

MOKELUMNE RIVER FORUM
MEETING No. 38
DRAFT MEETING SUMMARY

MEETING DATE: May 1, 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 Department of Water Resources
Rod Schuler – Amador Co. (Retired)
Hank Willy – Jackson Valley Irrigation District
Mel Lytle – San Joaquin County Public Works Dept.
Ed Pattison – Calaveras County Water District
Charles Cantoni – Wallace Community Services District
David Edwards – Wallace Community Services District
Alex Coate – East Bay Municipal Utility District
Jim Abercrombie – Amador Water Agency
Gene Mancebo – Amador Water Agency
Pete Bell – Foothill Conservancy
Rob Alcott – Upper Mokelumne River Watershed Authority
Tom Orvis – San Joaquin Farm Bureau
Gerald Schwartz – East Bay Municipal Utility District
Bob Granberg – City of Stockton
Kevin Kauffman – Stockton East Water District
Dante John Nomellini – Central Delta Water Agency
Ed Steffani – North San Joaquin Water Conservation District
Tom Gau – San Joaquin County Public Works Dept.

ACTION ITEMS AND AGREEMENTS

1. DWR plans on holding several public workshops in May of 2008 regarding Proposition 84 (one will take place in Oakland on May 13th, a second in Fresno on May 22nd). The primary purpose of the workshops will be to provide a general update regarding the grant program (tentative schedule for roll-out, tentative proposal solicitation package contents, etc.). A second purpose will be to hear feedback from likely Prop. 84 grant applicants. Forum members that attend one or more of the meetings will be prepared to provide an update regarding the workshop discussion(s) at the July 3, 2008 Forum meeting.
2. A subgroup of Forum agencies, consisting of reps. from San Joaquin Dept. of Public Works, East Bay Municipal Utility District, Amador Water Agency, and Calaveras County Water District, will meet with representatives of the Department of Water Resources (DWR) to discuss the possible inclusion of a written description of the Inter Regional Conjunctive Use Project “plus” (IRCUP+) project in the pending update to the California Water Plan. The

meeting will be arranged by Mike Floyd of DWR and will take place prior to the July 3, 2008 Forum meeting.

3. EBMUD will provide CCWD with an electronic copy of the protest resolution agreement reached between EBMUD and the City of Lodi.
4. Mel Lytle will prepare a draft write-up of an IRCUP+ project between now and July 3rd, utilizing past IRCUP written descriptions and modifying it to include the more recent additions to the concept. The draft write-up will be reviewed by reps. from AWA, CCWD, SJC, and EBMUD. A draft-final version will be supplied to the Forum at the July 3rd meeting for their consideration.
5. At the next Forum meeting (July 3rd), and based on progress toward reaching an agreement relative to an IRCUP+ concept, the Forum will decide upon the merits of holding an elected's officials meeting (as a means to provide an update) at the upcoming EBMUD Pardee BBQ (which will take place on October 3, 2008).
6. Stockton East Water District will be asked to provide breakfast for the July 3, 2008 Forum meeting (if SEWD is unable to provide breakfast, NSJWCD will provide the breakfast).

PRELIMINARY MATTERS

March Meeting Summary

A printed copy of the March meeting summary was provided to Forum members at the start of the meeting. Forum members were asked to review the summary and forward any requested edits to Tom Francis of East Bay Municipal Utility District (EBMUD).

Purpose and Agenda

Mike Harty, the Forum's facilitator, noted that the purpose of the May meeting was to update Forum members on discussions and developments related to the Inter Regional Conjunctive Use Project (IRCUP) and the Principles of Agreement (PoA) / protest dismissal discussions taking place outside of the Forum. A second purpose was to seek a Forum decision on a work plan for development of a modified IRCUP project concept that addresses protest resolution and key interests of Forum members.

