



((Fall 2012))

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541 H St. • Los Banos, CA 93635

An informational newsletter for water users and landowners in the San Joaquin River Exchange Contractors' service area.

EXCHANGE

perspective

November 2012

EXCHANGE CONTRACTORS' ENGAGEMENT IN RESTORATION ISSUES YIELDS RESULTS

The San Joaquin River Exchange Contractors continues to work steadily to protect third-party interests during the implementation of the San Joaquin River Restoration Program by state and federal agencies.

That work is paying off as those agencies considered positions advocated by the Exchange Contractors in making two important decisions on the pace and scope of implementation of the Restoration Program. Protections sought by the Exchange Contractors and other third-party interests to the San Joaquin River Restoration Program have been included in the federal government's environmental documents final approval (Record of Decision) and in the State Water Resources Control Board's order approving the Bureau of Reclamation's Long-Term Change Petition to release flows from Friant Dam for fishery purposes. In addition, Exchange Contractors has had success in how the SJRRP is implementing endangered species "Take Permits" issued for reintroduction of endangered salmon.

The Exchange Contractors over the last 18 months has submitted a significant amount of comments and supporting documents seeking protections for its landowners in the final EIR/EIS and in

how the Endangered Species Act "Take Permits" are drafted and implemented for the relocation and release of spring run Salmon. Executive Director Steve Chedester said the Exchange Contractors and SJR Resource Management Coalition have worked directly with government agencies and through political channels to ensure that final approvals and permits were not issued without protections in place for the landowners and diversions.

The San Joaquin River Settlement Act contains provisions that require the National Marine Fisheries Service (NMFS) to designate Spring-Run Chinook Salmon relocated and released below Friant Dam from the Feather River fish hatchery in Oroville as an "experimental population" allowing for exemptions to the ESA that provide protections for third parties. This is done through a formal 10(j) and 4(d) rule making process pursuant to the ESA. The Exchange Contractors has advocated for an open process and provided input into what it believes is protective language for its growers and other third parties.

"The proof will be when we get a chance to actually see the draft rules, which we understand will not be until mid-2013," Chedester said.

continued on page 3

EXCHANGE CONTRACTORS HELP MAKE C.A.S.T. FOR KIDS A SUCCESS, SEE PAGE 3



Volunteers from the Exchange Contractors and a group of young fishing enthusiasts have fun on the lake during the CAST for Kids day at the O'Neill Forebay on Oct. 27.

WATER RESOURCES PLAN PROJECTS MOVING FORWARD

PLANS UNDERWAY TO IMPLEMENT WATER BANKING AND DETENTION DAM PROJECTS.

The Exchange Contractors this year is moving toward implementing the first two major components of its Water Resources Plan (WRP). The WRP is a long-term comprehensive plan intended to provide maximum flexibility for landowners to meet their water demands into the future, particularly given the uncertain outlook caused by Delta issues, regulations, climate change and other concerns.

The first project is a proposed internal groundwater-banking project that provides a mechanism for potentially banking surface water from within the Exchange Contractors to recharge groundwater aquifers in Columbia Canal Company for later use during drought years.

The initial small-scale pilot project could become a model for other similar water banking projects in the Exchange Contractors to manage resources in a way that provides operational flexibility for growers within the service area, particularly in critical water years when surface deliveries are uncertain or in short supply.

The project in essence would allow member entities to bank water in excess of their needs during a given year into the aquifer. That water would then be delivered to Columbia in lieu of running deep wells. Water equivalents would then be made available back to the contributing entity at a later date based on the individual agreements between the member entities.

Preliminary studies completed last year on potential groundwater recharge sites identified one area within Columbia with strong potential due to its good soil characteristics for recharge and extraction and deep water table storage capacity. Analysis

is still being finalized to test well capacities and ensure there are no negative impacts, but the project is showing significant promise. If further study warrants, the goal is to have Phase I of the water-banking project ready and operational by this season.

