

**Yolo Bypass Working Group
Meeting 24**

MEETING MINUTES

MEETING DATE: February 27, 2003

LOCATION: California Department of Fish and Game
Yolo Wildlife Area Headquarters
45211 County Road 32B (Chiles Road)
Davis, CA 95616

IN ATTENDANCE: Robin Kulakow, Yolo Basin Foundation (YBF)
Dave Feliz, California Department of Fish & Game (DFG)
Ed Towne, Bull Sprig Outing
Dave Ceppos, Center for Collaborative Policy (CCP)
Casey Walsh Cady,
California Department of Food and Agriculture (CDFA)
Ed Burns, California Waterfowl Association (CWA)
Dan Loughman, CWA
Mitch Sears, City of Davis
Mike Hall, Conaway Ranch
Dennis Kilkenny, Dawsons Duck Club
John Currey, Dixon Resource Conservation District (Dixon RCD)
David Guy, Northern California Water Association (NCWA)
Randy Beckwith, Department of Water Resources (DWR)
Boone Lek, DWR/Reclamation Board
Dick Goodell, Glide In Ranch
Dave Kohlhorst, Glide In Ranch
Clyde Owgard, Glide In Ranch
Don Stevens, Glide In Ranch
Mark Kearney, Landowner
Dennis Murphy, Landowner, farmer
Larry Jahn, Los Rios Farms
Arline Jones, Lucky Five
Walt Chechov, Natural Resource Conservation Service (NRCS)
Phil Hogan, NRCS
Tom Moore, NRCS
Gordon Rasmussen, Rasmussen Livestock

Ross Rasmussen, Rasmussen Livestock
Betsy Marchand, Reclamation Board
Butch Hodgkins, Sacramento Area Flood Control Agency (SAFCA)
Mick Klasson, SAFCA
Tom Schene, Schene Enterprises
Ron Tadlock, Tadlock Farms
Tony Lucchesi, Wildlands Inc., Pope Ranch
Mel Castle, Yolo Basin Farms
Bob Leonard, Yolo Basin Farms
Gaye Lopez, YBF Board
Rachelle De Clerck, YBF
Brett Williams, Yolo County Parks and Resource Management Division
Duncan McCormack III, Yolo Ranch

NEXT MEETING: *POSTPONED: April 10th, 2003. to May 29th, 10:30-1:00*

ACTION ITEMS

1. All interested Working Group members will review the Regional Water Quality Control Board agricultural waiver materials provided by David Guy and John Curry. Interested participants will have until close of business April 10, 2003 to provide specific questions regarding the waiver issue to Dave Ceppos (916-341-3336). These questions will be the basis for future Working Group meeting agenda items on this topic.

Dave Ceppos called the meeting to order and began introductions of attendees. Mr. Ceppos briefly covered the agenda and the purpose of the Working Group. The Working Group is open to the public and has been in existence for 3 and one-half years. It provides a focused opportunity for farmers, land owners and agencies within the Bypass to discuss Bypass related issues as well as provide guidance and opinions on such issues. The Working Group is funded by a grant from CALFED.

Mr. Ceppos introduced himself and informed the participants that he is an employee of the Center for Collaborative Policy (formerly the California Center for Public Dispute Resolution). Participants introduced themselves.

Mr. Ceppos asked if there were any changes or edits to the draft January 23, 2003 meeting minutes. No changes or edits were requested and the meeting minutes were

adopted as final.

Mr. Ceppos briefly covered the meeting agenda.

Discussion of Regional Water Quality Control Board Agricultural Waiver

Mr. Ceppos introduced David Guy, Executive Director of the Northern California Water Association (NCWA). Mr. Guy provided the following description of the agricultural waiver issue.