AGENDA TOPIC: UPDATES FROM FORUM MEMBERS

California Department of Water Resources (DWR): Mike Floyd of DWR noted the following:

Regarding Proposition 84:

- Much of what Mike would be able to share with the Forum at today's meeting was tentative, until such time as the State adopts / approves a budget that includes Prop. 84 funding plans, and until such time as guidelines are issued for the grant program.
- There is a strong possibility that Prop. 84 will include monies for planning grants (likely cap. = \$1 Million max. award for each planning grant; \$30 M total planning grant award \$).
- DWR hopes to issue draft guidelines for planning and implementation grant apps. by the end of the summer 08.
- DWR hopes to be able to issue final guidelines for grant apps. by the end of 2008.
- A tentative schedule is to be able to award planning grants by early 2009.
- There would be two rounds of implementation grants. Round 1 = \$300 Million total available; Round 2 = \$500 M total available. Regional division of \$ (as proposed in Prop. 84 legislation) still applies.
- It is unlikely that "studies" would be funded under implementation grants (implementation grant monies will more likely be reserved for project construction). However, there is the possibility that engineering studies could be funded through the approx. \$100M in discretionary funding that tentatively is set-aside in Prop. 84 for "inter-regional" efforts (this will be better defined as the program rolls-out).
- The soonest implementation grants would be awarded = start of FY 09/10 (July 09).
- Two workshops are proposed in May 2008 to provide an update regarding Prop. 84 and to seek public input. One workshop is scheduled to take place in Oakland on May 13th 2008. An additional workshop is scheduled to take place in Fresno on May 22nd 2008.
- Mike noted that in some parts of the State, groups within a particular region have already met and tentatively established acceptable funding splits / shares – in order to minimize competition within a region and establish the "merits" of awarding them grant \$ based on how they've "cooperated".

Regarding Integrated Regional Water Management Plans (IRWMPs) and Prop. 84:

- IRWMPs must be expanded (from Prop. 50 standards) to comply with Prop. 84
- Likely expansion will include:
 - Providing a tie-in to land use.
 - Addressing flood issues / flood matters.
 - Addressing climate change.
 - Addressing the need to reduce greenhouse gas emissions.

Regarding the Forum's IRCUP project:

- Mike has been working behind-the-scenes to encourage the inclusion of a description of the IRCUP project in the pending California Water Plan update / bulletin 160. DWR staff may be willing to consider the inclusion of an IRCUP description since they are encouraging others in the State to consider taking similar regional approaches (vs. go-it-alone approaches).
- Approximately 1-2 pages may be available for a write-up.

- Additional details could be provided in a technical reference appendix.
- Deadline for providing a project description (to DWR) is toward the end of July 2008.
- Mike encouraged that Forum reps schedule a meeting with DWR's water plan authors to discuss the potential insertion of the IRCUP description within the next several weeks. *As an action item, the Forum concluded they'd work thru Mike Floyd to arrange a meeting with DWR's water plan staff / bulletin 160 authors. That meeting would be held prior to the next Forum meeting (July 3, 2008)*

Regarding conversations with select Forum members about the Mokelumne Amador Calaveras (MAC) IRWMP:

- Mike was asked by MAC IRWMP participants to seek DWR's review of their IRWMP (since it was not reviewed in the past as part of any Prop. 50 Implementation grant applications)
- The MAC IRWMP is currently under review by State grant program staff

Jackson Valley Irrigation District (JVID): Hank Willy of JVID noted that there had been a meeting between JVID / their attorney (Bob Maddow) and EBMUD to discuss a pending water rights matter. Additional meetings will take place / are required to resolve the matter.

San Joaquin Co. Dept of Public Works (SJC): Tom Gau of SJC noted that Tom Flinn of SJC was meeting with other representatives of Delta Counties (Sacramento, Yolo, San Joaquin, Contra Costa, and Solano) in Sacramento today. The purpose of the meeting was to discuss the option of developing a Forum that would be able to act with "one voice" on Delta water (and particularly Flood-related) matters. Proposed is a Technical Advisory Committee (staff level) and a Policy Group (electeds).

Dr. Mel Lytle of SJC noted the following:

- The County continues to work on their Freeport Regional Water Project (FRWP) Element Study (a study to review the feasibility of utilizing EBMUD's unassigned FRWP capacity to transport water from the American / Sacramento River's Freeport Intake to San Joaquin County). A report is expected toward the end of 2008.
- The public notice period for SJC's American River water right application ends on May 12, 2008.
- The Northeast San Joaquin Co. Groundwater Banking Authority (GBA) is preparing a Programmatic Environmental Impact Report (PEIR) in keeping with the GBA's Integrative Conjunctive Use Project (ICUP) and IRWMP. A draft PEIR is expected to be issued later this summer.
- The GBA is reviewing whether their Joint Power Authority (JPA) agreement needs to be modified to position itself for applying for / accepting Prop. 84 grants (they are reviewing the governance structure, how best to update their IRWMP, and other associates topics).

