

MOKELUMNE RIVER FORUM
MEETING No. 42
DRAFT MEETING SUMMARY

MEETING DATE: September 3, 2009

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

ATTENDEES: Mike Harty – HCCM/Center for Collaborative Policy
Tom Francis – East Bay Municipal Utility District
Pete Bell – Foothill Conservancy
Rod Schuler – Amador Co (Retired)
Ed Pattison – Calaveras Co. Water District
Hank Willy – Jackson Valley Irrigation District
Tom Gau – San Joaquin Co. Public Works
Mel Lytle – San Joaquin Co. Public Works
Jim Hanson – Consultant for San Joaquin Co. Public Works
Terry Strange – Self / Interested Citizen
John Ornellas – Calaveras Public Utility District
Joe Mehrten – North San Joaquin Water Conservation Dist.
Gene Mancebo – Amador Water Agency
Martha Shaver – Amador County
Bob Granberg – City of Stockton
Alex Coate – East Bay Municipal Utility Dist.
Kevin Kauffman – Stockton East Water Dist.
Gerald Schwartz – East Bay Municipal Utility Dist.
David Edwards – Wallace Community Services Dist.
Reid Johnson – Wallace Community Services Dist.
Charles Cantoni – Wallace Community Services Dist.
Tom Flinn – San Joaquin County Public Works

ACTION ITEMS AND AGREEMENTS

1. Amador Water Agency (AWA) will cover the cost of Forum Facilitation for the next meeting, pending Board approval (The Foothill Conservancy offered to encourage the AWA Board to maintain support for the Forum).
2. Calaveras Public Utility District (CPUD) will provide breakfast for the next Forum meeting.
3. Mike Harty was asked to include Charles W. Cantoni, representative from Wallace Community Service District, on the Forum's web email list (cwc@cantoni.net)

4. Ed Pattison of Calaveras County Water District (CCWD) was tasked to prepare a poster board presentation of the Inter Regional Conjunctive Use Project Plus (IRCUP+) for presentation at the biennial Groundwater Resources Association Fall conference.
5. Ed Pattison of CCWD was tasked to contact DWR to see if a face-to-face meeting could be arranged to change their mind regarding a recent decision to not include IRCUP+ details in the 2010 update of the California Water Plan. East Bay Municipal Utility District (EBMUD), Amador Water Agency (AWA), and San Joaquin County Public Works (SJC) staff would attempt to attend the meeting as well.
6. The Forum subcommittee (consisting of EBMUD, SJC, AWA and CCWD representatives) was tasked to set up a meeting with the Foothill Conservancy (and other environmental organizations) within the month of September to discuss the Principles document. Once a date, time and location have been set, other Forum members will be notified (and welcome to attend if they are interested).
7. Mel Lytle of SJC will help to coordinate a future Forum presentation on County-wide conservation efforts (current and proposed efforts).
8. The Northeast San Joaquin Groundwater Banking Authority (GBA) and the Upper Mokelumne River Watershed Authority (UMRWA) will be approached regarding sharing in the cost of facilitation expenses – and including said costs as part of budgets prepared for their future fiscal years (as it appears that DWR no longer is able to offer financial assistance to the Forum).

PRELIMINARY MATTERS

Preliminary Matters

The cost of Forum facilitation for today's meeting was covered by San Joaquin County Public Works. Calaveras County Water District provided today's breakfast.

June 2009 Meeting Summary

Forum members were asked to review the June meeting summary and forward any requested edits to Tom Francis of EBMUD.

Purpose and Agenda

Today's meeting purposes are:

- To provide updates about topics of mutual interest;
- To receive input on draft Principles developed by the Foothill Conservancy;
- To receive an update from AWA, CCWD, SJC, and EBMUD on IRCUP+ Terms and Conditions; and

- To continue discussion/decision making about next steps for the Forum related to the IRCUP+.

AGENDA TOPIC: UPDATES FROM FORUM MEMBERS

The Foothill Conservancy: Pete Bell noted that the Conservancy has mostly been active tracking East Bay Municipal Utility District's (EBMUD) Water Supply Management Program (WSMP) 2040 effort. The Conservancy is primarily concerned with the Pardee Reservoir Enlargement component of WSMP 2040 and has worked to help solidify opposition to its inclusion.

