MEETING

STATE OF CALIFORNIA WATER BOARD

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APPEARANCES

BOARD MEMBERS

- Mr. Charlie Hoppin, Chairperson
- Ms. Tam Doduc
- Ms. Francis Spivy-Weber

STAFF

- Ms. Jonathan Bishop, Chief Deputy Director
- Mr. Tom Howard, Executive Director
- Mr. Michael Lauffer, Chief Counsel
- Ms. Caren Trgovcich, Chief Deputy Director
- Mr. John O'Hagan
- Ms. Karen Niiya
- Mr. David Rose

ALSO PRESENT

- Mr. John Aguirre, CA Association of Winegrape Growers
- Mr. Bob Anderson, United Winegrowers
- Mr. Jesse Barton, Williams Selyem, Russian River Water Users for the Environment, Alan Nelson Munselle Vineyards, Robert Terry Rosatti, Redwood Ranch, Charlie Sawyer
- Ms. Kimberly Burr
- Mr. Al Cadd, RRPOA
- Mr. Brian Cluer, NMFS
- Mr. Steve Dunnicliff, County of Mendocino Board, Executive Officer

APPEARANCES CONTINUED

ALSO PRESENT

- Mr. Steve Edmondson, NMFS
- Mr. Nick Frey, Sonoma County Winegrape Commission
- Mr. Stephen Fuller-Rowell, Sonoma County Water Coalition
- Mr. Scott Greacen, Friends of the Eel River
- Ms. Terry Gross, Mendocino County Board of Supervisors
- Mr. Larry Hanson, NCRW
- Mr. David Hines, NMFS
- Mr. Brian Johnson, Trout Unlimited
- Mr. David Keller, Friends of the Eel River
- Mr. David Koball, Mendocino County FB
- Mr. Alan Levine, Coast Action Group
- Mr. Doug McIlroy, Rodney Strong Wine Estates
- Mr. Allan Nelson
- Mr. Pete Opatz, Sonoma County
- Mr. Stephen Passalacque
- Mr. Patrick Porgnas
- Ms. Maria Potter, North Coast Stream Flow Coalition
- Mr. Derek Roy, NOAA/NMFS
- Mr. Tim Schmelzer, Wine Institute
- Mr. Ed Sheffield, Senator Noreen Evans
- Mr. Alfred White, La Ribera Vineyards
- Mr. Sean White, RRFC

INDEX

	PAGE
Introduction	1
Staff Presentation	7
Mr. Edmondson	12
Mr. Cluer	20
Mr. Roy	22
Mr. Hines	24
Mr. Sheffield	26
Mr. Porgnas	30
Mr. Gross	34
Mr. White	37
Mr. White	38
Mr. Nelson	41
Mr. Aguirre	4 4
Mr. Barton	46
Ms. Potter	48
Mr. Levine	51
Mr. Dunnicliff	56
Mr. Koball	5 9
Mr. Johnson	63
Mr. McIlroy	66
Mr. Anderson	70
Mr. Greacen	73

INDEX CO	NTINUED
----------	---------

	PAGE
Mr. Keller	7 4
Mr. Frey	79
Mr. Fuller-Rowell	80
Mr. Hanson	82
Ms. Burr	8 4
Mr. Passalacque	85
Mr. Schmelzer	89
Mr. Cadd	9 2
Mr. Opatz	93
Adjournment	122
Reporter's Certificate	123

PROCEEDINGS

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CHAIRPERSON HOPPIN: Good morning, ladies and gentlemen.

Staff, are we ready?

There's a few things I'm going to read and a few things I'm going to say.

Good morning. I'm Charlie Hoppin, Chair of the State Water Resources Control Board. With me today, to my left, Vice Chair Fran Spivy-Weber; to my right, Board Member Tam Doduc.

Also present are Executive Director Tom Howard, Chief Deputy Director Caren Trgovcich, and Chief Counsel Michael Lauffer, and Jonathan Bishop. I don't know why you weren't in the script.

CHIEF DEPUTY DIRECTOR BISHOP: That's okay.

CHAIRPERSON HOPPIN: I didn't do it. And of course, Jeanine Townsend, who keeps me under control.

This hearing is for the consideration of the adoption of a proposed Russian River frost protection regulation and to certify the associated environmental document. In this hearing, the Board will consider public comments in deciding whether to adopt the regulation.

As most of you know, having been here for endless meetings on the Russian River frost protection issue, we have an emergency procedure. If you do hear a horn,

buzzer, something that doesn't sound right, if you would very slowly walk out the back doors, down the steps, and across the street, I would appreciate that very much. If for some reason someone is unable to negotiate the stairs, it would be my pleasure to help you.

2.2

First, the staff will make a brief presentation. Then we'll hear comments from interested persons. Oral presentations will be limited to three minutes. But I can assure you if you're in the middle of a thought, there's not going to be a trap door or a buzzer that goes off. We want to hear what you have to say, as always.

If you're wishing to speak, if you would please -- if you've not already done so -- fill out a blue speaker's card and give it to the Clerk of the Board. If you're not sure if you want to speak, fill out the card and then mark "if necessary." When you're called upon, you do not need to come forward. When you do come forward, please identify yourself by name and affiliation so we can have it on the record.

The hearing is being webcasted and recorded, so please speak into the microphone so your presentation is clear. We also have a court reporter with us today.

And last and most importantly to me, all of you that have your electronic umbilical cords, if you would turn them onto some form of silence, I would appreciate

that very much.

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We're going to have a brief introduction from staff, but I would like to make a comment to all of you. I don't know how many of these meetings we've had, a lot of them. And I'm glad we had a lot of meetings, because we received a lot of input from all of you. We heard your concerns and feel comfortable we have done a good job of addressing those concerns. While this isn't perfect -- whenever you introduce a regulation to somebody that has not heretofore been regulated in this area, it's not pleasant. It's not something anyone likes. But I think we all know the reason why we're here doing it today.

I know there's been some very expressed concerns about certain parts of language as it relates to reasonable use of water. I think we have some language that clarifies certainly our feelings about that. And I hope it will help take care of all of you that have had concerns.

This isn't going to be perfect, whatever we do.

Going forward, this has been laid out as an adaptive

process, an ongoing process. So much if we approve this

today will fall back on the shoulders of the water demand

management groups. And their analysis and their direction

to their growers is not going to be something where we're

sitting here in this building micro-managing every facet

of your lives. So I think the opportunity is there to do this yourselves. I think that's important.

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I can tell you that I've met some nice people during this. I think the one that always strikes me is David Manishi, because David was never afraid to stick his nose in my face and tell me when he thought we were off base. I've had a chance to go the David's home, sit in his shop with a lot of his neighbors that are just everyday people, and look at their vineyards and their manicured -- like they would be manicured on some Hollywood star's estate. Everything is in its place, with very normal people.

And had the pleasure last spring of going over to a landowners association meeting in the grange hall not too far from David's house, and I met a lot of people.

Out of the whole group that was there, there was one neighbor that was kind of a pain in the butt because he wanted to talk about duck hunting and duck water and some other water right. But for the most part, they were the kind of people that I like to relate to.

For whatever reason, in America, we hear an awful lot about small family farmers. And we hear about the corporate devils and mega-agriculture and what have you. And I think this process has shown the shortcomings of a lot of those feelings. We have a lot of people that are

small family farmers. We've got people that have taken an inordinate amount of their time. People like Pete Opaz and Doug McIlroy, Cindy Depreez, and Fetzer has allowed David Koball to be participatory in this. These are all very large companies. I've sure they put a lot of their credibility and stock on the line as we've gone through this process. But you know, I've enjoyed seeing people dig into things and work with their neighbors to get something done.

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Certainly, Tim Schmelzer from the Wine Institute as well as Peter Keel and others have done an awful lot of work. I think particularly about Tim and Danny Merckly and Rich Matais because they're the messengers to the people that are part of their organizations. That isn't always a pleasant task. They have a job. They have an organization that deals with a lot of things. And all of a sudden, they're talking with their members trying to get them to buy into this. And that's not something we should take for granted. I really appreciate that.

Brian Johnson asserted himself into the middle of a bunch of growers. He came out unscathed. Brian is not the biggest guy in the world, but he is very sure of what he wants to do. And when things would fall apart and wheels would fall off, Brian would go back in for another round. And I quite frankly think if it hadn't have been

for Brian's resolve in this, a lot of this, representing certainly a segment of the environmental community, that we wouldn't be here today at all. We'd still be glaring at each other.

2.2

There are a lot of other people that invested a lot of time, like Bob Anderson. But I could go on and on, but if I go on and on, I could forget somebody and they're going to think I did it intentionally.

As we begin this today, I want you all to know that when we had the first of these meetings, I made it clear that I felt that 2- or 3,000 growers individually were never going to get to where I felt we needed to be and that we needed some form of self-governance. I said I don't care whether it's the Farm Bureau, Resource Conservation District, a bunch of people that get together in Dave Manishi's garage. I don't care how that works. We can't govern you. You need to take this on ourselves, and that's what I've seen. It hasn't been a simple process. Mendocino County started off gangbusters. Sean White and Dave Kobald knew more than anybody else. And all of a sudden, there are reasons why that kind of slowed down.

Sonoma County picked up the ball and were very active. They had a little issue with their Board of Supervisors and the wheels kind of fell off after a while.

But people were committed and maintained their resolve and kept going forward on this. And I think that's the only way we make it through a difficult process is for people to be involved, even if it's not pleasant.

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So to all of you I mentioned and all of you I didn't mention, I want to thank you. Hopefully, we come out of this today the way I think we should. And we'll see how all that goes.

With that, John O'Hagan will make a short introduction. Hello, John.

MR. O'HAGAN: Good morning, Chair Hoppin and Board Members Doduc and Spivy-Weber.

My name is John O'Hagan, and I will be making the staff presentation on the proposed Russian River frost regulation.

With me today to my right is David Rose, staff counsel; and to my left, Karen Niiya, staff engineer. And I have also in the back Daniel Schultz, environmental scientist; Gerald Horner, staff economist; Tom Peltier, staff geologist; and Aaron Miller, staff engineer.

Since February 2009, the State Water Board has held numerous workshops and working group meetings to hear public comments on the beneficial use of water for frost protection in the Russian River and the conditions of the salmonids.

Based on the comments and information received, the Board directed staff to draft a regulation. During these public meetings, the Board members also provided the following important directions:

The goal of the regulation is to preserve the species;

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The regulation should encourage participation;

The regulation needs to be flexible for adaptation;

And the regulation needs to be broad enough to be workable;

Transparency and clarity are important;

More monitoring information is needed and monitoring of the rivers is important;

The regulation must identify how we deal with enforceability.

Board members were sympathetic towards those concerned about the unreasonable use language but said that we had to be clear legally.

On May 20th, 2011, the State Water Board initiated a formal rulemaking process with the proposed regulation. On that date, the draft regulation, Notice of Proposed Rulemaking, Initial Statement of Reason, a draft EIR, and an economic and fiscal impact analysis of the proposed regulation were made available for public

comment. Written comments were due by July 5th, 2011.

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Eighty comment letters were received. Staff reviewed and analyzed the comments received, prepared responses, and made the following changes to the May 15th documents. We reorganized the proposed regulation for improved clarity. We added more flexibility by allowing a governing body to include their own scientific experts in the consultation process. We added clarification by defining hydraulically connected groundwater. Staff also prepared a draft resolution that provided the requested clarification for the initial requirements of a water demand management program.

Due to these changes, staff provided another 15-day notice of the revised proposed regulation and supporting documents. Included with this public notice was a response to comment document and a draft Board resolution for the adoption of the proposed regulation and certification of the revised draft EIR. Comments on those changes were due by September 16th.

Twenty-eight comment letters were received.

Staff has reviewed and responded to comments directed towards changes to the draft EIR and has provided copies of the staff's responses to the Board members and hearing participants. The copies of the staff responses are in the back of the room and will be posted on our internet

site.

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The comments received pursuant to the September 1 notice relative to the draft regulations and rulemaking documents include six supporting adoption of the regulation; six commenting that the proposed regulations do not go far enough to protect salmonids; and 16 opposing the proposed regulations concerned with the science supporting the necessity of the regulation, the legal basis for the regulation and its application to all diversions of water in the watershed, the unreasonable use language, and the inclusion of hydraulically connected groundwater, and the burden of proof required to be exempted from the regulation.

Most of these comments do not specifically address the revisions made to the proposed regulations on supporting -- or supporting documents as directed by the September 1 notice. Staff believes these comments have already been responded to in the response to comment document.

Should the Board adopt the proposed regulations consistent with the draft resolution, staff will prepare written responses to the remaining comments to be finalized by the Executive Director for submittal to the Office of Administrative Law as part of the final Statement of Reason.

Before closing, it is important to note that staff continues to recognize the progress made by local groups in both Sonoma and Mendocino Counties. These programs continue in the watershed, as staff believes these programs could be submitted under the proposed regulation as a water demand management program with some modification. These local programs have many of the criteria required for a water demand management program and their existing leadership shows the ability to implement successful programs.

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I would like time at the end of this hearing -- or at the Board meeting to make staff's final recommendations. This concludes my presentation. Thank you.

CHAIRPERSON HOPPIN: Thank you, John.

Any of you that have not submitted your blue speaker cards, if you could do so, I would appreciate it.

For your information, when we complete hearing from all of you on your concerns, we will take a break with staff to go over these issues that have been raised today to make sure that they are properly addressed. I don't know how long that will take. Probably 15 or 20 minutes. Whatever amount of time it takes, we will adjourn to make sure we have a fair analysis of the comments we have heard today.

1 If Steve Edmondson would come forward, please.

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MR. EDMONDSON: Good morning, Mr. Chairman.

CHAIRPERSON HOPPIN: The green light, Steve.

MR. EDMONDSON: How much time do I have?

CHAIRPERSON HOPPIN: I'm not cutting you off on time. There is a button there. You need to turn on your speaker so we all hear you. I know you know what you want to say. I want to know what you want to say.

MR. EDMONDSON: Good morning. Okay.

CHAIRPERSON HOPPIN: Generally speaking, the more highly educated, the more difficult time you have turning on the switch. It's a good sign.

MR. EDMONDSON: I won't necessarily agree with that, but I'll accept the comment. Thank you.

Well, good morning, Chairman Hoppin and members of the Board. And thank you for having me this morning and allowing me time to speak.

I'm Steve Edmonson, Southwest Regional Manager for the National Marine Fisheries Service.

I would like to begin by clarifying our agency's role in the process. I will then reiterate our agency's position on the issue of high demand water use frost regulation, and will follow with a call for cooperation with the various interests in the context of frost regulation. Finally, I will describe the latest

developments in creating the framework for NMFS classifications of water demand management planning groups pursuant to the State regulation.

