

CALIFORNIA OCEAN PROTECTION COUNCIL MEETING MINUTES

March 21, 2005
Byron Sher Auditorium
Cal/EPA Building, 1001 I Street
Sacramento, California
9:00 a.m. - 4:00 p.m.

Note: The web-cast of the March 21, 2005 meeting is available on the Internet at the following URLs: <http://www.calepa.ca.gov/broadcast/Video/2005/20050321OceanAM.aspx> (morning session) and at <http://www.calepa.ca.gov/broadcast/Video/2005/20050321OceanPM.aspx> (afternoon session).

Council members in attendance:

Mike Chrisman, Secretary for Resources, Council Chair
Cruz Bustamante, Lieutenant Governor, Chair of the State Lands Commission
Alan Lloyd, Secretary for Environmental Protection
Julia McIver, Representative for Sheila Kuehl, California State Senator, *Ex officio* Member

1. Welcome, Introductions, and Overview of Ocean Action Plan

Mike Chrisman, Secretary for Resources, Council Chair

The chair welcomed everyone to the first meeting of the California Ocean Protection Council and introduced the members of the council.

The California Ocean Protection Act established the council in state law. The chair outlined the key provisions and findings of the act: 1) the council is to provide a mechanism for protecting California's valuable marine resources, 2) the state's ocean and coastline are of vital importance to its environment and economy, 3) state activities must be coordinated in order to make sure that efforts are focused on valuable resources, 4) the collection and sharing of scientific data must be improved, and 5) council to identify changes needed in state and federal coastal and ocean laws and policies.

The chair also provided an overview of the responsibilities of the council and the purposes of the California Ocean Protection Fund. Potential uses of the fund include the following: 1) fostering sustainable fisheries, 2) water quality improvement projects, 3) coastal habitat restoration and protection projects, 4) improvements to public access to the coast, and 5) scientific research to support the development of new policies.

An overview of the key sections of the Governor's *Ocean Action Strategy* was provided. The Governance section, among other things, calls on the President, the Council on Environmental Quality to support key provisions of U.S. Commission on Ocean Policy and the Pew Oceans Commissions reports. The Economics and Funding section, among other things, discusses a soon to be released Resources Agency commissioned report pertaining to the California ocean and coastal economy. The Research, Education and Technology section discusses a Resources Agency, California Sea Grant, University of California Marine Council, and California Ocean Science Trust collaborative to develop a statewide research strategy. Other actions discussed

under this section include developing a strategic plan for a \$21 million Ocean Currents Monitoring System and revitalizing CalOCEAN (a data access program hosted by the Resources Agency's CERES program). The Stewardship section discusses actions pertaining to increasing efforts to support protection programs and long-term ecosystem programs (e.g., the Marine Life Management Act and the Marine Life Protection Act) and programs that address the adverse impacts of offshore oil and gas development.

Secretary Lloyd stressed that the state must make efficient use of our resources, investing in projects with multiple benefits, look across all governmental boundaries to learn how to better manage resources.

2. Council Operating Procedures

Sam Schuchat, Executive Officer, State Coastal Conservancy, Council Secretary

Mr. Schuchat, Council Secretary, presented an overview of how the council will operate under the Open Public Meetings Act and other procedures. Agendas and meeting notices will be released at least 10 days before each meeting and all council briefing materials will be available to the public at the meeting. It is anticipated that the council will meet quarterly and as determined appropriate and most effective by the Chair of the Council. The Council Secretary will submit a proposed agenda to the chair for approval. Council members, both voting and non-voting, will have the ability to place items on the agenda. Each council meeting will have a public comment period. The members of the public are also encouraged to submit written comments to council. The council will provide updates on council activities via e-mail updates, and a council website.

It is foreseeable that from time to time the council will need expert guidance on complicated scientific issues. When these situations arise, the council's first choice will be to use existing advisory groups, such as the Resources Agency Sea Grant Advisory Panel, the California Ocean Science Trust, and the University of California Marine Council.

Lt. Governor Bustamante shared with the council his views on the virtues of the California's coast, both its spectacular beauty and its economic power. He also spoke to the role the council could play in supporting policies that would protect the coast and its valuable resources. The Lt. Governor called on his fellow council members to join him in drafting a letter to the President and the Congress opposing a recently proposed federal energy bill.

3. National Ocean Policy Discussion

Admiral James Watkins, Chair, U.S. Commission on Ocean Policy

Leon Panetta, Chair, Pew Oceans Commission

Admiral Watkins stressed the importance of regional, federal, and state agencies working together to reform ocean policy in California. The Admiral recommends the establishment of a Presidential council of ocean advisors to insure state and federal partners have input on development of policy at a federal level. He also recommends the development of a voluntary process which would lead to the creation of regional ocean councils. Finally, the Admiral stressed the importance of *horizontal integration* of information among federal, state, regional and local levels to better manage coastal and ecosystem resources.