Mike Floyd of DWR responded to a comment by Mel Lytle regarding the difficulty in anticipating how to accommodate discussion of climate change, land use planning, and flood matters in an IRWMP, particularly since much is still in flux at the state level regarding what may be required. Mike noted that the State staff faces the same dilemma; hence there remains an uncertainty at both the State and Local level regarding how best to fashion Prop. 84 IRWMP related requirements.

~~*Calaveras County Water District (CCWD): Ed Pattison of CCWD mentioned that his agency has recently taken part in the development of a Stanislaus and Tuolumne Rivers IRWMP. It has been noted that there is a section of Stanislaus County not covered by the MAC IRWMP, the Stanislaus Tuolumne IRWMP, or the GBA IRWMP. That area (a corner of Calaveras Co.) included Little John's Creek and drained to the Delta. The area is served by CCWD. CCWD wants to see it included in one of the IRWMPs, although to date there is a reluctance to do so by each of the IRWMP groups.*~~

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Mike Floyd of DWR noted that one issue that may arise as Prop. 84 rolls out is an effort by DWR to resolve various IRWMP boundary matters. In this particular issue, it is possible that DWR will direct one of the IRWMP groups to include the section detailed by Ed in their particular region.

East Bay Municipal Utility District (EBMUD): Lena Tam of EBMUD provided the following information regarding EBMUD operations on the Mokelumne:

- Camanche Reservoir is currently 50% full.
- Precipitation this winter / spring within the basin was 63% of normal.
- Mandatory rationing within EBMUD's service area will likely be called for in May by EBMUD's Board of Directors.

Regarding meetings and/or correspondence of interest, Lena noted:

- EBMUD reached a protest settlement agreement with the City of Lodi (Lodi City Council recently approved the agreement).
- EBMUD continues to meet with Woodbridge Irrigation District (WID) in an effort to prepare and enact a "fourth supplementary agreement".

- EBMUD filed a joint water rights protest with its FRWA partner agency (Sacramento County Water Agency (SCWA)) against SJC's noticed American River water right application.

Gerald Schwartz of EBMUD mentioned that construction continues to proceed on the Freeport Regional Water Project. He alerted attendees that open-cut trenching will soon take place along Hwy. 88, and hence there may be some traffic delays as associated with the work.

Tom Francis of EBMUD mentioned that a Notice of Preparation as associated with EBMUD's Water Supply Management Program (WSMP) 2040 had just been issued. He believed that most Forum attendees would be receiving the NOP in the mail shortly. A public scoping meeting is planned to be held in Stockton in late May (May 29th).

Amador Water Agency (AWA): Jim Abercrombie of AWA mentioned that their Raise Lower Bear Reservoir feasibility study has started. Four parties are cost-share partners in the effort (AWA, CCWD, SJC, and EBMUD).

Upper Mokelumne River Water Authority (UMRWA): Rob Alcott of UMRWA mentioned that as facilitated by modifications to the UMRWA JPA, UMRWA would be taking the lead in updating the MAC IRWMP.

San Joaquin Farm Bureau (SJFB): Tom Orvis of SJFB noted that his organization has been meeting with elected representatives (at the Federal level) regarding programs of interest (together with other members of San Joaquin County's governance council). They are particularly concerned about proposed changes to the Clean Water Act (and how said changes would negatively impact farming operations). Regarding State matters of interest to SJFB, Senate Bill 27 (regarding a proposed Delta Conservancy / Cross Delta Canal) has been put on hold for the remainder of the year. Tom also mentioned that the University of Pacific is hosting a meeting on May 19th 2008 to discuss a proposed Delta Plan. Tom Zuckerman / Jones and Stokes will be in attendance.

City of Stockton (Stockton): Bob Granberg of Stockton noted that the Delta Water Supply Project's (DWSP) intake and pump station are close to the 90% design level. The City continues to work on a financing plan / rate study that will in turn require a Prop 218-related ballot item (expected for later this year / early next). The City continues to work on Right of Water matters associated with the DWSP. Finally, Bob mentioned that an environmental document prepared in association with a WID-Stockton water transfer is being prepared by ESA, Inc. Bob anticipates the environmental document will be completed later this summer.