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First, to clarify our role. NMFS is responsible for protection and recovery of the nation's living marine resources and the habitats upon which they depend pursuant to Federal Endangered Species Act and other federal laws. Our agency has been empowered to collaborate with State agencies and other agencies and organizations to develop and implement programs and regulations of our own and to administer federal laws as necessary to ensure the survival and recovery of threatened and endangered species.

And most germane to this process is Section 6 of the Endangered Species Act, which provides that federal agencies shall cooperate with State and local agencies to resolve water resource issues in concert with conservation regulated species.

The preferred approach of our agency has always been and remains to seek collaborative solutions and use the full spectrum of our authorities and resources to achieve our conservation goals. Examples of collaboration on this issue include leadership of the Frost Protection Task Force, continued outreach and negotiations with industry, government, NGO representatives, technical

assistance to all parties. Examples of regulation include our active support of Sonoma County frost ordinance, a cooperation with the Board and Board staff in the development of this proposed regulation, and examples of enforcement are limited to the Felta Creek case.

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Second, our position remains one of support for the proposed regulation. Management of frost protection activities most appropriately dealt with through regulation is proposed by the State Water Resources Control Board. There are three principle reasons for this. First, the Board is the only organization with the legal authority and responsibility to regulate water use in the state of California. NMFS is directed by the Endangered Species Act --

CHAIRPERSON HOPPIN: Steve, the last statement you made, there is a gentleman that's real active in some water issues I'd like to have you make that comment to at some point. If you can hold that line for a minute, I'd appreciate it.

MR. EDMONDSON: I'll put a sticky on it.

NMFS is directed by the ESA to cooperate with State and local agencies to resolve water resource issues in concert and conservation of endangered species. We interpret this to mean that it's our job to support the Board in its actions in order to ensure adequate flows of

the survival and recovery of salmonids is remained or restored.

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Unfortunately, collaboration alone is not sufficient. As detailed in earlier testimony, full participation and transparency are needed to address the issue comprehensively. Enforcement of the ESA alone is not sufficient or practical. Without regulation, the burden would fall on NMFS enforcement to incentivize cooperation. This option is not practical because enforcement is not designed to address cumulative effects issues. Each case represents a large investment of staff resources. And as evidenced by earlier testimony, enforcement of the ESA is not preferable, nor does it foster collaboration and support for conservation goals.

Third, while we are aware of opposition to this regulation, we feel it important for all parties to strive for a mutually acceptable solution that includes regulatory oversight in order to best serve both individual and social needs.

Finally, if adopted, the frost regulation will call for consultations between NMFS, California Department of Fish and Game, and the Water Development Management Plans to site-specifically determine protective flows for salmonids during frost season. As is the case with our aspects of complying with the anticipated regulation, we

envision a phased approach to these consultations in order to adapt as necessary and fully vet the procedures.

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For frost season 2012, we propose to limit our consultation to a few high-risk locations. Risk will be determined by evaluation of diversion inventory data compared with stream flow availability. Tributaries with low supply and demand ratio where salmonids are present will be considered a high risk for stranding of juvenile salmonids.

With those top few sites, we will ask water development management plans to survey stranding surfaces in the gauged reach. The gauged location will become the compliance point for all upstream points of diversion.

The stage at some stranding surfaces become exposed, for example, where the risk of stranding increases appreciably, will determine a flow below which limits to diversions will be imposed. Within that range of flows, cumulative diversions should not exceed a given percentage of stream flows.

Specifics of the methods are being described in a paper currently being drafted and will be available for review by the end of the calendar year.

And that's the script that David typed up for me to read. And he doesn't like for me to go off script, because it makes him nervous. But I will anyway, because

1 | I like to see him squirm.

2.2

I wanted to add in, I guess, my personal feelings on this, if I may.

First, I want to remind folks what we have going for us here and to congratulate the Board, Board staff, the growers, the NGOs, the local governments for how much we've achieved. I think that's kind of lost in all this process.

I've been involved with water resource issues for about 35 years and with several different federal agencies. And one thing I can say for certain, having worked all over the country, is that the environmental ethic and sense of stewardship is definitely stronger in Sonoma and Mendocino Counties than anywhere I've ever worked. As witness of that, consider the short period of time that we've been working on this issue how much we've achieved in terms of a county ordinance in Sonoma County, unprecedented pond construction in Mendocino County and elsewhere and the unending and untenable numbers of meetings that we've had with growers, NGOs, government agencies. It's truly impressive. And I can say with certainty wouldn't have occurred anywhere else in the country.

Folks in these counties don't agree with the premise that it's a tradeoff, that you can't have both

healthy environment and productive agriculture. And although there is a small and vocal objection to regulation, I feel strongly that people in Sonoma and Mendocino County expect to have both a healthy environment and a productive agriculture community. And these regulations are a big step in that direction.

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So I applaud the Board and everybody in this room. And again take a step back and realize how much we've accomplished and all the good we've done in a short period of time.

CHAIRPERSON HOPPIN: Steve, I have a couple of questions for you, and I think they're very important to everybody in the room.

As we go forward on this, I think because of the way we have positioned ourselves, we realize this is an ongoing process. We're not starting out with something perfect. There is a lot of information gathering that's going to need to be done. It certainly will evolve. We are going to find the strong points and the weak points and what we think we know today and I'm comfortable we will improve on those.

I would hope that your agency as well as Fish and Game will be mindful of the fact that there probably will still be a take someplace under some circumstance. And as long as that's being properly responded to, you know, I

hope that both the State and federal fish agencies will look at something realizing that it's probably not perfect and where the sincerity of the agriculturalists are along the way. That's very important to me.

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I think there's one thing I wasn't aware of -- a lot of things I wasn't aware of. But as we went through this process, particularly in the tributaries, there is an indication for natural stranding of fish that has nothing to do with agriculture practices. You know, you deal with daily fluctuations of stream flow for a lot of reasons, including temperature, and you know, simulation by plants, evapotranspiration. I'm sure there's going to be people that are going to have this whole program under a magnifying glass and would like to characterize something that had nothing to do with agriculture as, see, we told you, because they probably don't want agriculture to exist in the valley anyhow.

So I hope that your agency will be vigilant going forward to cover the backs of people that are doing the right thing. We have people that aren't, and it's very clear that we intend to take enforcement action. But those that are doing their level best to make this better, it's not going to happen with the snap of a finger. And I hope there will be some understanding of that going forward.

MR. EDMONDSON: Very well said, Mr. Chairman. I agree completely. And I think that we take it for granted this is going to be an iterative process. It's going to be continually refined. And we're going to have to work with folks.

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It's also going to be very site-specific. I know folks that want to have one number or a silver bullet they can apply to all operations. And I suspect that it's going to be very site-specific with each operation, each trip. And it's going to take a while to work it out. I agree completely with what you said. I appreciate it.

CHAIRPERSON HOPPIN: Thank you very much. Any questions? Thank you.

Brian Cluer, Ph.D. and hydrologist. It's a good thing that microphone is already turned on.

MR. CLUER: Do I have to push buttons?

CHAIRPERSON HOPPIN: No. You're all right.

MR. CLUER: I'm probably overeducated to push buttons. But I am a pilot, so I do some of that in my spare time.

Good morning, Mr. Chairman and Board and staff.

My name is Brian Cluer. I have a Ph.D. in hydrology and over 20 years experience in the federal government and various aspects of water use, designing experiments and regulating flows downstream of the federal facilities and

working with NMFS now for 11 years on various aspects of groundwater.

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The comment I'd like to make today is NMFS wrote a memo a while back of which David Hines was the primary author, but it's still a NMFS product because it was reviewed by myself and another Ph.D. Dr. Bill Hern, and Steve Edmondson and others in our division. And it was an estimate of fish stranded on the main stem of the Russian River on one bar. So the actual data we had to work with was ten fish on one bar.

And what David did in that calculation, that estimate of the potential magnitude of that event, has caused quite a lot of controversy. I'd like to try to clarify that, because David has tried several times and the controversy keeps swirling.

So from a more removed perspective as a reviewer and giving David counsel on this subject, what David did was a very transparent calculation of the number of fish that may have died along the main stem in that water withdrawal event. So it's an extrapolation, an admitted extrapolation. And David said that very clearly. In the table that he showed in his calculations -- which is about as transparent as you can get -- you can push the numbers in the calculator yourself and get the same result.

That's why he laid it out that way. Does come up with a

specific number down to accuracy of a single fish. And that I think has been taken out of context showing -- or making the claim that you can't be that specific. And we wholeheartedly agree you can't be that specific. And in discussion, David couched that specific number very appropriately. He rounded it to the nearest thousand I believe, and he also discussed possible minimum and maximum numbers that that calculation could be bounded by error so to speak.

So we were requested to produce that memo and that calculation. It's not something that we just put out there on our own. And I think we did a good job of it.

Thank you.

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CHAIRPERSON HOPPIN: Thank you very much.

I want to make one comment. Ed Sheffield is here from Senator Noreen Evans' office.

Ed, if you don't mind, I've got two more speakers from the federal fish agencies and then we'll let you go ahead. I know you've got work to do back over at the Capitol, or I hope you do.

Derek Roy.

MR. ROY: Good morning. My name is Derek Roy, special agent with NOAA Fisheries.

I just wanted to make a comment about what you made mention of versus the natural stranding versus take.

My authority comes under the Section 9 of the Endangered Species Act. And I just wanted to mention that we have responded to numerous reports of stranded fish over the course of this process. And what we do is we just gather the facts associated with those strandings. And we turn those facts over to our biologist, our hydrologist to make a determination of whether it was natural stranding versus the take.

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Obviously, natural stranding and take are two very different things. I just want to make mention of that, that we do go through the process, investigate it, and we find the facts, generate the facts, and then use our expert biologists and hydrologists to make that determination.

CHAIRPERSON HOPPIN: I think we're all aware,
David, that we have different groups of people. Some see
stranded fish and are very concerned and very legitimately
concerned. Others are looking for something for another
reason. And you know, it's important that, you know, you
deal with those in a matter of fact way on both sides of
the issues. So thank you for clarifying that.

MR. ROY: Absolutely.

Also, we don't -- a lot of times the information we get about stranded fish comes from the general public, because there is such a vast area where these things could

occur. We do respond to them in that way. Thank you.

CHAIRPERSON HOPPIN: Thank you.

David Hines.

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MR. HINES: Good morning, Mr. Chairman and members of the Board.

My name is David Hines. I'm the Water Policy Coordinator for the National Marine Fisheries Service.

I just want to make some brief comments essentially reiterating what you were saying, Mr. Hoppin, about the need for an iterative process moving forward.

As Steve mentioned, we understand and appreciate that things aren't going to get up to speed and in perfect condition right off the bat. In fact, I met recently with Bob Anderson, Doug McIlroy, and Pete Opaz to discuss the Sonoma County efforts. And they've done a tremendous job with inventorying and preparing for these anticipated — this anticipated regulation. And they are looking for a phased approach, which we are supportive of. And in fact, the flow criteria that we have under development now I think warrants a phased approach as well because it will be a very important component of this process. And it does need to be vetted and tested and revised as necessary. So we totally understand that this is not going to happen right off the bat.

CHAIRPERSON HOPPIN: David, something that your

agency can certainly help us with as we go forward, I know there's been various telemetry provided. And there's going to be a need for more -- certainly the Congressman from that area and Senator Finestein has expressed concern and interest about all of this and expressed a willingness to help find federal funds to help augment some of the needs for gauging and telemetry.

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I would appreciate it as we go forward if we all work together on that, because if not, it comes out of your back pocket or out of growers' back pockets. And the more assistance we can find, I think the sooner things will get up to speed and the more equitable it might be.

MR. HINES: We'll be happy to lend our voice to that effort as well.

And I think you raised the issue of efficiency that we may find in coordinating our efforts. We have 15 gauges that we have out in the field and we're monitoring. And we're trying to get those up to snuff in terms of protocols and scientific rigor.

To date, we've been sort of operating outside this science panel that's part of the proposed solution.

We've been asking growers or whoever when I get the chance we want to be integrated into that and contribute our resources to a monitoring program.

CHAIRPERSON HOPPIN: I know in conversations with

Pete and Doug as they started going down this road, they
found there was existing gauges that they weren't aware of
in coordinating those efforts. So there isn't an overlap
or a redundancy is important. Certainly doing our level
best to make sure we don't do that with other agencies.

And the more coordination we can have there is to the

benefit of the environment. But it's to the benefit of those that are trying to gather this information and learn. So I would appreciate that.

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MR. HINES: Absolutely. And the two individuals you mentioned have been very active in trying to facilitate that coordination. Last year, we had a meeting and John O'Hagan was there, among many others, to strategize about where do we need to put gauges and who's got the resources to do it. And Doug and Pete were extraordinarily helpful in that.

CHAIRPERSON HOPPIN: Thank you very much.

MR. SHEFFIELD: Thank you, Chairman Hoppin and Board and staff.

My name is Ed Sheffield. I'm the District

Director for Senator Noreen Evans. I'm here today to read
a statement from the Senator.

"Dear Chairman Hoppin,

Ed Sheffield.

"Thank you for the opportunity to comment on

new frost protection regulations proposed for the Russian River watershed by the State Board.

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"As you may know, I represent Sonoma and Mendocino Counties in the State Senate, the two counties that will be affected by the new rules. Having worked to secure funding for salmonid restoration in both counties, as a supporter of our commercial and recreational fishermen, and as the Chair of this State Select Committee on wines and the wine caucus, I have a deep interest in seeing that the issue of frost protection is treated correctly.

"Frost protection of wine grapes is a beneficial use of water. But I recognize that the instantaneous high water demand can result in rapid decrease in stream water levels, which can result in the stranding of threatened and endangered salmon.

"To coordinate stream monitoring and frost protection activities to protect both grape crops and salmon will not be easy, but I believe our growers are up to it. Some time ago, growers along the Napa River faced similar challenges, and they responded with a successful program that protects both grapes and fish. In both Sonoma

and Mendocino Counties, individual growers have stepped up to the plate with alternative frost protection projects and off-stream storage, while working groups have convened to come up with cooperative projects and new policies.

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"In Sonoma County, thanks to proactive work by growers and county government, important data has been collected which will give growers a head start in developing the water demand management plans that the new rules would require.

"It seems to be stressed, however, that the Russian River watershed is a vast and complex watershed and that new programs will need to be perfected over time through adaptive management. The State Board and the State Department of Fish and Game and the National Marine Fisheries

Services should take a non-cumulative approach when mistakes are made by growers who are participating in the program in good faith.

Solving this problem will require a cooperative attitude from those on both sides of the stream.

"Reducing demand on streams in spring months will require the construction of many new off-stream storage ponds. And here, the State elected officials are doing their part. I'm

hopeful that AB 964, Chesbro-Huffman, recently passed by the Legislature, will be signed by the Governor to streamline small pond permit applications. Instead of years to get approvals, the new legislation could result in permit approvals in a matter of weeks.

