**North Coast Integrated Regional Water Management Plan (NCIRWMP)**
**Policy Review Panel & Technical Peer Review Committee Meeting Summary**
**July 21, 10-3:15 Weaverville Library/Board of Supervisors Chambers, Weaverville**

## Welcome and Introductions

Chair Mackenzie /Vice-Chair Smith convened the meeting at 10:00 am, welcomed the meeting attendees and provided introductory remarks. Meeting attendees introduced themselves and Chair Mackenzie welcomed Margie Graham, DWR Northern District. Attendee list attached.

## Review and Approve Agenda

Chair Mackenzie and the Policy Review Panel (PRP) reviewed and approved the agenda

## Public Comment for items not on the agenda

No public comment or agenda changes

## Acknowledge Policy Review Panel Chair/Vice-Chair transition

Chair Mackenzie acknowledged Supervisor Jimmy Smith's substantial contribution to the success of the NCIRWM planning effort. He stated that it was an honor to work with Jimmy in his new role as Vice-Chair.

Chair Mackenzie presented two Congressional resolutions that were introduced into the Congressional record; one from US Representative Mike Thompson, 1 District; one from California Assembly member Wesley Chesbro. Chair Mackenzie also presented and signed a tribute poster from the PRP, TPRC & staff.

PRP members thanked Supervisor Jimmy Smith for his leadership on behalf of the NCIRWMP and the North Coast region.

## NCIRWMP Structure, Roles, Responsibilities, Staffing

Chair Mackenzie described NCIRWM team meetings in Sacramento that occurred in June with John Laird, California Secretary for Natural Resources and Tracie Billington IRWM Financial Assistance Branch Chief.

<u>Explanation of Process and Expectations</u>

Karen Gaffney described the roles and responsibilities of the project team: SCWA provides ongoing matching funds and is the lead for planning & fund development, Humboldt County is the lead for

contract administration & project implementation, the TPRC provide technical review and advice, and the PRP is the governance and decision-making body. Although there have been staff changes, the program has remained consistent.

Memorandum of Mutual Understandings (Brown Act, FPCC Form 700)

Karen Gaffney described some of the changes in governance guidelines and requirements: new MoMU, explicit Brown Act compliance, Tribal representation, and new plan guidelines and requirements. Copies of the new MoMU are in the PRP/TPRC handbook which was provided to PRP and TPRC members.

Vice-chair Jimmy Smith acknowledged county counsel review and input that allowed for operational changes in the NCIRWMP governance mechanisms that were acceptable to all members and in particular Sonoma and Humboldt County Counsels

Evaluate proposed alternatives for decision-making

Karen Gaffney described the staff recommendation: Policy Review Panel designate the Chair and Vice-Chair to make time-sensitive decisions and take action related to funding, legislative input, and other IRWM program requirements that are consistent with past PRP direction and in the best interests of the North Coast Region. Such decisions would be relayed to the full PRP after completion. Issues and decisions that are not time sensitive would continue to be addressed at the NCIRWMP meetings.

There was a discussion regarding the need to ensure that the decisions made on-behalf of the whole PRP were in alignment with past PRP direction and took into account all PRP perspectives. Chair Mackenzie assured that he would attempt to capture and consider all perspectives of PRP members and would consult with Vice Chair Smith to ensure there was alignment with the PRP direction defined by common interests

Vice-chair Jimmy Smith described examples of past time-sensitive issues that required immediate decision-making: example - decisions that needed to be made regarding funding opportunities that had time limitations that would not allow the PRP to meet in a timely manner; example - contract language that needed timely revision - Humboldt County counsel worked to ensure that language would cover the legal interests of all counties and project proponents; example - project support and legislative contact provided by Supervisor Smith during the bond freeze.

Supervisor McCowen clarified that the Chair and Vice-chair would be able to seek funding but not disperse funding; suggested that an executive committee be created and to add a third member

Vice-chair Jimmy Smith thought that the suggestion was a good idea and directed staff to update email list.

