

DRAFT

PUBLIC MEETING SUMMARY

Elks Lodge, Chico, California

Water Storage Investment Program (WSIP)

California Water Commission (Commission)

April 13, 2015

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Introduction

The Commission has made community and stakeholder engagement one of its key priorities in developing the WSIP. Their intent is to educate Californians about Proposition 1 (Prop 1), the WSIP and gain feedback on program development through a robust engagement process involving public meetings, a Stakeholder Advisory Committee (SAC), hearing testimony at Commission meetings, and obtaining feedback through open comment periods. The first public meeting was at the Elks Lodge in Chico, CA. Over 300 residents living north of the Delta attended the meeting. Juliana Birkhoff, senior mediator/facilitator for the Sacramento State, Center for Collaborative Policy, facilitated the meeting. Meeting materials and the presentation PowerPoint can be downloaded from

https://cwc.ca.gov/Pages/2015/04_April/041315PublicMeetingAgenda.aspx. The public meeting video is at <http://cwc.videoss.com/archives/041315/>.

Meeting Welcome

Ms. Birkhoff welcomed attendees and reviewed the evening’s agenda. Following this introduction, attendees heard remarks from Chico Vice Mayor Sean Morgan, Senator Jim Nielsen, Assembly member Jim Gallagher, as well as Commissioners Daniel Curtin and Armando Quintero. All speakers welcomed attendees and spoke about the great opportunity provided by Prop 1. Attendees were encouraged to provide feedback to the Commission on the WSIP program.

Proposition 1 and the WSIP Program Presentation

Acting Executive Officer Rachel Ballanti and Project Manager Jennifer Marr presented attendees with information about Prop 1, Chapter 8 of the Proposition, the Commission's role and the WSIP. Their PowerPoint can be downloaded from https://cwc.ca.gov/Pages/2015/04_April/041315PublicMeetingAgenda.aspx or watch the presentation at <http://cwc.videossc.com/archives/041315/>.

Public Comment

Ms. Birkhoff facilitated the public comment portion of the event. She ensured that all attendees had an equal opportunity to ask questions and make comments. Attendees asked questions and commented about Prop 1, the WSIP, potential storage project locations, as well as other general comments about water and the drought. The following is a summary of these questions and comments.

Major Themes

Proposition 1 Questions and Comments

Attendees asked several clarifying questions focused on the funding provided by Prop 1. The bond authorizes the Commission to allocate \$2.7 billion to various storage projects throughout the state. Attendees asked for clarification about which agencies will distribute the other Prop 1 funds. Commissioner Curtin informed attendees that the Department of Water Resources and other state departments are developing grant programs that relate to other chapters of Prop 1. He told the audience the Commission would add a link to DWR's funding page on its website.

One attendee asked where the funding would be spent if the Commission did not allocate all funding by January 2022. Ms. Marr explained that staff estimates the Commission will receive more applications than it can fund, and as a result there is no current concern that the funds would not be spent.

Attendees also made comments and asked questions related to funding the Sites Reservoir project. Several attendees indicated they voted for Prop 1 because they thought it would fund Sites Reservoir. Commissioner Curtin informed attendees that Chapter 8 funds from Prop 1 are not dedicated to build any site-specific locations but are to help complete projects throughout the State to improve the entire system. In addition, the bond only allows the Commission to fund the public benefits portion of projects.

Several people asked about restrictions on funding. In particular, attendees expressed concern over the possibility of misuse of Chapter 8 funding (e.g. funding being transferred to pay for High Speed Rail). Commissioner Curtin and Ms. Marr assured attendees that Prop 1 prohibits the Commission from using any of its funding for non-water storage projects.

One attendee asked whether there had been any consideration of the benefits of dredging current reservoirs. Senator Nielsen informed attendees that dredging had been considered

during the initial dialogue on Prop 1. Proponents determined this type of dredging would be expensive and decided to focus on projects that would provide the most return on investment.

WSIP Program Questions and Comments

Attendees had several questions about project eligibility under the WSIP. They asked about the eligibility of several project examples including small projects, storage projects to provide water for catastrophic fire, groundwater storage projects, and recycled water projects. Ms. Marr stressed that project staff and the Commission were quickly working to identify whether these types of projects might be eligible for funding. Commissioner Curtin emphasized that the statute is clear about project eligibility. He also indicated the Commission encourages stakeholders to combine projects whenever applicable and leverage multiple sources of funding. The Commission will review how projects integrate with each other.

Attendees also asked a series of questions related to WSIP program guidelines and measures. Several attendees expressed concern about the inability of projects to develop their plans for this program without first knowing the metrics for public benefits. Ms. Marr indicated that project staff is quickly working to define the metrics (e.g., identifying what would be considered a measurable improvement to the Delta) to be used in the grant process. Project staff and the Commission are collaborating with the Department of Fish and Wildlife, State Water Resources Control Board, and Delta Stewardship Council, consulting the Stakeholder Advisory Committee (SAC), and reviewing existing material to developing these metrics. Once project staff has developed draft metrics, they will share them with the Commission for approval.