“There is good potential for this to work on a small scale,” said Exchange Contractors Executive Director Steve Chedester. “We want to test that thoroughly before we embark on a larger groundwater recharge effort.”

A second project with a similar goal of providing more flexibility and certainty in short supply years is the Los Banos Creek Detention Dam. The Exchange Contractors Board of Directors voted in late September to initiate environmental reviews and enter design contracts on the Los Banos Creek Detention Dam project, with plans to start construction and begin utilizing the facility by next summer.

A feasibility study on re-operating the Bureau of Reclamation facility for additional surface water benefits for members of the Exchange Contractors, San Luis Water District, Grasslands Water District and the City of Los Banos has already shown promise for the project.

The Los Banos Creek Detention Dam re-operation could provide significant benefits including improved water supply reliability, recharge of local runoff, groundwater table stability, recreational and environmental enhancements at and near the dam, and improvements in water supply and quality for the City of Los Banos.

HEARINGS HELD ON SJR FLOW OBJECTIVES

The State Water Resources Control Board in September held workshops on proposed San Joaquin River Flow Objectives, the measure by which it intends to increase flows from San Joaquin River tributaries to meet fishery objectives for the reintroduction of endangered salmon.

The Exchange Contractors has provided input to help ensure that proposed flow objectives are based on sound science. The Water Board has proposed establishing flow objectives for fish on the San Joaquin River at Vernalis just south of the Delta. The hearing was held to gather input on what those flows should be.

“Our interest is to make sure that the flow objectives are reasonable and do not impede our ability to secure water or interfere with our reserve water rights on the upper San Joaquin River,” said SJRECWA Executive Director Steve Chedester.

More than three-dozen regulatory agencies and non-government groups representing water, fish and wildlife interests, were actively engaged in discussions related to the flow objectives. The Exchange Contractors will continue to be involved as these flows are established and implemented.

ENTITY WATER MANAGEMENT PLANS OPEN FOR COMMENT

Central California Irrigation District, San Luis Canal Company, Firebaugh Canal Water District, and Columbia Canal Company have drafted Agricultural Water Management Plans in accordance with requirements of SBx7-7. The entities are required to provide an opportunity for public participation.

The Draft AWMPs will be available for review at each of the member entities’ offices from Nov. 1 through Nov. 30, 2012. They will be accepting written comments until close of business Dec. 14, 2012. Those interested in participating in the public process by reviewing the draft of either AWMP should contact Central California Irrigation District’s General Manager Chris White at cwhite@ccidwater.org; San Luis Canal Company’s General Manager Chase Hurley at churley@slcc.net; Firebaugh Canal Water District’s General Manager Jeff Bryant at bryant_jeff@sbcglobal.net; or Columbia Canal Company’s General Manager Randy Houk at rghccc@sbcglobal.net.

EXCHANGE CONTRACTORS HELP MAKE “C.A.S.T. FOR KIDS” A SUCCESS

Special needs children and their families spent a day fishing on the water during the first annual “Catch a Special Thrill” (C.A.S.T.) For Kids event held at the O’Neill Forebay on Oct. 27. The Exchange Contractors have participated the last 11 years at the C.A.S.T. for Kids Foundation event held at Millerton Lake and this year marked the first time the event was held locally at the O’Neill Forebay. The Exchange Contractors, along with the Los Banos and Pacheco High FFA, prepared a barbecue lunch for the children participants, their families and volunteers.

The C.A.S.T. for Kids Foundation is a public charity that joins volunteers who love to fish with disabled and disadvantaged children for a day of fishing in the outdoors. The program and events are designed to create an environment whereby special needs children and their caretakers can leave their problems on shore and share a day of fun on the water that they may not otherwise get to experience.

The charity furthers its mission by increasing awareness of disabled and disadvantaged children in communities and teaching appreciation for natural resources. This is all made possible through the cooperation of government agencies, national and local sponsors, and local interest groups. More than 100 volunteers worked the event as boaters, fishing buddies, and coordinating onshore activities.