Supervisor Carrillo felt comfortable with recommendation as stated to provide flexibility

Supervisor Kendall Smith made the point that it was key that direction of any decision-making needed to stay consistent with PRP past direction; she stated that staff was an important resource for information and support and could assist with decision-making

Supervisor Bennett made the suggestion to add “Time Sensitive Document” to email header from staff when appropriate

Konrad Fisher provided public comment that he approved the regional governance structure and proposed approach

***Motion 1: Policy Review Panel to form an executive committee comprised of Chair, Vice-chair, and Supervisor Judy Morris to make time-sensitive decisions and take action related to funding, legislative input, and other IRWM program requirements that are consistent with past PRP direction and in the best interests of the North Coast Region. Such decisions would be relayed to the full PRP after completion. E-mail header to PRP will indicate time sensitive nature of correspondence.***

***Motion: Supervisor McCowen; second Supervisor Kendall Smith. Unanimous***

***Staff direction: to update email list and send out to the PRP***

<u>Evaluate Meeting Strategies (standing meetings, locations, tele-conference options)</u>

Katherine Gledhill described the staff recommendation: Staff recommends that regular NCIRWMP PRP/TPRC standing meetings be established on a quarterly basis (January, April, July, October), and that these meetings alternate between Humboldt, Mendocino, Trinity and Siskiyou counties. When there are not adequate agenda items to justify holding one of the standing meetings, the meeting may be cancelled by decision of the Chair and Vice-chair. When issues arise that must be addressed prior to a standing meeting, the Chair and Vice-chair may authorize staff to determine a meeting date that allows for attendance by the majority of the PRP and/or the TPRC. Staff will continue to explore tele-conference options. The following are the proposed meeting dates and location:

- October – Eureka (Oct 20, 2011 & Oct 18, 2012)
- January – Ukiah (January 19, 2012)
- April – Yreka (April 19, 2012)
- July – Weaverville (July 19, 2012)

Chair Mackenzie informed the group that in the past, meetings have been scheduled on an as-needed basis but it has sometimes been difficult to find meeting dates that worked for all parties. There was a discussion about the pros and cons of the staff recommendations that included the difficulty of travel throughout the large region; concerns about making sure that there are meetings only when needed due to resource/time costs; and that conference calling was sometimes a necessity.

Supervisor Kendall Smith expressed that she felt that the proposal included balanced locations throughout the region and liked the timing of the months

Koiya Tuttle offered that standing meetings would enhance Tribal recruitment and education; and expressed support for the proposal

Supervisor Carrillo felt it was important to have face to face meetings as we move forward with Planning Grant and meeting locations throughout the region allow for PRP members to better understand the region

Supervisor McCowen commented that a fixed schedule allows for forward planning and by identifying locations allows for balance/fairness. He expressed that phone conference calling was not as effective as face-to-face meeting, but was necessary sometimes

***Motion 2: Adopt meeting schedule and staff recommendation with the inclusion of teleconferencing options.***

***Motion: Vice-chair Smith; second Supervisor Kendall Smith. Unanimous.***

## Announcements/Updates

Regional Administrator Update

Jen Jenkins provided an overview of the existing and pending contracts for NCIRWMP planning and implementation. She provided detailed information on the following contracts:

- Prop 50 Round 1 Implementation
- Prop 50 Round 2 Implementation & Supplemental
- Prop 84 Round 1 Planning and Prop 84 Round 1 Implementation Grant
- Energy Efficiency Conservation Block Grant

See presentation on NCIRWMP website
(http://www.northcoastirwmp.net/docs.php?ogid=1000002137).

Kirk Girard provided background information about the Water/Wastewater Service Providers Pilot Program grant funded by DWR, with the intent to provide cross-training, regional support, project technical support; contracting has undergone a number of hurdles. Kirk described how the Planning Grant was delayed because of the state budget but the County of Humboldt and DWR are currently developing a contract that includes a scope of work

Kirk Girard provided background information about the North Coast Energy Independence Program municipal financing grant submitted to the California Energy Commission (CEC) and was ranked 2nd statewide and awarded $4.4 M. After the award federal PACE requirements were changed by Freddie Mac announcement forcing the cancellation of CEC municipal financing program/grant. The NCEIP grant funding went from regional model to statewide model and was re-serviced through Energy Upgrade California; funding allocated for the North Coast was very limited; two North Coast energy retrofit service providers are participating in the Energy Upgrade California program. As a result of lobbying efforts by Sonoma County and a bill introduced by Representative Thompson and two House Republicans to save PACE programs, there may be a reversal of the PACE restrictions.

Report on the North Coast's involvement at the May IRWM Conference

Karen Gaffney reported that she and Kirk Girard were asked to sit on panel discussions at the IRWM Conference held in Sacramento. Katherine Gledhill participated in a workshop to provide feedback on the draft Handbook titled *Regional Water Management Planning with Climate Change Adaptation and Mitigation* being developed by DWR and EPA.

