California
WATER COMMISSION

Meeting Minutes - DRAFT

Meeting of the California Water Commission
Issues Working Session
Tuesday, May 19, 2015

State of California, Resources Building
1416 Ninth Street, Conference Room 340
Sacramento, California 95814
Beginning at 9:30 a.m.

Note: Due to technical difficulties with the audio recording, the names and identifying information of some of the public speakers and audience members were not captured.

1. **Call to Order**
   The meeting was called to order at 9:30 a.m.

2. **Roll Call**
   Acting Executive Officer Rachel Ballanti called roll. Commission members Andrew Ball, Joe Byrne, Daniel Curtin, Joe Del Bosque, Maria Herrera, and David Orth were present, constituting a quorum. Commissioner Paula Daniels arrived shortly after roll was called. Commissioner Armando Quintero was absent.

3. **Water Storage Investment Program (WSIP) Issue Working Session: Review of Definitions, Process, and Project Administration**
   WSIP Project Manager Jenny Marr presented the Commission with a project calendar listing each upcoming issue working session and its scheduled content:
   - In May, discussion topics will focus on defining the Delta and its tributaries, defining public benefits, and a discussion of the application review process flow chart.
   - In June, scheduled topics will be to inventory Commission decision points, finesse definitions of eligible project types, and discuss rules of grant programs, CEQA responsible agency requirements, application review process flow chart (continued from May), eligibility criteria, and environmental permitting.
   - In July, the working session will cover eligibility criteria, options for the independent technical review team, finalizing of the *Goals and Objectives* document, quantification ~~ofpublic~~of public benefits, discussion of applying priorities and relative values, and defining measurable improvements in the Delta.
   - August will focus on common and preferred assumptions, management and monitoring of public benefits, project selection criteria and benefits, options for integration study, and decision-making tools.
   - Finally, September will focus on the upcoming rulemaking process and the first administrative draft of the regulations package.

To begin the formal rulemaking process, the Commission's goal is to submit the regulations to the Office of Administrative Law (OAL) by November of 2015 at the very latest. Because the approval process can take up to a year, it is in the interest of the Commission to work quickly but also carefully; should OAL approval take more than one year, the process would have to start over. Public comments are also a part of the process. Public comments are built into the OAL rulemaking process. Additionally, the statute mandates that public comment be incorporated into the guidelines development. A series of public meetings and workshops are scheduled throughout the year leading up to the submission of the final draft guidelines and regulations to OAL to comply with these requirements.

Commissioners Byrne and Daniels expressed interest in seeing to the current drafts of the guidelines and regulations in order to track the changes and follow progress, and Commissioner Orth suggested putting the "resolved" issue list towards the beginning of the session calendar in order to track what has been completed in relation to what still needs to be done.

Ms. Marr reviewed the staff draft definition of tributaries to the Delta. Water Code section §79752 states that "a project shall not be funded pursuant to this chapter unless it provides measurable improvements to the Delta ecosystem or to the tributaries to the Delta." While the definition of the Delta is clear, the tributaries are less clearly defined. The project team worked with the agency team which includes, the Delta Stewardship Council, Department of Fish and Wildlife (DFW), and the State Water Resources Control Board (State Board), and the Department of Water Resources (DWR) to develop the draft definition. Staff also consulted several existing definitions and developed the following proposed definition:

> Waterways that are "tributaries to the Delta" include all river systems that make up the Sacramento River Watershed, the San Joaquin River Watershed, and the Tulare Lake Basin. For example, some of the tributary rivers that flow into the contributing watersheds include:
>
> - Sacramento River: Pit River, Butte Creek, Feather River, and American River
> - San Joaquin River: Fresno, Chowchilla, Merced, Tuolumne, Stanislaus, Calaveras, Mokelumne, and Cosumnes Rivers
> - Tulare Lake Basin: Kings, Kaweah, Tule, and Kern Rivers

In areas where there was conflicting opinion, the definitions were generally defaulted to the natural / topographic basins and boundaries.

Commissioner Orth noted that Kings River does not traditionally view itself as a tributary to the Delta. Commissioner Curtin felt that a liberal definition of the Delta and its tributaries would allow more projects to participate and work in conjunction with one another.

