

DELTA STEWARDSHIP COUNCIL

COMMITTED TO ACHIEVING THE COEQUAL GOALS

VOLUME #6, MARCH 2011

COUNCIL REVIEWS FIRST DRAFT DELTA PLAN, PROVIDES DIRECTION

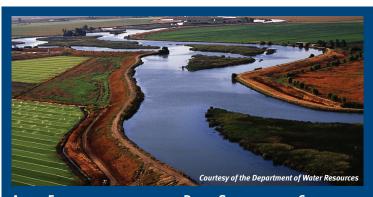
Workshops geared to dive deeper into plan's development

The conversation is under way in the development of the Delta's first ever long-term management plan. At its February meeting, the Delta Stewardship Council publically reviewed the first staff draft of the Delta Plan and discussed how to best move forward with its construction.

Chief Deputy Executive Officer Keith Coolidge led the discussion by offering some global questions regarding the core mandates before the Council – the coequal goals.

"As we approach the coequal goals, what do we really mean?" Coolidge asked. "When we talk about a more reliable water supply for California, what do we mean by more reliable?"

See **Delta Plan**, Page 4



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U.S. EPA SEEKS PUBLIC INPUT ON DELTA WATER QUALITY

Federal Agency Vows to Work with Council

Citing serious water quality and ecological issues, the U.S. Environmental Protection Agency wants the public's input about the effectiveness of current water programs in the Delta. That was the message sent to the Delta Stewardship Council when representatives from the EPA made a presentation at the February Council meeting.

The EPA issued an Advanced Notice of Proposed Rulemaking (ANPR) on Feb. 10, which launches a public information-gathering process about how the EPA and California can achieve "water quality and aquatic resource protection goals" in the Delta.

While this language closely mirrors the Council's statemandated coequal goals of providing a more reliable water "We know your role is big, serious and important...you being here is a bit of saber rattling. The state has got to get a move on and start doing things."

Council Chair Phil Isenberg

supply and protecting, restoring and enhancing the Delta ecosystem, the Council and the EPA both agreed the agencies need to work together more effectively on these pressing issues, especially since the EPA is a federal entity and the Council is a state agency.

"We're struggling with how best to interact with the Council," said Tom Hagler, an attorney with the EPA. "If you have ideas about how to forge a better relationship between you and us and all the federal agencies, we'd like to hear them."

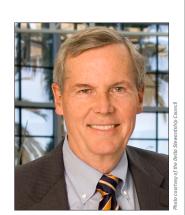
See **EPA Water**, Page 5

MEMBER SPOTLIGHT

Nordhoff Brings Business Background to Water Policy

Delta Stewardship Council member Hank Nordhoff will be the first to tell observers that he's "not a water guy." He is instead a businessman with a strong belief that the debate over the future of water in California should have economics as one of its guiding principles.

"I think it probably helps to give a little bit of balance to the Council,"



Hank Nordhoff
Delta Stewardship Council member

said Nordhoff, who as chairman of Gen-Probe Incorporated and vice chairman of the Shipston Group, leads the private equity firm's healthcare investments in Asia. "I think there's an economic role to be played in this (endeavor) and I look at everything from supply-demand economics."

The Council is engaged with its staff in refining the drafts of the Delta Plan. The first staff draft was released Feb. 14. Subsequent drafts will be released in March, April and May before an administrative draft is released in June for environmental review. The development of the Delta Plan is guided by the coequal goals as set by statute, namely providing a more reliable water supply for California and restoring the Delta ecosystem in a manner that enhances the unique values of the Delta as an evolving place.

"This plan should be based on science and economics, and I think we're covering the science very well and will cover the economics as this process goes on," said Nordhoff, who noted that the Council features "some very dedicated people who are out to do what's best for the Delta and for California."

Although Nordhoff admits that he does not have a long standing interest in water policy, the San Diego-area resident says water is at the heart of California's future well-being. He believes it has a value that is at times greater than oil.

"Water is the common denominator risk that we have at both the state level and the local level," he said.

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DELTA SCIENCE PROGRAM PROVIDES RESEARCH FUNDING RECOMMENDATIONS TO COUNCIL

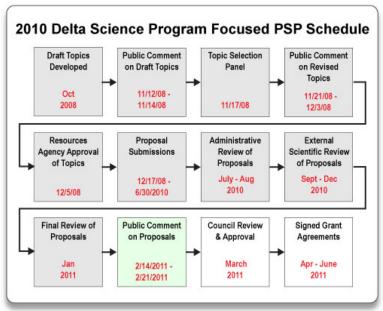
Grants for water management, ecosystem research included

A process that began more than two years ago made its next to last stop at February's Delta Stewardship Council meeting.

The 2010 Proposal Solicitation Package (PSP), a request for proposals to study four key areas affecting the Sacramento-San Joaquin River Delta, began when the Delta Science Program first developed draft topics.

Shortly after it started, the PSP process stalled when work activities were put on hold due to state budget issues. When the process restarted, seven months of internal and external review resulted in the Science Program recommending 13 projects to the Council for funding.