In 1982 the Central Valley Regional Water Quality Control Board (RWQCB) adopted a resolution waiving several categories of previously regulated water discharges. These waivers included irrigation return flows and storm water from irrigated lands. The waivers essentially meant that agricultural landowners did not need a wastewater permit. In January 1999, Senate Bill 390 was signed into law, requiring that the 1982 waivers expire by January 1, 2003. That decision led to numerous appeals, lawsuits, and mediations to resolve issues associated with the waivers and the pending expiration of the waivers. In response to these difficulties the RWQCB adopted a new conditional waiver on Dec 5, 2003.

The conditional waiver for agricultural runoff approved by RWQCB included both irrigated return flows and agricultural storm water runoff. Most significantly, the Regional Board order provided an opportunity for watershed and sub-watershed groups throughout the Central Valley to form and then develop water quality monitoring programs and identify existing management practices underway within the watershed or sub-watershed. For those areas in which problems are identified, proposed management practices will be developed and presented to the Regional Board.

Most importantly, for those areas covered by such a watershed program, farmers, special districts, companies and other dischargers will not need a waste discharge requirement (WDR). For those areas not covered by such a program, there is an alternative process for individual dischargers to receive the protection under the waiver or any discharger can submit a waste discharge report and seek a WDR under the Water Code. The waiver does not apply to the Rice Pesticide Program, at least with respect to the five pesticides covered under the existing program. The waiver appears to cover discharges of other pesticides used in rice production.

The order also calls for RWQCB workshops on either an annual or semi-annual

basis for each watershed program to report to the RWQCB on its progress. If it appears to the RWQCB that adequate progress is being made and there are no major water quality problems, the watershed group will continue its efforts to comply with the requirements and timelines adopted by the RWQCB. If a problem arises, the RWQCB can revoke the waiver for entire watersheds, sub-watersheds or individual discharges. The RWQCB can also utilize its existing authority to enforce illegal discharges.

One way to approach the permit process is through a nested watershed approach: A nested watershed approach incorporates a macro-watershed level such as the entire Sacramento Valley watershed. Within the macro-watershed are nested smaller geographically focused groups. NCWA is working closely with county farm bureaus, agricultural commissioners, Ducks Unlimited and other wildlife organizations, Grape and Tree Fruit League and local RCDs to meet the initial parameters in the conditional waiver. This approach is intended to eventually provide coverage to all landowners and growers that would be subjected to the permit process. Efforts to be conducted include the compilation of existing management practices in the Sacramento Valley and the coordination, implementation, and reporting of management practices by sub-watershed groups.

By June 2003 the RWQCB will need a proposal that should include the main issues affecting discharge as well as monitoring the watershed. The monitoring approach will be the initial portion of the report. There are multiple areas in the Central Valley that have water quality problems. One of the major issues includes Organophosphates (Diazanone). In order to address these problems correctly and to submit the monitoring plan to the RWQCB by June 2004 the group must begin immediately to find funding sources. NCWA is currently in the process of identifying management practices in the Central Valley that may need to be addressed. The existing rice program will be moving forward independently of this program. If the proposal process is successful, each individual landowner who is involved will not need a discharge permit.

Participant: How has RWQCB responded to this proposal?

Answer: The response by the RWQCB has been positive NCWA and associated parties are currently setting up a proposal for RWQCB. There are also four other groups (who are these groups) emerging in the Central Valley that are using a similar approach.

Participant: How does NCWA envision the monitoring process working? Will it

be based on individual discharges or a whole stream approach?

Answer: The initial monitoring will begin in the main stem of a watershed and will incorporate a broad based approach that may include some tributaries near main agricultural drains. It is not likely that the interior watershed will be monitored (outside of the main-stem systems). The monitoring will begin in the lower part of a system and work its way up. Linwood Hall will be developing the monitoring plan and can provide more insights at a later date.

Participant: How will current problems such as e-coli and cattle ranching be approached?

Answer: Currently e-coli does not appear to be a focus; however it is not clear how that topic will be approached in the future. Currently, the main focus is pesticides especially organophosphates.

Participant: Is NCWA working with the Sacramento Watershed Program?