When asked what prompted the inclusion of Tulare Lake Basin, Mr. Marr stated that it was based on feedback from a few stakeholders and state agency partners that requested its inclusion. Commissioner Herrera was curious who those stakeholders were and what reasons they had for making the request. Ms. Marr answered that different entities have different definitions. The U.S. Environmental Protection Agency does include Tulare Lake Basin in their list of tributaries, whereas some DWR and DFW definitions do not. The Natural Heritage Institute is one of the stakeholders that requested the inclusion.

Commissioner Orth noted that there are areas that are not traditionally defined as tributaries, but that still may provide benefits to the Delta by reducing reliance. Overall, it was the opinion that areas above dams should be included. Commissioner Ball stated that it was important to remember that the statute specifies the Delta or its tributaries, not the Delta and its tributaries; even rivers and streams that are left out of the definition may still be positively impacted in the end. Commissioner Curtin added that it is not just the welfare of the Delta and its tributaries that needs to be considered; the entire statewide water system must be benefited by projects, and weight needs to be given to projects that have more influence on improving those larger systems.

Commissioners Orth and Byrne felt that if the definition of tributaries is too broad, and as a result, those tributaries are benefitted but the Delta is not.

Public Comment: Gary Merlo asked if, using the more expansive definition, projects in the Coachella Valley, which gets water from Tulare Lake Basin, could qualify to provide improvements to the Delta even though by most definitions it does not fit the criteria for the Delta or its tributaries. Commissioner Byrne said that it would not, but that would not intrinsically prevent it from being eligible for project funding. Commissioner Curtin observed that it is useful to remember that a project that is not in the geographical area of the Delta could still be eligible if it ~~still~~ benefitted the Delta~~, even from a long way away geographically~~.

Michelle Denning from the U.S. Bureau of Reclamation suggested striking the bulleted examples from the project team's descriptions, since they may be perceived as dated or otherwise inappropriate for future readers looking back on the working version of the document.

A member of the public from Trinity County commented that for a long time, over 70% of the water that flows from the Trinity River ended up making its way to the Sacramento Valley systems, and they are very connected. In 2015, due to the drought and insufficient sources coming from the Klamath, water from the Trinity River is being used to augment the Delta flows. She stated that the Trinity River should not be excluded, because it is very closely associated with the Delta and its tributaries.

Commissioner Orth stated that he is leaning towards including the Trinity as a Delta Tributary. Commissioner Ball reiterated his point that in the big picture it may not matter because many locations that are in dispute may provide benefits by virtue of the fact that they are contributors

to the state water system and will contribute to its improvement. Rivers do not have to be defined as tributaries to provide benefits to the Delta and state water system. The sticking point regarding the Trinity is that the benefits that it would reap would only be caused by its association with the CVP. Without its connection to the CVP, it would not contribute water to the Sacramento River.

~~DWR's~~ Joe Yun, DWR, reviewed the application ~~review~~ process flow chart. The initial solicitation process will be done in two phases; the first phase will be submission and the second will be the fine-tuning of that submission based on input and feedback. Initially there was only one phase, but feedback from the public and stakeholders indicated that it was too detailed and time-consuming to complete an application without technical guidance. Mr. Yun acknowledged the Commission's concern about timing and provided some detailed timelines that keep the review process down to approximately a year. The first two months are set aside for pre-application, after which comes the full application process. The full application is projected to go through a completeness and eligibility review, technical review, independent peer review, and Commission review, which ~~should~~ could take ~~around~~ a year. The project applications will all be done with total transparency – the team wants applicants to be able to compare, contrast, and consult with one another, especially in situations where the projects can benefit from being integrated with each other rather than competing alone. They also want the public to be able to study the projects and follow along with the process. Mr. Yun noted that the details on what materials were expected from the applicants were still being worked on by the project team. More information will be presented as it is created.

Once the application has been submitted, it is subject to an eligibility and completeness review. The team will determine if there are any missing application components, verify if the applicant is eligible, make sure all of the eligibility requirements are met, and determine if other program eligibility requirements are met (UWMP, GSP, CASGEM, Executive Order B-29-15, etc.). If the projects meet all the criteria, they move to the next phase. If they do not, they are assigned a case worker, who will help the applicants fine-tune the details and get it ready for re-submission.