Calaveras County Water District (CCWD): Ed Pattison noted that the Mokelumne, Amador, and Calaveras (MAC) Integrated Regional Water Management Plan (IRWMP) as well as another IRWMP effort CCWD is participating in within the Tuolumne Basin both were successful in gaining California Department of Water Resources (DWR) "regional acceptance". Regional acceptance allows both IRWMP efforts to submit grant applications in 2010 (for either planning and/or implementation grants/seeking funding support via Prop. 84).

Ed asked the Forum to approve the preparation of a poster detailing the Forum's proposed Inter Regional Conjunctive Use Project + (IRCUP+) for presentation at an upcoming Groundwater Resources Association (GRA) biannual conference. With the Forum's approval (which Ed received during the meeting), he would craft the poster and would be present at the conference to answer questions as raised by meeting participants regarding the IRCUP+ concept / the poster. Ed had a draft abstract that would be submitted as part of gaining the GRA's approval to present at the conference. That abstract was circulated, edited and approved at the Forum meeting.

Ed also discussed a preliminary decision by DWR to not include the IRCUP+ description in the 2010 update to the California Water Plan due to concerns about it being "too conceptual" in nature. DWR previously had supported inclusion of the IRCUP+ in the Water Plan update and Ed offered to see if a meeting could be arranged to find a better solution. (the Forum gave Ed the approval to try and arrange said meeting, and noted that AWA, EBMUD and SJC representatives should also accompany Ed if he is successful in getting a meeting scheduled).

Jackson Valley Irrigation District (JVID): Hank Willy noted that they are in initial discussions (with a utility / business) regarding the potential to provide water service to a newly proposed 18 MW power plant. JVID also had an emergency pipe repair that was necessary – the repair was performed over the recent weekend (to a damaged 36" distribution line). Hank believes the damage to the line was caused by settlement and/or perhaps tree roots (or a combination thereof).

San Joaquin County Public Works (SJC): Tom Gau discussed the legislation regarding water issues that was being debated / considered by the state legislature during this week.

He noted the concerns and strong opposition that Delta counties, including San Joaquin, had to the bills. He asked Tom Flynn to provide additional details.

Tom Flynn mentioned that five bills were pending at the state level regarding the Delta. He had significant concerns regarding all five. In general, he had a view that legislation was simply being moved too fast through the legislature. He suggested that issues such as a Delta Conservancy, Delta Restoration, etc. were very important, needed to have the input (particularly of Counties surrounding and within the Delta), and that he was working hard with other Delta counties to get that point across (to the legislature).

Mel Lytle noted that the Northeastern San Joaquin County Groundwater Banking Authority's (GBA) IRWMP received DWR's "regional acceptance". Like the MAC IRWMP, the GBA envisioned that they may be applying for grant assistance in 2010. He noted that the GBA had to develop a letter, similar to one developed by the MAC, that noted the agreement to mutually communicate and cooperate (with the MAC).

Mel mentioned that SJC had recently received a draft report on their proposed use of the Freeport Project (to access surface water as obtained via a pending American River water right). The report is in draft form and has been distributed to GBA member agencies for review and comment.

Mel also noted that the GBA had completed the draft program-level Environmental Impact Report (Draft PEIR) for their Integrated Conjunctive Use Project (ICUP). The Draft PEIR will be released for public review and comment shortly.

Terry Strange (has previously attended Forum meetings): Terry outlined his interests / priorities for the watershed. Those include:

- Plumbing fixes were needed in upstream reaches / to old hydroelectric dams to allow for greater cold water releases plus additional flow releases (increase in flow rates) that in turn would benefit aquatic habitat;
- Concerns that Southern California influences continue to threaten the health of Central Sierra river systems due to their ever-greater need for water supplies;
- Concerns regarding fencing of private properties that lie adjacent to the upper Mokelumne River. He sees this as keeping the public from enjoying the beauty and benefits of the river, and hopes to see increased recreational opportunities in the years ahead;
- A view that spawning / fish habitat above the lower elevation dams (as located on the river) should be provided for. He views fish passage to allow for use of suitable habitat will be a requirement placed on dam owners by resource agencies in the near future; and
- A desire to see recycled water recreational use classifications expanded such that reclaimed water can be put to greater use.