See **Science Funding**, Page 3



Courtesy of the Delta Science Program

THE DELTA SCIENCE PROGRAM WILL SUBMIT 13 DIFFERENT PROJECTS TO THE COUNCIL FOR APPROVAL DURING THE SECOND OF ITS TWO MARCH MEETINGS.

DETAILS OF DELTA PLAN PROCESS, TIMELINE OUTLINED

Public comment, scope and schedule of environmental review revealed

The Delta Stewardship Council now has a clearer road map to meeting its goal of delivering a completed Delta Plan by Jan. 1, 2012 as mandated by the State Legislature.

After hearing a presentation from Jim Andrew from the Attorney General's Office on the difference between the Delta Plan and the Environmental Impact Report (EIR) – and how the two interact – certain deadlines and timetables have become less muddied.

The EIR for the Delta Plan must be completed to fulfill the requirements of the California Environmental Quality Act (CEQA).

"The Delta Plan and the EIR are not the same. They are separate documents. The EIR is an objective analysis of the Delta Plan," Andrew said.

"The May version of the Delta Plan should be as close to what you feel has the major meat as possible," Andrew said. "The EIR will analyze various alternatives and various components of the [May] Delta Plan."

Andrew explained that the Plan could still be amended to reflect useful public comments even if they are received after the environmental review has begun.

See **Timeline**, Page 6

CEQA Process (Schedule)

Publish Notice of Preparation (NOP)

Scoping Meetings

Public Draft EIR and Draft Delta Plan

Public Review of Draft EIR and Draft Delta Plan

Draft Final EIR and Delta Plan submitted to Office of Administrative Law

Final EIR and Delta Plan

December 12, 2010

January 2011

June 2011

June 2011-August 2011

September 2011

November 2011

According to statute, the Delta Plan must undergo an Environmental Impact Report (EIR) to fulfill the requirements of the California Environmental Quality Act (CEQA). Listed above are the various milestones the Council is charged with, along with the target dates for each accomplishment.

Science Funding, Continued from Page 2

The three-year research projects will focus on four key areas:

- Native fish biology and ecology
- Food webs of key Delta species and their relationship to water quality and other drivers
- Coupled hydrologic and ecosystem models
- Water and ecosystem management decision support system development

"There are a lot of resources that go on an annual basis to required monitoring and measurements," Delta Science Program Lead Scientist Cliff Dahm said. "But the kind of information that you need to address causes and effects – as well as the necessary monitoring to develop the modeling tools and decision support systems to use that information – often goes wanting."

In total, the science program received 49 proposals requesting approximately \$31 million. Of the 49 proposals, 13 different projects from eight different institutions – including six universities – were recommended to receive roughly \$7.1 million in funding.

In order to pass muster, each proposal was subjected to several levels of review; including an administrative review, a minimum of two independent external scientific reviews, and a review by a special panel of 13 national and international independent science experts.

"We are using the best available science when we make our decisions and I think your projects are an example of that," Council member Gloria Gray said. "I'm happy to see that you've balanced the 13 projects under the topic subjects as we look at our coequal goals."

The Council will take a formal vote on the PSP during its March 24-25 meetings. Upon approval, these projects may begin as early as this summer.

For more details about the Delta Science Program and the PSP process please click **HERE**.

please visit our website

deltacouncil.ca.gov

Delta Plan, Continued from Page 1

The first draft of the Delta Plan is composed of study-based findings in the areas of water resources, ecosystem, reducing risk and protecting the Delta as an evolving place. For instance, it concludes that "California regularly uses more water annually than is provided by nature," that "California's water supply is increasingly volatile," and that "even with substantial ecosystem restoration efforts, some native species may not survive."

Future draft versions will add more findings in the areas of water quality, governance, financing and integration of policies, performance measures and targets and adaptive management.

Council Chair Phil Isenberg urged everyone to be flexible in the discussion saying the process will likely be inexact and include variables that simply cannot be known.

"I would assume that most people think that water systems are designed to provide 100 percent of the water that people want every day," Isenberg said. "But the real problem is volatility of supply. The amount available for use changes from year to year. We are increasingly unable to predict how much water we will have available."

Meanwhile, Council member Felicia Marcus stressed the need for the final product to be something the average water consumer could understand. "How would my Aunt Charlotte read this?" she asked.

Isenberg, a staunch supporter of providing government information in plain English, agreed. He believes the challenge of producing a comprehensive document is doable.

"The overall Delta Plan and the sections themselves have to have a story to tell that is understandable," Isenberg said. "I know that's a lot easier to say than to do."

Members of the public also provided constructive feedback and praise for the Council on the first staff draft, which has been available for review since its Feb. 14 posting on the DSC website. Jonas Minton, water policy adviser to the Planning and Conservation League, congratulated the Council and staff for the willingness to publish findings that aren't always popular.

"I want to commend you on your process. It has been open and transparent," Minton said. "Your acknowledgement as the first public agency to say that California has over-allocated its water resources is getting people's attention."