The technical review is currently the most complex part of the process. The first half is the feasibility study, wherein the technical team will assess the technical feasibility, verify the presence of physical benefits to the Delta or its tributaries, perform an economic analysis, and verify and check the environmental documentation and permits. There are still some questions that need to be addressed, such as whether or not there should be Regional Water Quality Control Board participation in the technical review; the project team has asked the State Board for their input on the subject.

Commissioner Byrne asked what the plan will be for applications that are deemed inadequate or somehow lacking. Mr. Yun responded that this question is one of the ones still being parsed out by the project team. The logistics, such as how and when to contact the applicant and how

involved to get, are still being debated. Because consistency is required, any special treatment of one application needs to be extended to all.

Commissioner Curtin asked how much the magnitude of the public benefits is being used to weigh the strength of individual project applications, expressing concern that there may be smaller projects that do not offer a lot of tangible benefits but may still nonetheless improve the state water system. Staff Counsel Maureen King answered that there is language in the statute that does allow for these smaller projects to be funded, but that the matching contributions may differ from project to project, so the methods in which the funding dollars are leveraged will be affected.

The second half of the technical review will be assessing benefits, working through project tasks, budgets, and schedules, assessing success measures and assurances, and measuring program priorities and relative environmental values. After the technical team is finished, the projects will be sent to a team of independent peer reviewers who will have full access to the application and will be able to communicate with the technical team for clarification. At the end of the independent peer review the information will be passed on to the Commission.

The Commission will review the full project details during the next phase of project review: findings and initial funding decision. The Commission will discuss both individual and packaged projects and have an opportunity to interact with the applicants. From this point out, the timeline becomes unpredictable because the funding deadlines will fluctuate based on the completion of the project and the amount that is allocated or held back. The initial funding commitment from the Commission is currently categorized as a “soft commitment.” Following the “soft commitment” the project proponent will need to completed final environmental documentation and permits as required in section 79755(a).

Commissioner Curtin stated that if the regulations are finalized in November of 2016 and the application process is the next two months after that, it seems as if it may be 2018 before any projects can begin. He asked if there is a way to get the information out to project proponents so that they can follow along and be aware of the updates to the draft regulations and guidelines as they come. Mr. Yun said that yes, the process will be fully transparent and all updates and changes will be done in a public and accessible manner.

Commissioner Orth asked if there is any language in the statute that addresses integration. Ms. King replied that most of the discussion on integration takes place in Chapter 4. There was also some discussion about opening a new pre-application survey, but Ms. King suggested that from a legal perspective, it was not advisable because the regulations and guidelines needed to be complete first.

Marguerite Patil of the Contra Costa Water District commented that she liked the fact that a pre-application was required, and suggested that the information on the pre-application be accessible to all so that the applicants can see each other's input.

A member of the public stated that there did not appear to be a lot of opportunity for public comments on the timeline, and that more comments from both the public and other applicants could be beneficial to the Commission. He also expressed concern about the valuation tools and methodologies that were being discussed, stating that it will be difficult to weigh the various projects against each other if they are not using the same valuation methodologies. Mr. Yun responded that when the projects are presented, the methodologies used by the valuation team will be the same across the board, so it will not make a difference how individuals choose to value their own projects. Ms. Marr added that there are certain factors that will be required of all proponents; for example, all measurements must be submitted using the same common unit. The project team made the choice to intentionally keep the options broad for applicants so that there would not be cases where the applicants had to back out because they could not conform to the specific set of metrics mandated by the project team.

One audience member asked how situations will be handled in cases where the project proponents could not get the financial support they were seeking and had to modify their application after submission. She suggested that the applicant may want to provide both the full scope of the project and make a note of the minimum that can be offered that would still result in a public benefit. In other words, you do not want to shrink your project to the point of having it lose its eligibility, so you provide both a minimum and a maximum allowable threshold.

Ms. Marr will provide more information and present the Commission with an update on the communications and engagement efforts at the Commission meeting on Wednesday, May 20th.

Chairman Byrne adjourned the issue working session at 11:45am. Following lunch, the Commission returned to open session prior to going into close session to conduct interviews for the position of Executive Officer.

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Meeting of the California Water Commission
Wednesday, May 20, 2015

State of California, Resources Building
1416 Ninth Street, First Floor Auditorium
Sacramento, California 95814
Beginning at 9:30 a.m.

1. **Call to Order**
   The meeting was called to order at 9:32 a.m.