The Exchange Contractors worked with the Los Banos and Pacheco High FFAs to barbecue lunch for the children participants, their families and volunteers.

EXCHANGE CONTRACTORS’ ENGAGEMENT IN RESTORATION ISSUES YIELDS RESULTS

continued from page 1

“This declaration provides indefinite protection for our landowners,” he added. “If this project, as expected, does not get built in a timely manner and with the agreed upon mitigation measures, we will need these protections for the foreseeable future. This is what we have been advocating for and working hard to get.”

The release of Spring-Run Chinook Salmon into the San Joaquin River will be delayed at least a year from its original scheduled start date of Spring 2013 because necessary Endangered Species Act permits 10(j) and 4(d) have not yet been completed.

In other restoration developments, the U.S. Bureau of Reclamation and California Department of Water Resources in late September signed a Record of Decision (ROD) for the program’s final Environmental Impact Statement and Report for implementation of the San Joaquin River Restoration Program. The Exchange Contractors spent a lot of time this summer developing position papers and meeting with elected officials to get additional protections inserted that were afforded in the San Joaquin River Settlement Act. This was accomplished, in large part, because of the advocacy by the Exchange Contractors and other third-party interests.

In June, the Exchange Contractors filed comments on Bureau of Reclamation’s draft Framework For Implementation document and engaged Senator Dianne Feinstein, Congressman Jim Costa and other elected and appointed officials in seeking support of third-party issues, which include a sequence for construction of mitigation projects under the Restoration Program

that would protect third-party interests and water diversions of landowners downstream when the anticipated funding for the program does not materialize.

“We received a copy of a framework for the implementation of the SJRRP this past June, and had serious concerns with its content. During the process of drafting the detailed comments, we also engaged our political representatives and were able to effectuate change in the final environmental documents, the ROD and the final SWRCB order for the Long-Term Change Petition,” Chedester said.

The Authority was prepared to take legal action if issues it raised were not addressed adequately. After meeting with the Bureau officials, along with the Settling Parties this summer, the Exchange Contractors ultimately got alternative language inserted into the final ROD. That language prioritizes implementation of restoration in light of a shortage of federal funds to fully finance mitigation projects and other protections.

Among the priorities sequenced in the final document was language to protect third-party landowners from seepage and levee stability issues from restoration flows, in addition to construction of the Mendota Pool bypass with fish screens and the Arroyo Canal Fish Screen and diversion.

While recent developments have validated many of the Exchange Contractors’ positions and concerns related to the San Joaquin River Restoration Program in recent months, Chedester noted that the Authority will continue to work on this issue on behalf of its member agencies, their landowners, and other third-party interests.

“This is not over by any means and the Exchange Contractors will continue to work to protect our landowners as the program is implemented,” Chedester said.



San Joaquin River Exchange
Contractors Water Authority

PO Box 2115
Los Banos, CA 93635

Tel: 209.827.8616
Email: contactus@sjrecwa.net
website: www.sjrecwa.net

www.sjrecwa.net

WORKING PROACTIVELY FOR OUR MEMBERS

This has been a very busy quarter for the Exchange Contractors as we have embarked on a number of exciting and promising issues and projects. The Water Resources Plan aims to prepare members of the Exchange Contractors for future uncertainty in water deliveries from the Delta. We are taking a look at current water resource issues, prioritizing these issues and developing an overall plan to move forward to make sure the Authority members are represented and their water rights preserved not only now but also into the future. We should begin seeing results from this planning by the end of November.

At the same time, each entity is currently updating its 5-year Water Management Plan as required by the Bureau. These short-term reviews are in addition to work each district is doing to develop and apply projects as part of their long-term conservation programs. In many cases, these projects are leveraging outside matching funds to optimize their investments.

As always, the Exchange Contractors and its member entities work to stay ahead of water resource issues and find proactive and innovative ways to prepare for a secured future.

Sincerely,
Steve Chedester

Executive Director
San Joaquin River Exchange Contractors Water Authority