The Council will meet again on Mar. 10 and 11 for two all-day workshops designed to delve deeper into the findings of the first draft. The workshops will be held at the Old Sugar Mill in Clarksburg.

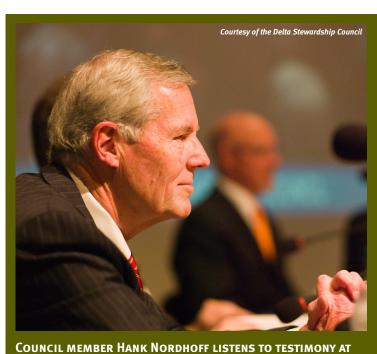
To view the agenda for the workshops, please click **HERE**.

Following the workshop, a second staff draft of the Delta Plan will be crafted. Its scheduled release date is March 18. To view a copy of the first draft as well as the release schedule for each subsequent draft, please click **HERE**.

Member Spotlight, Continued from Page 2

"It's really fascinating, in the issues that we're dealing with and the history and in the personal dynamics of the Council trying to find a common approach to solving problems."

In addition to decades of experience in the health care industry, Nordhoff brings to the Council a history of community service. He serves on the Board of Directors of the Prostate Cancer Foundation, MannKind Corporation and the San Diego Museum of Art. He also serves on advisory committees for the University of San Diego School of Business Administration, the University of California San Diego Jacobs School of Engineering and the UCSD Rady School of Management, along with the International Advisory Board for Chugai Pharmaceutical Co, Ltd. of Tokyo. He is a member of the Founders Committee at the Preuss School and is a past chairman of the California Healthcare Institute and the San Diego Regional Economic Corporation.



COUNCIL MEMBER HANK NORDHOFF LISTENS TO TESTIMONY AT COUNCIL MEETING.

EPA Water, Continued from Page 1

"We know your role is big, serious and important," said Council Chair Phil Isenberg. "I'm teasing somewhat, but you being here is a bit of saber rattling. The state has got to get a move on and start doing things."

Isenberg's comments reflect the fact that the EPA by choice does not take the regulatory lead regarding the health of the Delta.

"We have a secondary role [in the Delta]," said Erin Foresman, an environmental scientist with the EPA. "Our role is oversight."

Hence the ANPR, which only asks the public to consider whether the agency should be taking new or different actions regarding the Delta. The notice does not have any regulatory teeth and does not propose any new rules at this time.

But at least one Council member wondered if this situation could change and what impact it would have on the process.

"This notice seemed to be a discretionary act," said Council member Patrick Johnston. "Proposing a rule also seems like it can be a discretionary act."

Hagler says it's too early to tell if the EPA will propose any new regulations. He added that "the EPA would be happy not to take the next step [of proposing a rule]. We want the regional and state water boards to do their functions."

In addition to providing drinking water for 25 million Californians and irrigation for millions of acres of farmland, the Delta supports about 750 different species of plants, fish and wildlife. Many of these species are endangered and several fish populations are at all-time lows.

The EPA points out that no single factor is responsible for the decline of the Delta's health. Pollutants, invasive species and water diversions all play a part in the deterioration of the Delta, and the agency felt it needed to submit the notice to sufficiently protect aquatic resources and water quality.

The EPA says it will review the public responses and other data after the comment period closes in April. It will then develop a proposal on how to leverage the agency's resources to help the Delta Stewardship Council and other state and regional water boards achieve the state-mandated coequal goals.

The Council plans to direct staff to add a response to the notice and invited the EPA back to present their findings.

To view the ANPR please click **HERE**.



THE U.S. Environmental Protection Agency wants public comment about the various water programs that currently govern the Delta.

Timeline, Continued from Page 3

"You can make changes to the Delta Plan as long as the EIR generally covers the potential consequences of those changes," Andrew said. "You can pick and choose from whatever the EIR envelope analyzed."

In order to undergo study in an EIR as an alternative, a project must meet four objectives:

- The alternative must avoid or lessen environmental effects
- The alternative must attain primary project objectives
- The alternative must be at least potentially feasible as legally defined by CEQA
- The alternative must be reasonable or realistic

"We have to have a project first before we can formulate what alternatives to it are. The first step is coming up with a Delta Plan that reflects what the Council actually wants," Andrew said.

The Council's Chief Counsel Chris Stevens explained that the Delta Plan will contain sections that are clearly marked as regulatory policies, and other sections that are clearly marked as recommendations.

"We are going to have a plan that has objectives, that has factual findings, and the question is, 'What do you do about that?'" Stevens said. "The answer is we look at the statute and where the legislature told us to take certain actions and it is clear that the Plan is meant to be a legally enforceable plan."

In order to meet the Jan. 1, 2012 deadline, the Council must submit the Delta Plan to the Office of Administrative Law in mid-September.

"This plan has to go through the state regulatory process, what we call the administrative procedures act. We have to have a plan that is clear. It's a clarity test. Whether or not the so-called regulated community can figure out what the heck you are trying to do to them and why and how you came up with it," Stevens said.

For more information about the CEQA process, please click **HERE**.