the dark regarding the status of their requests. With the concept of interactive review, there will be a structured process to allow the review team to follow up with the applicant and get clarification on their application. There will be opportunities for the project sponsors to give presentations on their applications so that there is no ambiguity.

Ms. Billington estimated that the review process will take 9-17 months, and she broke down the steps of the review. Mr. Curtin expressed concern that it seemed like a long time, and the public perception may be that these things are taking too long. Mr. Ball agreed, stating that there is an expectation of timeliness. He added that in order to compress the timeline efficiently, the review process should begin as soon as the application process ends, and that the total timeframe should be less than a year.

Ms. Billington said the review process would include modeling on both individual and groups of projects. Mr. Orth asked if the modeling will be done in-house with existing surface and groundwater models. Ms. Billington replied that some consulting will be required, but the consulting will have to be done by parties that are not directly involved. Mr. Goyal added that the applicants are not aware of the details of each other's projects and are unable to model them against each other. Mr. Ball stated that the Commission needs to be clear about its expectations, and that the applicants may need to communicate with each other and perhaps even join their projects together as interregional projects that can strengthen their case and benefit both parties.

Mr. Saracino supported the idea of having an expert panel to provide academic assistance, adding that if there was a panel that was internal, they could be helpful in corroborating outside findings presented to them by the applicants. Ms. Billington agreed, clarifying that there would be two tiers of expert panels, and the academic panel being discussed would only review projects after they have been submitted to, and passed, a technical review panel.

It was decided that for the next meeting, Ms. Billington and her staff will draw up some proposals around the composition of the panel. Chairman Byrne noted that it was prudent that the regulations be finished quickly so that the applicants can begin work on applications. Mr. Ball asked when the first applications be submitted, and Ms. Billington replied that the regulations and guidelines need in place before any applications can be accepted.

Ms. King pointed out that a large technical advisory group would be subject to the Bagley-Keene Open Meeting Act. Staff and hired consultants are not subject to the same restrictions. Compensation for the experts was discussed, but no decisions were made.

Mr. Ball expressed concern about the quality of the research and data, and Mr. Saracino pointed out that the benefit of hiring consultants – especially scientists and academics – is that it will not be in their interest to provide partial or unreliable information; they will be compelled to provide feedback and projections with science to back it up. Mr. Del Bosque stated that the guidelines need to clearly articulate what is and is not expected from the expert panel, and Mr. Ball added that they should be responsible for providing “suggestions” but not necessarily “recommendations”.

**15. Consideration of Items for Next California Water Commission Meeting**

The April Commission meeting is going to be held at Fresno City Hall. There will be an update on the Sustainable Groundwater Management Act, a briefing on California Statewide Groundwater Elevation Monitoring (CASGEM) data, and another working session on WSIP issues. There will also be a public meeting later that evening, starting around 5:30.

The Commission members briefly discussed the possibility of a chair election taking place that day, but nothing was decided at that time.

Chairman Byrne adjourned the meeting at 2:55 p.m.