

Meeting Minutes - Draft

Meeting of the California Water Commission

Wednesday, May 18, 2016

State of California, Resources Building

1416 Ninth Street, First Floor Auditorium

Sacramento, CA 95814

Beginning at 9:30 a.m.

1. Call to Order

The meeting was called to order at 9:36 a.m.

2. Roll Call

Executive Officer Paula J. Landis called roll. Commission members Andy Ball, Joe Byrne, Carol Baker, Daniel Curtin, Paula Daniels, Joe Del Bosque, Maria Herrera, David Orth, and Armando Quintero were present, constituting a quorum. Commission member Paula Daniels arrived during agenda item 7.

3. Approval of April 2016 Meeting Minutes

A motion was made and seconded to approve the April 20, 2016 minutes. A vote was taken and the motion passed unanimously.

4. Executive Officer's Report

Commission staff is refining the Water Storage Investment Program (WSIP) quantification regulations, which will be discussed during agenda item 11.

5. Commission Member Reports

Commissioner Baker met separately with representatives of the California Water Foundation and the Union of Concerned Scientists to discuss the Sustainable Groundwater Management Act (SGMA).

Commissioner Orth discussed the Water Storage Investment Program (WSIP) at the Association of Water Agencies of Ventura County. At the Association of California Water Agencies (ACWA) Spring Conference, he met with representatives of the Sites Joint Powers Authority and spoke on a panel regarding the Commission's role in SGMA implementation. Commissioner Orth spoke at the San Joaquin Valley Water Infrastructure Authority about the WSIP process. He also had numerous conversations with representatives from the Union of Concerned Scientists, ACWA, Sacramento Groundwater Authority, California Water Foundation, and Clean Water Action about the SGMA Groundwater Sustainability Plan regulations.

Commissioner Herrera met with a representative of the Sites Joint Powers Authority at the ACWA conference. She also discussed SGMA with representatives of Merced Irrigation District and Clean Water Action. Commissioner Quintero also attended the ACWA conference and discussed SGMA with Merced Irrigation District. He spoke about SGMA and the WSIP at a conference held at UC Merced and spoke with representatives from California Water Foundation and Union of Concerned Scientists.

Commissioner Del Bosque discussed the WSIP with the San Joaquin Valley Water Infrastructure Authority. Commissioner Byrne participated in a panel on water storage at the ACWA conference and had discussions with the Union of Concerned Scientists and California Water Foundation.

6. Public Testimony

A representative of Clean Water Action expressed confusion regarding the Commission's decision-making process and the role of public input. A member of the Commission offered to speak with her following the meeting to clarify the Commission's processes.

Representatives of Tulare County discussed the Tulare Lake Basin Disadvantaged Community Water Study and encouraged the Commission and DWR to continue working with the State Water Resources Control Board to assist disadvantaged communities (DACs).

The Mayor of the City of Mendota spoke about the importance of agriculture and water storage to DACs in the Central Valley and supported funding for water storage projects in the Central Valley.

A representative of the San Joaquin Valley Water Infrastructure Authority discussed the potential benefits of Temperance Flat Dam and the cooperative effort underway to achieve its construction.

7. Update on State Water Project Critical Issues

DWR's Acting Deputy Director for the State Water Project (SWP) provided the update. Water supply has greatly increased over recent years, allowing DWR to provide a 60% allocation, though many SWP reservoirs in Southern California remain below their historical averages. Staff provided an overview of several recent forced outages that have occurred in the SWP system and refurbishments that are underway to correct the problems that caused the outages. Ongoing refurbishment work is also progressing at Alamo Powerplant, Ronald B. Robie Thermalito Powerplant, and the Oroville Dam River Valve Outlet System. DWR staff also discussed SWP solar projects and the status of workforce improvements.

8. Action Item: Sustainable Groundwater Management Act Implementation: Consider Adoption of Final Draft Groundwater Sustainability Plan (GSP) Regulations

DWR staff gave the presentation. The draft Groundwater Sustainability Plan (GSP)/Alternative Emergency Regulations are the result of significant stakeholder input and a focus on local management of groundwater. DWR staff provided a brief background on SGMA implementation and an overview of the process and timeline. The four-stage process will conclude with the Commission's adoption of the draft GSP/Alternative Emergency Regulations and DWR's subsequent submittal to the Office of Administrative Law (OAL).

Staff provided an overview of each of the draft GSP regulations' nine articles, focusing specifically on items that the Commission expressed concern about in the previous month's meeting. In particular, staff discussed changes that were made to address confusion regarding the term "substantial compliance." Staff also discussed DWR's next steps in program implementation, including developing best management practices (BMPs), developing a data management framework, and providing planning and technical assistance for Groundwater Sustainability Agencies (GSAs).

The Commission and DWR staff discussed several questions and issues throughout the presentation.