2. **Roll Call**
   Acting Executive Officer Rachel Ballanti called roll. Commission members Andrew Ball, Daniel Curtin, Paula Daniels, Joe Del Bosque, Maria Herrera, David Orth, and Armando Quintero were present, constituting a quorum. Commission Chairman Joe Byrne was absent.

3. **Approval of April 2015 Meeting Minutes**
   After a request by Commissioner Herrera to change the verbiage on page four from "farmers" to "farm workers", a motion was made to approve the April 15, 2015 meeting minutes. A vote was taken and the motion passed unanimously.

4. **Executive Officer's Report**
   Ms. Ballanti informed the Commission that speaker cards are available for members of the public that wish to make comments during Commission meetings. She also stated that the Water Storage Investment Program scoping survey, originally scheduled to end on March 31st, had been extended and will close at the end of May. She also stated that on April 30th, Governor Brown proposed a new alternative to the Bay Delta Conservation Plan; this proposal will separate conveyance facilities and habitat restoration into two separate measures. She presented the Commission an informational document on the subject and suggested putting a more in-depth discussion of the topic on the agenda for a future meeting.

5. **Commission Member Reports**
   Commissioner Herrera stated that she met with former Senator Dean Florez at the Semitropic Water Storage District in Wasco. They discussed local water needs and some projects that Semitropic is working on that will likely be seeking funding from the Proposition 1 Water Storage Investment Program. Commissioner Orth participated in a tour of the proposed Temperance Flat site with representatives of the Friant Water Authority and the U.S. Bureau of Reclamation and their consulting team. He also participated in briefing with Semitropic similar to the one described

by Commissioner Herrera. Commissioner Quintero visited the leadership team of the Santa Clara Valley Water District and took a tour of their facilities and water purification plant.

Commissioner Del Bosque announced that the Commission met in closed session on May 19th in order to interview and select a new Executive Officer. Two potential candidates were ranked and DWR personnel has been authorized to negotiate with the top candidate.

6. **Public Testimony**
   There were no public comments at this time.

7. **Briefing by The Association of California Water Agencies (ACWA) on Water Storage Recommendations**
   ACWA Executive Director Tim Quinn spoke about the function of ACWA, describing it as an association that is working to unite and integrate water regions and districts throughout California in order to develop comprehensive and integrative water solutions.

   Mr. Quinn provided a brief history of the evolution of water storage infrastructure and construction. He stated that ACWA has recently been working with its water storage policy task force, which was created in September 2014 with the assistance of members in all 10 water regions of California. The task force was created to articulate a vision for 21st century storage and provide recommendations to guide the Commission.

   The five main points of ACWA's vision are: 1) Create additional surface storage to capture and manage more variable hydrology, 2) Increase utilization of groundwater storage, including through conjunctive use and banking, 3) Enhance operational flexibility and integration of infrastructure, 4) Implement Integrated Regional Water Management, 5) Create new and more flexible regulatory approaches.

   Mr. Quinn noted that a crucial difference in chapter 8 of Proposition 1 from previous storage-related legislation is that it specifically mandates the consideration of public benefits. He stated that project proponents seeking funding need to be aware of the requirements of the bond and take responsibility for ensuring that their projects are successful. This means getting the proper permits and unambiguously conforming to the regulations, guidelines and restraints of the language in the legislation. He stressed that the bond only provides the opportunity to compete for state funds; it does not create projects or guarantee their success – that is the responsibility of the project teams.

   ACWA recommends that the Commission develop a statewide and wide-spread vision before making funding decisions. They discourage project-by-project allocations, preferring that the Commission get a big picture first while encouraging integration. They also recommend that the Commission be conservative when allocating funds, taking care not to automatically fund the maximum allocation when it is not necessary. Finally, they recommend that the Commission

provide funding to CALFED projects and other critical projects such as upper watersheds and downstream projects for groundwater sustainability.

Commissioner Daniels asked how ACWA intends to spread information and understanding about the importance of integration. Mr. Quinn responded that one strategy is that, when talking with the public, the point needs to be stressed that integration is at the heart of the program and linked with its funding. He also said that people need to quantify the prospective increase in benefits that can come when projects are connected both to each other and to the existing systems.