Calaveras Public Utility District (CPUD): John Ornellas indicated that he continues to get "up to speed" in his new role at CPUD, including a commitment to review and take part in Forum activities.

North San Joaquin Water Conservation District (NSJWCD): Joe Mehrten noted that they had reached a settlement agreement regarding their groundwater charge (with the Howard Jarvis Taxpayers Association). They continue to struggle with how to raise money to fund NSJWCD operations, and are hopeful that in time property owners within their District will realize the merits of charging groundwater fees.

Joe noted that NSJWCD had recently selected a replacement for their retiring Board Member, Fred Weybret, and that they had started the production of a newsletter as a means to update and reach out to District residents.

Amador Water Agency (AWA): Gene Mancebo mentioned that they have a couple of large projects in the works. He discussed a gravity supply line project that if completed would replace a system whereby water is moved (via pumping) from the Tiger Creek after bay / lifted to Buckhorn Water Treatment Plant (that particular system has significant electrical costs that could be eliminated by the gravity feed proposal). They hope to receive \$4M in grant dollars to help offset the estimated \$12M cost of the project (grant \$ via the Federal Stimulus Package). In a related matter, AWA has determined that to pay for the construction of the gravity feed, water rates may need to be increased by about 6% to 8%. Engineering plans for the project are nearly completed and work would be performed in the spring of 2010.

Gene also noted that Jim Abercrombie, AWA's General Manager, was leaving the agency as of Sept. 4th. Gene was appointed by the AWA Board to serve as the Acting GM until a permanent replacement was selected.

Amador County (AC): Martha Shaver noted that the County intends to be a regular participant at future Forum meetings, and will pay closer attention to the water-related activities of the region.

City of Stockton (Stockton): Bob Granberg noted the following regarding their Delta Water Supply Project (DWSP):

- Stockton has received needed permits from the U.S. Army Corps of Engineers and from Cal. Dept. of Fish and Game (incidental take permits / in regards to the operation of the DWSP's intake);
- They have completed the Prop. 218 notice process regarding the necessary rate increases to cover the cost of the DWSP. This enabled a rate increase of 63%;
- The City received a very favorable interest rate on monies borrowed to finance the DWSP construction – saving about \$1M per year in debt service as compared to that originally envisioned;
- They have a construction contract in place for the pipeline component of the DWSP; and
- They hope to have the DWSP operational / on-line by the year 2012

In addition to the above update, Bob noted that the City was communicating with Stockton East Water District (SEWD) in regards to SEWD's proposed merger with Central San Joaquin Water Conservation District.

East Bay Municipal Utility District (EBMUD): Alex Coate noted that his agency has been impacted by the recent drought and the economic crisis. Both events have created revenue shortfalls at the District that in turn resulted in budget cut-backs / work adjustments. The State's intention to hold a portion of the property tax revenues is a particular concern at the District.

Regarding Delta matters, Alex noted that EBMUD is tracking the legislation at the State level to determine how it may impact four key issues of concern - specifically:

- EBMUD's Mokelumne Water Rights and American River / Bureau CVP Contract;
- Water Quality (particularly how possible Delta projects such as a canal could impact water quality within the Lower Mokelumne and near EBMUD's Freeport Regional Water Project intake);
- Fish Movement (how possible projects such as a canal and the associated canal intake pumps could impact fish movement); and
- Associated policy matters for EBMUD (particularly in regard to Steelhead and Chinook Salmon habitat / management).

Gerald Schwartz noted that the construction of the Freeport Regional Water Project continues to make significant progress. The contractor is a bit behind schedule (by about 41 days), although based on the size and scale of the construction effort, that delay was not of undue concern.

Tom Francis provided an update of the District's recent WSMP 2040 effort. He mentioned that a WSMP 2040 Board Workshop was held on August 11th at which time details regarding Draft PEIR comments and proposed responses was discussed. Many comments were received regarding the inclusion of the Enlarge Pardee option in WSMP 2040.

Stockton East Water District (SEWD): Kevin Kauffman noted that he was working with CSJWCD on a proposed merger with SEWD. Assuming that LAFCO approves of the merger, the combined District will tentatively be known as "Eastern San Joaquin County Water District".

