

CEAC
Flood Control and Water Resources Policy Committee
Meeting Minutes
Wednesday, March 25, 2009

I. FEMA Map Modernization

Farhad with Marin County reported that they received digitized maps of their old 1982 paper maps as part of FEMA's map modernization project. They received the maps, reviewed them and supplied comments to FEMA. April 2008 was the end of their six month appeal period. In June 2008, two months after the appeal deadline, FEMA released another map adding 1000 parcels to the floodplain. Marin protested but FEMA said they were technical corrections to the map and were not subject to appeal.

With many of the levees not being accredited, much of the Central Valley is now in a FEMA floodplain. It should also be pointed out that FEMA's map modernization project does not use current hydrology. When FEMA revises the maps using current hydrology, there will be additional impacts to parcels in the floodplains. Sacramento area was able to get a one year extension legislatively for the insurance provisions.

II. DWR Subventions Program

DWR informed Nadeem that their Subventions Program is still fully staffed and still processing claims. They encouraged counties to submit claims for subventions, however, they have no funds to pay the claims due to frozen bond funds. See attached written report from DWR.

III. Legislation and Budget Update

See attached CSAC Legislative Bill Tracking Report for details of proposed legislation. The highlights include the following:

- SB 310 – The Homebuilders Association requests support of the bill. Karen needs comments from CEAC on this bill. See attached description of SB 310, the California Urban Improvement Act. Submit comments to Karen.
- SB 413 – Proposed restructuring of the Regional Water Quality Control Boards (trying to have consistency amongst the Regional Boards throughout the State). One additional improvement would be to allow counties to communicate with Regional Board members when an item is

- SB 514 – Revises the minimum mandatory penalty for sewer treatment plants.
- A bill has been sponsored to exempt stormwater from a Proposition 218 vote similar to water and waste water. Karen will send out the Bill number.
- On the budget, CSAC took a neutral position on the six measures on upcoming May ballot. After the election in May there will be a June Revise from the Governor's office. The Governor wanted CSAC's support for the measures on the May ballot but there was not a majority of the CSAC Board Members willing to take a support position.

IV. Economic Stimulus

Federal Economic Stimulus funds can be accessed/applied for by local Flood Control Districts through the Army Corps of Engineers (Corps projects or 1135 Program) through EPA's National Estuary Program (San Francisco Estuary Project in the Bay Area) or through EPA's State Revolving Fund Loan Program. The Army Corps has \$2 billion for construction and \$2.4 billion for operations and maintenance. There are 38 Corps Districts nationwide that must share the funding. Most counties will not receive funding for a Corps project ready to go but there may be opportunities for operations and maintenance dredging projects. The list of funded projects from the Corps has not yet been released but is due any time now. \$25 million nationwide is available for studies. One encouraging note is Congress is requiring the Corps to report on their progress and milestones in spending stimulus funds. The Corps has to report this on a matrix which will be available to view on the website. Information on economic stimulus funding in general can be obtained on the CSAC website.

V. Department of Fish and Game Endowment

Vincent Gin with Orange County reported that DFG is requiring an endowment for mitigation on their projects to ensure long-term maintenance. DFG has also required escrow accounts for a five to seven year establishment period on two projects. The escrow accounts for establishment can be held locally in the county, however, the endowment funds have to be held by DFG at the State. Orange County is seeking a legislative exemption for endowments on work performed by public agencies. Application of the endowment appears to be on three different levels, Mitigation Banking, Endangered Species Act requirements, and Streambed Alteration Agreements. Orange County met with Secretary Chrisman and Kevin Hunting in January and were told that most defaults are by public agencies, although subsequent discussions with

DFG staff indicate the data does not support that. They were also told that there are other ways to provide insurance without putting up cash, however, subsequent research has been unable to determine an alternative.

Los Angeles County has proposed putting two years of maintenance costs into an escrow account plus agree to budget for maintenance on an annual basis. This would be formalized in an agreement with DFG. See the attached letter from Los Angeles County dated February 25, 2009.

Action Items

- Vincent needs information from other counties on whether endowments are required by DFG or how they are handling their long-term maintenance responsibilities. Please send comments to Vincent.

VI. Section 404 Streamlining

Herb Nakasone with Orange County reported having received resolutions from four counties supporting their effort to streamline Section 404. They met with Los Angeles Army Corps of Engineers and outlined their two primary objectives.

- Allow for a 10 year permit period.
- Clarify requirements for exemptions and one time mitigation.

CSAC and NACO support the streamlining effort and now Herb needs support from local congressional delegations, especially those on key committees. Herb will be going to Washington DC next month and meet with the Army Corps of Engineers Headquarters and NACO. In a subsequent discussion after the CEAC meeting, Herb elaborated that his outreach would include the Sacramento area, especially SAFCA and DWR. Karen will set a meeting up with Herb and the Sacramento area representatives. Herb is particularly focusing on Congresswoman Matsui. There was additional discussion on the wording of the streamline proposal and changes were suggested. Herb will send a letter to CEAC outlining the proposed changes. Herb would also like to know if anyone has a permit over five years in length and how many counties are having problems for permits and how many are interested in streamlining the process.

Santa Clara Valley Water District has a programmatic permit and each year meets with the regulators and stakeholders to review their maintenance operations successes and lessons learned.

Action Items

- Karen to set up meeting with SAFCA and DWR in Sacramento.
- Herb to draft letter to CEAC with modifications to streamlining proposal.
- Karen to send out a request to counties asking if they have a problem with 404 permits.
- Mitch will put Herb on the next Bay Area Flood Protection Agencies Association agenda.

VII. Statewide Needs Assessment

There has been no work done by DWR on the needs assessment due to the frozen bond funds. Nadeem suggested that CEAC put together a “white paper” similar to what DWR did in 2005 (the teal paper). Nadeem will draft an outline of what this paper would cover for review by the committee, then Mitch will talk to Dan Cloak to determine the costs of drafting such a report.

Action Item

- Nadeem will draft an outline and vision for a statewide report.

VIII. Other Items

- Mitch met with Senator Mark DeSaulnier and Assemblymember Tom Torlakson on a project in Contra Costa County that could not proceed to construction due to frozen bond funds from a River Parkways grant. The result was suggestion for legislation to “lock in” counties and cities that have grants for projects so they will be guaranteed to receive funding in the future when bonds are sold. This would also include an extension for regulatory permits that projects have. The Legislator’s requested information from counties and cities throughout the State on how much has been invested in these projects to date, in other words how much would be lost if the projects were not completed. It was also reported that when the bond funds are frozen the top priority of funding will go to transportation and then education related projects. The third priority would be for infrastructure projects and the fourth priority would be for environmental projects. There was a question whether flood control projects would be treated as a third priority infrastructure project or a fourth priority environmental project. Karen will check on this.

Action Items

- Mitch will email CEAC members a request for information on grant funded projects that have been frozen.
- Karen will research whether flood control projects are number three or number four priority.

IX. Delta Happenings

A Senate hearing was conducted on March 23, 2009, and several people testified that they agreed with the notion that "Delta as a Place" should be a tri-equal goal in addition to water reliability and eco-system health. In addition, several comments were made that DWR needed to be restructured to separate water planning from water management operations. There was also a bi-cameral committee established to decide which legislator would work on what legislative topics regarding the Delta.

X. The California Water Plan

DWR is holding a meeting on April 15 at 11am for all flood control agencies. This meeting is for the Flood Control Caucus, which will focus on incorporating flood control issues into the California Water Plan Update.

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