Mr. Panetta stressed that the council's most important purpose is providing leadership for protecting California resources. Toward that end the council should strive to coordinate between the Pew Commission and the U.S. Commission on Ocean Policy, support passage of the Law of Sea Treaty, work with Congress to authorize NOAA into law to promote ocean policy, expand the observation system, support legislation dealing with cleaning up and removal of ocean debris, oppose efforts to weaken ocean laws. The council has a crucial role: coordinating state agency activities that have impact on oceans; establishing clear, limited goals; making sure all members of advisory board meet together when making policy decisions; the obligation to secure funding for good science and laws of water quality. The council can establish a model for other states to follow, all the way up to the Federal level.

In response to a council question, Admiral Watkins suggested that in the next six months the one specific action to take would be setting up an Integrated Monitoring Coastal Ocean Observing System with strong governance, science and education, and solid funding stream, and a program to meld it all together. In response to another council question, Mr. Panetta stated that additional funding cuts can be expected, so that it's important that states develop local funding resources.

4. Funding Strategy

Sam Schuchat, Executive Officer, State Coastal Conservancy, Council Secretary

Mr. Schuchat addressed the council's funding status and explained some of the categories of projects and efforts the council should pursue in the future. Potential funds that the council will have available at its disposal include the following: 1) \$1.2 million from the Environmental License Plate Fund, 2) potentially, \$10 million from Tidelands Oil Revenues this fiscal year (to be expended by Conservancy via an interagency agreement with the Resources Agency), 3) \$10 million through a partnership with the State Water Resources Control Board, 4) \$5 million from the Coastal Conservancy bond funds, and 5) private funding made available to match state funding.

The Lt. Governor asked what decision making power does the council have over appropriations for ocean related projects. Mr. Schuchat responded by stating that the council will have the responsibility to select projects to be funded from the multiple funding sources that have been made available to the council. However, contracting responsibilities for these projects will remain with the agencies to which the appropriations were made; e.g., Resources Agency and Coastal Conservancy. Secretary Lloyd recommended setting up a committee to focus on efforts to stream funding efficiently and expedite funding to council projects.

5. Ocean Action Plan Implementation

A. Ocean and Coastal Laws (Action 2: Task 2)

Draft Inventory of State Laws and Next Steps

Jonathan Gurish, Staff Counsel, State Coastal Conservancy

Mr. Gurish discussed progress made towards developing a draft inventory of ocean laws and the next steps the council should take to evaluate them. An advisory group, led by Mr. Gurish, has been organized to review laws, determine and evaluate recommendations for coordinating national and international efforts, and provide agency, academic, public and stakeholder input. A revised draft inventory of ocean laws will be presented to the council by September 2005. The advisory group will work on case studies to determine how to make laws more effective.

B. Ocean and Coastal Economics (Action 3)

Preliminary Findings of California's Ocean Economy Report

Judy Kildow, Professor, California State University Monterey Bay

Dr. Kildow provided some preliminary findings of a study pertaining to the California ocean and coastal economy. The study is being conducted under the auspices of the National Ocean Economic Project. Changes in population distribution across the state, and particularly the coast, were discussed. The effects of those changes had on jobs—both direct and indirect—and revenues the state enjoys were discussed; e.g., high paying blue chip jobs have been lost in the 6 sectors of the ocean economy that were studied but service industry jobs are on the rise. It was pointed out that employment data on fishermen is lacking. Consequently, it is difficult to form a complete picture of this sector of the ocean economy. It is clear from the data that the ocean and coastal tourism and recreation sector is flourishing and thriving in California.

C. Ocean and Coastal Information, Research and Outreach (Action 4)

Workshop Summary Report and Draft Strategy Work Program

Russ Moll, Director, California Sea Grant College Program

Brian Baird, Assistant Secretary for Ocean and Coastal Policy, California Resources Agency

Dr. Moll and Mr. Baird discussed partnership efforts among the State of California, the U.C. Marine Council, California Sea Grant, and the California Ocean Science Trust to create an information, research, and outreach strategy for California. The focus of the partnership is to address information, research, and outreach needs among the scientific community, academia, industry, management and the general public. Dr. Moll also highlighted summaries of recent workshops. The following recommendations came out the workshops: 1) Coastal Natural Hazards, Beaches, and Coastlines—creation of communication system to connect information needs of resource managers with scientists; 2) Invasive Species—creation of a California center for invasive species; 3) Ecosystem's Health Habitat Restoration and Management—develop a living observation system to quantify how critical ecosystems are responding to human drivers; 4) Fisheries Management, Marine Protected Areas, Aquaculture—development of a pilot project to implement ecosystem-based management; and 5) Coastal Pollution, Water and Sediment Quality— implementation of a web-based clearinghouse for water and sediment quality. The fundamental objectives are to identify critical needs, develop an implementation plan, and develop immediate and long term actions.

