



((Spring 2012))

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

EXCHANGE

perspective

April 2012

LATE MOISTURE BRINGS FULL ALLOCATION ANNOUNCEMENT

Improved hydrology since mid-March led the Bureau of Reclamation on April 13th to increase its allocation to the Exchange Contractors to 100 percent. Dry conditions early in the year led to a critical year designation when the Bureau made its initial allocation announcement in mid-February.

Precipitation and improved snowpack in the Northern Sierra since that early

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An increase in projected inflows into Shasta reservoir led the Bureau to change its initial forecast from a "critical" to a "non-critical" year and reinstate a 100 percent allocation to the Exchange Contractors.

CONCERNS OVER UNREALISTIC SAN JOAQUIN RIVER RESTORATION TIMELINE

The Bureau of Reclamation appears poised to continue its planned schedule to introduce endangered spring-run salmon into the San Joaquin River despite the fact that ground has not yet been broken on any Phase I projects called for in the San Joaquin River Restoration Settlement Act.

Exchange Contractors representatives are meeting regularly with key decision

makers to ensure that the reintroduction of spring-run salmon is delayed until Phase I projects called for in the settlement and resulting restoration legislation are completed. The Exchange Contractors are also strongly advocating for meaningful input into a revised implementation schedule that includes realistic budget appropriations to fulfill obligations set forth within the Settlement Act.

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The Exchange Contractors are concerned that federal officials are moving forward with a timeline to reintroduce endangered salmon into the San Joaquin River before mitigation projects to protect third party interests that were called for in the settlement agreement and legislation have been completed.

CONCERNS OVER UNREALISTIC SAN JOAQUIN RIVER RESTORATION TIMELINE

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"As a third-party interest, we are extremely concerned that the Bureau and the fishery agencies, including the National Marine Fisheries Service, U.S. Fish and Wildlife Service and the California Department of Fish and Game, appear to be maintaining an unrealistic timeline to begin reintroducing spring-run salmon. The initial timeline calls for salmon to be reintroduced in December 2012, however none of the required Phase I projects or mitigation measures outlined prior to the introduction of spring-run salmon have been initiated," said Exchange Contractors Executive Director Steve Chedester.

"The Exchange Contractors are engaged with our legislative representatives and the Bureau to make sure there is a realistic timeline on the whole project, but first and foremost, to advocate that salmon not be introduced until the river is ready," he added. "There is a billion dollars in Phase I construction that needs to happen before the river is ready."

Phase I projects, such as levee fortification, fish bypasses and fish screens must be completed near Mendota and Sack Dams to improve survivability of salmon released from Friant Dam. Otherwise, Exchange Contractors water users may find themselves under the relentless and endless regulations pursuant to the Endangered Species Act down the line. Additionally, Chedester said, seepage mitigation projects must be completed prior to the release of full restoration flows.

LATE MOISTURE BRINGS FULL ALLOCATION ANNOUNCEMENT

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announcement led to the amended allocation based on projected inflows into Shasta reservoir.

In light of those improved conditions, the allocation for Exchange Contractors increased to 100 percent of the contract supply of 840,000 acre-feet from an initial allocation of 75 percent.

KEEPING AN EYE ON LEGISLATIVE PROCESS

The Exchange Contractors newly formed Legislative Committee is working to stay abreast of new and pending state laws that might impact member entities and their consumers.

The committee, consisting of member entity landowners and managers, in addition to the Exchange Contractors' Executive Director, was formed in 2011 and is currently chaired by Aldo Sansoni of San Luis Canal Company. In addition to monitoring legislative issues and formulating positions on various water related bills, the committee works closely with the lobbyist firm DiMare VanVleck and Brown, to represent their interests in Sacramento.

"Our goal is to continuously have someone who has our interests in mind presenting our issues in Sacramento," said Exchange Contractors Executive Director Steve Chedester. "We have reinstated a fairly extensive outreach program targeting not only local legislators, but legislators in urban areas who may not understand the importance of agriculture when they are voting on water-related issues."

Among the issues currently being watched are groundwater regulations, water bonds, legislation related to Delta water conveyance and any potential new bills that would impose new water or discharge fees on Exchange Contractors growers.

The Exchange Contractors has reinstated an outreach effort to communicate its issues and interests at the state capitol.



TWENTY-FIVE YEAR WATER TRANSFER ENVIRONMENTAL DOCUMENT IN PROGRESS

A new environmental document is being completed that proposes a continuation of the Exchange Contractors current 10-year water transfer program for an additional 25 years. The Exchange Contractors are continuing their partnership with the Bureau of Reclamation on a joint draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS) pursuant to state and federal requirements. The EIR/EIS proposes to continue the annual transfer of conserved water and/or water from temporary land fallowing from the Exchange Contractors to several potential users through the year 2038.

The water developed by the Exchange Contractors through conservation measures and temporary land fallowing could be transferred or exchanged with CVP and SWP agencies located primarily in the San Joaquin Valley and to the Bureau of Reclamation for wildlife refuges also located in the San Joaquin Valley. Proceeds from the sale of this water fund on-farm and in-district water conservation programs within member agencies.

The current 10-year water transfer program, which underwent similar environmental review in 2005, runs through 2013. The new document provides flexibility to expand water transfers by an additional 20,000 acre-feet of conserved water under certain specified conditions for a total of up to 100,000 acre feet of developed water from conservation measures and 50,000 acre-feet of water from temporary land fallowing annually.

The Public Draft of the EIR/EIS is expected to be released by May. A public hearing on the program will be scheduled approximately 30 days after release of the document. For updated details about the release and public hearing log onto the Exchange Contractors website at www.sjrecwa.net.



Proceeds from the sale of water transferred to San Joaquin Valley water agencies and wildlife refuges has funded more than \$90 million in in-district and on-farm water conservation projects within Exchange Contractors members.

ENVIRONMENTAL REVIEWS UNDERWAY ON PROPOSED DELTA PLANS

The Exchange Contractors are actively reviewing nine proposed alternatives for managing conveyance of state and federal surface water through the Sacramento-San Joaquin River Delta to assess what, if any, impacts these alternatives might have on the short- and long-term operations and water rights or supplies of member agencies.

“We need to understand what alternatives are being proposed for future conservation plans related to the conveyance of water and management of the Sacramento-San Joaquin River Delta,” said Exchange Contractors Executive Director Steve Chedester.

The Bay Delta Conservation Plan and Delta Habitat Conservation Conveyance Programs (commonly referred to as “BDCP” and “DHCCP”) provide potential strategies for managing water conveyance through the Delta while also addressing ecological concerns related to native species and water quality.



The Exchange Contractors are reviewing proposed alternatives for managing conveyance of state and federal surface water through the Delta to insure there are no potential impacts on the water supply and quality of the Exchange Contractors.

Recent documents released as part of the Endangered Species Act environmental review process outline several strategies including new and/or redesigned water conveyance and operation of the State Water Project and the federal Central Valley Project.

Chedester said the Exchange Contractors are watching these developments closely to ensure the reliability of its water supply is not jeopardized by any of the strategies or proposals laid out in the plans.



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NEW WEBSITE LAUNCHED

We are happy to report that our newly designed, user-friendly website is now live and online. The website is part of our renewed outreach effort to keep our landowners consistently informed on local, state and federal water issues that may have an impact on their water supply, cost and availability.

The website contains important up to date information on water-related issues, as well as real-time updates on the programs and activities the Exchange Contractors are engaged in on your behalf. We welcome your feedback and hope you will take the time to log on and browse at www.sjrecwa.net.

Steve Chedester

Executive Director
San Joaquin River Exchange Contractors Water Authority