Central Delta Water Agency (CDWA): Dante Nomellini of CDWA mentioned that Delta water exporters will continue to face increased pressure as a result of the endangered species matter that befalls them (and associated limits to Delta pumping). That pressure may in turn lead toward finger pointing (away from the pumps / exporters and toward Delta farm interests / water users). Topics such as "how agricultural and urban dischargers impact water quality in the Delta (introduction of various toxics)" will be

discussed / party conclusions used to justify an attack on water rights holders. Calls will go out to take away permits, introduce added fish screening, etc. This broadening of the topic of “what is impacting the health of the Delta” will only increase in the near term, and likely will lead to increase rhetoric / fighting between interests.

AGENDA TOPIC: Principles of Agreement (PoA) Discussion

Mike Harty asked Mel Lytle of SJC together with Alex Coate of EBMUD and Kevin Kauffman of SEWD to update the Forum on the Status of the PoA.

Per Dr. Lytle, SJC needs to meet with other local (San Joaquin area) agencies within the next couple of weeks to wrap-up the PoA discussion / receive final local input. The one agency that continues to have concerns is North San Joaquin Water Conservation District. There is the possibility that those concerns can not be resolved, in which case the remaining San Joaquin parties may be prepared to sign the PoA. NSJWCD would then take a go-it-alone approach regarding negotiations with EBMUD.

Alex Coate of EBMUD noted that his agency is ready to sign the PoA.

Mike Harty asked Jim Abercrombie of AWA and Edwin Pattison of CCWD to comment on their view of the PoA. Both Jim and Edwin noted that since they were not part of the PoA process, they are not in a position to comment as to whether they favor or oppose the document.

Jim Abercrombie mentioned that he appreciated that the parties recognized the importance of taking into account issues / areas of interest to the Foothill Counties.

Edwin Pattison of CCWD mentioned he continued to feel disconnected from the PoA process, and would appreciate it if parties were more upfront regarding matters that are likely to be of interest to CCWD. As an example, he noted the recent settlement agreement between EBMUD and Lodi (and his interest in obtaining more information about the settlement). He asked EBMUD to provide him with a copy of said agreement.

In general, both Ed and Jim agreed that the meetings that are currently being held between SJC, EBMUD, AWA and CCWD relative to an IRCUP “plus” concept are proving of benefit, and hence those meetings, if successful, may be a more robust way of removing protests to water rights matters that face the various parties to the Forum.

Alex Coate pointed out that certain principles (#’s 1,2, and 4) call for future agreements to be developed (and a commitment to the Forum process) – and that the process as identified above by Ed and Jim are steps toward developing these agreements.

AGENDA TOPIC: Recent IRCUP “plus” discussions that have taken place outside of Forum meetings / confirm Forum work plan regarding IRCUP +

Mike Harty began the discussion by asking Mel Lytle of SJC to brief the group regarding recent discussions by parties to the Forum aimed at resolving protests as well as identifying an IRCUP project that may be agreeable to all parties to the Forum.

Mel began by identifying the participant agencies in the discussion: SJC, AWA, EBMUD and CCWD. Mel also noted that three separate meetings have been held. The topic of the meetings was dismissal of protests as related to water rights filings on the Mokelumne River.

Over the course of the meetings, the following sub-topics were discussed and expanded upon:

- What were the water interests of each agency at the table
- Can a project or projects be developed that would address these interests
- What were the specific benefits, costs, water yield, power generation abilities, etc. of the various project opportunities

A couple of handouts were produced by the parties to the three meetings as noted above by Mel. The first handout consisted of a table that noted the water storage needs of the parties (including when those needs would occur over time). That handout was provided to Forum members at today's meeting. Jim Abercrombie of AWA wanted to make sure the Forum recognized that the #'s listed on the table were storage needs (vs. firm yield needs). A second handout was also provided to the Forum. That handout illustrated (schematically) the projects that the four agencies were looking to develop. Included was the Raise Lower Bear project, the Enlarge Pardee project, the Duck Creek Reservoir and Pipeline project and the IRCUP / groundwater banking project. This schematic is termed the "IRCUP +" concept, since it could be seen as either a modification or perhaps an expansion of the IRCUP concept as originally proposed at the Forum.

Proposed lead agencies were shown for each of the projects depicted on the schematic, along with options for how other parties may be able to take part in a particular project (as a partner with a lead agency).