## Funding opportunities updates, timelines & legislative news

Karen Gaffney provided a listing of IRWMP funding updates (see presentation, http://www.northcoastirwmp.net/docs.php?ogid=1000002137 ):

- North Coast IRWMP Proposition 84 Implementation Grant, Round 1 - DWR final awards announcement early August; DWR Commitment letter August/September; Contracting – fall 2011
- IRWMP Prop 84 Implementation, Round 2 - $130 M (appropriated) – Summer 2012
- IRWMP Prop 84 Implementation, Round 3 - $170 (subject to appropriations) – 2013/14
- IRWMP Prop 84 allocation remaining for North Coast = $25.1 M (of ~ $32 million)
- Water/Wastewater Service Providers Pilot Program - $500,000, final contract early September
- DWR Local Groundwater Assistance Grants - $4.3 M appropriated/available; Grant solicitations on 'back burner' due to DWR staffing limitations
- IRWMP Planning Grants, Round 2 solicitation; North Coast not eligible for general planning grant
- Inter-regional grant solicitation – 50% from remaining allocation, no interest to date

Legislative updates

Tim Anderson, Public Affairs Department, SCWA provided a summary of legislative news:

- Pacific Coastal Salmon Recovery Fund - $85M available in FY 2011 and $65M in FY 2012; over $1 billion provided to state and Tribes Pacific salmon and steelhead protection, restoration and conservation; $100 M to California. Mark Lancaster commented that federal funding is less than it could be because of lack of State matching funds
- Sonoma County Energy Independence Program implements energy efficiency/retrofit projects on residential and commercial properties at an average of $1.5 M per month; $48 M in revenue completed to date; program created 530 job-years in Sonoma County
- Energy Public Goods Charge is up for reauthorization to extend bill to 2020. The act requires an electrical corporation to charge energy users a public goods charge, to fund energy efficiency, renewable energy, and research/development programs. Currently the act provides nearly $400M per year for energy efficiency programs and $93M per year for energy research.
- AB1150 – *Self-generation Incentive Program* to provide funding for distributed generation; program to be extended for 3 years
- Governor Jerry Brown is supportive of and pushing for renewable energy, energy storage, distributed energy which means jobs in California
- AB32 - *Global Warming Solutions Act* includes a number of reduction measures to meet the 2020 target including cap and trade for emissions limitations; created market use cap/trade with intent to give majority of allowances to utilities to reduce cost to rate payers. Staff are looking for opportunities for local governments to participate in the allowance market.
- SB 489 -*The Renewable Energy Equity Act* by Senator Wolk would enable renewable energy types, including biomass to offset power usage with energy generated on site

Upcoming Funding Opportunity

Karen Gaffney described an upcoming grant opportunity available via the Strategic Growth Council, entitled the Sustainable Communities Planning Grant that provides funds for planning grants and planning incentives that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits. Round 2 grant solicitation expected in October 2011.

Staff recommended that the PRP authorize staff to develop an application to the Strategic Growth Council for development of a regional plan for energy independence, greenhouse gas emissions reduction, public health and natural resources management consistent with the objectives and approach of the NCIRWMP. Staff will discuss the plan with individual PRP and TPRC members to obtain their ideas and input regarding key application elements and approach. A draft of the plan will be provided to PRP and TPRC members for their input prior to submittal.

Potential planning focuses include:

- Continuation/expansion of NCIRWM Planning Process
- Support economic development in disadvantaged communities
- Develop Energy Independence, Climate Mitigation/Adaptation Implementation Framework
- Biomass/Forest & Watershed Health Initiatives
- Develop Regional PACE/Municipal Financing Program
- Link water supply and reliability issues to energy independence and climate change mitigation/adaptation

North Coast would be likely recipient with funding amount up to $2 M; the NCIRWMP program can be tailored to be able to take advantage of funding opportunities while respecting county autonomy

***Motion 3: Adopt staff recommendations to develop a Strategic Growth Council, Sustainable Communities Planning Grant application***

***Motion: Supervisor McCowen Motion, Supervisor Morris second. Unanimous.***

## Project budget under-runs and funding reallocation processes

Jennifer Jenkins described how the region may be confronted with project under-runs and will need to reallocate funds to another project within the suite of projects included in the grant agreement. Historically, the PRP has reallocated the funding to the projects within county where the under-budget project occurs. Jennifer provided a presentation about various considerations and options for future budget under-run situations. See presentation, (http://www.northcoastirwmp.net/docs.php?ogid=1000002137) .