Commissioner Curtin stated that it may be limiting to have project proponents only make submissions after conjoining with others, and that they should have the option of making their submissions twice – once as a stand-alone project, and once as part of a larger integrated project. He also asked how to best define operational flexibility. Mr. Quinn responded that flexibility means maximizing the ability to be opportunistic; the Commission can insist on operational modifications that make the projects more flexible.

Commissioner Ball asked why ACWA's water storage vision statement goes into detail about projects of merit that are not relevant to chapter 8 of the bond. Mr. Quinn responded that those passages are simply demonstrative of ACWA's reach throughout California and speaks to the diverse scope of projects that exist.

Commissioner Curtin mentioned that there have been reports of high percentages of carbon being found in water where forested watersheds have suffered fires. He stated that capturing clean water from upper watersheds will be important. Commissioners Orth and Quintero agreed and briefly discussed some of the ideas that were being put forth with regards to how to treat the prospective projects as investment opportunities in order to increase interest and participation.

Commissioner Daniels stated that it will be a challenge to encourage integration and craft a larger vision, and that the formation of a committee may be required to do so. Commissioner Herrera agreed, stating that she would like to be a participant on such a committee. She asked if water quality was also discussed by ACWA. Mr. Quinn responded that water quality is considered a part of the public benefits, and its inclusion should be taken seriously by any project proponents who are hoping to get funding.

8. Briefing on Human Right to Water and Environmental Justice

Debbie Davis-Franco, Community and Rural Affairs Advisor for the Governor's Office of Planning and Research (OPR), briefed the Commission about the implementation of the Human Right to Water Act and environmental justice issues. The Human Right to Water Act was signed by the Governor in 2012. It states that it is the policy of the state that everyone should have access to clean, affordable, and accessible water for basic human needs. It requires all relevant agencies to consider the human right to water when creating or adopting policies and assessing grant criteria. When it comes to the consideration of the human right to water, key requirements are that the process be transparent, and that when decisions are made, a final declaration be put in writing.

This is because accurate and thorough recordkeeping will assist in maintaining accountability when decision-making.

Ms. Davis-Franco also stressed the importance of public participation and communication between project administrators and the people whose water is being impacted by those projects. Progress is being made by the State Water Resources Control Board (State Water Board) in the areas of safe drinking water strategies, drought response data, and environmental impacts. Legally, the Commission is bound by the language of Chapter 8, but it is the hope of environmental justice advocates that the basic human right to water be included as the Commission assesses projects and makes their funding decisions.

Commissioner Daniels asked the Commission staff where and how the issues brought up by Ms. Davis-Franco will be addressed as they pertain to the bond funding. Water Storage Investment Program (WSIP) Project Manager Jenny Marr responded that she is working with the State Water Board and Commission Legal Counsel to see how and if it can be applied to public benefits. One place where it may be included is in the current *Goals and Objectives* vision document. Ms. Marr said her team will bring the document up in the issue working session during the July Commission meeting.

Commissioners Daniels and Herrera commented that input from communities in need and those who advocate on their behalf would be helpful. Ms. Herrera added that she liked the idea of incorporating the human right to water as part of the grant criteria and asked if it was possible for state agencies to make sure advocates for impacted communities are part of the process. Ms. Davis-Franco responded that Arsenio Mataka at the California Environmental Protection Agency has a list of environmental liaisons that are working with the local communities, and that he can provide that list to Ms. Herrera.

Commissioner Curtin stated that the State Water Board and the Commission are already statutorily obligated to work together on the WSIP, and that integration will be an important strategy to ensure that the public benefits include the conveyance of safe and clean water to communities who need it.

Omar Carrillo, Senior Policy Analyst with Community Water Center, made a public comment stating that there have been tens of billions of dollars spent on state water projects, and yet there are still one million people who lack safe drinking water. When the human right to water measure was passed in 2012, it began to shape conversations about the water bond, and now that it is time to start selecting projects, the basic human right to water has to be considered. The drought has hit some communities especially hard, with some individuals lacking water completely and others having water that is not safe.

Commissioner Del Bosque asked for information regarding specific “hotspots” where the need is the most urgent. Mr. Carrillo responded that Tulare County is tracking private well failures, but there are many communities that lack the methodology required to track such instances, so there may be thousands more.