"Finally, I want to assure everyone involved in what has been a very contentious issue that I will carefully be monitoring the implementation of regulations adopted by the State Board. If these regulatory requirements are phased in, I plan to meet with growers, environmentalists, and regulatory agencies to determine if the program is working, how it can be improved, and to assist in the breaking up of regulatory log jams, if necessary.

"It has been more than two-and-a-half years since the State Board was requested by NMFS to develop regulations. Decisions will be made today that have long-lasting term and effects on our natural resources and our local economies.

Let's work together to get it right.

"Sincerely, Norene Evans, Senator, 2nd District."

Thank you.

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CHAIRPERSON HOPPIN: Thank you. If you would make sure your boss knows how to get ahold with me, I think she would like to participate in that. It seems like she's done her homework.

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Before I call the next speaker, Mr. Merkley, you were late coming in this morning and I gave you a sincere compliment and you weren't here to hear it. So I know occasionally I give you a little bit of a ration, and I didn't today and you weren't here to hear it. So I'm kind of disappointed.

MR. MERKLEY: Sorry I was late.

BOARD MEMBER DODUC: You notice, Danny, he didn't offer to repeat it.

BOARD MEMBER SPIVY-WEBER: You snooze, you lose.

CHAIRPERSON HOPPIN: Patrick, I understand you have something you need to get to right away. So I'm going to call you next, even though you're really last.

MR. PORGNAS: Thank you.

CHAIRPERSON HOPPIN: You're welcome. I knew you'd appreciate that.

MR. PORGNAS: Thank you so much.

It says in scriptures the first will be last and the last will be first. So thank you so much.

At any rate, I'm not even going to read anything to you today. I'm going to come and tell you just the way

I feel about the whole situation based on the facts, of course.

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My name is Patrick Porgnas, and I've been coming before this Board for 40 years. Some of you probably weren't even in high school at the time.

At any rate, what I'm saying to you today is this: This piece of frost regulations, you missed the mark again. It's not about frost protection. It's about anadromous fisheries protection and about the protection of the waters of the state. It's that simple.

Coming in here and saying that this unidentified entity is going to be the one that's going to oversee or whatever it is to collect the information to ensure that there's going to be compliance is similar to what you did with 1641. And you see what happened there in the delta. It's a catastrophe. Same thing you did with the grasslands bypass project. This is the same script. Although, I have to say, you're getting better at it. With Tom here, I have no doubt that it's going to get to be where the public has very little to say about anything meaningful or where this Board is going to take any of the public's input and use it for some purpose that would benefit the public. It's not going to happen.

I've been up in the Russian Rivers watershed for years. I put in instruments. I have radio telemetry,

satellite equipment. We've been monitoring on one of the trips 24/7 so we could watch what Goldman Sachs and the boys were doing up there stranding fish and killing them. We all can debate how many fish were killed. Let's look at the record. The Russian River decline in the fisheries is evident, whether it was 2500 fish, 2,000 fish, it doesn't matter, Mr. Chairman.

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This plan that you guys are coming up with is going to buy a lot of time. It's going to put the thing back in the hands of the people that created the problem. If that's what you want, that's what we're willing to go for, that's okay with me from that point of view. I can't sue you because I can't find an attorney that will do it. I can't get the Attorney General to sue you because he represents you.

So what I have here is a situation where I really have to say that with all due respect for the Board members and the staff, most of them. But lastly I have to say --

CHAIRPERSON HOPPIN: How do you say you have due respect for the Board or the staff when you make a remark like you did about Tom Howard who's --

MR. PORGNAS: Very simply. Because I have experience with Board member staffs. There is a few of you up there that I really like. And I think you have

tried to do everything that you could, but there's two to three.

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You're not going to make any decision against the wine country, because wine county is a country all by itself. If you did, ultimately, you'd have to much pressure, you'd have to be removed.

So anyway, Mr. Howard I know personally over the last 40 years. I know Mr. Howard over the last 40 years. And if he's pleased with himself for the position he's in, then all I can say is God have mercy on him. And you don't know enough about it to understand what I'm talking about. He does.

So lastly, let me say this. You've accomplished just about everything in failing to do your job. I can't do anything about it because I don't have any more money to fight you. Excuse me. To help you.

All I know is this: This particular move you're making is the death nail for the fish. If we have to rely on them for the information, for you to enforce the law, that's not going to happen. Your track record is self-evident. You're not going to do anything other than what the powers that be permit you to do.

Now excuse me, Mr. Chairman, all due respect.

And forgive me for being blunt. But as far as I'm

concerned, if I had the time and the money, I'd do

- 1 | everything to shut this Board down once and for all.
- 2 You're not doing a good job. Future generations are going
- 3 to suffer from your actions not just up there on the
- 4 | Russian River, down in the San Joaquin Valley, in the
- 5 delta. You've done a great bang-up job to please the
- 6 | vested interest.
- 7 | Very best to all of you. And I hope -- I just
- 8 | hope I don't have to see you again. Because every time I
- 9 come here, I get sick at looking at everybody here.
- 10 | They're all in it together.
- 11 Thank you for allowing me to speak. I'm sorry if
- 12 | I was a little aggressive today. If you ask me a question
- 13 that's -- what do you call it -- an oxymoron, I can't
- 14 answer it, because the last thing I want to be is a moron.
- 15 Thank you.
- 16 CHAIRPERSON HOPPIN: It's always entertaining,
- 17 | Patrick.
- 18 MR. PORGNAS: Appreciate that.
- 19 CHAIRPERSON HOPPIN: Terry Gross.
- 20 MS. GROSS: Good morning, Board members. My name
- 21 | is Terry Gross. I'm Deputy County Counsel at Mendocino
- 22 County.
- Our Board is meeting today. Otherwise, for sure,
- 24 you would see some of them here.
- Difficult to be called so early in the program,

because you haven't seen me before because I was recently thrown into this issue. But you don't have to be around the record for very long to see that there are problems with these regulations. And if your staff -- your legal staff has not pointed out that there's a severe lack of substantial evidence in the record to support these regulations and that these regulations are vulnerable to challenge, then we're in trouble. Because nobody wants litigation. I don't have authority today from my Board to represent that we are going to challenge these regulations in the court. But nobody wants to take the energy that's been demonstrated here regarding this issue that I can see from pouring over the documents for the last two years and waste that.

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And I don't think, Chairman Hoppin, that anyone here is interested in perfection. I heard you say this is not perfection. Working for a Board that also is involved in this legislative pursuits -- legislation, ordinances, no, they're never perfect.

But the concern here, the real concern of our constituents in Mendocino County is the factual record and the legal necessity justifying these regulations. We're talking, of course, the Board's concern is multi-faceted. But we're talking about an important legitimate sector of our economy in Mendocino County. We're talking about

additional costs on that sector of our economy.

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And from what I've heard, there's a respect on some level for the collaborative efforts that are so well documented. And yet, there is a movement forward with regulations that maybe I just missed it in the record says don't honor and don't report or express the data that's been generated. And frankly, it looks to me -- again, humbly, I'm the new-comer -- that these regulations are generated from two incidents in 2008. Nobody can dispute that extrapolation in terms of defining danger scientifically is a legitimate scientific process. I'm certainly not going to dispute that. I'm a lawyer.

But then we have to look at the sample that was taken. And I don't think you have to be a scientist to look at the sample that was taken and just scratch one's head. Our Board members have been involved, as you know, with this process for as long as it's been going on. And they've been here and they've been on the ground in our county making an enormous good faith effort to deal with the problem. And I don't see in the record either the factual or legal necessity for these regulations at this time.

And I'm here on behalf of the Board to urge you to do what they do when this problem comes up when there is a conflict in the record, when there are gaps, which is

put this aside. Put this aside. Send it back to staff and let's take a hard look at what's been going on in Mendocino County and Sonoma County for the last couple of years. Put this aside. That's what I'm urging you this morning on behalf of Mendocino County Board of Supervisors.

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CHAIRPERSON HOPPIN: Thank you, Ms. Gross.
Sean White.

MR. WHITE: Good morning, Chair Hoppin, members of the Board.

Well, I would largely just like to echo the comments that you just heard. For me, the most troubling aspect of this whole endeavor is just the facts and the actions and the outcomes have just never been in alignment. And it's bothered me from the beginning, and I'm sure it will bother me after today. But in the end, I don't see any of that changing. So I'm not going to make it here twice.

Really, the final technical question I have along the lines of the imperfection that we're all going to be saddled with as soon as this is over is what's going to happen to whoever is running one of these water demand management programs if NOAA or Fish and Game is not as tolerable as they've indicated in regards to imperfection. Who's going to be liable for that take and who is going to

have to pay the bill? Because that's the one thing I don't see really spelled out anywhere. I'm sure somebody in our neighborhood is going to be looking at our agency to do it. And I'm not sure that I would recommend to my Board we would accept that liability.

That's it.

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CHAIRPERSON HOPPIN: Thank you, Sean.

Al White.

MR. WHITE: My name is Alfred White. I'm a vitaculturalist for La Ribera Vineyards.

I don't know if you have a copy of this, which I handed in, but there was some question about whether you could actually see something that I had. And also this, which is in the submissions that you have. But it's buried down in there. So if you're lucky enough to have both of those, it will help you understand what I'm saying.

CHIEF COUNSEL LAUFFER: Just can I clarify for the record, quickly. So because you may be able to point the Board members to the specific documents they actually have a copy, unless you have additional copies.

MR. WHITE: I did hand additional copies --

CHIEF COUNSEL LAUFFER: So it appears you have

24 four pictures of stranding events.

MR. WHITE: Yes. From page 176.

CHIEF COUNSEL LAUFFER: It's from 176.

MR. WHITE: Jesse Martin submission.

CHIEF COUNSEL LAUFFER: So the Board members should be able to find it in the submittals.

MR. WHITE: Page 173.

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CHIEF COUNSEL LAUFFER: In addition, I think Ms. Townsend has additional color copies that she was provided by Mr. White.

MR. WHITE: Thank you.

So we have an emergency regulation that is designed to prevent significant harm to the salmonids, but we haven't really looked at the question of significance; what is it; how do we determine what's significant.

So we could look to the -- for guidance to the document -- the biological context document that David Hines prepared where the ten fish became 25,000, more or less. And when we ask about how that was performed, we received an e-mail from David where he said, "I modeled the analysis on ESA Section 7 jeopardy analysis but did not conduct it in its entirety. I limited the work to Steps 1 through 6."

If you look at the framework, you'll see at Step 6 you assess the risk to the individual. And when you have a dead fish, it's pretty clear there is a risk. So that is fine.

However, if you look at Steps 7, 8 and 9, that's where you actually determine whether it's significant, whether it has any impact on the species, whether it matters at all. Those steps were not done. We're left to quess about that.

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And now that we're on our own to answer that question, I would ask that we look at what we know, what we think about salmon. We realize that a salmon will lay about 4,000 eggs. From those 4,000 eggs, about 800 will hatch to fry. From that 800, about 200 will make it to the smolt stage to go out to the ocean. From that 200, about ten will grow to be adults, survive to adulthood. From those ten, about two will return to the stream. So these are extremely valuable fish. Within these two fish is the future of the species.

So we would expect that we would want to see those fish have as safe and secure return and reproduction as we could give them.

Now, when you consider how NMFS, Fish and Game, supporting agencies, NGOs, they're all very concerned about that fish. They say you shouldn't eat it. So I think that's a good idea.

However, they don't have a problem with that fish being pulled from the stream by fisherman, grabbed by the gills, hauled up for a picture or two, flopped down on the

gravel, maybe poke its eye on a rock or a stick, get the hook out, and throwing it back in the water to try to make it to spawn. And maybe there's two or three more fish and trying to catch them, too.

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Now, if that's not a problem, how is this the emergency? And if this is an emergency, how is that not a problem?

If we look at the other side, and you consider the fry that are in the river -- and that's where if you look at that other photograph of the killing fields, you're looking at fish slaughter on a pretty significant scale. This is natural de-watering you're looking at, but there's quite a few fish. And if you were to apply the formulas that David Hines used for that ten fish that became 25,000, you would probably be looking at maybe 200,000, two million. I don't know. The numbers would be huge. Because this isn't something that occurs during the extreme events with the extreme year with the extreme drought.

This is something that occurs every year as the streams naturally de-water. It may occur multiple times. Because if you get a rain and this dry patch gets re-watered, fish are again allowed to go there. And as that water falls away, some of these fish will be stranded.

So you would think that the same agencies that are considering this to be the emergency would be clearing the cubicles every spring. Everyone would be out on the ground gathering fish and making sure that they're in the water. But they're fine with it. It's not a problem. If that's not a problem, how is this the emergency? And if this is an emergency, how is that not a crisis of epic proportions for the species?

So when we look at the distorted view of significance that we have when we look at how urgent this regulation is, at the same time how insignificant these other very significant events are, we have to believe that it's being driven by something other than the concern for the fish. I don't know what that is. But I don't think it's the health of the fishery.

There will be a significant impact from these regulations. And that significant impact will be on agriculture, and it will be a negative one, and will flow through into the fishery because it will divert resources and motivations that agriculture has heretofore been spending trying to improve its interaction with the fishery to having to fight this regulatory overreach. So when you execute this, just don't kid yourself it's about the fish.

Thank you.

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CHAIRPERSON HOPPIN: Thank you for your comments,

Tom.

Allan Nelson.

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MR. NELSON: Good morning, Board.

I just got a couple points here I want to make.

My wife and I were born in Dry Creek Valley and we live there today. Over the years, we bought a few small pieces of property and we farm them today --

CHAIRPERSON HOPPIN: Could you center up on that microphone?

MR. NELSON: Is that better there?

CHAIRPERSON HOPPIN: Yes.

MR. NELSON: Anyway, we were born there, live there today. Bought a few small parcels of property there and we farm them today.

The problem that I have is this term that's "beneficial use" or "unreasonable use" of water for frost protection is -- for lack of a better word -- I guess a broad brush method and I just don't think it's right.

I think more time to look at the streams, large and small, and take a little more time to come up with maybe a little better regulation if need be is just a better idea.

And last week I spent considerable time talking with neighbors and friends, about 50 operators, and most

all of them -- the fact is, every one of them can't buy this unreasonable use. It's tough for us to accept.

In closing, Dry Creek Valley has treated me pretty good. And I would hope that in time that we're not going to be over-regulated to the point of making it very difficult to make a few bucks there on the land. Thank you.

CHAIRPERSON HOPPIN: Thank you, Allan.

I would hope that before we leave here today we will have given you our best cut at language that you probably -- I know my staff is tired of dealing with me on it and can't wait until we're done.

John Aguirre.

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MR. AGUIRRE: Chairman Hoppin, Vice Chair Spivy-Weber, Board Member Doduc, thank you very much.

My name is John Aguirre, and I'm here today on behalf of California Association of Wine Grape Growers.

