# Agriculture Stakeholder CVFPP Meeting Summary of Discussion and Action Items

May 27, 2016 9:00 a.m. – 11:00 a.m CH2M, 2485 Natomas Park Drive Sacramento, CA 95833 (Howland Room)

### **Participants:**

- <u>DWR and Consultants</u>: Tom Engler (MBK), Heidi Hall (DWR), Mary Jimenez (DWR), Mike Mierzwa (DWR), Briana Seapy (Kearns and West), Darren Suen (DWR), Christopher Williams (DWR), Ed Winkler (CH2MHill)
- Ag/Flood Stakeholders: Lewis Bair, Justin Fredrickson, Mike Hardesty, Max Sakato, Claudia Street

# **Meeting Objectives** (from agenda)

- Provide an update on Operation, Maintenance, Repair, Replacement and Rehabilitation (OMRR&R) and how it will be addressed in the 2017 CVFPP Update
- Confirm and discuss key topics of interest to the Agricultural community
- Identify next steps, including future discussions on key topics of interest

#### **Welcome & Introduction**

Mike Mierzwa welcomed attendees, reviewed the agenda, and reviewed the timeline to the 2017 CVFPP Update delivery. The full copy of the administrative draft will be delivered to stakeholders in October, following review by the Central Valley Flood Protection Board (CVFPB) in August. Mike reviewed the 'Pyramid Graphic,' emphasizing that the 2017 CVFPP Update is not an expansion of scope of the 2012 CVFPP, but a refinement and elaboration of content. Mike discussed how a number of supporting documents tie into the 2017 CVFPP Update, noting that the plan does not recommend specific projects, as it is a program-level plan.

- Question (Q): If the Central Valley Flood Protection Board (CVFPB) adopts the 2017 CVFPP Update, is it adopted as an update or a separate document?
  - DWR Response (R): The CVFPB decides what it will adopt, but ideally will adopt the 2017 CVFPP Update as an update, allowing DWR to make future changes when needed. The decision to 'finalize' documents makes it more difficult to keep them up-to-date, and many of the documents that informed the 2017 Update will be updated themselves before the 2022 CVFPP is released.
- Q: What is the theoretical big flood event DWR is planning around for the 2017 CVFPP Update?
  - R: In general, DWR is using the 1997 flood as a proxy for 100-year flood event in the Sacramento Basin.

    DWR is also trying to model a proxy 200 year event for which model estimates range from 110%-130% of the 1997 flood event depending on the Central Valley location being modeled.
- Q: Is stage reduction the primary driver of DWR flood models? What is the 200 year flood margin of safety in terms
  of stage reduction?
  - R: DWR is using stage reduction a driving metric in order to avoid ineffective benefit-cost ratios and in order to better manage for seepage, flood fights and flood damages.
- Q: Does the department believe there is an optimum stage reduction safety target, or is more reduction generally better?
  - R: Generally, more reduction is better. How reduction is modeled relates to the flood stage scaling factor, which is a model input that accounts for climate change analysis. The model assumes reservoirs are generally operated the way they are now, and the model was run under a number of different climate scenarios using updated state and federal climate guidance to understand structure vulnerability in the Central Valley based on flood stage.
- Q: How likely are 'Ark Storms' to occur, and what flood infrastructure can withstand those storms?

 R: Modeling floods beyond the 200 year event make predictions extremely difficult. Past historical events normally define our flood assumptions, but under dynamic climates, there has been a trend of underestimating flooding. DWR tries to plan for the flood that has not yet be seen.

## <u>Update on Operation, Maintenance, Repair, Replacement and Rehabilitation (OMRR&R) in the 2017 CVFPP Update</u>

Chris Williams discussed the California Central Valley Flood Control Association's comment letter on the Sacramento River Basin-Wide Feasibility Study (BWFS), noting that a DWR's OMRR&R Technical Memorandum (OMRR&R TM) addresses many of the issues and questions identified in the comment letter. Chris explained the history of the TM, noting that DWR framed OMRR&R issues in the 2012 CVFPP, and then constructed a workgroup to develop the OMRR&R TM in 2013. DWR has spent the last year seeking insights on regional issues and cost estimates. The report is expected to be finished in May 2016.