Kevin Kauffman of SEWD mentioned that he was in support of the effort, although he had some suggestions regarding how certain elements as depicted on the Schematic could be rephrased / labeled. Kevin asked Alex Coate to comment as to why it appears EBMUD's position regarding project options such as Enlarge Pardee Reservoir appear to have changed (as compared with positions expressed in recent years). Alex indicated that with the preparation of WSMP 2040, coupled with an interest to resolve protests, EBMUD has had an opportunity to review options and estimate future water needs, and hence has developed information to enable EBMUD to revisit and/or reflect on project opportunities.

ED Steffani of NSJWCD also was pleased to see that projects that are likely of interest to the region are now being discussed in this context. He suggested that the parties may

wish to also look into an option to construct a South Gulch Reservoir (as it may serve a similar purpose as would Raise Lower Bear).

Mel noted that the next step in this process is to perform some preliminary engineering to determine if the projects, working together, will enable certain elements to be optimized / downsized / etc., while still having (as a goal) the desire to “take care of long-term, agency-specific water needs”. Dr. Lytle has asked SJC’s MORE WATER Project consultant to perform MOCASIM modeling that would be used to provide an answer to the optimization question.

Pete Bell of the Foothill Conservancy mentioned that there were questions that need to be addressed by any potential group proposing water projects. Questions such as “how much water can the River provide – while maintaining or enhancing benefits to the environment?”. He further pointed out that some projects, such as Raise Lower Bear Reservoir, may be of concern to particular members of the Conservancy. He worries not so much about a project’s footprint, but more so on how a project could impact the flows (and flow regimes) in the River. He concluded by noting he personally is willing to listen to options, but needs to have a clear understanding of the benefits and harms of various proposed projects.

Mike Harty asked when timing would be right to discuss the “second ring” of potential interests (in the IRCUP + concept). Alex Coate responded as follows:

- The IRCUP + currently is in a state of evolution. Jim Abercrombie added that the information presented at today’s Forum meeting is very conceptual.
- The parties to the discussions have a general understanding of the work that lies ahead, but additional info (such as the MOCASIM study referred to by Mel Lytle) is needed.
- Based on the modeling, the project(s) can be better defined (perhaps whittled down and/or firmed-up conceptually).

Mike Harty asked Mel, Jim, Ed and Alex to state what they see as the Forum’s role. Jim viewed that the Forum would be used for info-sharing. He also indicated that if the Forum can agree with a proposed IRCUP+ concept, an IRCUP+ write-up could be included in the California Water Plan in keeping with the opportunity as being afforded by DWR (and as detailed previously by Mike Floyd of DWR).

The four commented that while there was no set timeline for furthering the IRCUP+ concept, it was believed that the details could be firmed up between now and the July 3rd Forum meeting (primarily the MOCASIM modeling exercise / info gleaned), such that the Forum could come to a conclusion regarding an IRCUP+ and hence a description of the project could be provided to DWR (for Water Plan consideration).

The following decisions were made at the close of the discussion:

- The next Forum meeting will take place on July 3, 2008 (any further meeting delay could limit the ability of DWR to include the IRCUP+ write-up in the Water Plan update).
- The parties will share the MOCASIM modeling results with the Forum on the 3rd of July.
- Mel Lytle will prepare a draft write-up of an IRCUP+ project between now and July 3rd, utilizing past IRCUP written descriptions and modifying it to include the more recent additions to the concept. The draft write-up will be reviewed by reps. from AWA, CCWD, SJC, and EBMUD. A draft-final version will be supplied to the Forum at the July 3rd meeting for their consideration.
- Mike Floyd will orchestrate a meeting with DWR's California Water Plan authors prior to July 3rd. The meeting will be attended by representatives of AWA, CCWD, SJC and EBMUD (this particular action item had already been requested previously during the meeting).
- At the July 3rd meeting, and based on progress, the Forum will decide the merits of holding an elected's officials meeting (as a means to provide an update) at the upcoming EBMUD Pardee BBQ (which will take place on October 3, 2008).

AGENDA TOPIC: NEXT FORUM MEETING

The next meeting of the Mokelumne River Forum is tentatively scheduled to take place on Thursday, July 3, 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 May 1, 2008 meeting of the Mokelumne River Forum was adjourned at approximately 12 noon.

NEXT FORUM MEETING BREAKFAST PROVIDER

Stockton East Water District will be asked to provide breakfast for the next Forum meeting. In the event that they can not provide breakfast, North San Joaquin Water Conservation District agreed to provide breakfast.

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.