D. California Watershed Protection (Action 11)

Draft Action Plan to implement Watershed Management Memorandum of Understanding (MOU) and Strategic Plan

Cathy Bleier, Deputy Assistant Secretary for Watersheds, California Resources Agency

Deputy Assistant Secretary Bleier explained the recently revised Watershed MOU between the Resources Agency and CalEPA. The MOU, required by the Watershed, Clean Beaches and Water Quality Act of 2002, calls for continued interagency coordination of and stakeholder input to state watershed programs, an update of the 2003 California Agency Watershed Management Strategic Plan, and implementation of strategic watershed objectives through regional or local programs such as the Ocean Action Plan, CalFed and the Southern California Wetland Recovery

Project. Deputy Directors from over a dozen departments, boards and other entities reviewed accomplishments in funding coordination, information sharing, and restoration permit coordination. They then developed an 18 month action plan to continue progress in these areas, to develop performance measures to identify watershed health improvement, and to support local involvement and stewardship. Secretaries will meet annually with deputies, the public, and federal and local agency partners to review and discuss the action plan.

6. Ongoing Stewardship Processes

A. California Water Quality Protection - *Celeste Cantú, Executive Director, State Water Resources Control Board*

Ms. Cantu described recent efforts of the State Water Resources Control Board addressing water pollution issues that impact California's ocean and coastal waters. In addition, she discussed: point and non-point pollution control programs addressing stormwater, urban, industrial and agricultural runoff; cruise ship discharges, and the creation of no-discharge zones in coastal waters.

B. California Coastal Commission - *Meg Caldwell, Chair, California Coastal Commission*

Ms. Caldwell described recent challenges facing coastal management. She outlined: the review of the 36 offshore oil and gas leases, plus challenges with other issues such as needing to address non-point source pollution. Three challenges facing the Commission relating to ocean action plan: reviewing major energy and infrastructure facilities and uses for compliance with Coastal Act; effectuating coastal nonpoint pollution control program; and long-term funding, which is unknown, but a permanent, reliable source of funding is necessary for ongoing planning and management of long-term conservation programs.

C. Overview of Ocean-Related Projects at the State Lands Commission - *Paul Thayer, Executive Officer, State Lands Commission*

Mr. Thayer provided an overview of the role of State Lands Commission relative to ocean and coastal management issues facing the state of California. The commission is the landlord for state tidelands and has mandate to protect the public trust. In addition the commission has programs in the following areas: ballast water exchange, oil spill prevention, and the removal of no-longer used offshore energy production facilities (e.g., platforms). The commission is anticipating becoming more involved proposed LNG terminals. Last, Mr. Thayer stated that even though the commission is an independent department of the state, it is essential that it coordinate with other state and federal agencies/departments.

D. Overview of Ocean-related Projects at the Coastal Conservancy - *Sam Schuchat, Executive Officer, State Coastal Conservancy, Council Secretary*

Mr. Schuchat gave an overview of some of the 6 types of ocean and coastal related projects that are undertaken by the Coastal Conservancy. Types of projects are as follows: 1) coastal wetlands restoration (e.g., South San Francisco Bay salt pond restoration, Southern California Wetlands Recovery Project), 2) watershed restoration (e.g., database of fish barriers, Integrated Watershed Restoration Program in Santa Cruz County), 3) invasive species eradication (e.g., *Spartina*, *Caulerpa taxifolia*), 4) Ocean Observing System, 5) habitat restoration (e.g., kelp restoration, eel grass restoration, native oyster restoration), and 6) urban waterfront program (with habitat restoration,

offshore observation systems, and waterfront restoration in many communities along the California Coast.

E. Fisheries Management - *Patty Wolf, Marine Region Manager, Department of Fish and Game*

Ms. Wolf provided an overview of challenges to fishery management. She reported that commercial fishing landings have decreased in recent years; however, the same 10 species have occupied the top landing rankings. Recreational fishing licenses are down from record highs. Ms. Wolf also provided an overview of the Marine Life Management Act (MLMA) and the progress being made towards its implementation. The MLMA was enacted in 1999. Fishery Management Plans (FMPs) are a major tool of the MLMA. The MLMA's Master Plan serves as a guide for developing FMPs. The FMPs for white sea bass, the nearshore fishery, and squid have been completed while the FMP for abalone is near completion. Due to the state budget crisis, the state has not been able to move forward in implementing the top 3 FMPs that are identified in the Master Plan. The MLMA requires the Department of Fish and Game (DFG) to prepare a report on the status of California fisheries and the effectiveness of existing management programs. The first report was prepared in 2001; however, because of funding limitations (DFG) has performed only one update. FMPs cost \$7 million to develop and approximately \$3 million per year to implement.