Chris defined and explained OMRR&R and reviewed the list of partners that informed the OMRR&R TM including: DWR Maintenance Yards, DWR Flood Maintenance Office, Central Valley Flood Planning Office, consultants, Levee Maintaining Agencies (LMAs), Regional Flood Management Plan (RFMP) representatives, DWR environmental, CVFPB staff, etc. Chris emphasized that the estimated costs in the TM are to maintain the Central Valley flood system assuming it is in a functioning and stable state, without deferred maintenance, on an annual basis. These cost estimates account for transactional and permitting costs as well as capital and construction costs. Flood management has shifted from single purpose to multi-purpose, which expands the scope, challenges, and costs of maintenance needs. The overall purpose of the OMRR&R TM is to estimate the maximum maintenance costs necessary to meet multi-purpose flood structure maintenance needs throughout the Central Valley.

- Q: Does the OMRR&R TM focus on levees, bypasses, and structures from a local agency maintenance perspective?
   R: Yes.
- Q: With whom did DWR vet the OMRR&R TM?
  - R: DWR worked with RFMP leads to invite Local Maintaining Agency (LMA) and Reclamation District (RD) representatives to contribute to the effort. For example, the OMRR&R TM includes cost estimates from Feather RFMP work that was done as part of a consolidation study.
- Q: How can the maintenance cost estimates be tracked over time, and do the costs account for repairs that are currently needed on levee systems?
  - R: Maintenance costs are estimated in the TM based on the existing project footprint DWR can adjust the cost for the whole system by adding system acres or miles as the footprint changes. This maintenance cost estimate assumes that levees and flood structures already meet current code standards. This is not always the case, but the assumption is that the RFMPs integrate cost estimates for necessary local repair projects into their regional plans, which separately inform the 2017 CVFPP Update.
- Q: For whom are the recommendations in the OMRR&R TM intended?
  - R: A portion of the recommendations in the OMRR&R TM will be used in the 2017 CVFPP Update. The goal of the OMRR&R TM is ultimately to bring awareness to policy makers about flood system maintenance costs. What the State and LMAs are spending now on maintenance is approximately \$30 million per year. The OMRR&R TM shows that combined State and local expenditures should be approximately \$130 million per year. Interestingly, rural and urban per-mile maintenance cost estimates are very similar.
- Q: Does DWR have an estimate on how far behind the State is on in-channel maintenance?
  - R: Maintenance yards don't necessarily track their maintenance costs separately, but in the 2012 CVFPP
     DWR included a line-item called 'State Operations' that captures staff time.
- Q: Does DWR have a breakdown of the cost of deferred maintenance? It seems prioritization of deferred
  maintenance is in order since the State will likely not have all the money it needs to undertake holistic system
  maintenance.
  - R: A prioritized breakdown of costs is needed, but it requires very detailed accounting at a finer resolution than would be included in the 2017 CVFPP Update. There is prioritization of recommendations in the 2017 CVFPP Update, however, on a broader scale. It is also challenging to determine the status of in-channel maintenance throughout the State. The DWR Flood Maintenance Office is first reviewing the channels that appear not to be able to carry the necessary capacity to determine top-priority actions. A key challenge and question is to what carrying capacity standard should the flood system be operating.

- Improved data will inform and strengthen DWR's case for increased resources. It is important that stakeholders continue to bring up these questions and concerns to empower DWR to address them.
- Q: Have local and regional rate increases to support flood system improvements in the Feather failed or been voted down?
  - R: Not yet, but the Feather region understands flooding risks well, so they are less likely to vote down
    measures that will increase flood protection. Also, typically locals will not want the alternative of state
    maintenance areas, so rate increases may be supported if the alternative is a state maintenance area.
- Comment (C): There is a real challenge in implementing a local rate increase for Prop 218, because there is a local understanding that the levees exist for a state-scale bypass project and do not solely benefit local tax-payers.
- Q: There have been biologist staffing and expertise changes at the Bureau of Reclamation. Has DWR considered a need to evolve LMAs expertise to include biological expertise? Another looming item is the new set of tribal regulations, because in the Sacramento Valley, all the tribal sites are right along the river.
  - R: DWR has one tribal liaison, and she facilitates the connections and discussion with the tribes. The State
    recognizes more tribes than the federal government, so the good relationship between the State and
    tribes seems to move actions along quickly.
- C: DWR may need to plan for increased tribal involvement.

