

MOKELUMNE RIVER FORUM
MEETING No. 36
DRAFT MEETING SUMMARY

MEETING DATE: February 7, 2008

LOCATION: San Joaquin Farm Bureau
3290 North Ad Art Road
Stockton, CA 95215

ATTENDEES: Mike Harty
Tom Francis – East Bay Municipal Utility District
Mike Floyd – California Dept. of Water Resources
Ali Taghavi – WRIME, Inc.
Rod Schuler – Amador / Retired
Hank Willy – Jackson Valley Irrigation District
Gary Goffe – Calaveras Public Utility District
Mel Lytle – San Joaquin County Public Works Dept.
Andy Christiansen – Woodbridge Irrigation District
Jim Hanson – San Joaquin County Public Works Dept.
Ed Pattison – Calaveras County Water District
Lena Tam – East Bay Municipal Utility District
Dave Edwards – Wallace Community Services District
Jim Abercrombie – Amador Water Agency
Alex Coate – East Bay Municipal Utility District
Gene Mancebo – Amador Water Agency
John Herrick – South Delta Water Agency
Tom Orvis – San Joaquin Farm Bureau
Rob Alcott – East Bay Municipal Utility District
Tom McGurk – Stockton East Water District
Gerald Schwartz – East Bay Municipal Utility District
John Ferreira – North San Joaquin Water Conservation District
Joe Mehrten – North San Joaquin Water Conservation District
Dante John Nomellini – Central Delta Water Agency
Pete Bell – Foothill Conservancy
Dave Andres – Calaveras County Water District

ACTION ITEMS AND AGREEMENTS

1. For discussion at the March Forum meeting, parties to the Forum will consider the following options as they relate to work on an Integrated Regional Conjunctive Use Project (IRCUP) and be prepared to comment on their agency's view / position of the respective option:
 - a. OPTION 1 – “Joint Effort” = move the IRCUP feasibility study forward as had been planned in 2007. The first part of the feasibility study is predicted to cost \$500k (per a WRIME report prepared for the Forum). The \$500k in study costs would be shared as follows: 1/2 costs covered by UMRWA, ½ costs covered by GBA.

- b. OPTION 2 – “Proceed Independently” = SJC would back away from the IRCUP and concentrate on their MORE WATER Project Phase 3 study. UMRWA parties may (on their own accord) decide to move forward on IRCUP feasibility study efforts, although SJC would not be a party to such a study. The Forum may continue to meet, but such meetings would likely take the form of an info. sharing session (“Forum Lite” approach).
- c. OPTION 3 – “Integrated Effort” = San Joaquin County’s Integrated Conjunctive Use Project (ICUP) efforts would be “adjusted” in some manner to include elements of an IRCUP feasibility study. Those ICUP elements / components would be viewed (by the Forum) as meeting a portion of the IRCUP study needs. The ICUP’s IRCUP component would be SJC’s “contribution” toward an IRCUP Feasibility Study. UMRWA would fund other needed study “components”

2. SDWA agreed to provide Breakfast for the March Forum meeting.

PRELIMINARY MATTERS

January Meeting Summary

An electronic copy of the January meeting summary was provided to Forum members via email several days prior to today’s meeting. A printed copy of the January meeting summary was available to attendees. No corrections were requested.

Purpose and Agenda

The primary purpose of the February meeting was to discuss the Forum’s IRCUP and San Joaquin County’s MORE Water Phase 3 Study (how they relate to each other, if they are compatible vs. competing, etc.). A review of the Forum’s future work effort (how to move forward with (or without) an IRCUP effort) was to be included in the above discussion. Also, a decision regarding whether to hold a March 2008 elected officials meeting would be made. In addition, WRIME, Inc. was to provide Forum attendees with copies of their recent work products prepared on behalf of DWR and the Forum.

AGENDA TOPIC: UPDATES FROM FORUM MEMBERS

Mike Harty, the Forum’s facilitator, noted that in the interest of time (and as based on the need to reserve most of the meeting for IRCUP discussions), attendees should focus their updates on matters pertinent to the Forum (vs. broad summaries of their agencies work efforts).

California Dept. of Water Resources (DWR): Mike Floyd of DWR noted that Prop. 84 legislation continues to be stalled. Once it moves forward, Mike anticipates that approx. \$67 Million in funding will be allocated to water resource projects that benefit the northern portion of the San Joaquin Valley. Further, there is \$100 M in funds that are not region-specific that may be available for projects (such as the Forum’s IRCUP) that

benefit multiple regions of the state (although Mr. Floyd noted that Prop. 84 language was still tentative / how the \$100 M would be distributed is up for debate).