I want to commend the Board and staff for hearing the concerns of wine grape growers within the Russian River Watershed and endeavoring to balance the competing interests of the diverse stakeholder community.

Wine grape growers take tremendous pride in providing economic and social benefits to California's communities, while at the same time promoting positive environmental outcomes. Together, CAWG and the Wine

Institute have been at the forefront of efforts to promote sustainable wine growing. And we believe successful profitable wine growing and healthy ecosystems are compatible goals.

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Together, with the Wine Institute, we submitted written comments on the September 1 revised draft of the Russian River frost regulation resolution. And I want to commend Tim Schmelzer and the Wine Institute for his efforts.

We believe successful implementation of the proposed water demand management program will be hastened in an atmosphere of trust and cooperation.

Toward that end, I want to focus on the proposed regulation's reliance on the reasonable use doctrine to compel changes in grower behavior. We see this as problematic. The proposed language would render all diversions of Russian River frost protection unreasonable unless such diversions are conducted in accordance with the Board approved water demand management program.

In our written comments, we proposed instead more specific and focused language, which states that, "A diversion of water that is harmful to salmonids is an unreasonable method of diversion and use and a violation of Water Code Section 100. The diversion could have been managed to avoid harm."

For the past several years, many wine grape growers have been clinging to economic survival and only now are beginning to see prices for wine grapes strengthened. When you couple the industry's recent economic challenges with the highly widely held view among growers that an aggressive regulatory response is not merited by science, you can understand why there are significant reservations about mandates that mean higher cost and may impair the ability of growers to protect their crops. We believe the more focused language that we proposed would hasten industry acceptance and compliance and better ensure environmental outcomes that we all see.

And I just want to remind the Board earlier this year when Delta Water Master Craig Wilson issued his report on the reasonable use doctrine that really started to alienate growers from a widely shared view that we all hold, and that is we want to use water efficiently.

And so I encourage the Board where possible to use focused limited language with respect to the reasonable use doctrine. Thank you very much.

CHAIRPERSON HOPPIN: Thank you, John.

Jesse Barton.

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MR. BARTON: Good morning, Chairman Hoppins, members of the Board.

My name is Jesse Barton, and I'm here on behalf

of the Williams Selyem, Russian River Water Users for the Environment, Alan Nelson Munselle Vineyards, Robert Terry Rosetti, Redwood Ranch and Charlie Sawyer.

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There is really only one item I'd like to address this morning, which is set out in a letter that we sent in yesterday.

But briefly, what we'd like to point out is that the National Marine Fisheries Service issued a biological opinion to the Sonoma County Water Agency in 2008 that recommends ramping rates of less than one inch per hour when the agency modifies releases from its dams. In contrast, the rates experienced during the big kill in April of 2008 were approximately one-third of one inch per hour.

We fail to see why the State Water Board is pursuing a regulation based upon events that would have been authorized under the biological opinion if they had been conducted by the Sonoma County Water Agency. If the agency had conducted that, it would have been covered under its take permit. But for some reason, when frost trail water users do it, we're subject for a fish kill and prosecution.

So those are the only points I'd like to make. Thank you.

CHAIRPERSON HOPPIN: Thank you, Jesse.

Maria Potter.

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MS. POTTER: Good morning. I'm here representing the North Coast Stream Flow Coalition today, although I've been following this issue for quite some time.

The North Coast Stream Flow Coalition represents more than 18 organizations working to ensure viable fish habitats. Specifically, we advocate for abundant fresh water for streams and watersheds as well as policies that support this goal.

We recognize that the State of California has taken some important steps in this direction recently and is currently crafting emergency legislation supporting coho fisheries recovery efforts.

California Water Code Section 1243 states that the State Water Resources Control Board should maintain, "amounts of water required for recreation and the preservation and enhancement of fish and wildlife resources." The streams are the bottom line.

I want to remind this Board of another principle and everyone in this room, because it's a principle that we can all apply, individually and as farmers and as government agencies. It's the precautionary principle.

And I'm hoping that you'll consider this in light of your consideration about whether to adopt this regulation.

This is a text book definition. It's the environmental

equivalent of the Hippocratic oath.

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First, do no harm. The precautionary principle exhorts us to avoid practices that could lead to irrevocable harm or serious environmental degradation in the absence of scientific certainties about whether such harm will occur.

If an ongoing practice is suspect, then it should be suspended unless or until it is shown not to be harmful. Beyond this, it also calls on people to search for alternatives to potentially damaging practices.

It's taken from Conservation Biology, Martha Grimm, et al.

I think that this regulation is an important step in the right direction, but I have some concerns about what it's relying on, mainly the water demand management program. It relies heavily apparently on data that is uncertain. There are many unknowns that exist. How many ponds exist in streams. How much water is extracted and at what rate. Whether these diversions are legal or not.

The State might be good at structuring compliance protocol. However it's crafted around amorphous unknowns, it's unlikely to be effective. However, I do feel that water demand management program is a very important fact-finding step, but I'm not convinced it will save the small fry or the smolt.

I have a question specifically about the inventory of frost diversion systems outlined in here. It says the inventory -- and this is number one on page 3 of a September 1st draft. The inventory, except for diversion data, shall be completed within three months after Board approval of a WDMP. I'm curious what that exception is all about, exempting the diversion data. Is it that the diversion data is unknown or you need time to compile that? Either way, I'm grateful that this Board is taking some steps in the right direction.

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CHAIRPERSON HOPPIN: Do you want to take a stab at answering this lady's question there? I know everybody has a finger, because they're all pointing at somebody else.

MR. ROSE: I haven't been involved in this from the start. But it's my understanding that the diversion data submitted later is simply because that's not going to be available in the time line for immediate submittal. So in the proposed resolution, I'm not sure if you've seen that. There is more of a time line for how things would be submitted. So I think that the diversion data will be submitted in the first annual report due September 1st, 2012. We thought that was reasonable that people would have enough time to get it together in that time line.

Does that answer your question?

1 MS. POTTER: Yeah. Thank you for your time.

CHAIRPERSON HOPPIN: Thank you, Maria.

Alan.

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MR. LEVINE: Alan Levine for Coast Action Group in Point Arena, California.

You're lucky enough today to be dealing with a whole room of unhappy people, me being one.

And I have a specific bone to pick with you, Charlie, because I heard the statement about people misusing information about stranding to put farmers out of business. I know of nobody, no environmentalist or anybody that cares about fish that's willing to misuse information or has any antagonistic feeling against agriculture. In fact, me being a retired agriculturalist and knows what it's like to do the work and not make that much money chasing cows and sheep around and putting 5,000 bails of hay in my barn every year. Maybe you'd like to come help me.

CHAIRPERSON HOPPIN: I wasn't looking at you when I made that statement, Alan.

MR. LEVINE: That's not true, and you should not characterize anybody in this room or associated with this process as being interested in putting agriculture out of business. It's wrong. And you wrote a letter about that, too. And we had a discussion about that and you

apologized. It's wrong to say that.

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CHAIRPERSON HOPPIN: Well, I appreciate your comments and I will take note of them.

MR. LEVINE: Okay. So back to what was said by Steven before. Another minor issue with you. There are collaborative groups. If they work things out, that might be a positive step. There are issues, but you are the ultimate authority. The State Board is the ultimate authority. You made that clear. The State Board response to comments made that clear, and you have to accept that responsibility to make sure that this process works.

And there are issues that are fairly daunting to get over. One of the issues is the issue of unreasonable use that was in a similar situation in the file of the cumulative diversion of water frost protection can have significant adverse effect on fish survival. This is from the staff report on the Russian River watershed 1997. And it was declared on the Napa River. And the discussion indicated that use of water for frost protection can be unreasonable when the effect can kill or harm fish and/or there are other ways to deal with the frost issue.

And so I need you to look at that and come up with better reasoning of why such use can be a beneficial use and when there can be harm to fish. It's not really discussed appropriately in the response to comments.

I was just pointed to number eleven in the most recent response to comment where the staff response was they are going to use real time monitoring. I'm saying this process cannot really work without real time monitoring where you know stage. So there is conflicting information in your responses, not only to this issue, but other ones, that I pointed out in my comments in CAG's comments. Three different sets of comments that real time monitoring is necessary. This process can't work if you're going to do after-the-fact management.

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And you actually are in a sense issuing an incidental take permit and you're telling these people you're okay to go, and then you're going to look at information at the end of the year to determine whether there were violations when you were managing for stage. How does it work that at the end of the year you're going to look back and say, did they manage appropriately for stage? Or is it going to be adjusted for the next year, which is a different rain year and a different level of flows. So they have to -- the process needs to come up with a way of finding and determining what flows are necessary for fish survival. And there has to be a real time way of determining whether those standards are being met.

And I want to point out to you that you did

exactly this on the Gualala River in the complaint that — an ongoing process that Coast Action Group with North Gualala Water Company where it was found that subterranean flows were in your jurisdiction and that the North Gualala Water Company was violating their flow conditions. This is all about maintaining flows, not just for grapes. It's for everybody else, too. And you issued them a Cease and Desist Order. You couldn't have done that without somebody doing real time monitoring. You didn't wait until the end of the year to find out that there was a problem. So there needs to be a way of dealing with that subject.

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As far as CEQA goes, some of the responses to comments were inappropriately or incompletely dealt with. NMFS, National Marine Fisheries, and the Department of Fish and Game have indicated that your policy should do what you say. You use the word "ensure." That's the State Water Board's word. I don't know what "ensure" means, because there is no insurance there. Unless you're talking about the drink, Ensure. How do you define that word if you can't guarantee that the process is going to work to a certain level of confidence.

So the answers in the response to comment were, well, this is not policy that necessarily is being done to be in compliance with federal and State statute, but we

are going to ensure that there will be no stranding. I'm summarizing what the responses were.

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And I think you need to do some more thinking and disclosure in writing of your rationale about how this is all going to work. Because if you don't, Coast Action Group is probably not going to sue you, but I think you might be litigated from the other side. And I'm encouraging you to do better in covering your butts, so to speak, legally in dealing with proper terminology and better responses.

There's conflicting responses. There's some responses that say you are not going to be consistent with AB 2121 and you don't have to. And there's some responses that say, yes, we are going to be consistent with the language, the flow maintenance language, in AB 2121. So you need to go through all the responses and make sure that there's appropriate consistency there.

This also goes to number 11. I don't believe your alternatives analysis really could come up with a conclusion why you need not do real time monitoring.

That's back to that subject again, real time. That's the only way you're going to be able to manage this properly.

So if you don't have judicious discussion of the complete range of alternatives, including real time monitoring, you're in violation of CEQA. Somebody can

1 take you down for that.

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Thanks for your time.

CHAIRPERSON HOPPIN: Thank you, Alan.

Steve Dunnicliff.

MR. DUNNICLIFF: I'm Steve Dunnicliff, Deputy
Chief Executive Officer for the County of Mendocino. I'll
be reading very quickly here on behalf of our Board.

Chair Hoppin and Board members, the Mendocino

County Board of Supervisors believes the proposed Russian

River frost regulation is unnecessary and will place an

unreasonable burden on the agency and the regulated

community.

We have written to and appeared before your Board on this issue beginning in March 2009. We have consistently advocated for a reasonable frost water program for the protection for the listed fish species in compliance with the Endangered Species Act, ESA. The successful efforts of the Upper Russian River Stewardship Alliance, URRSA, in collaboration with other regional stakeholders and individual landowners to address problems associated with direct diversion for instantaneous demand for frost protection are well documented.

The proposed regulation as written is completely unwarranted and ignores the unprecedented and comprehensive efforts taken to date to address this

problem. The Mendocino County Board has been missed by the failure by of your Board and other regulatory agencies, principally the NMFS, to acknowledge the URRSA-led efforts that have resulted in enhanced data, effective flow management protocols, and newly constructed off-stream storage.

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For frost protection that offsets the need for 90 CFS of direct diversion for greatest flow deviation recorded in 2008 was 83 CFS. The problems observed in 2008 on the upper main stem of the Russian River have been successfully resolved, and URRSA has proposed protocols to ensure continued compliance with the ESA. The reluctance of your staff to recognize the URRSA led regional effort was explained when a Freedom of Information Act request confirmed that your staff while ostensibly engaged in a collaborative stakeholder process met secretly with other agencies and conspired to manufacture a need for regulation.

The record is clear that your staff not only solicited the February 19, 2009, letter from NMFS, but encouraged NMFS staff to specifically request emergency regulations. These actions undermine the collaborative process then underway and appear to have compromised the independent decision-making responsibility of the agencies.

In order to restore trust in this process, we respectfully request full public disclosure and a comprehensive investigation of this matter. We respectfully request that the proposed regulation be tabled pending the outcome of this investigation. We do not believe it is prudent to proceed until that is independently established and the need for regulation currently exists.

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It is important to recognize that the use of water for frost protection is not unreasonable, but an allowable, permitted, and established beneficial use of water by agriculture. In fact, it is the proposed regulations which ignore the significant efforts by the regional stakeholders that are themselves unreasonable.

Further, sufficient regulations are currently in place to protect special status fish species listed by the ESA and the habitats upon which those species depend.

In conclusion, instead of the ill-advised and unwarranted proposed regulations, we strongly encourage your Board to recognize and approve the comprehensive and effective program developed by URRSA and the regional partners.

Sincerely, Kendall Smith, Chair of the Board of Supervisors.

CHAIRPERSON HOPPIN: Thank you.

Mr. O'Hagan and Mr. Rose, do you know of some effort we've taken not to recognize URRSA? I'm confused.

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MR. O'HAGAN: No, sir. I'm not familiar with any efforts that we are not -- and I think believe in my presentations at the workshop and today I've recognized these programs.

CHAIRPERSON HOPPIN: Thank you for that clarity. David Koball.

How many times have we done this, Dave?

MR. KOBALL: Just one more time now hopefully,
Friend.

Chair Hoppin, members of the Board, thanks for the opportunity to come up and speak with you.

Like has already been said, I'm sorry I don't envy your positions today. It's a tough crowd.

But before I start with my timed comments, I want to make sure I recognize the members of the Water Board staff that worked so diligently and professionally pushing forward with Fetzer vineyards application for storage for our off-stream ponds we've built just because of what we're talking about today.

Phil Crater, Darren Train, Kate Washburn, Aaron Miller have all worked very hard, very professionally to uphold the water code as well as respect our operational needs. We very much appreciate that and want to express

our gratitude.

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CHAIRPERSON HOPPIN: Thank you.

MR. KOBALL: I do have a question about the regulations in terms of what happens to non-compliant diverters in the WDMP. If we have someone who's not compliant, what happens to them? And this relates to Sean White's comment in terms of liability. If you tell someone to turn off their frost apparatus, they lose a crop, there is a liability involved in something like that. And I think that's something that needs to be clarified.

To the rest of my comments, I've had to do lot of Xing out, because a lot of my comments have been covered.