## Topics of Interest to the Agricultural Community: Discussion

#### **Habitat Conservation Plans**

- C: Habitat Conservation Plans (HCP) seem to be ineffective.
  - R: HCPs offer a good approach to habitat improvement in coordination with flood planning, but there are
    ways to make them more effective. The HCP construct helps to achieve more effective tracking to show
    how things are changing over time so the State can be smarter about adaptive management. There is a
    need to talk about the real policy stressors on programmatic permitting. So, the HCP construct is right, but
    HCP application and outcomes are not always ideal.
- C: Scientists do not know how to advise adaptive aquatic management for Delta smelt, and therefore the HCP is useless. The Bay Delta Conservation Plan (BDCP) is the most colossal failure of an HCP.
- C: HCPs have issues, because agencies can't provide a guarantee that what they ask for will deliver results. In a real world construct, habitat exchanges are promising. Rural areas can generally affordably improve or increase habitat in exchange for project location approval on a project for which the location non-negotiable. Agricultural stakeholders are asking DWR to support habitat exchanges.
  - R: Habitat exchanges are included in the in 2012 CVFPP and will be carried forward along with a DWR support letter requesting recognition from the federal government of the public benefit of rural flood plains. There is also O&M value derived from agricultural lands, because farmers maintain the land and prevent large vegetation from taking hold.

## Permitting/Regulation

- C: Something has to change about permitting. When a DWR program focused on levee maintenance can only
  accomplish one project every two years due to the Department of General Services (DGS) and California
  Department of Fish & Wildlife (CDFW) permitting obstacles, there is a problem.
  - R: How all agency permitting and project pieces fit together is very complex. The better one understands how these things fit together, the easier it is to accept some project timeline and cost uncertainty. Also having funding available at the federal, State and local level is important.
- C: With all the pending, increasing, and uncertain costs to land owners (e.g., State Groundwater Management Act (SGMA), Irrigated Lands Regulatory Program (ILRP), etc.) landowners are extremely frustrated with government costs and regulation.
  - R: DWR's approach to potential cost increases involves a sustainably paced 'ramp up,' meaning that the Department first shares a plan (e.g., the 2017 CVFPP Update), then pragmatically moves toward a new cost construct based on what is included in the plan and based on stakeholder feedback received along the way. DWR recognizes that abrupt regulation and cost changes lead to unintended consequences. DWR is considering and accounting for other policies, like SGMA, that may have compounding or parallel effects on landowners. No one likes an unfunded mandate. It is one thing to have a vision, but if all the pieces aren't addressed, it's like having an unfunded mandate. The 2017 CVFPP Update spells out the people and funding needs necessary to successfully undertake outcome-based flood planning.

#### **Storage**

- Q: Agricultural stakeholders are very interested in upstream storage options, but these are not captured well in the 2012 CVFPP, and the topic is deferred to 2030 in the Sacramento River BWFS. Storage options should be looked at now; a lot can be accomplished with coordinated operations
  - R: The outlet structure at New Bullards is being evaluated as identified by the RFMP and the SJ BWFS looked at multiple physical/transitory storage options.
- C: Sites Reservoir allows the State to re-operate other reservoirs. There is a lot more that can be done on storage/reservoir operations.
  - o R: The reason DWR included coordinated operations on Yuba/Feather is because Oroville is State owned and operated. If the State demonstrates success, then the federal government may follow in suit.
- C: The hope is that the State carries up reservoir re-operation to federal officials, because the pressure is on locals to take action.
  - R: From the Feather River Region's perspective, the bottom-up approach has worked. The Feather Region recommended rule curves and coordinated operations, and the State integrated these recommendations. Now the recommendations are going to the federal government.
  - R: The CVFPP offers a path to show the federal government regional and state alignment on reservoir operations and storage management actions.
- C: There are other issues besides storage. For example, when flood systems are modified for habitat development, there are unintended consequences. For example, fish being redirected to the bypass is real stumbling block for levee operators and agricultural workers. DWR should ensure levee modifications do not incur negative consequences.
- C: Reservoir operations and upstream storage offer multi-benefits too.
  - o R: DWR recognizes storage options as multi-benefit actions in the 2017 CVFPP Update.

## **Action Items & Next Steps**

- DWR to strengthen language in the 2017 CVFPP Update that addresses potential unintended consequences of flood policy drivers
- DWR to consider inclusion of a policy driver in the 2017 CVFPP Update to strengthen relationships with tribes
- DWR to schedule follow-up conversations with agricultural stakeholders on reservoir operations/upstream storage and mitigation of potential unintended consequences of 2017 CVFPP Update policy implications
- K&W to mail requested hard copies of the DWR OMRRR Technical Memorandum