With regard to the application process, attendees asked how the Commission plans to prioritize projects. Ms. Marr explained that the WSIP would be a competitive process. The Commission will prioritize projects based on the magnitude of public benefits each project provides. Project staff will review each application for general eligibility and make project recommendations to the Commission, which has the final decision making authority. Prior to the Commission's final decision, the public will be able to review and comment on the list of eligible projects.

Some attendees expressed concern over prioritizing ecosystem benefits over the human need for water. Commissioner Curtin explained that reservoir projects might not be designed solely for ecosystem benefits. However, the Commission is only authorized to fund the public benefits portions of eligible projects. Statute requires that the funded public benefits must be at least 50 percent ecosystem improvements and include benefits to the Delta or its tributaries, but they can also provide other public benefits such as emergency response, recreation, water quality and flood control benefits. Current statute does not allow the Commission to reduce the amount of ecosystem benefits required for funding.

Some attendees also expressed concern over sending water stored by Commission-funded projects out of the region. Commissioner Curtin explained that some eligible projects (e.g. CALFED projects) have the potential to become part of the Central Valley Project or the State Water Project, which diverts water to other parts of California.

Location Recommendations, Questions and Comments

Many attendees expressed support for funding to be allocated to the Sites Reservoir project, noting that it will provide all of the necessary ecological benefits and remove dependence on groundwater reserves. Several attendees expressed discontent over the time it has taken to build Sites Reservoir and indicated that there are currently Federal efforts to assist with its planning and study. Other attendees expressed concern that Prop 1 may not actually provide funding to the Sites Reservoir project.

Other General Comments

A few attendees spoke about drought conditions, explaining that the drought has gone on longer than four years, and is man-made. They also expressed the need for rain before water storage.

One attendee requested the Commission hold more meetings in the northern part of the State to gather public comment on program metrics. They explained that online and Sacramento meetings are not helpful to the region because many do not have access to resources to attend these events (e.g., no internet access). Commissioner Curtin and Senator Nielsen explained that the Commission intends to return to the northern part of the state.

Other comments included:

- A need to shift the state's reliance on northern California's water.
- A recommendation to the Commission to develop a panel of independent reviewers to determine the environmental impact of these projects.
- A recommendation to the Commission to consider the economic consequences of coequal goals.

Comment Forms

At each public meeting, attendees were provided with a Public Meeting Comment Form (Comment Form) for them to make additional comments about the presentation and the WSIP Program. A copy of this form is included in Appendix A.

Key Highlights from the Comment Form

- Of the more than 300 attendees only 14 completed a Comment Form.
- 57% (n = 8) of these respondents indicated they were very familiar with Prop 1 and 35% (n = 5) indicated they had heard of it.
- 42% (n=6) of respondents indicated that the presentation answered their questions on project eligibility. Another 42% indicated the presentation answered some questions.
- Most respondents (57%) indicated the presentation answered their questions about the funding timeline.

Excerpts from the Comment Forms

Water Storage Issues

- A lack of support for funding of groundwater storage projects.
- The state's archaic water rights laws are not appropriate for today's realities.
- Individuals being allowed to sell their surface water and then pump additional groundwater.
- Lack of sustainable agricultural practices, including planting water thirsty crops in an arid climate.
- Valley farmers digging additional wells, which lowers the groundwater table.
- Lack of enough water storage.
- Slow implementation of water storage projects.
- Insufficient groundwater management and protection.
- There is too much focus on improving the Delta.
- Northern California water being shipped to other areas.
- An aging water delivery infrastructure.
- Lack of water storage to fight catastrophic fire.

Suggestions for the Commission

- Be open and transparent.
- Make new water through desalination by wave, solar and wind power. Focus on deep elemental water.
- Consider the multiple benefits of Sites Reservoir and elevate the project for funding and construction.
- Do not fund water storage projects that divert water from the north to other parts of the state.
- Do not fund projects that allow for groundwater substitution transfers.
- Fund using Shasta Lake as a ready to go storage facility.
- Educate the public on the importance of water conservation.
- Explain better why Prop 1 funding needs to be spent on ecosystem benefits.
- Suggest to potential projects that they integrate with other watershed projects.

Comments on the Information Presented at the Workshop

- A suggestion for project staff to define "a measurable benefit to the Delta."
- One respondent stated that this was a good introduction to the WSIP.
- A suggestion to project staff to identify what benefits other areas will get from benefits going to the Delta.
- Good background material provided by the handouts.
- In other presentations, provide more detailed project information.
- Support for the consideration of the environment and other species, ecological needs and Delta health within the WSIP.
- A suggestion to the Commission to create a chart with all sections of bond funding to help guide conversations towards this project during public meetings.

Appendix A



Water Storage Investment Program Public Meeting Comment Form

How familiar were you with Proposition 1 legislation before today?
<input type="checkbox"/> Very familiar <input type="checkbox"/> I've heard of it <input type="checkbox"/> Never heard of it
Did the presentation answer your questions about which projects are eligible?
<input type="checkbox"/> Yes <input type="checkbox"/> Some <input type="checkbox"/> No
Did the presentation answer your questions about the funding timeline?
<input type="checkbox"/> Yes <input type="checkbox"/> Some <input type="checkbox"/> No
What water storage issues most concern you?
Do you have any comments on the information presented at this workshop?
Do you have any suggestions for the Commission as they develop the program?