Mr. Floyd also mentioned that various 2008 water-related ballot measures are being proposed. Measures that are getting more prominent press include options under development by the Chamber of Commerce. Work is underway to identify a measure that both Sen. Feinstein and Gov. Schwarzenegger could support.

Jackson Valley Irrigation District (JVID): Hank Willy of JVID noted that Bob Maddow (JVID water rights counsel) is working on a water rights matter for JVID.

San Joaquin Co. Dept of Public Works (SJC): Mel Lytle noted the following:

- San Joaquin County's 1990 American River Water Rights filing had been noticed in mid. January 2008 by the State Water Resources Control Board (SWRCB). A sixty (60) day comment / protest period is underway. GEI Bookman Edmonston is working on a companion Feasibility Study which reviews issues associated with the water right (including how perhaps the Freeport Regional Water Project could be used to transport the water to San Joaquin County).
- A San Joaquin valley-wide planning effort is moving forward, led by the California Water Institute (of Fresno State University). The effort intends to produce a Valley-wide Integrated Regional Water Management Plan (IRWMP), combining individual IRWMPs including the San Joaquin Groundwater Banking Authority's (GBA) IRWMP. Dr. Lytle is tracking this effort closely; wanting to make sure that the valley-wide IRWMP does not marginalize or minimize the individual IRWMPs prepared (such as the GBA's IRWMP). Mel understands the valley-wide IRWMP would be referenced in the next California Water Plan update.

Woodbridge Irrigation District (WID): Andy Christiansen of WID mentioned that his agency is continuing to work on a Fish Screen project. In addition, WID has entered into negotiations with the City of Stockton regarding a proposed long term water transfer, which when implemented would provide the City a 6,500 acre-ft/year supply.

East Bay Municipal Utility District (EBMUD): Lena Tam of EBMUD provided these updates:

- EBMUD has held continuing discussions with San Joaquin parties in an effort to resolve remaining Principle of Agreement (POA) matters (as associated with the mutual resolution of water rights protests by the parties to the POA).
- EBMUD met with JVID to present information relative to how EBMUD's Pardee operations (and storage) relate to JVID's water supply "system".
- EBMUD met with WID and the City of Stockton to discuss the pending WID-Stockton water transfer. Per Ms. Tam, EBMUD is working on an agreement that WID would enter into with EBMUD. EBMUD views this new WID-EBMUD

agreement is needed as a precursor to any subsequent deal between WID and Stockton.

Alex Coate of EBMUD noted that EBMUD is taking actions to protect the District's bay-area water supply reservoirs from non-native species (Zebra and Quagga Muscles). EBMUD had enacted policies of boat inspection and boat restrictions.

Rob Alcott of EBMUD mentioned that he had been in discussion with Mel Lytle of SJC regarding SJC's scope of work as developed for their MORE WATER Project Phase 3 Feasibility Study effort. Edits made were to illustrate how Foothill agencies (Amador Water Agency and Calaveras County Water District) together with EBMUD viewed an acceptable modification of said Phase 3 effort to reflect their IRCUP interests. It was noted that this topic would be extensively discussed later during the Forum meeting.

Amador Water Agency (AWA): Jim Abercrombie of AWA noted that he held a meeting with Mel Lytle of SJC to discuss MORE WATER Project protest resolution matters. Mr. Abercrombie also noted that he is trying to arrange a follow-up meeting with Mel and other MORE WATER Protestors such as EBMUD and Calaveras County Water District (CCWD), during which time protest resolution matters would be further reviewed.

San Joaquin Farm Bureau (SJFB): Tom Orvis of SJFB discussed legislation (at the state and the Federal level) that is currently in development / of interest to the SJFB. Tom noted that State Senator Machado has a bill that proposes to address Delta matters (creating a Delta Commission similar to the Coastal Commission). Further, there is a bill at the Federal level to modify the Clean Water Act (and its definition of "navigable waters". That bill is of concern to the SJFB. Finally, there is a measure at the state level to address imminent domain issues (that bill's language is of particular interest to the SJFB).

Upper Mokelumne River Watershed Authority (UMRWA): Rob Alcott of EBMUD noted that an UMRWA meeting took place in late January 2008. At the meeting, UMRWA approved modifications to their JPA that would allow them to participate in partnership with the GBA on an IRCUP Feasibility Study. Mr. Alcott was authorized to negotiate on behalf of UMRWA if and when the IRCUP Feasibility Study moves forward.