Answer: NCWA and its partners on this process does not see the Sacramento Watershed Program playing a role in this program.

At this point John Currey from the Dixon Resource Conservation District gave his presentation.

The southern portion of the Yolo Bypass is more or less an orphan area because it is located in Solano County, which is located in both the Central Valley and the San Francisco Bay RWQCBs. The Dixon Resource Conservation District (DRCD) is presently in the discussion stage of creating a watershed group for this area to help landowners. DRCD is interested in pairing with other agencies in the region to use the “nesting” approach to protect the landowners in the district. The current RWQCB resolution rules are the same, however they may change and agencies and landowners need to be prepared to implement these rules.

Participant: Which group will be in charge, because it is going to be confusing.

John: At this point we need a coordinated effort. NCWA is the lead on overall Sacramento Valley effort at this time.

The confusing thing is that our area is a confluence of many different agencies; therefore, we want to make sure landowners rights are preserved and that they have

a choice before everything starts to develop.

Participant: A CALFED grant was given to the City of Woodland to conduct water quality monitoring in the Yolo Bypass. There are funds in the grant for some Bypass landowner participation through the Working Group.

Participant: Is it possible for some of the landowners to go with the local or regional groups?

The proposal that is being written by NCWA and their partners includes all the agencies and groups that work with the Sacramento watershed landowners. If a landowner did not want to affiliate themselves with one of the nested watershed groups they would have to sign up as an independent and get their own help.

Participant: What are the long-term implications of the waiver to landowners?

The process is being put in place to deal with water quality regulation and compliance at a broad level. At the end of the day, growers will not need individual permits.

Participant: What are the penalties for non-compliance? How are the people at the tail end of a system going to be protected?

On the local level, we would sample at the very bottom and then look at all the materials used in the watershed. It is assumed that water quality issues are a cumulative effect. The resolution goal is that people are educated on best management practices to reduce the problems. You may be penalized in education costs, but not likely on a legal side.

Participant: The landowner has to declare whether they will be in a local group or on their own. The local group will share the costs as opposed to an independent. If you ignore the resolution you won't be able to discharge.

Participant: What role are the cities taking?

Cities are not covered by this action. Cities are under a different set of guidelines and will be part of Phase II.

Butch Hodgkins: Cities with a population up to 50 thousand are not part of the storm water monitoring program. City populations over 50 thousand have been

monitoring storm water discharges. The city storm water monitoring programs set into motion the gathering of data that will answer questions about whether there are problems with water quality associated with agricultural return flow. If agriculture is causing problems, farmers could be penalized.

Dave Ceppos: The Working Group will be tracking the progress of the resolution and will set future agenda items when there is information available. In addition, the Yolo Basin Working Group will work with Casey Walsh Cady of CDFG to learn more about the City of Woodland grant monies and John Currey will continue with updates on the southern Yolo Bypass.

Participant: Does the Yolo Bypass constitute a group or will it be included in some other group?

Answer: Yolo County Farm Bureau has created a non-profit organization to deal with the waiver issues and NCWA is coordinating with them; however, the situation is still very fluid.

Dave Ceppos: Both David Guy's and John Currey's informational handouts are available via Dave Ceppos at 916-341-3336. Please read the handouts. Two weeks after meeting minutes are distributed, you can comment and these comments will be addressed at the next meeting.

Federal Farm Bill Conservation Easement Programs Workshop Phil Hogan, Natural Resources Conservation Service

The Natural Resources Conservation Service (NRCS) approach to conservation is wise use of natural resources in order to sustain productivity and maintain the quality of life. All NRCS programs are voluntary, focus on private lands, and include non-regulatory local partners in the decision making process. Some of the ongoing NRCS programs include snow surveys, soil surveys, national resource inventory, plant materials centers, watershed planning, emergency watershed protection, resource conservation and development, and technical assistance to agriculture.