F. Marine Life Protection Act Initiative - *John Kirlin, Executive Director, MLPA Blue Ribbon Task Force*

Dr. Kirlin described California's recent efforts to implement the Marine Life Protection Act (MLPA). The MLPA which was enacted in 1999 is the primary policy tool to spatially define and manage Marine Protected Areas (MPAs) in California. The MLPA has six goals. MPAs should be designed and managed as a network. There are three types of MPAs: 1) reserves (all take is permitted), 2) park (may allow recreational take), and 3) conservation area (may allow limited recreational and commercial take). The Current MLPA initiative was formed after two previous attempts. The current initiative is based on Memorandum of Agreement (MOA) among the Resources Agency, Department of Fish and Game, and the Resources Legacy Fund Foundation. The MOA, signed in 2001, creates a 9 member "blue ribbon task force", a 7 member steering committee, a science advisory team, and a 27 member statewide interest group. The life of the initiative is through the end of December 2006. Almost \$9 million in funding has been committed to the initiative. The initiative has 5 deliverables: 1) masterplan framework for establishment of MPAs, 2) comprehensive strategy for long-term funding, 3) implementation of a pilot in the Central Coast region, 4) developing recommendations for coordinating and managing MPAs with federal agencies, and 5) agreement among state agencies.

7. Next Steps

Mike Chrisman, Secretary for Resources, Council Chair

Chair Chrisman highlighted many common themes expressed during the day's meeting and stressed how important it is to set priorities, secure long-term funding, to work with counterparts in other states with Western and National Governors Association. The council discussed writing a letter to member of Congress regarding the pending federal energy bill.

8. Public Comments

Steve Aceti of the California Coastal Coalition stated that the coalition works with industry, local governments, local groups, and task forces to reduce litter and debris in coastal system. He also discussed legislation (S.B. 658, Kuehl) that would impose a fee on cars to build a fund for a variety of local coastal projects.

Bob Strickland of United Anglers addressed the issue of clean water. He also discussed the necessity of clean water for maintaining healthy fisheries and the importance of fisheries management.

Warner Chabot of the Ocean Conservancy discussed the importance of long-term funding. He also urged the state to change its basic architecture of funding resource management, as it is antiquated and insufficient to address California's resource problems.

Bill James of Commercial Nearshore Fishermen discussed the effects of underfishing in protected areas where there was once overfishing, and how underfishing affects overall health of the ecosystem of those protected regions.

Ann Notthoff of the National Resources Defense Council requested, on behalf of other environmental groups, a new list of candidates to fill term limit positions on the California Coastal Commission.

Justin Malan of the California Ocean Science Trust offered the trust's assistance to the council in the areas of science; e.g., ecosystem management, nonpoint source pollution, and other standing action items in the Governor's ocean action plan.

Karen Reyna of the Gulf of the Farallones Marine Sanctuary informed the council that the sanctuary's Management Plan will be ready this fall. She invited the council to work with the sanctuary to help protect ocean resources.

Michael Sutton of the Monterey Bay Aquarium discussed the recent consensus statement on marine ecosystem-based management. He also stated that the council should provide funds to projects with the most tangible outcomes and high profile impact. Last, he stated that it is important to shape policy with help from federal government on ocean protection.

Richard Charter of Environmental Defense discussed the need for strong coordination between agencies and the importance of having permanent and sustainable long term funding for ocean protection.

Tom Raftican of United Anglers offered his support to the council and wished them success.

Tim Shestek of the American Chemistry Council addressed litter and plastics, and other marine debris issues. He also stated that he was willing to work with council on these issues.

Linda Sheehan of California Coastkeeper Alliance addressed the council regarding coordinating actions that will protect and ensure water quality standards.

Jane DeLay of Save Our Shores offered support for the council's work, and requested assistance for cities needing to respond to "cease and desist" laws. She recommended that the council include terrestrial resource management programs in the inventory of ocean protection laws. Jane stated that she supports the Governor's suggestion to take strong action to protect California against the federal energy bill.

Sean Smith of the Bluewater Network wanted to bring to the Council's attention the issues of enforcement of existing laws and identifying and delineating responsibilities for enforcement.

Joe Dillon of NOAA urged the council to push for the completion of regulation that would assist efforts to protect ocean resources.

Marc Hershman of the University of Washington provided the council with information about similar ocean councils along the West Coast (i.e., Oregon, Washington and British Columbia) and the importance of teaming up to put pressure at the federal level to pass ocean protection legislation.

Jim McKinney of the California Energy Commission discussed the once-through cooling issue, work being done on updating permits for power plants, and the effect that once-through cooling has on the environment.