In addition to the merger discussions, SEWD and the City of Stockton have entered into a temporary water transfer agreement with South San Joaquin Irrigation District. Approximately 5,000 Acre Feet of Stanislaus water would be transferred (4,000 AF to Stockton (delivered via the SEWD treatment plant) and 1,000 AF to SEWD agriculture).

Kevin also mentioned that he was closely watching the Bureau of Reclamation and U.S. Fish and Wildlife Service to track a Biological Opinion on Salmonids and Steelhead and their effects on the Stanislaus River operations.

Wallace Community Services District (WCSD): Dave Edwards noted that he was planning to leave WCSD shortly to take a position in Nevada City. Reid Johnson noted that he and Charles Cantoni would be serving as the WCSD's representatives at future Forum meetings, and that they have continued interest in working with Forum members

to help identify additional water resources that would help serve a portion of the water needs of their District.

AGENDA TOPICS: Foothill Conservancy Draft Principles & IRCUP+ Update

At the June Forum meeting, plans were in place for a meeting among the Foothill Conservancy and four Subcommittee agencies to discuss the IRCUP+ and Draft Principles as developed by the Foothill Conservancy. Pete Bell (Foothill Conservancy), Alex Coate (EBMUD), Mel Lytle (SJC), Ed Pattison (CCWD) and Gene Mancebo (AWA) provided individual perspectives on recent developments.

Foothill Conservancy / Pete Bell:

Due to summer vacations and schedule conflicts, a meeting to discuss the Principles never took place. Plans are now in the works to try and meet sometime in September, schedule permitting.

Pete summarized the “idea” behind the development of the draft Principles. He noted the following:

- The Principles were developed due to the fact that there was a concern (by environmental groups) that to date all the discussion at the Forum had focused on infrastructure (vs. other means to solve the water problems such as increased conservation, water recycling, etc.);
- While the “plans” for conducting a future IRCUP+ feasibility study (as prepared by & for the Forum in 2007) appeared “good” from an engineering perspective, it lacked the environmental perspective / considerations he and others view is called for as part of such an effort;
- The Conservancy and other environmental groups have serious concerns about water agency(s) plans to continue to take more and more water out of the River. The River may very well be over allocated as it now stands, and instead of more water out of the River, there needs to be more Water left in the River; and
- The Principles document should be seen as an attempt to place on paper how the Conservancy and others will guide their review and participation in efforts such as the IRCUP+. Pete is looking to see the reaction and feedback of the water agencies.

EBMUD / Alex Coate

Alex noted that regarding the IRCUP+ Terms and Conditions (T&Cs) document, the status within EBMUD is as follows:

- AWA, CCWD, SJC, and EBMUD had asked their respective Boards to review and consider the T&Cs early this summer;
- EBMUD’s Board reviewed the T&Cs in May of 2009. They were adopted / signed by the EBMUD Board; and
- At the meeting at which the T&Cs were adopted, the Foothill Conservancy attended and raised concerns. EBMUD’s Board asked that staff follow-up with the Conservancy in writing. The letter crafted included the following commitments (on behalf of EBMUD):

- EBMUD would work to:
 - Keep the IRCUP+ process transparent;
 - Encourage public outreach and participation (throughout any and all IRCUP+ efforts);
 - Consider demand management, conservation, and recycling to lessen agency water needs / project requirements (not just EBMUD's needs, but all IRCUP+ partners);
- The Forum would be used to help develop the public outreach plan;

Alex understands that the other signatory agencies have yet to approve the T&Cs.

SJC / Mel Lytle

Mel noted that SJC had vetted the T&Cs with various water agencies that operate within the County. More specifically, they were discussed at the GBA and at the County's Advisory Water Commission. There were several changes that have been requested to the T&Cs. Mel has been able to sit down with those concerned and has discussed their requested edits / changes (he has one more agency to meeting with, Central Delta Water Agency). Once discussions are completed, he will forward the requested edits to EBMUD, AWA and CCWD for review and consideration. Mel does not see the requests as particularly controversial.

Once these edits are incorporated / agreed to, SJC will move the matter before their Board of Supervisors (BOS). He senses that the BOS is very supportive of the IRCUP+.