The PRP discussed the budget under-run options and potential scenarios.

Vice-chair Jimmy Smith suggested that staff provide more detailed information about recommendations to be presented at the next NCIRWMP meeting.

***Staff direction: to contact PRP and TPRC members to compile suggestions and better understand concerns; to provide refined recommendations at the next NCIRWMP meeting***

## Future Vision for NCIRWMP: strategy, priorities, next phase of plan

Chair Mackenzie described that the NCIRWMP is entering the next phase of the planning process. During Phase I the major themes included restoring salmonid populations, enhancing the beneficial uses of water, energy independence & climate change, encouraging local autonomy & intra-regional cooperation; enhancing public health and economic vitality in disadvantaged communities. Chair Mackenzie noted that staff will contact PRP and TPRC members individually to discuss trends, themes, and objectives that members feel are important to the NCIRWMP.

PRP and TPRC members provided ideas and vision for the next phase of the NCIRWMP. These ideas were recorded by staff and will be included in the next phase of planning.

***Staff direction: to start interviews with PRP members to update this visioning process and report out at the next meeting***

## Proposed Process for Updated Project Evaluation and Ranking Process

Karen Gaffney provided a brief overview of the ongoing improvement process for project evaluation and past PRP direction, and then described the staff recommendation. Staff recommended that the PRP form an ad hoc committee comprised of staff and TPRC members who will evaluate the existing approach to project evaluation and ranking and develop a draft proposed approach for consideration at the next PRP meeting. This ad hoc committee will exist only for the duration of this evaluation revision process and will disband after the PRP has adopted the revised evaluation process. Staff will discuss priorities and ideas with individual PRP members, TPRC members who are not on the ad hoc committee, and DWR staff in order to inform this process. A draft proposed evaluation approach will be provided for PRP and public review and comment prior to the next PRP meeting and the proposed evaluation approach will be placed on the agenda for a decision at the next PRP meeting.

Chair Mackenzie stated that there is time to revise this process recommended that we request suggestions and volunteers to be on the ad-hoc committee.

Kirk Girard pointed out that after the TPRC reviewed projects, they developed recommendations to improve process. He stated that it is an important process and suggested that we take the time and interview project proponents and TPRC.

Marilyn Seward suggested that refinements might include clearer process with less introduction, more concrete data about the project

Supervisor Kendall Smith suggested that the PRP needed to provide more clear direction about discretionary criteria; she suggested that the committee review other project evaluation processes. She expressed interest in participating on the ad hoc committee.

Supervisor McCowen stated that clarity about the process needs to be communicated to the project proponents; ranking process needs to be made streamlined and defensible; he was pleased that review process was underway and had been already identified by PRP/TPRC

Vice-chair Jimmy Smith stated that one of the NCIRWMP guiding principles is regional representation; key is fire-wall between policy and technical review

***Motion 4: To adopt staff recommendation to form ad hoc committee comprised of staff and PRP/TPRC members who will evaluate the existing approach to project evaluation and ranking and develop a draft proposed approach for consideration at the next PRP meeting. Poll for Ad Hoc committee by July 31.***

***Motion: Supervisor John McCowen; second Vice-chair Smith; unanimous.***

***Staff direction: to distribute California Land Stewardship Institute/Russian River Frost Program letter to full TPRC/PRP***

## Energy/Climate

Biomass presentation

Nick Goulette, Watershed Research and Training Center Director, provided a presentation regarding the key findings from the *Biomass Energy in the North Coast Region* report. He stated that local expertise often has good solutions to regional issues but are often restricted by regulatory/policy issues – the Watershed Center produced the report with a policy lens. See key findings handout and presentation on website.

PRP member biomass updates

Supervisor Jaegel commented about the need to better understand the real stand fuel load along with projections about stand amounts in the future and suggests mapping of fuel loads in forests and mapping of current reality of biomass energy potential and constraints

Supervisor Armstrong stated that Siskiyou got involved in biomass as a response to making communities fire-safe; she is working with SOCEA, a strategic coalition in Southern Oregon that includes the governor, universities, elected representatives to develop plans for new energy resources; map all the resources, team review of ordinances, conducted seminars on energy sectors; she stated that SOCEA governance structure developed with NCIRWMP as a model.

Supervisor Kendall Smith indicated that the Fort Bragg project at GP site is conducting due diligence by potential funder (USDA grant); and inland group is working to identify appropriate sites for woody biomass as a value-added project for the community. Rhombus Power is interested in power generation facility in Mendocino County.