There are several new NRCS programs that were created and several existing programs that were improved as part of the 2002 Federal Farm Bill. These programs include conservation security program (CSP), environmental quality incentives program (EQIP), wildlife habitat incentives program (WHIP), wetlands reserve program (WRP), grasslands reserve program (GRP), conservation reserve

program (CRP), and farm and ranchland protection program (FRPP). The NRCS receives input and information from landowners and farmers through the national rulemaking process as well as three formal tiers in California; State Technical Advisory Committee, Local Work Groups (LWGs), and locally convened Stakeholder Groups.

The State Technical Advisory Committee (STAC) was established by the 1996 Farm Bill and its primary function is to give advice on all USDA conservation programs. STAC also consults on state program management policies, gives technical recommendations, distributes information through outreach, identifies resource concerns, designs guidelines for ranking and project selection, and advises on cost-share rates and practices.

STAC members are comprised of federal, state, local and tribal members and have expertise in agribusiness, production, environmental policy, farming interests and conservation. The committee meets quarterly or as needed and membership is open. NRCS subcommittees within the STAC include EQIP, WRP/WHIP, FOTG, CSP, and FPP.

The LWGs are convened by the Resource Conservation Districts (RCD) and include federal, state, local and tribal entities. Resource needs within the LWG are considered on a watershed basis. LWGs assess natural resource conditions and needs and recommend program priorities based on these assessments. An emphasis is put on local input for cost-share rates, practices, ranking criteria, and assistance in education and outreach.

Local stakeholder meetings are also convened by RCDs. These meetings solicit input from producers, environmental and farming interests, private citizens and others. Concerns raised at these meetings are brought to the LWG and the NRCS.

In California there are 103 RCDs which are special districts governed by state law. They are locally led with volunteer directors and some paid staff. Priorities are locally determined and the RCDs work in partnership with NRCS and other federal, state, and local groups.

In Yolo County, the majority of land is privately owned and many practices are installed without federal cost-share assistance. Yolo County has a great unmet need to provide technical assistance to producers. In 2002, NRCS received over \$32 million dollars in financial assistance funds with no technical assistance funds to carry out the work. Eighty full-time staff had to be redirected from other work

to carry out these programs. The NRCS technical assistance includes irrigation water management, nutrient management and pest management. Practices to enhance soil quality, conserve production inputs, and protect water were implemented and include:

- drip irrigation systems,
- irrigation tailwater return systems,
- cover or green manure crop,
- insectary hedgerows ,
- windbreak establishment,
- hedgerows,
- critical area planting of bare areas and;
- filtering and capturing runoff water and sediment.

NRCS has developed a new program for 2003, the Conservation Security Program (CSP), which may start as a pilot program. The program has \$2 Billion dollars in budget authority and will pay agricultural producers for stewardship. The program consists of flexible tiers for eligible lands used to produce crops, livestock and forested land that is incidental to an agricultural operation. Tier requirements are as follows:

<u>Tier</u>	<u>Resource Concern</u>	<u>Payment Schedule</u>	<u>Amount not to Exceed</u>
I	At least one resource concern for a minimum of part of the operation	Annual Payment	5% of base payment, cost share and maintenance payment, and enhancement payments not to exceed \$20,000 (5 years).
II	At least one resource concern for the total agricultural operation.	Annual Payment	10% of base payment, cost share and maintenance payments, and enhancement payments, not to exceed \$35,000 (5-10 years).
III	Address all applicable resource concerns for the total agricultural operation.	-----	15% of base payment, cost share and maintenance payments, and enhancement

payments not to exceed
\$45,000 (5-10 years)

The Environmental Quality Incentives Program (EQIP) is a conservation program that provides cost-sharing to install conservation practices and to promote adoption of practices such as:

- Irrigation systems
- Fencing
- Air Quality (PM10 – road treatment, chipping orchard prunings)
- Grazing land management
- Animal waste structures
- Nutrient management plans
- Erosion control
- Water quality

In 2002 the EQIP was restructured to include new changes. The per person limit was increased to \$450,000 and the contract length ranges between 2 to 10 years. There are no priority areas or bid downs and payments can be made in the first year. Up to 90% of the funding is for beginning and limited resource farmers and also for nutrient management plans. Restrictions on animal waste units for large livestock operations have been removed. The program includes ground and surface water conservation and will support irrigation improvements, conversion to less water-intensive crops, and dry land farming (practices to preserve soil moisture). There is a broad applicability in California (e.g. Klamath Basin).