The Commission took public comments. Comments included:

- DWR conducted an extensive public process and incorporated many stakeholder comments, and the Commission should adopt the draft regulations.
- The regulations strike an appropriate balance between providing details on requirements and allowing for local flexibility.
- DWR's implementation should allow for alternative plans that are consistent with SGMA in basins that are already successfully managing groundwater.
- The draft regulations do not allow enough flexibility for basins that are already sustainably managed. The requirements for alternative plans are too onerous and compliance will be extremely expensive.
- Some recent amendments to the regulations have reduced public participation.
- The substantial compliance framework allows GSAs to focus on and more easily achieve sustainable groundwater management.
- Intermittent streams should be incorporated in the definition of "groundwater dependent ecosystem."
- Inter-basin agreements should be mandatory, at least for critically overdrafted basins. Coordination among basins is crucial to sustainable groundwater management.
- Coordination between land use agencies and GSAs should not have been removed from the draft regulations.
- Although recent changes improved the clarity of the term "substantial compliance," the word substantial should be removed.
- Transparency is fundamental to the success of SGMA, and modeling data and inputs must be made public.
- Alternative plans should only be submitted by agencies that unequivocally represent the basin and region.

DWR staff responded to some of the comments made during the meeting. Staff stated while many changes were made to the regulations based on written comments, it is impossible to respond to every comment. Data transparency will be addressed in the BMPs. There must be some standards that allow DWR to ensure that alternative plans can be evaluated and DWR expects that sustainably managed basins will already have much of the information requested.

The Commission had additional discussion. One Commission member stated that clarifying "functional equivalency" could assist GSAs submitting alternative plans. Several Commission members stated that public engagement is important and suggested that it be included in the BMPs. Those members also noted that confusion remains about "substantial compliance" and suggested that DWR conduct outreach to clarify its meaning. A Commission member stated that although there are outstanding issues, the regulations support achieving groundwater sustainability.

A motion was made and seconded to approve the draft regulations for submittal to OAL. A vote was taken and the motion passed unanimously.

9. Legislative Update

DWR's Assistant Director for Legislative Affairs provided an overview of the legislative calendar and current legislation relevant to the Commission and DWR. The list included legislation on water conservation, storage, desalination, and other water-related issues. Of particular interest to the Commission were AB 1649, which would require DWR to prioritize the formation and funding of joint powers authorities to address surface storage, and AB 2551, which would allow CALFED surface storage projects that receive Proposition 1 funding to use the design-build method of project delivery.

10. Briefing on Designing Effective Groundwater Sustainability Agencies (GSAs) by Michael Kiparsky

Dr. Kiparsky briefed the Commission on the March 2016 report *Designing Effective Groundwater Sustainability Agencies: Criteria for Evaluation of Local Governance Options*, which he co-authored. The governance and institutional design of GSAs will be a key factor in achieving groundwater sustainability. The report outlines a framework for developing effective GSAs. Key factors in GSA formation are: authority, capacity, funding, scale, transparency, and accountability. Dr. Kiparsky suggested that it would be beneficial to study GSA formation during the first phase of SGMA implementation to improve broad understanding of which institutional mechanisms work well.

11. Update on Program and Administrative Activities for the Water Storage Investment Program (WSIP)

Commission staff provided an updated timeline for the WSIP, along with a summary of administrative activities and technical work. The presentation focused on proposed changes WSIP quantification regulations.

Proposed changes include:

- Remove the peer review process
- Remove the pre-application process
- Shorten the application solicitation period
- Set aside early funding for completion of environmental documentation

Staff believes the peer review process is duplicative of the current multi-agency technical and management and adds unnecessary review time, Commission responses were mixed.

Staff is also developing modifications to the climate change and sea level rise analysis requirements, which are expected to be incorporated in August. Changes will include the addition of references to a new model package and watershed-specific climate data.

A Commission member expressed concern about the impacts modifications to the application process may have on potential applicants and the risk of early funding for environmental documentation.

A Commission member asked for clarification on the timeline and how the WSIP evaluation regulations fit into the process. Staff is still determining the evaluation process, and modifications to the quantification regulations will impact the evaluation. There may be an opportunity to incorporate the evaluation criteria into the quantification regulations, but that is still being determined.

The Commission took public comments. Representatives of Contra Costa Water District and ACWA expressed concern about the proposed shortened application timeline and stated that the deadline can probably only be met if the application requirements are simplified.

12. Consideration of Items for the Next California Water Commission Meeting

The next Commission meeting will take place on Wednesday, June 22. Commission staff will provide a briefing on WSIP quantification regulations. There will also be an informational briefing on California WaterFix and EcoRestore, a briefing on the California Infrastructure and Economic Development Bank, and a briefing by DWR on the Water Resources Development Act of 2016.

Commissioner Byrne adjourned the meeting at 3:38 p.m.