On a side note, and in reply to comments by Pete Bell, Mel noted that the GBA has developed significant information that may be of interest regarding the conservation and water recycling programs that are proposed as part of the future County efforts. He hoped to be able to share that information with the Foothill Conservancy and the Forum in the not too distant future.

Amador Water Agency / Gene Mancebo

Gene noted that regarding the IRCUP+ T&Cs, several events occurred that have delayed the adoption process for AWA. Specifically:

- EBMUD's WSMP 2040 Plan was released (the Draft PEIR), and the Enlarge Pardee component was of significant concern to the community / his Board – it created confusion in that the IRCUP+ also includes discussion of an Enlarge Pardee element;
- Amador County (vs. AWA) is the signatory to the 1958 agreement as referenced in the T&Cs, and hence Amador County has asked to be more directly involved in the T&C development effort;
- AWA has held agency-specific meetings with the Foothill Conservancy regarding a number of topics, and those meetings were seen as critical prior to moving on T&Cs; and

- AWA is working to develop a conservation plan and slowly looking at developing regional water reclamation, those efforts were seen as critical, and they needed to be advanced a bit more prior to moving on T&Cs.

Calaveras County Water District / Ed Pattison

Ed noted that his agency (similar to AWA) was concerned that EBMUD's WSMP 2040 process created confusion regarding the IRCUP+ effort and the T&C document. CCWD wanted time for WSMP 2040 discussion to come to a close before addressing the T&C topic (public education of the T&Cs was also seen as warranted / the adoption process was viewed as needing to "slow down" a bit).

In regard to Pete Bell's comments on encouraging conservation (vs. project construction), Ed believes his agency exhibits a strong commitment to conservation and environmental stewardship (but that perhaps the "effort" was not encapsulated as a "program"). However, CCWD is also concerned that particular conservation efforts may make good sense in an urban setting may not be cost-effective in their particular setting (which is spread out / more rural). For example, Ed senses that there may be difficulties in meeting the Governor's 20% conservation by 2020 unless some allowances / considerations are given (by the regulatory bodies) for their particular setting / situation (and those allowances are likely not unique to just CCWD, but perhaps prevalent in many Foothill and rural water agencies).

Ed suggested that CCWD and perhaps AWA will be looking to the Upper Mokelumne River Watershed Authority (UMRWA) to help assist on conservation program planning and implementation efforts.

In response to Ed's comments on CCWD's conservation efforts, Terry Strange noted that he did not necessarily agree with the entire characterization. Terry noted that there were no full time employees assigned by CCWD to conservation programs / efforts. In addition, he suggested that water agencies should strive to exceed "minimal state mandates" regarding conservation and recycling (vs. balk at how hard it is to simply meet the minimums as set). He suggested that agencies such as AWA, CCWD and CPUD band together to tackle conservation on a regional level.

Ed agreed with the concept of banding together (and suggested that leveraging purchasing power was one example of leveraging could lead to benefits). His view was that perhaps working with other UMRWA agencies (such as EBMUD) offer significant opportunities.

Mike Harty

Mike Harty moved the topic discussion by noting that it appeared a good deal of work on the IRCUP+, including the T&Cs and review of the Foothill Conservancy Principles, lies ahead / still needs to happen. He posed two questions for the Forum:

1. Was the follow-up with The Foothill Conservancy (regarding their Principles) going to take place in the near term?
2. And if the answer to #1 was “yes”, if others are interested in attending this meeting, could that be arranged?

The response to the first question posed (from AWA, CCWD, EBMUD, SJC and the Foothill Conservancy) was “yes, a meeting will take place”. In response to question #2, the subgroup noted that they preferred to keep the number of attendees small, but if there were particular requests from others to attend, they would attempt to accommodate them (although accommodations would be made only for agency representatives, it would not be open to the general public, and there was a bit of concern that room size may limit the number of seats / “added” attendees).