I've heard there's been concerns on the part of the State Water Board that Mendocino County has not been progressing or doing their part in moving ahead in some of what's been happening in terms of the ordinances in Sonoma County. What I'd like to do is look -- to think objectively about some of the facts you've heard already today, as well as some of the others I have the same. We have already spent millions of dollars trying to alleviate this problem, all without a regulation telling us to do so. And we've been very successful in terms of alleviating the original problem that occurred on the main stem.

There have been no documented strandings due to frost protection on any tributary in Mendocino County. In 2009, '10, and '11, the Department of Fish and Game and NMFS agents were out in the field looking for these events and were unable to find them. Four gauges were installed in Mendocino County by NMFS in different tributaries for the 2011 frost season. Only one of those gauges showed significant signals due to frost protection, and that particular gauge was about 100 yards downstream from an in-stream flash board installation. If you want, I could send you a picture of the lines that were taken out from that grower's field. That grower's already made arrangements to pull water off of the main stem. Again, as a place where we thought we saw a problem, we're already working to address that problem.

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On April 2nd -- or excuse me -- April 28th of this year, fish with found stranded in the west fork of the Russian River. I'm sure you're familiar with that. Daily decreases in the stage due to riparian use as in trees and bushes, not diverters, were many times greater than the signal observed due to frost usage. Yet, the day after the event, before growers were even aware of the fact there had been a stranding, a member of the press was calling us for statements on the event.

Within five days, Dan Torkmata, Assistant Special

Agent in charge for NOAA Law Enforcement Office, was quoted in the press as follows: "This incident illustrates that voluntary efforts have not prevented frost diversion related fish kills and confirms the need to regulate water use."

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I believe that this illustrates in this case NOAA is not objective and does not rely on actual facts or scientific analysis in order to draw conclusions. But they do know how to construct a very good PR campaign.

Lastly, when I pose the question to NMFS staff a month ago that if only they would enforce the ESA like they are supposed to, this would cause growers to manage water resources so the fish takes cannot occur, which is exactly the same lever this regulation is going to pull. You're going to push growers to manage the resource, so does fear of the ESA.

The response that I got was, "It's too difficult and takes too much effort," as you heard today, "to prosecute ESA violations. It's easier for us to put regulations like this in place."

To which I responded, "Did they not think complying with this regulation would be onerous or expensive for growers?"

The response that I received was unremarkable and showed that efforts involved in compliance were of no

consequence to them. This arrogance and lack of concern very much upsets me.

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As a note of interest, Dan Torkamata was the NOAA Office of Enforcement Employee of the Year in 2002 because "He investigated and assisted the first successful prosecution of Section 9 ESA take case without recovery of dead fish as evidence." It would seem that Mr. Torkamata is very able to prosecute ESA takes. And this could be an effective tool.

Lastly, there is more to population decline for these species than frost protection. I urge you to remember that. Frost protection has been vilified in this process as the cause of fish decline in our watershed.

And I don't believe it's the case.

Thank you very much. Appreciate your time.

CHAIRPERSON HOPPIN: Thank you, Dave.

We're going to take a break until 20 'til and then we'll resume.

(Whereupon a recess was taken.)

CHAIRPERSON HOPPIN: If you would all take your seats, please.

Mr. Brian Johnson.

MR. JOHNSON: Do I have a green light? I do.

CHAIRPERSON HOPPIN: Right. By the way, I was

informed by the AV people this green light I keep telling

everybody there is a switch for, there isn't a switch for it. Jeanine controls the whole thing. So I'm just full of crap.

MR. JOHNSON: I got here and was looking for a button. And I thought that was your way of making fun of all of us.

CHAIRPERSON HOPPIN: No. It was me.

MR. JOHNSON: Thank you.

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CHAIRPERSON HOPPIN: It wasn't an electronic conspiracy, however. I just was ignorant.

MR. JOHNSON: I'm here on behalf of Trout
Unlimited. And I would like to start by thanking you as
Chairman and Board Members Spivy-Weber and Doduc for your
engagement on this and for getting us to this point and,
you know, not just for allowing it to happen and urging it
to happen, but being personally involved with us and with
many of the grape growers. I think it probably would have
been -- nobody would have been surprised if you hadn't,
but I think people are appreciative. And I know I am.
And it's good to have that kind of engagement. I think it
bodes well for the future.

So on behalf of Trout Unlimited, we urge you to adopt the rule and adopt it today and without further amendments. It isn't perfect. We have our issues as well. I think our main substantive concern is that we're

not as far along as I would like in terms of knowing what the water demand management programs are going to be like or even exactly what the criteria are for approving those.

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I share the concern that you've heard from a couple of the farmers about how the lines of responsibility get drawn. If something goes wrong and somebody doesn't comply with the corrective action or hires experts to dispute it or if they're in the process of complying, but somebody finds a dead fish.

But all in all, I think that the rule is workable, and it certainly provides room for us to develop these things. And so, on balance, we really do urge that we adopt it and move on to implementing it.

And I would just say that despite all of the controversy and some of the ill will that's still pretty clearly present, we do remain very optimistic about the industry's ability to work with you and the wildlife agencies to solve this problem. And there are a lot of resources out there, non-profits and agencies, that can help individuals with their own water supply systems. And so we're very optimistic in the long run and want to get to work on the short term.

CHAIRPERSON HOPPIN: I want to thank you again for your involvement in this. I'm sure at times it wasn't easy. And you were in the room more than once with a lot

of people that'd just as soon you probably weren't there.

And you know, I think you showed your commitment, not only
to working with the grower community, but certainly on
behalf of the fish, which is your organization's mission.

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And you, like ourselves, have a difficult task because it's not all about fish. It's not all about water. It's finding the balance. And finding that balance is such a critical and illusive point at times. But once again, I appreciate your help. So thank you.

MR. JOHNSON: Thank you. I appreciate that.

CHAIRPERSON HOPPIN: Doug McIlroy.

MR. MC ILROY: Good morning, Chair Hoppin and members of the Board.

I wanted one last opportunity to talk about something I've talked about several times in comment letters, et cetera. And that's the groundwater portion of the regulation, which is you have to opt out of it and how it's very inconclusive where you -- either everybody is in and you have to show that you don't have an effect. And that there is no standards there to -- by which to opt out.

And as you've heard me say several times that the main system of the Russian River is really part of the solution here, but it's not necessarily part of the problem, because you've got larger well fields out there

that have the ability and not have a significant effect on the river that you pump from. And that have always said it's not so much a groundwater issue; it's a surface water issue, and predominantly the tributaries.

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And my main concern is if you are a senior water right holder, like I am -- and today I'm wearing my personal hat -- you have this burden of proof that if you're in a well field that has junior rights and they're pumping at the same time that you are and it's very difficult to determine whether you have a significant affect on when they're actually pumping. And that's specifically municipal users effect. And so that portion, that language is still disconcerting to me, because here we are and we're now part of this regulation and will be for perpetuity, and almost in my mind without these standards and added expense to join the water amendment program to comply with the regulation. All those things, when I believe that there is quite a few users like myself that probably shouldn't be included or must have a way out so that at a time they don't have to be included.

And hopefully that your staff is working on some language that has been sent your way with respect to Mr. Peter Healberg of the Wine Institute. And I'm hoping that you'll consider that in the regulation and that we can get to a place where we have a way out and have some of these

standards.

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CHAIRPERSON HOPPIN: Doug, I certainly understand your concern. It's my understanding from talking with Dave and John that that mechanism is in place, will be in place.

And, you know, my concern was that this frost regulation morphed into some larger groundwater management program. And my feeling and my comments to staff had been that while all wells more than likely in that drainage are interconnected at some point in time with the Russian River, our concern, my concern is this instantaneous drawdown phenomenon. So the way I would look at the groundwater issue as much as in the way that Tim Schmeltzer and Peter Keel presented it to me six weeks ago, whenever it was, and that is that someone extracting groundwater that had an affect during that frost protection event would probably be considered or would be considered the same as a surface water diverter. Working with your water demand management group will be the process where people will be eliminated from that.

And I honestly don't think that from what I've looked at that there are going to be an awful lot of groundwater diverters that fall into the category where they have this instantaneous effect. I mean, my analogy of it is very much the people growing groundwater are very

much like the people we're encouraging to put in ponds for frost protection. They may be authorized to fill those ponds from 1:00 o'clock in the afternoon until 7:00 at night after the frost protection event to avoid the simultaneous instantaneous drawdown.

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So while I appreciate your concerns, I think that issue has been addressed. I'll give Tim Schmelzer and Peter a lot of credit for raising it. I think it was a reasonable request they made, and I think it's being dealt with.

MR. MC ILROY: Well, I just want to make sure it is, and it's dealt with in a way that you're not assumed that you're causing an effect. And the aspect of that is, like I said, I think you have -- it has to -- unless you demonstrate that -- it's the fact that you're included and it's very difficult to opt out is my main concern. I hope to see some language that would alleviate that issue. I mean, it's almost like you have to have a significant affect on the stream before you're included.

CHAIRPERSON HOPPIN: I understand your concern.

David, do you want to go over that now? Or why don't we go over that after we hear all the comments and we have our debriefing, if you will.

MR. MC ILROY: Thank you.

CHAIRPERSON HOPPIN: Thank you.

Bob Anderson.

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MR. ANDERSON: Good morning. Bob Anderson representing United Wine Growers for Sonoma County.

And as our last comment letter said, we're interested in a program that works. And I'm not a lawyer. So I often say, I have any Master's degree in child development and family relations, but I can read documents. And I would just point out a couple.

The Bible, Hutchins, California Law of Water Rights page 137 cites, "reasonable beneficial use as demanded by the Constitution." And Hutchins cites the Constitutional amendment of 1928 wherein it is provided that, "The right to use water -- the right to water or to the use or flow of water in or from any natural stream or water course in the state is and shall be limited to such water and shall be reasonably required for the beneficial use to be served..."

I just find fascinating that the Bible doesn't include the second half of the sentence, but it's in the room today. And the second half being the Constitution, Article 10 cite to unreasonable use.

I also find fascinating that the record -- I'm one who tries to read the Response to Comments, Statement of Reasons, the proposed rulemaking notice. And I was in this room in 2002, March, when Professor Sax presented his

report to the State Board. "Review of the laws establishing the Board's permitting authority over appropriation of groundwater classified as subterranean streams and the Board's implementation of those laws."

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But nowhere in the record is there any citation to Professor Sax, though I find of note in his report 92 pages on page 85 citing he does recent court cases in favor of the claim that the Board can assert jurisdiction over percolating groundwater pumping to adjudicate and remedy claims that come within the scope of waste and unreasonable use, covered by Water Code Section 275.

Such jurisdiction could be a powerful tool to deal with pumping that impairs instream flows needed to protect fish and riparian valve use, one of the major issue underlying complaints urging the Board to take a broadened view of this jurisdiction.

And on page 92, he concludes with a three point strategy for dealing with the problem of surface groundwater and surface water management in California.

And an aside, the whole report lays out how we got to where we're at. I commended to you you've included a link to it. Wine Growers' September 16th comments, it's not easy to find on your Board site. It is on the website.

He recommends:

1. Adoption by the Board of clear criteria to

implement the existing statutory purpose by taking jurisdiction henceforth over groundwater use diminished appreciably and directly the flow of the surface stream.

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And proactive use of the Board in any source of its jurisdiction it has to implement the constitutional prohibition of waste, unreasonable use, and unreasonable methods of use to protect the public trust.

I cite these because there is missing for me an explanation of how we got to where we're at. And I associate myself with speakers before who made the case that there may be time needed to think it through and determine if we are at the right place or not.

And you may find odd -- I find odd -- those who know, I associate myself with the previous speaker, Alan Levine, making some of those same points.

But I do appreciate the work of everybody, the agencies, the staff, your Board, the distance we've come from where we started. I appreciate that. And the resolution before you I think is a big step towards finding a way to make it work as we go forward.

So with that, I thank you.

CHAIRPERSON HOPPIN: Thank you for your comments.

Scott Greacen.

MR. GREACEN: Thank you, Mr. Chair Hoppin. My name is Scott Greacen, North Coast Director for Friends of

the Eel River.

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I would just note these regulations are long overdue. They're important, even essential. But in our view, not yet sufficient to the task at hand.

With respect to the question of the significance of the resources, the stakes, if you will, I would note and commit to your attention the study that Dr. Peter Moyle and Company published in July of this year in the Journal of Biological Conservation, which assesses the relative level of threat to each of California's inland fisheries and found that the essential coast coho, the fish that were killed in the Felta Creek stranding, are the second most critically endangered fish run in California.

I remind you as well that NMFS found not only that there had been take in that case, but absent some effective regulations along the lines of those proposed today that the continued diversion of water for frost protection would constitute a jeopardy to that species. That's as strong as the Endangered Species Act gets.

Friends of the Eel River strongly supports the proposed regulations, but we would respectfully urge you to provide greater transparency and improved accountability in the processes of the regulation.

As previous speakers have noted, annual reports

simply aren't going to provide the public and allied agencies with the kind of information necessary to really track what's happening in the watersheds. We need real time flows.

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We have heard today that the wine growers are clinging to economic survival. The phrase "clinging to survival" to me seems poorly chosen in this situation. If there is a group that is clinging to economic survival, it's the fishing fleets of the north coast. If there's a species that's clinging to survival, it's the central coast coho. I would urge you to keep those points in mind as you make a decision. Thank you.

CHAIRPERSON HOPPIN: Thank you, Mr. Greacen.

David Keller.

MR. KELLER: Good morning, Chair Hoppin, Members Doduc and Spivy-Weber.

David Keller, friends of the Eel River, Bay Area Director.

Just to reiterate Scott's note on that, we strongly support moving this legislation forward and moving these regulations forward.

I find it unfortunate the County of Mendocino only recognizes the economic importance of their grape industry and not tourism, recreation, commercial and recreational fishing industries that for so many years

depended on the identity of a healthy fisheries within their county. It's rather unfortunate.

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We support moving these regulations forward and hope that they can be strengthened in several critical areas. As has been mentioned, of course, the real time availability and transparency of stream gauge monitoring; so you have a stage level hopefully before damage is done, rather than having a footnote about damage was done, here was the stage level. Folks, what do we do next year? That's not sufficient to avoid jeopardy and to avoid take.

The legislative -- the regulations still don't ask the question if any of the applicants for using frost water, in fact, have legal water rights, permits, and licenses. Sonoma County refused to do that, saying that was your responsibility when they developed their regulations, which are shoot full of holes. And I hope that the State Board will, in fact, take it up and put it on paper as a requirement for anybody proceeding within this process.

The details, of course, of the water demand management programs are still absent. We like the direction they're going in. But without the actual details, it's hard to tell how they're going to be implemented, if they're going to be effectual, and how the responsibility for failure to comply is addressed. That

is a very important question. And I agree with some of the prior speakers about that. Is it going to be the entity that conducts the WMPs? Is it going to be the counties? Is it going to be back to the Board? Is it going to be an individual grower? That needs to be spelled out.