The Wildlife Habitat Incentives Program establishes and improves wildlife habitat on private lands through cost-shared conservation practices. The program has received a \$700 million dollar overall increase in budget authority. This program has not been well funded in the past but has been popular in California and where there is much more potential to expand it. There is an increased emphasis on habitat for endangered species. The program is currently looking for opportunities for special projects beyond single land ownership partnering.

The Wetlands Reserve Program restores wetlands on agricultural lands and is a voluntary program. In California there are 60,000 acres already enrolled with many more on the waiting list. Approximately \$20 to \$25 million dollars for California are expected in 2003. The program has been reauthorized through 2007 and the overall program acreage cap has been increased to 2,275,000 acres.

Permanent and 30-year easements and restoration cost-share agreements are included.

The Grassland Reserve Program reestablishes native vegetation on working agricultural lands. This program is also voluntary and includes rental or easement plans up to 30 years or permanent easements. It is a new program similar to the Wetland Reserve Program; however there are currently no set rules. A likely restriction will include utilizing land for grazing but not for crops with the exception of hay. There is \$254 million dollars in the budget authority that can apply to California rangelands particularly oak woodlands and coastal hills.

The Conservation of Private Grazing Lands program is a technical assistance program only. In order to request assistance contact a local NRCS field office for the following:

- Maintain and improve grazing land
- Implement grazing land technology
- Protect water quality and quantity
- Enhance recreational opportunities
- Sustainable grazing systems.

The Conservation Reserve Program provides rental payments for planting of sensitive cropland to long-term cover. This voluntary program has been extended through 2007. The acreage cap has been increased to 39.2 million acres with 10-15 year rental contracts. Program requirements allow for managed haying and grazing with commensurate reduction in payments but the land must have been cropped for 4 of the past 6 years.

The Farm and Ranchland Protection Program preserves prime, unique and other productive lands in perpetuity for agricultural production. Changes in this voluntary easement program expand the definition of eligible lands to include agricultural land that contains historic or archaeological resources eligible for enrollment. Non-profit organizations are eligible entities for program participation. The California Department of Conservation is a major partner.

There are many new features associated with applying for and implementing NRCS conservation programs. These features provide for certification of third party technical service providers and protect the confidentiality of producer's conservation plan information, and locations of Natural Resources Inventory data collection points. In addition, the Forestry Incentives Program has been replaced

by the Forest Land Enhancement Program, administered by the Forest Service.

The closing messages to producers are all programs have continuous signup but, apply early to maximize chances for funding. There may be more than one funding cycle but earlier applications are better. NRCS will only consider for ranking those applications that have been planned.

Betsy Marchand: There is huge resistance to setback levees due to concern over potential loss of farmland and related revenues. How can we use these NRCS program funds to support the continuation of such farmlands and/or landowner compensation within a new levee program?

Mr. Hogan: Each different stakeholder group has different programs. You would need to contact each individual program. There is the flood plain easement program, that is submitted to state conservationists before approval.

WHIP is not an easement program. It is used to restore overall native communities. Landowners do not have to have agricultural history on the property.

Participant: What is the time cutoff for EQIP?

Mr. Hogan: NRCS would like the applications completed by February 28, but they will still accept applications after February 28.

Other Items:

Due to time constraints, Mr. Ceppos' update on the landowner interviews was canceled.

Meeting was adjourned. The next meeting scheduled for April 10, 2003 has been POSTPONED.

Next Meeting Date is scheduled for May 29, 2003.