Stockton East Water District (SEWD): Tom McGurk of SEWD mentioned that their Farmington Groundwater Recharge Project received \$1.7 Million in federal appropriations this year (2008) to continue project work. Tom understands that the monies must be spent by the end of Sept. 2008.

North San Joaquin Water Conservation District (NSJWCD): Joe Mehrten of NSJWCD mentioned that the State Water Resources Control Board (SWRCB) has held recent Board meetings to discuss the proposed action (if any) they'll take as related to the NSJWCD Mokelumne Water Rights matters before the SWRCB. There is no word to date on the position the SWRCB intends to take.

AGENDA TOPIC: WRIME, Inc. IRCUP Report Distribution

Mike Harty began the discussion asking that Ali Taghavi and Mike Floyd distribute the two IRCUP-related reports that were prepared by WRIME, Inc. (WRIME). Attendees were provided copies of the following documents:

- Mokelumne River Inter-Regional Conjunctive Use Project (IRCUP):
Technical Briefing: Water Rights Review, Dec. 2007 (Draft)
- Mokelumne River Inter-Regional Conjunctive Use Project (IRCUP):
Technical Memorandum: IRCUP Work Plan

Following the distribution of the documents, Mr. Taghavi provided a summary of their content and their intent. He also reminded Forum members that the documents would remain in draft form vs. being finalized.

The Forum decided that the documents could remain on WRIME's web page such that Forum members may download electronic versions.

There was a few concerns expressed that perhaps information as presented in the Water Rights Review may be incorrect / require further modifications. Mike Harty noted that the Forum can, if they so wish, prepare amendments and/or updates to the document over time. However, WRIME's contract was completed and hence further revisions to the documents by WRIME would not be performed.

AGENDA TOPIC: How the IRCUP can "relate" to SJC's pending MORE WATER Project Phase 3 Feas. Study (+ Next Steps for the Forum to Consider)

Mike Harty asked members of the Forum who've been holding side-bar / sub-committee discussions of this particular agenda topic during the month of January to share (with the rest of the Forum) pertinent details.

Mike Harty noted that it appears that a core issue for SJC was to develop a water right on the Mokelumne River – and that that core issue perhaps isn't prominent in either the Forum's MOU (as prepared some time ago) nor is the "core issue" prevalent in part IRCUP work products. He asked the Forum to give that some thought / comment as the discussion ensued.

To begin the discussion, Mel Lytle offered some background on the status of their MORE WATER Project.

Dr. Lytle discussed SJC's schedule relative to the MORE WATER Project Phase 3 Feasibility Study. He reminded the Forum that in March of 2007, as stipulated by the SWRCB to allow SJC's Mokelumne River Water Right application to be reinstated, SJC was required to provide a schedule and period updates regarding their MORE WATER Project efforts. SJC does not have the ability to significantly delay their MORE WATER

Project Feasibility Study work efforts, since such delays could jeopardize their water rights filing.

Mel Lytle discussed how SJC wishes, through a variety of projects, to identify a combined yield of between 140 to 160 TAF that together will allow the County to address its groundwater overdraft problem. Regional groundwater banking is one project component that would help the County meet that 140 to 160 TAF goal, although several other projects, such as the MORE WATER Project, the Delta Water Supply Project, the Farmington Project, etc., could help the County meet that 140 to 160 TAF need.

Since Dr. Lytle had identified a funding source for their MORE WATER Project Phase 3 Feasibility Study, and since that study could also review IRCUP matters, he saw that the two could be integrated, at least in terms of performing the Feasibility Studies.

However, based on input from the various Foothill agencies together with EBMUD, it became clear (to Dr. Lytle / SJC) that it was not possible to meld the two scopes together (at least in that the MORE WATER Project Phase 3 scope modifications as requested by the Foothill agencies / EBMUD were not agreeable to SJC).

Following that discussion, Mel was asked by Lena Tam of EBMUD if in his view the IRCUP “takes yield away from the MORE WATER Project”. In Mel’s view, the two projects are complementary vs. competing. However, from a study funding perspective, he views that SJC may view that the projects compete for the same limited County funds / staff attention.

Dante Nomilini of the Central Delta Water Agency (CDWA) noted that in his agency’s view, they support Mokelumne diversions that are geared toward solving San Joaquin County’s problem. He views that CDWA would support IRCUP type projects that are part of an integrated solution to San Joaquin County’s problems (vs. stand alone solutions to individual agencies needs / devoid of that bigger picture “view”). Without that integrated approach, CDWA may find it hard to support the IRCUP. He’d caution against cherry-picking an IRCUP project at the expense of other efforts as identified by the GBA or SJC such as the MORE WATER Project.