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And with that, and as well as the rest of the details of the WDMP implementation, I'm hoping that the final environmental review on the impacts of those regulations will be coming back for public discussion, not administerial decision, within the Board or within the governing bodies. Because there are so many environmental implications that will be hashed out in exactly how those WMPs work. That's an important step of the process.

The governing body, of course, as we mentioned in prior comments, needs to be transparent, needs to be publicly available, and accountable. Such organizations as the Russian River Water Conservation Council is expressly not in that category.

And then we need to see that the State Board, in fact, has within this a determination that there is actually water available on a seasonal timely basis in any trib or the main stem for use from frost. If it takes further investigation and reporting on that as part of this process, it needs to be done. Because, of course,

from the Eel River standpoint, the Eel River is constantly used to mask the overdrafting of the Russian River. cannot stand. It's an abuse to both rivers. And I think you've taken an important step in moving this forward.

And I hope to see the details hashed out.

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Finally, the important economic analysis that is included with the staff report is fatally flawed. unprofessional. Produces no dollar value allowed or accounted for for the benefits of fish, fisheries, industry, recreational industry, tourism industries, or the regional identity. And you can't have a balance sheet if one side is blank.

So that analysis unfortunately is ludicrous. It's not professional and should be discarded.

There is value, of course, to the wine industry. But the rest of the picture has to be part of your consideration.

Finally, on the letter that I delivered by e-mail last night and in print this morning, I do note that unfortunately because of the timing of your release of the revised DEIR and the amended regulations simultaneously with the final EIR, the CEQA required time period for allowing comments on the revised DEIR was obliterated. So please take that into consideration of your process. failed to allow the public adequate time as CEQA requires

1 | for comments on the REIR.

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CHAIRPERSON HOPPIN: Mr. Keller, can I ask you, how does your organization view fishing on the Russian River?

MR. KELLER: Sorry. How do we --

CHAIRPERSON HOPPIN: How do you view -- what position do you take on sport fishing on the Russian River drainage?

MR. KELLER: We'd love to see fish numbers back to the point where that can be recovered. Absolutely. And the recovery of the healthy fish population for the next ten generations in both rivers is essential so that we can get back to the traditional activities and traditional industry and value of just those activities. So it's very important. And unfortunately, two rivers are tied fatally at the Potter Valley Project. And that is, of course, another story we'll get to with you.

CHAIRPERSON HOPPIN: You realize FERC has more inform do with that than we do?

MR. KELLER: We are aware of that, and we are aware in your role in the revisions to 1610 that will be coming up. And needless to say, we'll be here again and always happy to work with you.

CHAIRPERSON HOPPIN: Thank you.

Nick Frey.

MR. FREY: Nick Frey, Sonoma County Wine Grape Commission. Just some brief comments.

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First of all, I think we really appreciate the Board working with the growers to try to hear our concerns. We hope that those have been beneficial as you work on some final language.

I really do feel that you can count on the local program in Sonoma County. The growers have a tract record. We work with the environmental community to develop the vineyard erosion and sediment control ordinance. And we've had excellent not only compliance but we've had better vineyards throughout the county. And those are better in ways that would protect the fish.

We think the local ordinance for frost protection will do the same. Growers are committed to doing what we can to preserve the resource and at the same time preserve grape growing as an economic agricultural activity in our county.

We have a lot of growers in Sonoma County. We show about 1800 vineyard owners. Come down to individuals, maybe 12- to 1500. And many of those we show about 40 percent or fewer than 20 acres.

The economic analysis on the impact on small growers has concerned me. Small growers are inefficient by definition, and it's hard to make a small vineyard

profitable and stay in agricultural production. So cost, anything we can do to save costs is certainly an important objective for us.

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The other thing I would mention is that I think this process has opened the door for collaboration where collaboration was needed. And that includes National Marine Fisheries, your Board. We have common interests I think many times we line up to with the assumption that we do not. But we do, and I think if we can keep the doors of communication open that we can effectively do things that will benefit the fisheries and maintain grape growing. So we thank you for your support.

CHAIRPERSON HOPPIN: Thank you, Nick. Stephen Fuller-Rowell.

MR. FULLER-ROWELL: Chairman Hoppin, members of the Board, I'm very happy to be here today. Thank you.

My name is Stephen Fuller-Rowell. I live in Sonoma County. I'm one of the co-founders of the Sonoma County Water Coalition. We submitted our comments in July.

The Sonoma County Water Coalition, besides sharing initials with the Sonoma County Wine Grape Growers Association, SCWC, besides that we include 32 organizations. And we were founded seven-and-a-half years ago. And we represent in excess of 24,000 concerned

citizens, many of whom we understand are also wine drinkers.

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The comments that we made in July and the comments that we made also in response to the Sonoma County ordinance, the key points of those were we would like to see transparency in any of these regulations. We would like to see real time monitoring. We would like to see that those using water for frost control have water rights, have the right to use that water. And also we'd like to see full encouragement of alternatives to water for frost protection.

I have been a marketer for 40 years. I've been selling stuff and helping people sell stuff for 40 years. And 25 years ago, I coordinated the Wine Marketing Symposium at Sonoma Mission Inn in Sonoma County for Sonoma State University.

The wine industry helps create the prosperity of where I live in the Redwood empire. And I appreciate this.

However, we see a rising tide of outrage in blog comments and social media across the country in response to news of how the wine industry is affecting the natural resources of what is now known as wine country.

This is a picture that I'm showing you I've seen in your files. It's the picture of the dead fish in Felta

Creek in April 2008. Images like this are now appearing online. They're being posted on web sites. And I'm struck by how the discussion of the economic impact to these rules has focused on the cost of grape production. However, the affect on the market remains significant if these rules are not strong enough and incidents like this occur again, the affect on the demand for the products of those who grow grapes in the Russian River may be very significant. Thank you.

CHAIRPERSON HOPPIN: Thank you.

Larry Hanson.

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MR. HANSON: Hi. I'm Larry Hanson representing
Northern California River Watch and Green Valley Creek
Restoration Project Coordinator. Appreciate the
opportunity to speak today.

I had in previous comments that I think that would help make the regulations more effective. And some of these -- or maybe even most of these may already we may be incorporating in the new regs.

So, first of all, we'd like to adhere to all provisions of AB 2121. Frost regulations must be consistent with State policy to maintain flows in northern California streams.

Second, bring about consistency of the federal ESA, State ESA, Water Code and DFG codes, including the

take avoidance discussed by DFG.

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Thirdly, uphold your 1995 Water Board classified frost use as "waste and unreasonable use" due to the availability of other forms of frost protection and the adverse affects of standard frost actions have on fish, salmonids, in particular.

The fourth one, make real time, where appropriate, availability and transparency of stream monitoring data. The monitoring regulation should specify real time stream gauge monitoring as well as public access to all monitoring data.

Next, set a priority for the use of alternative methods for avoiding use of frost control of irrigation of water, alternative frost controls, including not planting in frost prone zones, wind, use of wind as in its use should be incorporated in the permitting process. In addition, an alternative analysis including alternatives listed here as well as other messages should be analyzed.

Require that all frost water irrigations actually hold legal water rights and require licenses and permits for diversions and/or storage prior to use of frost water for irrigations.

Do not rely solely on voluntary measures to carry out provisions of the policy. Asserting a water demand management program to control and monitor such diversions

is necessary and to be managed by a state responsible agency.

In addition, I support the NMFS positions and comments. And in the final analysis, the regs need to be enforceable and enforced and accountable to the public trust.

Thank you very much.

CHAIRPERSON HOPPIN: Thank you very much.

Kimberly Burr.

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MS. BURR: Hello. My name is Kimberly Burr. I'm a Green Valley Creek Restoration volunteer and have been for many years.

Thank you for the opportunity to speak. And I want to take this opportunity to thank staff for all their hard work trying to grapple with this very difficult problem.

I want to be on record strongly supporting the comments of the resource agencies. I think that I would even go further than their comments, and I would expect that there would be complete transparency of the monitoring data in real time and contemporaneous with the data being uploaded to a website. That's the best available method to protect the fish, and it's not being fully employed. And you would expect at this point in time that the best available method would be employed.

This is an old problem. This did not get sprung on people yesterday. The change on the part of extreme elements in the industry is not going to happen. And expanding vineyards is not helping the situation. It's not reasonable to continue to accommodate every demand that we would wish to make on these critical habitat areas. Take has always been illegal, and this regulation doesn't change that.

Leadership in the industry with a few exceptions have brought uncertainty, and they have brought regulations and they have brought litigation. And they're bringing that upon their members.

If a good regulation is challenged in court, I would expect the State to immediately pass an emergency regulation. And I don't think the good growers really deserve that.

The final comment I wanted to make is to say that Dan Torkamata is a courageous agent, had an honorable career. And I wish we had more people like Dan Torkamata to bring some sort of balance back to this equation.

Thank you very much.

CHAIRPERSON HOPPIN: Thank you, Kimberly.

Steven Passalacque.

MR. PASSALACQUE: Good morning. Stephen

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First of all, I want to say --

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CHAIRPERSON HOPPIN: Stephen, do that one more time on the last name so I don't butcher it again.

MR. PASSALACQUE: It's "pass the water" in Italian. Passalacque.

Good morning, Mr. Chairman and members of this Board.

First of all, I want to just thank you for your service as appointed officials. Having been elected District Attorney of Sonoma County for the past eight years, I certainly can appreciate and understand the challenges of an elected official or an appointed official. So I commend you for your public service and for your patience and willingness to have these hearings and listen to both sides of the aisle.

I'm here today as a citizen only. I'm not representing any particular corporation or individual. I'm getting up to speed on these particular regulations just the last couple months. And I do want to say a few things just to give some food for thought to this Board, some observations from a different vantage point perhaps that I see when I read the documents included in the environmental impact report.

I was surprised to see that there was not any in-depth discussion of frost protection in terms of the

process, in terms of data over the years as to how many days during that 90-day period there was frost. I didn't see that anywhere in the documents, nor an historical perspective in the process of land owners and wineries and how they monitor it very closely with the weather reports to turn on the gauges and divert water at the appropriate time.

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Also was surprised to see that the report is silent on any in-depth factual discussion of stream flow levels. There is no information from the National Fisheries Services Association regarding the data from their gauges over the years with respect to two things. And the stream water flow and in-depth level of the water in the tributaries and in the various rivers.

I also didn't see any in-depth discussion of how the other consumers, municipalities, industrial use, the Corps. of Engineers in terms of their actions of opening and closing the gates, if you will, may contribute to the topic we're having a discussion here today.

And lastly, I just want to say that there's been some very well thought out discussions or points made to this Board today. I think all have -- all made with good intentions, all have some particular value to what they say, what they share with this Board.

I think one of the things that lastly I want to

share with this Board is that it's clear that these are the most difficult economic times. Not only is the United States -- the Standard and Poor's in the United States downgraded today, Greece is on the drink of financial disaster. All these things are going to affect the economy in California and in the United States. We will continue to see layoffs with local government, State government, and federal government.

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And I think it's telling that across the street in the Capitol last week there were two bills passed that reduce regulations regarding CEQA. And I think at the end of the day, I think we have to take note of the climate we're in economically.

And also one of the things that really perplexed me was we're talking about water. There's different demands from different areas, and I certainly understand that. Just months ago, the Governor declared that the drought was over in California. So I would just ask as you go forward, I would suggest that perhaps based on some of the comments that we made here today that this Board re-evaluate some of these issues, because I think from my vantage point being a lawyer that the division of -- administrative division -- administrative law division may very well bring it back to you to request a more in-depth analysis that may be valuable as they proceed down the

road.

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Again, I want to thank you for your diligence and for the opportunity to speak to this Board. Thank you very much.

CHAIRPERSON HOPPIN: Thank you for your comments.

Tim Schmelzer.

MR. SCHMELZER: Good morning, Chair Hoppin and members.

I wanted to take the opportunity to express the appreciation of the Wine Institute in making your staff available to really pull up the sleeves and work with you on frankly a boat load of issues that we've brought up regarding the initial proposed regulation. And by and large, I think the September 1st recommended changes address nearly all of the issues that we had brought up.

I will never say the industry is excited about the prospect of regulation here. Though, understanding, you know, that this is where the Board is going with this, we're doing our best to work with you to make this implementable in a fair fashion for us.

The two issues I wanted to mention today were in our comment letter. And the first is with regard to unreasonable use. The proposal that I'd like to make is very specific right now. But I believe it still accomplishes the Board's need to be able to enforce the

regulation. But at the same time, does not create a blanket designation of unreasonable use for all frost protection.

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And my suggestion is that in the preamble portion of the regulation -- this is the sentence that begins "because a reasonable alternative to current practices exists," I would recommend a change that said that instead of "the Board has determined these diversions are unreasonable, unless conducted in accordance with the Water Demand Management Program" to instead state that, "The Board has determined that these diversions must be conducted in accordance with this section."

There is two reasons for that. One, we believe Subdivision E found later in the regulation serves the purposes for the Board, their ability to enforce. And secondly, speaking to section and not specifically to the Water Demand Management Program, this acknowledges the fact that it is possible that some growers aren't necessarily going to be captured by the program because their use is not considered to have a significant impact on frost. I wanted to pose that as capturing both of those concepts.

The second issue that I wanted to address was with regard to groundwater. Really appreciate the change that was proposed in September 1st to focus more

specifically on the effective groundwater during a frost event. I believe that's kind of the right construct to be looking at groundwater.

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That being said, I wanted to propose what I consider to be a relatively minor clarification here that we should be limiting ourselves to groundwater that has a measurable significant effect during a frost event. I'm just concerned that hydraulic connectivity in and of itself during a frost event could reasonably be argued to contribute here. And a lot of people are having no appreciable effect on stream stage and process may be needlessly included in the regulation here.

CHAIRPERSON HOPPIN: Do you have a teenage daughter, Tim?

MR. SCHMELZER: No, but she acts like it.

CHAIRPERSON HOPPIN: If you've ever had, you'd be concerned about what a significant event was. You would argue about it until they were out of college.

So I have -- we'll talk about this when we go over all the comments. I have been slightly -- I know your intent and I appreciate it. And I have my personal concerns about significant, but we will discuss that, certainly.

MR. SCHMELZER: Okay. Those were the two issues that I wanted to bring up to you. So definitely

1 | appreciate your consideration on both of those points.

CHAIRPERSON HOPPIN: Thank you.

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Once again, we appreciate your input into this issue. I don't expect anybody to enjoy it or think it's great, but the attitude that came forward certainly helped us craft something that makes the best of the situation. So thank you.

MR. SCHMELZER: Thank you.

CHAIRPERSON HOPPIN: Al Cadd.