Supervisor Ryan Sundberg commented that he sits on Energy Authority Board. Blue Lake Power, a biomass plant that is changing to a gasification plant; Humboldt Bay Power developed wind turbine that sits horizontal and is bat/bird friendly.

Supervisor Judy Morris - Weaverville lumber mill burned in 2009 and are now re-built, recently awarded a USFS woody biomass utilization grants to offset organizational costs. Energy reduction results in enhanced general fund balance.

Supervisor Efren Carrillo described Sonoma County's Farms to Fuel program.

Supervisor Byrne described how the invasive juniper can be used as bioenergy, though juniper removal can also be hampered by archeological sites.

NCIRWMP role/direction discussion

Karen Gaffney suggested that the Strategic Growth Council grant may fund the mapping of resources for biomass and can act as a vehicle for greater discussion and planning

Supervisors Bennett and Armstrong stated that it was difficult for small rural communities to access resources and expertise to develop new energy independence programs; they suggested that the NCIRWMP coalition focus on energy independence GHG emissions reduction, jobs creation as a common ground issues; use SOCEA as a model; utilize NCIRWMP as a structure to move energy independence program forward and to define its role

General PRP direction: focus planning and Strategic Growth Council on energy independence, job creation, livable communities (fire), climate mitigation and adaptation.

***Staff direction: to develop staff recommendations with clear direction for PRP to consider at next NCIRWMP meeting.***

Energy/climate advisory committee

Karen Gaffney described the staff recommendation to consult on an as-needed basis with experts from throughout and beyond the region on issues related to energy independence and climate change, instead of forming a new committee. Staff proposes that the consideration of a committee be re-evaluated in the future as needed.

***Motion 5: To adopt staff recommendation related to climate-energy committee.***

***Motion: Supervisor Kendall Smith; second Supervisor Carrillo; unanimous.***

## Public Comment

Jim Jungworth suggests that the NCIRWMP can be a powerful group contributing to conversations in Sacramento regarding energy policy and stated that the time for developing a strategy for the North Coast is now; he thinks that exporting green energy to urban areas in California is a promising model.

Rebecca Crow stated that the project evaluation ad-hoc committee considers ways to add projects to the NCIRWM Plan in between funding cycles.

## Meeting adjourned at 3:17

## Meeting Attendees

Policy Review Panel Members

Chair: Vice-Mayor Jake Mackenzie, City of Rohnert Park, Sonoma County
Vice-Chair: Supervisor Jimmy Smith, Humboldt County
Supervisor Ryan Sundberg, Humboldt County
Supervisor John McCowen, Mendocino County
Supervisor Kendall Smith, Mendocino County
Supervisor Geri Byrne, Modoc County
Supervisor Marcia Armstrong, Siskiyou County
Supervisor Grace Bennett, Siskiyou County
Supervisor Efren Carrillo, Sonoma County
Supervisor Judy Morris, Trinity County
Supervisor Roger Jaegel, Trinity County
Alternate: Leaf Hillman, Karuk Tribe

Technical Peer Review Committee Members

Kirk Girard, Director of Community Development Services, Humboldt County
Kimberly Hunter, Modoc County
Marilyn Seward, City of Etna, Siskiyou County
Dale Roberts, Engineer, Sonoma County Water Agency, Sonoma County
Mark Lancaster, Five Counties Salmonid Conservation Program, Trinity County
David Van Denover, Weaverville Community Service District, Trinity County
Alternate: Sandra Perez, Five Counties Salmonid Conservation Program, Trinity County
Toz Soto, Karuk Tribe
Javier Silva, Sherwood Valley Rancheria
Koiya Tuttle, Potter Valley Tribe

Staff and Public

Nash Gonzales, Planning Department Director, Mendocino County
Paul Kelley
Rebecca Crow, Winzler & Kelly
Rick Hawkins, Nor Rel Muk Nation
Earl Crosby, Karuk Tribe
Konrad Fisher
Cynthia Naha
Jennifer Burke, City of Santa Rosa
Mario Hermosillo, Cloverdale Rancheria
Margie Graham, North District DWR
Jim Jungworth , Watershed Research & Training Center

Nick Goulette, Watershed Research & Training Center
Jeff Morris, Watershed Research & Training Center
Tim Anderson, Sonoma County Water Agency
Grant Davis, General Manager, Sonoma County Water Agency
Jennifer Jenkins, Humboldt County
Karen Gaffney, West Coast Watershed
Katherine Gledhill, West Coast Watershed