Commissioner Herrera stated that it might be a good idea to have someone come with some firm data to give the Commission an overview of the impacted areas. Ms. Davis-Franco replied that she will ask her team to pull more information like this and provide it at later date. Commissioner Orth added that it is important to understand where department funds are coming from as they are applied to the situations described by Mr. Carrillo. The Commission would benefit from an understanding of where other funds are coming from that can deal more rapidly with the present situation, since bond funds will not be available for this purpose.

9. Briefing on NASA/JPL Airborne Snow Observatory (ASO)

Thomas H. Painter, of the NASA Jet Propulsion Laboratory, provided an overview of the latest technologies being used to measure snowpack and snowmelt in California's mountains. Seventy-five percent of the western United States' freshwater supply comes from snow in the mountains, and 1.5 billion people worldwide depend on snowmelt or glacier melt for their freshwater supply. Mr. Painter described ASO's newest aircraft, which is providing the most accurate and up-to-date measuring and forecasting of snowmelt that is available. Along with imaging spectrometers, the system uses a high performance, fully integrated long-range airborne laser scanner system called RIEGL LMS-Q1560. It is a cutting-edge tool for a variety of airborne surveying missions. The two channel scanner makes use of powerful laser sources, Multiple-Time-Around (MTA) processing, echo digitization and waveform analysis. With it, ASO can now achieve a 24-hour turnaround of data and better quantification of snow volume, snowmelt timing, snowfall, albedo (reflectivity) and runoff forecasting. It uses high frequency laser radar, known as Lidar, which is transmitted from the aircraft and bounced off the ground below, sending data on heat, depth, reflection, and debris.

Mr. Painter described the series of weekly maps and runoff forecasting being assessed for the Tuolumne Basin above Hetch Hetchy, the Merced and Kings Rivers, the Lakes Basin, near Mammoth, and Rush Creek / Mono Lake.

Commissioner Del Bosque asked what this new data will reveal about the management and maintenance of the upper watershed. Mr. Painter responded that because the information is so new, water managers are still in the process of learning how to implement the data in their management. Snow levels sensors and snow pillows are at lower elevations, and as the season progresses they lose their utility. In the past, a lack of accuracy has led to conservative hedging and guessing that will hopefully be alleviated as the new technologies are implemented.

Commissioner Quintero added that reports are showing that more snow is falling at higher elevations, and air temperatures are increasing at those elevations. There is a lot of dynamism going on and this new technology will be essential for better water forecasting and tracking.

10. Update on Drought Conditions and Drought Funding

Jeanine Jones, DWR's Deputy Drought Manager, updated the Commission on current conditions and the status of drought response funding. While the current precipitation totals are slightly up in comparison to the same time last year, the drought continues. Currently California is above

50% of average in many areas except for certain parts of the San Joaquin River watershed. Reservoir storage is below average and low runoff is forecast due to the lack of snowpack. Reservoir operators are considering holding back water for uses such as cold water for salmon as wells as critical urban health and safety needs.

Ms. Jones discussed past and current drought response actions, specifically the March 2015 drought relief legislation in which Governor Brown and legislative leaders proposed legislation to accelerate more than $1 billion in water spending, and the April 2015 Executive Order in which Governor Brown mandated substantial water reductions. She also provided a document listing emergency drought response revisions to the Governor's proposed budget, adding that DWR did distribute $5 million in general funding for relief for private well owners, which was a concern discussed during Debbie Davis-Franco's presentation.

She also mentioned the recent installation of an emergency salinity barrier across West False River, to be removed in November to accommodate salmon passage. The barrier, comprised of large, strategically placed rocks, will help deter the tidal push of saltwater from San Francisco Bay into the central Delta. The strategy of building these temporary barriers was first put into practice in 1977 as a means of managing salinity conditions in the Delta without having to release any more water than necessary from the reservoirs.

Commissioner Herrera asked how disadvantaged and impacted communities should approach DWR for assistance. Ms. Jones answered that for emergency provisions, they should contact their county Office of Emergency Services (OES). The regional OES offices would then coordinate with DWR to identify areas, determine who has jurisdiction based the situation, and work from there. Ms. Herrera asked if there are solutions available for the hardest-hit communities who lack any water at all and require not only emergency relief, but also permanent solutions. Ms. Jones responded that when it comes to funds, what the California OES offers is an emergency response program, not a grant program. There are project managers that are currently making similar inquiries, but the funding is not present to fulfill the needs of all applicants. Information on drought relief can be found on the California OES page at Drought.ca.gov.