Where's your sidekick? I even brought him a bottle of water and he didn't show up.

MR. CADD: He's unavailable today. But he sends his regards.

CHAIRPERSON HOPPIN: You can take immaterial him that bottle of water from me

MR. CADD: Chairman Hoppin, members of the Board, my name is Al Cadd. I'm President of the Russian River Property Owners Association.

I'd like to mention one old adage here in the west. Whiskey is for drinking and water is for fighting. And that seems to be pretty true these days.

I want to -- with all due respect, in my opinion, the proposed draft regulation is poorly thought out and a knee jerk reaction. It's not based on science, but rather on guesswork and opinions. Bureaucrat paperwork will

force many small growers out of business. At the same time, it will not help, will not be beneficial to the fish. That's just bureaucratic pressure.

As I see it, there is no provision to the end of this nightmare. Even if it's been established there is no harm to fish, reports will still be required. The Water Demand Management Plan to be approved by the Board, what does that mean? What criteria has been developed for this plan? Or does it just depend on how some bureaucrat feels at the time?

We, the Russian River Property Owners

Association, implore you to go back to the drawing board

and come up with a regulation that is based on science and

common sense. Thank you.

CHAIRPERSON HOPPIN: Thank you, all.

Pete Opatz.

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MR. OPATZ: Chairman Hoppin and Board, thank you very much. Pete Opaz. I'm a grape grower in Mendocino and Sonoma County, actually and a number of other counties throughout the state.

But this has been an anecdotal. It's quite an experience. We've had a lot of conversation about live data. We had a bit of information from a USGS gauge about the period of time of the stranding in Hoplin (phonetic) in April of '08. That data was not -- was left

provisional for a period of time of 18 months by the folks at UGSG.

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And with the incredibly dry year, I'm sure there's very good reason why they were unable to get the provisional data updated to the final data status.

But what we learned through that particular experience when there was a reaction towards one of our partners in that watershed, I believe that partnership I made is really irrelevant. But that drew some pistols out of the holster looking at them as part of the problem on that April period of 2008. Where, in fact, after the provisional data was re-calculated and the curves were recounted, they weren't complicit in that shortfall of water on that dreadful period.

So as we go forward and we're looking at mapping out live data and where it's to be put, I have to be quite honest with you, it's been very illuminating for me taking Dr. Mancondalf's local classes in Sonoma and Mendocino County about water place classes and how to rate them. It's not something I figured I'd be doing at this point in my career, but it was very illuminating the fact at how dynamic the stream system is.

As we navigate forward at the risk of alienating partnerships, we make sure with great certainty apply the data that is actually imbedded and gone through by

professionals, not me. Because like I said, just because I took one class certainly Dr. Conlin doesn't make me a stream gauge expert. Quite the contrary.

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But it was an experience we had locally that was counterproductive. And it caused us to have some consternation within our community with an agency who's, quite frankly, been very cooperative and very helpful.

I want to leave that thought with the community here about openness and transparency, and they're nice buzz words. But there is science that has to be attached to data and how it's managed. And I would agree with the gentleman who spoke earlier about the risk and liability to our industry and the public arena and our community.

And just a word of caution from the same type of experience, we need to make sure that the data has been vetted and looked at by professionals before it gets in the blogasphere or wherever else these things go these days.

I want to thank the State Water Board staff, the agencies. This has been I think an extremely productive and co-educational process. And I hope it goes on for decades. Thank you very much.

CHAIRPERSON HOPPIN: Thank you very much. That takes care of our comment cards.

Mr. Lauffer, we had announced that we would

adjourn to review the comments we've heard today for various reasons. Would you like to resume at 12:30? How much time do you think it will take?

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CHIEF COUNSEL LAUFFER: Just to be clear, wouldn't so much be the Board adjourning. It would be a brief recess so staff can talk amongst themselves. And what I would encourage -- I don't know if David and John have had a chance to confer and I'm going to buy them some time by talking to figure out how much time they need. If there are any specific issues that the Board members would like them to address, you may want to flag that issue now and then probably get away with taking at most a 15 or 20 minute break. Although that would change dynamically based on what you all say in the next few minutes here.

CHAIRPERSON HOPPIN: Fran.

BOARD MEMBER SPIVY-WEBER: I'll start. And to me, on the issue of monitoring, how do you envision the transparency of this both monitoring and analysis occurring over for the public?

MR. O'HAGAN: The monitoring for the stream gauging is real time every 15 minutes. That will be collected by the governing bodies, and they will also be collecting the diversion data. That information will be as Mr. Opatz mentioned, the governing body would be able to combine that information. And then all that data is

pursuant to the regs comes to the Board with the annual report that's due in September. So all that information will be available to us. The governing body would have the real time data available to them at any time to make the corrective actions, if necessary, or recommend corrective actions.

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BOARD MEMBER DODUC: Building on to that, should there be an unfortunate event during the season, is there a mechanism for us to receive that real time data, or do we have to wait until the end of the season?

MR. O'HAGAN: I believe we could request it.

There's nothing in the reg that would require at this time to be submitted.

BOARD MEMBER DODUC: The reason I'm following up on that is we've obviously heard today and I've also discussed with staff my concern in terms of the enforceability of these regulations and the Board's potential need to take enforcement action. Should there be an unfortunate event that, of course, would have -- we would need the data to follow up on, and we would not be able to have that data until September, is what you're telling me.

BOARD MEMBER SPIVY-WEBER: Let me piggyback on that, because I think it's all wrapped up in a package.

Then it gets to liability and who's responsible. And it

all hinges on if there is a stranding event caused by provably caused by frost protection activities, and so we have real time data that go to the groups and they see this and something has happened, are they held responsible for it or not? I mean -- and when do we find out this has happened? When do we find out it has happened? It's all kind of mixed together, seems to me.

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MR. ROSE: In terms of responsibility, I think maybe there is some confusion as to who exactly is responsible and for what.

This regulation doesn't have any affect on responsibilities outside of this regulation, like compliance with the Endangered Species Act or water rights permitting or anything like that. So those enforcement authorities of the Board and any other entities who enforce those authorities, like the ESA, would exist simultaneously with the regulation.

It's my understanding that enforcement of this regulation would be against individual diverters. Because all of their requirements for individual diverters, all the requirements are essentially that the individual diverters have to be under a water demand management program. And the water demand management program has to meet certain minimum criteria.

So again, it would be my understanding that the

diverters would put together a WDMP that would satisfy the Board for the minimum requirements that are laid out in here. And if they don't have a WDMP or they violate what the WDMP comes up with as spelled out in the regulation, they don't do corrective actions that are specified as necessary, then the diverter would be responsible for that.

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So the WDMP I don't understand that there would be any enforcement action taken against the WDMP, although if it is not adequate to meet the Board's needs, it may not be approved or it may be approved with different requirements.

Does that answer your question?

BOARD MEMBER SPIVY-WEBER: Yes.

MR. ROSE: Was there another part of the question we didn't answer yet? Okay.

CHAIRPERSON HOPPIN: I have a couple of questions. Pete McIlroy raised the question of the course of exemption for groundwater diverters that work in the periphery that is affecting something during the frost effect. Would you kind of either now or when we come back go through how you would envision the course through the water demand management group and what would happen during the twelve-month period of study? I think we need a little clarity there. We can either do it now or --

MR. ROSE: I think I understand the question. Is it about how somebody, groundwater pumper who --

CHAIRPERSON HOPPIN: Can opt out.

MR. ROSE: Can opt out.

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CHAIRPERSON HOPPIN: And during the -- as I recall, there was a twelve-month period for them to be able to opt out. What happens during that twelve-month period?

MR. ROSE: First of all, as the regulation is currently drafted, there is not a twelve-month period, per se. There is a three-year period during which groundwater pumpers who believe that they can demonstrate that they have no -- I'll read exactly what the language would be. The definition for hydraulically connected who believe that their pumping does not contribute to reduction of stream stage to any surface stream in the Russian River watershed during a single frost event. That's the hydraulically language.

This opt-out provision is for somebody who believes they can meet the criteria. They're no longer hydraulically connected. During the first three years, they would still have to participate under a WDMP, but they could provide the data that they think supports that they are not hydraulically connected as defined to the WDMP. And the WDMP can bring to the State Water Board

that information and say these people submitted this evidence, and we want you to review it. But we don't think they belong under this program. After three years, those individuals can bring that data, that evidence, whatever they have that they think supports they're not hydraulically connected as defined under the regulation directly to the Deputy Director for water rights as opposed to going through the WDMP. That kind of a time difference is to ensure that the WDMPs get the data they need so they are effective in managing all the diversions that may have problems at this point.

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CHAIRPERSON HOPPIN: The other question I have, this reporting of diversion absent any particular event that may require more scrutiny during a time period, will that coincide with reporting of diversions under Senate Bill X7X. I mean -- or will there be two separate reporting that needs to be done? It just seems that one reporting would be adequate if things were equal.

MR. O'HAGAN: The regulations require keep records of hourly operation, because frost on a short time burst periods, you know, events. The Water Code requirements under 5103 is a monthly diversion, and those reports come in in July.

MR. ROSE: So these reports are due September 1?
MR. O'HAGAN: So September 1 with hourly records

1 of operations.

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BOARD MEMBER SPIVY-WEBER: Short

MR. O'HAGAN: For the short frost events, because you want to identify the diversions during -- may only have two event in a whole month.

MR. ROSE: And just to be clear, if it's not clear already, there is a difference in the data that's monitored. There's stream stage monitoring that's happening every 15 minutes under the regulation. And there is diversion data that is not being monitored, not being required to be monitored at this point on a real time basis. Although that was I think expressed as a potential corrective action. If there are problems, then the WDMP may require that individual diverters or the diverters in a certain area, however it's appropriate, do real time monitoring as well. So that's real time monitoring of diversion data versus the stream data, if that's not real already.

CHAIRPERSON HOPPIN: I believe it was the folks from Mendocino County that implied that we haven't recognized or acknowledged the validity of URRSA. And that struck me as strange. Can someone comment on that? That has not been my understanding at all.

MR. O'HAGAN: Again, as I said in my response to that comment, I believe in my presentation today I

recognized the efforts of the Sonoma County efforts and Mendocino, and also I recognize those efforts during the workshop in April.

CHAIRPERSON HOPPIN: Thank you.

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BOARD MEMBER SPIVY-WEBER: I have one.

CHAIRPERSON HOPPIN: Fran has another question.

BOARD MEMBER SPIVY-WEBER: On the issue of water rights, who has legal water rights, and we know that in this area there's been quite a backlog. And so how is the water rights issue being handled by your division?

MR. O'HAGAN: As you know, the AB 2121 policy was passed. The policy was passed by the Board. That is one of our high priority areas. For enforcement, we are currently in the five county area investigating potential unauthorized facilities at the same time. So the regulation doesn't authorize an unauthorized diverter to divert water for frost. So we still have our own -- the Board has its own enforcement authority and to take actions for unauthorized diversions. And we are continuing that effort in all these areas, including the Russian River watershed.

BOARD MEMBER SPIVY-WEBER: Okay. Thank you.

CHAIRPERSON HOPPIN: With that, Michael, you want to adjourn back to the room to have a discussion or where do you want to go?

CHIEF COUNSEL LAUFFER: It will be staff 1 2 adjourning to confer about any comments they heard today, 3 CEOA-related comments they may need to respond to on the 4 record. It will probably be about ten minutes or so that 5 staff needs to confer. So that will put us right at the 6 noon hour. I know we have a 1:00 workshop. I don't know 7 if Executive Director Howard or the Board members have a preference. My initial recommendation would be to go 8 9 ahead -- come back in about ten minutes, about five 'til 10 noon, and try to resume this item and complete it before lunch. 11 CHAIRPERSON HOPPIN: Very good. 12 Thank you. 13 (Whereupon the Board recessed at 11:48 AM and 14 resumed at 12:08 PM) 15 CHAIRPERSON HOPPIN: Ladies and gentlemen, if 16 you'll take your seats, please. 17 So Mr. Rose. 18 MR. ROSE: Shall I begin? 19 CHAIRPERSON HOPPIN: If you would. 20 MR. ROSE: First thing I'd like to make sure is completely clear -- Tam, a question you had asked I'm not 21 2.2 sure I fully responded to. BOARD MEMBER DODUC: You did not. 23 So please do 24 so now.

MR. ROSE: I wasn't sure. So let's make that

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clear for your satisfaction.

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As to the real time data being available for potential violations, if there is an incident would a data be the available to the public or the Board before September 1st, I think that was part of your question.

BOARD MEMBER DODUC: To clarify. It's not necessarily for determining a violation purpose, but also just to understand what happens and to make corrections where appropriate.

MR. ROSE: Absolutely. And I think that while it may not be clear under the regulation that that is something that the regulation provides for, people to give the data on a real time basis or to us to get it immediately as we need. We do have a number of other tools that we can use, subpoenas, Public Records Act request, if appropriate, or we can simply modify the WDMPs or just ask for the data. There are a number of tools available to get the data if we think we want it before September 1st.

BOARD MEMBER DODUC: And how resource intensive would it be to implement those other tools? Is it something that's more efficiently handled as part of this regulation, or do you feel confident that it is a simple enough and straightforward enough mechanism that we can exercise outside of this regulation?

MR. ROSE: I think there are a number of 1 2 mechanisms, and they are fairly simple and 3 straightforward. The most obvious one would be we could 4 ask for it. If somebody says, no, you can't have that data prior to September 1st, maybe because it hadn't been 5 amended to reflect the gauge data as USGS does or if they 6 7 had some reason for that, then, of course, we would potentially want that data to look at or decide what to do 8 9 at that point. But it's free to ask. And then we have 10 any number of more legal asking methods that we can use as well that I don't think would be resource intensive. 11 12 BOARD MEMBER DODUC: Thank you. 13 CHAIRPERSON HOPPIN: Do you have your question 14 answered? 15 BOARD MEMBER DODUC: Yes. I'm satisfied. 16 CHAIRPERSON HOPPIN: How about as it relates to 17 groundwater and --18 BOARD MEMBER DODUC: I think he was going to 19 address that separately. 20 CHAIRPERSON HOPPIN: Okay. MR. ROSE: Could you repeat the question, the 21

BOARD MEMBER DODUC: Are you going to cover any suggested changes to the groundwater section?

other groundwater question that you wanted or --

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MR. ROSE: I don't think that staff was going to

propose any additional changes.

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BOARD MEMBER DODUC: Well, then let me ask my question.

In -- I believe it was the comment letter submitted by the Wine Institute and also reference made when Jim was speaking, there was a suggestion to include the word "significant" and measurable in the groundwater section.

I have various concerns with that. One is how do you define "significant"? And secondly, well -- let me get your opinion.