Initial Responses to Foothill Conservancy’s Principles

Mike Harty then asked for people to provide Pete with initial comments regarding the Principles as he detailed previously. The following comments were voiced at the meeting:

- Gene Mancebo / AWA: Gene asked that Pete be aware that the IRCUP+ will take a good bit of time to implement, and hence the need for water will be matched with a projects over time (that fact could impact how the Principles should be “viewed”);
- Terry Strange: Terry suggested that the word “habitat” be inserted in principle #4 – such that it reads “... efforts to restore salmon and steelhead habitat populations...”. He viewed the document would be useful in that it could allow for points of agreement to be identified as well as points of disagreement (between the water agencies and the environmental community);
- Martha Shaver / Amador Co: Ms. Shaver suggested that all parties “take advantage” of opportunities to reach agreement on some of the principles quickly (vs. holding out for agreement on all of them);
- Kevin Kauffman SEWD: Kevin noted that Principles 1 though 4 appeared to be easy to reach agreement on; Principles 5, 7, 8 and 10 would take time to reach agreement on and were tied to the Terms and Conditions effort; Principles 6, 9 and 11 may be beyond the control of the water agencies to “agree to”, and hence needed further discussion and/or modification. Pete suggested that even if some principles were beyond water agency control there were opportunities to exert influence);
- Hank Willy / JVID: Hank points out that market conditions dictate (to a great degree) what crops were grown / planted. He suggests not calling out (by name) certain crops (such as alfalfa);
- Tom Francis / EBMUD: Tom suggested that Pete consider developing a preamble to the Principles similar to that developed by the water agencies for their T&C document (it may help frame / tie the Principles to the needs and interests of the environmental organizations); and
- Mel Lytle / SJC: Mel thought it would be good to clarify which environmental groups endorsed the Principles (as Pete Bell had noted that they were not just developed by the Foothill Conservancy). He then asked if they would be formally “adopted” by these groups (to which Pete replied that he was uncertain).

Following that input, there was an agreement that the subgroup would arrange to meet with the Foothill Conservancy and once a meeting had been set would announce when and where the meeting would take place (such that other Forum members could take part if interested).

AGENDA TOPIC: Forum Facilitation Costs / Services & General Plans for the Short Term

Mike Harty noted that DWR no longer had the ability to cover the cost of providing facilitation services (and/or any other financial support to the Forum). The cost of his service is \$2,000 per meeting, as contracted through the Center for Collaborative Policy.

Following a short discussion, the Forum agreed as follows:

- There is continued value in holding Forum meetings, and member agencies are willing to seek financing support from their elected bodies;
- The Foothill Conservancy also sees value in the Forum, and is willing to support agency staff when and if they ask for it (in terms of being present at agency Board meetings / encouraging elected representatives to help cover the cost of the Forum);
- In terms of covering costs, it may be appropriate to seek to have the GBA and UMRWA cover the costs of Forum facilitation (as part of their respective annual budgets). This concept will be discussed at UMRWA and the GBA in early 2010 at their respective meetings / as they plan their budgets for the next fiscal year(s); and
- For the time being, quarterly Forum meetings appear to be appropriate (vs. more frequent meetings).

AGENDA TOPIC: Topics for Next Forum Meeting

The following topics were queued-up for the next meeting:

- An update on the Principles as developed by the Foothill Conservancy / Environmental Organizations;
- A Presentation on Conservation Programs as being undertaken and/or developed within San Joaquin County (as given by the “Stockton Area Water Suppliers”); and
- Firming up of Plans for Forum Meetings / Financing for 2010.

NEXT FORUM MEETING – DATE, BREAKFAST PROVIDER & AGENCY WHO WILL COVER FACILITATION EXPENSES

The next Forum meeting will be held either in November (if progress can be made on the IRCUP+ effort / meetings can be scheduled as detailed above) or in January 2010 (assuming more time is needed to hold meetings / make progress on the IRCUP+) – a go / no-go decision regarding the holding of a November Forum meeting will be made at least 2 weeks prior to when the date of the November meeting would fall.

Calaveras Public Utility District offered to bring the breakfast for the next Forum meeting.

Amador Water Agency agreed to cover the facilitation expenses for the next meeting subject to Board approval.

The September 3, 2009 Mokelumne River Forum meeting was adjourned at approximately 12 noon.

NOTE: The initial draft of these meeting minutes was prepared by Tom Francis and reviewed by Mike Harty. Please send comments or questions to tfrancis@ebmud.com

DRAFT