Commissioner Daniels asked for some detail on the program as it relates to groundwater and its management. Ms. Jones responded that the 2009 legislation that created the California Statewide Groundwater Elevation Monitoring (CASGEM) program was instrumental in mandating the reporting of water level data to DWR for the state's major groundwater basins. They were able to categorize high, medium and low-priority alluvial basins. These categorizations, combined with the mapping of basin boundaries, are now beginning to allow local agencies to manage groundwater basins at a local level; the first step is creating a management agency.

Commissioner Orth added that there will be some upcoming webinars on the groundwater basins and hydrologic regions, and anyone seeking more information is welcome to attend.

11. Update on Integrated Regional Water Management (IRWM) Funding

Tracie Billington, Chief of DWR's Financial Assistance Branch, briefed the Commission on the Proposition 1 and Proposition 84 IRWM grant programs. Funding from Chapters 7, 9, 10, and 11 of Proposition 1 is being administered by DWR. IRWM falls under Chapter 7 and is focused on regional water reliability, with $510 million allocated to IRWM and $100 million for water use and conservation efficiency. Eligible applicants are public agencies, nonprofit organizations, federally recognized Indian tribes, state Indian tribes listed on Native American Heritage Commission consultation list, public utilities, and mutual water companies. Ms. Billington explained the differences between Proposition 1, whose focus is infrastructure and regional self-reliance, and Proposition 84, whose focus is assisting local public agencies to meet long term water needs. She also provided a list of examples of eligible projects, such as water reuse and recycling, surface and underground storage, and conjunctive use. For grant funding a 50% non-state cost share is required, but that can be reduced or waived for projects that directly benefit a disadvantaged community or economically distressed area. Ten percent of funding must go to projects that directly benefit a disadvantaged community , and an additional 10% must ensure involvement of disadvantaged community, economically distressed areas, or underrepresented communities within regions.

The anticipated schedule for IRWM funding is to hold initial outreach and engagement efforts in June and July, public scoping efforts/workshops August, post draft guidelines and related materials for public review in December, and administer Disadvantaged Community Involvement funding and Planning Grant solicitation by mid-2016.

Commissioner Orth asked for clarification on the involvement funding aspect of the two bonds, and Ms. Billington replied that involvement funding applies only to the IRWM funding, not to the storm water or the water conservation funding. There are two 10% obligations for disadvantaged communities' involvement and projects. The remaining funding will go to implementation grants. Technical assistance for disadvantaged communities would fall under the involvement funding. There are no specific mandated technical assistance programs, but that is the sort of situation with which the 10% can assist. There has also been outreach through Proposition 84 for funding projects for disadvantaged communities.

12. Update on Program and Administrative Activities for Water Storage Investment Program

Jenny Marr provided the administrative update, presenting the Commission with an updated project schedule and Gantt chart. The most notable update is that legal counsel determined that the regulations package should include the guidelines; staff intends to submit both documents to OAL as a single package. An administrative draft will be presented to the Commission in September. She also provided an updated organizational chart and list of topics for the upcoming issue working sessions. She noted that based on the comments received in the meeting, an updated version of the *Goals and Objectives* document will also be provided in a future meeting.

Other activities include revising the draft guidelines to include the standard language that state grant programs include, updating the current draft definitions (project types, project benefits, tributaries to the Delta), and working with the agency team to update the draft priorities and

relative environmental values., Project types and definitions were also discussed at the May Stakeholder Advisory Committee (SAC) meeting

The technical team has established an engineering workgroup and an economics workgroup that will be designing the baselines and metrics to be used by the project proponents when assessing the costs, values, and benefits of their projects.

Commissioner Ball expressed concern over the amount of time allotted for the rulemaking process, stating that the public will not be happy with such an extended timeline. He would like the timeline condensed so that the funding and project implementation can begin sooner. He also asked why the estimates were being done using current dollars rather than forecasting with adjustment for 2015, and Ms. Marr responded that she will bring his concerns to the project economists.

Commissioner Daniels asked about the role of public comments as they pertain to the rulemaking process, and asked if there was a roster of who was involved in the various environmental workgroups. Ms. Marr directed her to the organizational chart where the staff members are listed. Staff Counsel Maureen King briefly explained the timeline as it pertains to the OAL approval process.