Ms. Tam replied that it may be hard for an IRCUP to meet “all” the needs of the parties to the project. It would play a role in helping particular agencies meet some of their future needs (hence a “total view” may be somewhat counter to the goals of an IRCUP).

Rob Alcott of EBMUD presented what he saw as the “facts” as presented in regard to how the IRCUP and the MORE WATER Project “relate”:

- SJC is driven by SWRCB requirements relative to their Mokelumne Water Rights application. They view they must meet those requirements (deliverables and time tables / schedules), or place their application in jeopardy
- The MORE WATER Project appears to be fundamental to how SJC will address their 140 to 160 TAF need, and hence SJC may view that any project

that reduces that “volume” should be a secondary effort (perhaps even a competing effort)

- Some Forum parties may see the “future” will ultimately lead to the development of “The MORE WATER Project plus an IRCUP”. Other parties may see the “future” will lead to the development of “The MORE WATER Project or the IRCUP (but not both)”
- Some Forum parties continue to have concerns that they “would be harmed” if the MORE WATER Project is implemented – hence it is hard for those parties to be “on board” with an idea that SJC could concurrently study the IRCUP as part of their MORE WATER Phase 3 study

Jim Abercrombie stated that in his view, it could be an “IRCUP Project and a MORE WATER Project”, but that the projects would have to be complementary and/or mutually compatible. Further, he views that MORE WATER Project / SJC water rights protests must be resolved in order to move forward with an IRCUP.

John Herrick of South Delta Water Agency (SDWA) noted that if Forum members are opposed to SJC getting a water right on the Mokelumne, that opinion should be made public now (vs. politely dancing around the subject). Solutions should consider the interests and needs of all parties (vs. partial needs), and hence an integrated solution is called for (similar to what Nomilini noted).

Joe Mehrten and John Ferreira of NSJWCD noted that they were somewhat frustrated with the lack of IRCUP progress. They viewed that Forum agencies needed to be up-front about their needs, interests, and willingness to participate. Mr. Mehrten views protest resolution is necessary. He also sees that parties must support a Duck Creek regulating reservoir as part of an “integrated” solution. John noted that parties such as the Foothill Conservancy must be willing to be more “exacting” regarding the particular River Protection measures they wish to see developed in the future (i.e., what exactly are those measures (John was unclear)).

Edwin Pattison of CCWD commented that one key modification as suggested by UMRWA parties to the MORE WATER Project Phase 3 scope of work was the inclusion of a water rights / water availability sub-task. Before an IRCUP project could be scoped, some information was needed regarding the water volume available / how much water each party is willing to contribute.

Discussion also included triggers for basin management (i.e., 1986 groundwater levels). Some Forum members suggested that how to control operation of the basin “to best accommodate an IRCUP project” could be a struggle / take time and thought. Having to stick to 1986 levels could be problematic.

Following a Break, Mike Harty framed the “conclusion” of this discussion topic as follows:

- The Forum must answer the basic question of what they wish to do “next” regarding the IRCUP.

The following options for what the Forum should do “next” were identified – Mike Harty asked that those options be contemplated by individual Forum members in the month ahead:

- OPTION 1 – “Joint Effort” = move the IRCUP feasibility study forward as had been planned in 2007. The first part of the feasibility study is predicted to cost \$500k (per a WRIME report prepared for the Forum). The \$500k in study costs would be shared as follows: 1/2 costs covered by UMRWA, ½ costs covered by GBA.
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For next month (March 2008), as an agenda topic, the three options as detailed above will be discussed.

AGENDA TOPIC: MARCH ELECTED OFFICIALS MEETING

A decision was made to cancel the proposed March Elected Officials meeting.

AGENDA TOPIC: NEXT FORUM MEETING

The next meeting of the Mokelumne River Forum is scheduled to take place on Thursday, March 6, 2008. It will be held from 9:00 am thru 12 noon at the offices of the San Joaquin Farm Bureau in Stockton, California.

CLOSING

The February 7, 2008 meeting of the Mokelumne River Forum was adjourned at approximately 12 noon.

NEXT FORUM MEETING BREAKFAST PROVIDER

South Delta Water Agency agreed to provide breakfast for the next (Feb.) Forum meeting.

NOTE: The initial draft of these meeting minutes was prepared by Tom Francis of EBMUD. Mike Harty reviewed and edited the draft. Please send comments or questions to Mike.

DRAFT