I believe that as part of the evolution of this program there will be opportunity as we are going to develop the data to further flush out terms that address measurable and significant and remove the appropriate entities from coverage as we better understand, as we implement the program. Is there anything in the regulations that would prohibit that from happening as the program evolves?

MR. ROSE: As the regulation is currently drafted, I think that exactly what you said is true; nothing would prohibit the Board from deciding what needs to be decided for the appropriate entities to be included or not included.

BOARD MEMBER DODUC: And nothing would prohibit

the local authority implementing water management programs to help us flush out those terms, those understandings, and to better address the groundwater situation.

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MR. ROSE: I think that the regulation does have provisions that the WDMP would bring information to us if they think somebody shouldn't be included or isn't hydraulically connected.

But certainly, we are going to be very involved with the WDMPs as to getting all the information that we need or that they think is appropriate for us to have for who should be involved and who shouldn't be.

BOARD MEMBER DODUC: And then finally, I don't know if staff is going to be proposing it. But I would like to propose that we make the amendments that Tim suggested during his remarks to the preamble with respect to unreasonable use terminology and usage of that terminology in that one paragraph.

CHAIRPERSON HOPPIN: I would concur with that. I think Tam and I both had language that we felt addressed it. I think the language that was presented certainly took care of -- added the same clarity in a different form.

MR. ROSE: Okay.

CHAIRPERSON HOPPIN: Fran.

BOARD MEMBER SPIVY-WEBER: On the issue that Tam

was bringing up, part of the concern, I gather, is that to say something contributes doesn't give a real sense of whether you actually can see the contribution. And so -- but if you put in significant or measurable and then how much -- then you get into a whole new approach, which we have -- which is I think still to be worked out. Is that what I'm hearing, that it is going to get worked out. That there will be clearer than there is right now, a clearer term -- defined clearer term so people will know if they are included -- should be included or not.

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And I'm also -- the other recommendation was that this be only on streams that can support salmonids, which is I'm sure understood. And I don't have any reason to think it would be for streams other than those that support salmonids. Is that true? Is it just for streams that support salmonids? And is there going to be a working out of the detail who is in and who isn't?

MR. ROSE: Seems to me like a two-part question. If there is more than two parts, let me know after I've answered those two parts.

As to whether streams that don't support salmonids are included at this point, I think that the problem as understood is cumulative. So what we're talking about is whether they have an impact on -- may cause stranding mortality. I don't know that we can draw

a line at this point, depending on where the diversions are, as to whether they'd have an impact or which stream if you're drawing groundwater and you're in between.

Let's say, an example, east fork and west fork Russian River. I'm not an expert on this stuff. Where are you drawing from? And they're different, so what does it mean?

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So it's my understanding that at this point, because it's a cumulative problem, everybody is included. And then if you don't have any problems or don't cause any problems, certainly there are mechanisms to be no longer included under the regulation.

The second part of your question was about adding significant or whether that will be addressed down the line. I think that what we did in the September 1st version of the proposed regulation is provide a more clear definition of hydraulically connected so there is a standard. If somebody knows what they are trying to meet and what we are trying to attain for somebody to no longer be under the regulation, for the same reason as I said in the response to the first point, it's hard to develop criteria at this point because there are so many differences amongst the tributaries and the main stems.

So I expect that the criteria would be developed for with the Board and the WDMPs to determine how somebody

is considered not hydraulically connected as it's defined in the regulation over time. I don't think that adding in the words like "significant" or measurable provide any additional clarity, because those are words that you fight about a lot. And so in my mind, they would be less clear than what we have now, with the understanding that we do intend to work out the specifics for every particular person or every situation.

Does that answer your question?

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CHAIRPERSON HOPPIN: To that point, David, when I listened to the request, I mean, there will be an affect. There is going to be affect from surface water diversions. The intent is to have that affect be de minimis. And so how we go about that, I'm concerned that we said effect -- I'm sure there is going to be an affect. Hopefully, it's de minimis. If it's significant, as I told Tam earlier, "significance" is a significant word.

MR. ROSE: Especially for a cumulative problem.

CHAIRPERSON HOPPIN: Can you give us an idea if
we bring this to a vote and pass it, how long would you
anticipate the process of AOL? We have -- are we in a
timely state here where we have this regulation before the
next frost season or do we have any way of anticipating
what they will do over there?

MR. ROSE: Before you vote, I will take a few

additional comments to respond to comments we received just so there's a placeholder on that.

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We very carefully built in the amount of time that we feel that AOL and submittal to the Secretary of State would be required for this to take effect prior to the first requirement under the regulations or prior to February 1st for the upcoming frost season. As to a guarantee as to whether AOL would approve it, I can't give you that.

CHAIRPERSON HOPPIN: Whether they approve it or not wasn't my question. Would it be within the time line they normally would require?

MR. ROSE: We expect with the time lines they usually take, this would be in effect prior to the upcoming frost season.

CHAIRPERSON HOPPIN: And you have responses to other comments you've heard. I certainly vetted your process there.

MR. ROSE: Not at all.

First, I wanted to be clear that what staff is responding to today is not all comments that we've received on the -- and that's for the document that was posted in the back as well as oral responses right now. What we're not -- what we are doing is not responding to all comments received, because that will take place as

identified in the proposed regulation -- sorry -- the proposed resolution for submittal of the final packet to OAL.

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What we're trying to do today is make sure that we have responded to all CEQA-related comments so that when the Board adopts the proposed resolution, the Board is also at the same time certifying the final EIR. So that group of comments is completely taken care of. So I wanted to make that clear that comments that haven't been -- people don't feel have been responded to yet, it's most likely because they're not CEQA-related comments. And they will be responded to for the submittal to OAL for the full packet.

So the one CEQA-related comment it seems that has not already been responded to -- we did go through all of the comments we received on the September 1st submittal and the oral comments today. And it seems that all the CEQA-related comments have been responded to, except for one point raised by Friends of the Eel River, which was that the DEIR should have been recirculated for 30 days and had been sent out for 20-day comment.

I understand the point, but I think it should be made clear that staff and the Board didn't recirculate the draft EIR under CEQA, which is something that usually requires a 30-day noticing period because there were no

substantive changes to the draft EIR.

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What we did was we provided that under the 15-day noticing provisions of the APA as a supporting document for the proposed regulation. So the changes, the amendments, the modifications made to the draft EIR as it was sent out on September 1st were completely non-substantive minor changes essentially and almost exclusively just to reflect changes in the proposed regulation. They didn't have any effect on any of the environmental analyses, and so they weren't changes that in our opinion required 30-day recirculation.

So I just wanted to make it clear that as a CEQA point, staff and the Board did not recirculate the DEIR. This is not a revised draft EIR. It's simply we made some changes to reflect what's in the proposed regulation and it was sent out as a courtesy as a supporting document for the regulation under the APA.

CHAIRPERSON HOPPIN: As it relates to the amendment we may have proposed to have made, you see no significance there as far as public notice?

MR. ROSE: No. The one that's on the screen?
CHAIRPERSON HOPPIN: Yeah.

MR. ROSE: I see that as a non-substantial change that's definitely covered by both noticed versions that are in strike out there already.

CHAIRPERSON HOPPIN: Before we go forward, I spent a lot of time when I opened the meeting by thanking people that have participated in the process. Certainly, it's important to me that all of you that are here today realize that as we as a Board and as staff dealt with this issue, we didn't just deal with it from the perspective of ESA and fish. We dealt with it from the perspective of ESA and fish and the economy of Sonoma and Mendocino County and trying to find a balance. Someone will point out what we've done is not perfect. Very seldom is what we do is perfect.

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If we give a grant to a needy community to put in a waste water treatment facility for a municipal waste disposal and we give them the money, that might be coming pretty close to perfect. But when we get into issues like this, it's never possible to satisfy everyone. But finding that balance where we protect the resource and protect the viability of the community is important to all of us.

And I know staff -- I remember Tam was with me when we had a five-person Board when I first came here.

Karen Niiya and Eric Oppenhimer briefed me on this. And I had a hard time walking out of the room I was in such a state of shock trying to figure out how we were going to get to a point that I believe we're at today. And it's

taken a lot of work. It's taken a lot of repetitive answers to me from staff and from Michael Lauffer and Tom Howard as it related to this unreasonable use component of it. And the fact is the language there is something that's required for us to have enforceability over 314 riparian and groundwater pumpers or it probably wouldn't be there in the way it is.

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But I feel with the amendments that are there, while somebody is still going to whine and cry about it, I think it clarifies the intent that certainly we view the use of the water frost protection, if used in proper means as a beneficial use of water and certainly a reasonable use of water.

So I don't know how many times you all had to go through that. David, you are very patient as you, John. Every time I would bring it up, Barbara Evoy would look at her BlackBerry like she had an important message coming through it for fear I was going to call on her. Worked pretty well. So I want to mention that to you because staff -- this just isn't one of these easy things we do. We have a whole string of not easy things this week that have all kind of come at one point here.

But I hope all of you appreciate what staff has had to go through to try to come up with something that while you may or may not like it is certainly our best

effort to be equitable and fair.

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So with that, I'll hear from my colleagues if you have any further comments.

BOARD MEMBER DODUC: I do.

CHAIRPERSON HOPPIN: Or a motion.

BOARD MEMBER DODUC: I have both actually.

I'll start by just adding to Charlie's comment and thanking staff for your tremendous effort on this very complicated matter. And thanks to all of you. Charlie has already named names. I won't do an Academy Awards speech and name names as well, but you know who you are. We've certainly talked enough. And I know how hard everyone in this room and outside of this room has worked to get us to this point.

I also want to take a moment and thank the guy to my left. You know, I think we have an excellent Board. And given the fact that we come from such diverse background with different experiences and perspectives — and in fact I think there were several items yesterday where, you know, we didn't a unanimous vote. If this turns out the way I hope it will, I think it says a lot for the strength of this regulation. No, it's not perfect. But I think it's a solid beginning. I think it forms the basis for the collaboration, the partnership that is needed to move forward in a way in addressing this

matter.

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And a lot of credit to that goes also to the leadership that Charlie has shown as Chair of the Board on this item. I think, you know, he took some shots this morning that I thought were not fair and not grounded.

And he can take care of himself. He's a big guy.

But I would have to say that on complicated matters such as this one and many others, I find myself most of the time in agreement with Charlie and also with Fran, because it's always been my opinion that while we come from different perspectives and have different backgrounds and while each of us if we were making a decision alone may make a different decision, but with our cumulative input, the end result I think is always stronger, more comprehensive, and will result in a better product.

And so I want to take a moment and thank Charlie for his leadership on this issue. And I know that we did attend that first briefing together. And yes, I actually had to help him out of the room. And I think we have gone a very, very long way. And I credit a lot of that to Charlie's leadership on this issue.

CHAIRPERSON HOPPIN: Thank you.

After that, you're not going to get out with an abstention on this one.

BOARD MEMBER SPIVY-WEBER: I know. I think I'm going to -- I will move that we adopt the regulation with the clarifying amendment. And I assume I will get a second, but let me just make a couple of comments.

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Again, you know, thank you. Thank you to everyone who's here and who's been involved and a lot of people who aren't here, because we have had numerous meetings in the region and participation from those who aren't able to come to Sacramento is equally important.

The thoughts that come to my mind about this particular regulation and particularly over the time that it's taken to put it together is that the things that I like about it -- one, it addresses a very narrow issue. It addresses frost protection. There are many other issues on this river and in this watershed that will need to be and are being addressed. And this particular regulation is quite narrow. But it is developed in a way that I think is a harbinger for the future as to how this river and this region, the two counties, manage their river in many other areas. It's basically community-based. It's focused locally on people of -smart people, experienced people coming up with approaches that will solve some of the problems. And hopefully, it will be a diverse group of people who do this. that scientists will be engaged as well as

non-governmental organizations and growers and cities and counties. So I think that's important.

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It's also not aimed -- I heard a lot about the cost associated with this, and there certainly will be cost. But working together and working with both the federal and the State agencies that are going to be engaged and with the nonprofit community that a number of the environmental folks are associated with, I think we can handle these costs. And I'm assuming that's the case. And I think we should -- to me, that's encouraging. And we couldn't do it if we did it individual by individual by individual. It will have to be a group effort.

And lastly, we're focusing on high risk areas first, where there is an identified problem -- and/or identified potential problem, that's going to be the early focus. We heard that from NMFS this morning. And I assume that is what people will be focusing on.

And I'm glad that -- recognizing that we can't do everything that we need to do, but we will address those issues that we think are the highest risk areas first.

And so with that, I reiterate that I'm moving that we accept -- that we adopt the regulation with the changes -- or change actually that is proposed.

BOARD MEMBER DODUC: I'm happy to second Fran's motion. Having been so overwhelmed by my aggravation for

Charlie that I forgot to make a motion myself.

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CHIEF COUNSEL LAUFFER: If I may, as has been indicated and requested by Board Member Doduc, there is language up on the board that reflects the initial change that the Wine Institute, Mr. Schmelzer requested.

And for the highlighted text shows changes that are being made. Double underlined bold text shows the addition of text, and double strike-out shows the deletion of text. So that in the preamble it will read, the sentence that begins, "because a reasonable alternative to current practices exist, the Board has determined these diversions" -- new text -- "must be" -- strike out "are unreasonable and less" -- and then resume -- "conducted in accordance with" -- and then new text -- "this section." And then delete the balance of the sentence that had been there. I concur with what Mr. Rose indicated. That is a non-substantial change.

There is one other exception to the APA requiring re-noticing and that is there is grammatical change. If we flip to page 4, we identified a misplaced comma. It's big C at the top of page 4. It's about the third point. There is an extraneous comma after "provisions for installation." Once again, it's reflected in double strike out that is being removed.

CHAIRPERSON HOPPIN: Think back, if Walt was

1 still here, we would have known that a week ago. Thank you, Michael. 2 3 We have a motion and a second. Call for the vote. All those in favor signify by aye. 4 5 (Ayes) 6 CHAIRPERSON HOPPIN: Any opposed? 7 Thank you all. Appreciate very much. This concludes the hearing on this item. 8 9 CHIEF COUNSEL LAUFFER: And I just want to be clear before everyone adjourns that, the motion was to 10 11 adopt the Resolution with these changes to the Regulation 12 CHAIRPERSON HOPPIN: Yeah. Michael, we're scheduled to start at 1:00. Do 13 14 you want to take an extra 15 minutes? We'll start at 15 1:15. 16 (Whereupon the State Water Board meeting 17 adjourned at 12:35 PM) 18 19 20 21 2.2 23 24

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CERTIFICATE OF REPORTER

I, TIFFANY C. KRAFT, a Certified Shorthand
Reporter of the State of California, and Registered
Professional Reporter, do hereby certify:

That I am a disinterested person herein; that the foregoing hearing was reported in shorthand by me,
Tiffany C. Kraft, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of September, 2011.

TIFFANY C. KRAFT, CSR, RPR
Certified Shorthand Reporter
License No. 12277