Commissioner Orth agreed with Mr. Ball that the lengthy timeline can possibly be compressed, but appreciated how far it goes in its efforts to maximize public and stakeholder input and interaction. Commissioner Curtin commented that because there are so many submissions, drafts, and re-drafts before the Office of Administrative Law (OAL) process begins, it is incumbent on everyone to get as much feedback as possible as fast as possible so that the lengthy final approval can begin. Ms. King added that from a legal perspective, language surrounding public meetings and input is built into the statute for the guidelines, and that with a complex regulation, the statute requires the holding of several public meetings in advance of the rulemaking process.

Commissioner Herrera stated that she would be interested in hearing more on how the stakeholder engagement process is going and how the responses from stakeholders are being incorporated into the formulation of the guidelines. Commissioner Daniels agreed, adding that it would be a good idea for Commissioners to attend more Stakeholder Advisory Committee meetings and bring their own questions for the stakeholders.

Daniel Heagerty, a California citizen, made a public comment, stating that the public trust doctrine is too narrowly constructed within the current draft definition of public benefits. He felt that the Commission is getting too hung up on minutiae and that the language needs to be more visionary as a public trust doctrine. The Commission has a trustee responsibility for the water resources of the state, and the public has the legal right to expect the Commission to steward this public trust asset though their development of regulations and bond funding guidelines and oversight of projects. He closed by asking the Commission how they intend to address the public trust and benefit for now and future generations.

Commissioner Curtin responded that Chapter 8 of the bond specifically deals with storage, which is intrinsically a part of the public trust. He requested that Mr. Heagerty provide specific examples of the elements of the public trust that he felt were not being adequately addressed, and Mr. Heagerty agreed to provide a document containing this information.

13. Update on Stakeholder Process for Water Storage Investment Program

Ms. Marr presented the updates from the Communications and Engagement team. An October Stakeholder Advisory Committee meeting has been added to the calendar, as have a new series of public information meetings in October. The meeting on July 27th, originally scheduled in Redding, has been moved to Napa. There is also a tribal consultation workshop scheduled for mid-June and a series of public information meetings in July and August that will also include participation from the State Water Board and the Department of Fish and Wildlife.

A full list of dates and locations can be found on the Commission's website at www.cwc.ca.gov.

Since the last Commission meeting, there have been three public meetings in April and two Stakeholder Advisory Committee (SAC) meetings in April and May. The SAC meetings were focused on education and will focus more on specific issues moving forward. The public meetings were mostly geared towards education for members of the public seeking to learn more about the specifics of the Water Storage Investment Program. After the Commission meeting there will be another public workshop that will begin to focus on integration and will allow participants to interact with each other as well as the Commission and staff.

Ms. Marr provided an overview of topics and feedback from the SAC meetings. She also provided meeting summaries, feedback, and updates for all of the April public meetings, stating that for public meetings the subject matter had a tendency to be guided by the audience that was participating. For example, in Chico the public comments contained a considerable amount of discussion about water storage north of the Delta. In Fresno, people overwhelmingly wanted to talk about the Temperance Flat project. The drought was on the minds of the participants, and there was a common theme revolving around public perception of what the bond did and did not entail, and for whom it was written.

Commissioner Daniels noted that in the minutes of the SAC meetings, individual comments were not credited to the commenters making them. She asked if members of the SAC would be willing to go on the record when making their comments so that the Commission would know who was saying what. Commissioner Curtin disagreed, stating that if people felt like they were constantly on the record, they may feel uncomfortable or guarded and will not speak freely. Ms. Marr said that the next opportunity she had, she would ask the SAC about making comments on the record.

14. Consideration of Items for Next California Water Commission Meeting

The next meeting is going to be June 17th in San Jose, and for the rest of the year, Commission meetings will likely be two days long, with one day being for the regular monthly Commission meeting and the extra day being devoted to issues workshops and program updates. Meetings that will be out of town will be one day.

At the June meeting there will be an issues working session and a discussion of the definition of public benefits, project eligibility criteria, and updates to the definitions of the Delta and its tributaries. There will also be an update on the Sustainable Groundwater Management Act, WSIP, the stakeholder process, and an update on the proposals for environmental permit considerations.

Commissioner Del Bosque adjourned the meeting at 12:43.