



((Summer 2012))

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

EXCHANGE

perspective

July 2012

EXCHANGE CONTRACTORS PROTEST LONG-TERM PERMITS FOR RESTORATION RELEASES

The Exchange Contractors has filed a protest with the State Water Resources Control Board challenging the Bureau of Reclamation's long-term water rights permit petition to allow releases down the San Joaquin River for implementation of the San Joaquin River Restoration Program (SJRRP).

Although annual releases from Friant Dam for the SJRRP have occurred since October 2009, the Exchange Contractors have successfully used these protests each year to get conditions placed on restoration releases. Those conditions help protect landowners downstream who

have been impacted by seepage from elevated releases or could be impacted by increased flows down the San Joaquin River to support the introduction of Spring Run Salmon.

"This is the process where we have received the most relief in getting conditions placed in the permit to protect us," said Executive Director Steve Chedester. "In past years, when we have filed protests, we have been able to collaborate with the State Water Resources Control Board and Bureau of Reclamation to get seepage and other conditions included in the permits."

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COMMENTS SUBMITTED ON PERMITS FOR ENDANGERED SALMON "TAKE"

In late May, the Exchange Contractors submitted public comments to the National Marine Fisheries Service on its proposed Endangered Species Act permit to allow "take" of Spring Run Salmon reared at the Feather River fish hatchery in Oroville and transported to Friant Dam for release into the San Joaquin River.

The SJRECWA drafted comments along with the San Joaquin River Resource Management Coalition and other impacted third parties to the San Joaquin River Restoration Settlement Act. They point out failures with Reclamation's plan to continue on a timeline to introduce endangered Spring Run Salmon into the San Joaquin River below Friant in December. The Endangered Species "Take" Permit is required to allow the Bureau of Reclamation and federal fish agencies to relocate endangered Spring Run Chinook Salmon from the Feather River, raise them at the hatchery at Friant and then

introduce those fish into the San Joaquin River below Friant Dam, where they are then protected under the federal Endangered Species Act.

Steve Chedester, Executive Director for the Exchange Contractors, said impacted third parties are concerned that the Bureau of Reclamation, in conjunction with the federal and state fish agencies, appears poised to continue its planned schedule to introduce the endangered Central Valley Spring Run Salmon into the San Joaquin River despite the fact that ground has not yet been broken on Phase I mitigation projects called for in the Restoration Settlement Agreement and resulting federal law.

"We are opposed to this proposal because the San Joaquin River Settlement and resulting legislation stated there were going to be river improvements not only to habitat but necessary infrastructure for fish passage in the river

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EXCHANGE CONTRACTORS PROTEST LONG-TERM PERMITS

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Since 2009, these petitions have been secured as annual permits. However, this year the Bureau has submitted a long-term change petition that will make those water releases and corresponding permit conditions permanent.

"We won't have any more bites at the apple after this year so this is a big issue for us. We want to make sure we get long-term conditions in the permit that provide protections for our right to divert water off the San Joaquin River; that protect our members' diversion structures; and that limit flows to non-damaging levels for our landowners adjacent to the River," Chedester said.

The Exchange Contractors filed a protest and comments in mid-June to include in the long-term permit those conditions

the Exchange Contractors have gained in prior years plus additional conditions to further protect third-party interests from effects of increased flows. Among past conditions secured by the Exchange Contractors and petitioned again this year are landowner protections, such as seepage mitigation, levee stabilization, fish bypasses and other projects.

Additionally, the Exchange Contractors are seeking assurances that federally endangered Spring Run Salmon will not be imported into the upper San Joaquin River until necessary infrastructure projects that were part of the Settlement and the enabling legislation have been completed to improve their survivability.

The Exchange Contractors are also working through the environmental permitting process to gain long-term exemptions for their irrigation diversions and for farmers in the area to continue lawful agricultural practices without the risk of violating endangered species laws for impacts to reintroduced Spring Run Salmon.

COMMENTS SUBMITTED ON PERMITS FOR ENDANGERED SALMON "TAKE"

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such as around the Mendota Dam and around or through Sack Dam all the way to the Merced River," Chedester said.

"The infrastructure and habitat improvements are years behind schedule and the lack of adequate funding is a continuing concern for us," he added. "The SJRRP's own recent analysis pegs the estimated cost for the core elements at \$900 million, and the other necessary elements at an additional \$1.4 billion. We just do not see the federal dollars available to cover the \$2.3 billion needed to complete the project."

In written comments and statements during a public hearing on the issue in Los Banos in May, Chedester noted that the Environmental Evaluation violated, on several levels, the National Environmental Protection Act and California Environmental Quality Act that govern environmental evaluations for endangered species. Among the concerns noted:

1. The Environmental Evaluation violates the National Environmental Protection Act by evaluating only part of the project proposed by the U.S. Fish and Wildlife Service in its permit application.
2. National Marine Fisheries Service improperly tiers off previous environmental drafts for the San Joaquin River Restoration Project.
3. National Marine Fisheries Service has made an irretrievable commitment of resources in violation of federal law by investing in broodstock for the re-introduced salmon before permits are completed.
4. National Marine Fisheries Service has improperly "segmented" the Environmental Analysis in violation of federal law.
5. Analysis of the effects of the collection of eggs and juveniles from the Feather River Hatchery on the Feather River Spring Run Chinook Salmon population is inadequate.

6. The environmental analysis fails to adequately assess the impact if juveniles or eggs are accidentally or intentionally released from holding pens into the river.
7. The environmental assessment fails to assess the potential impacts on collected Spring Run Chinook Salmon if the issuance of the permit to release those juveniles into the river is delayed.
8. The assessment fails to take into account the inadequate funding for the activities authorized by the "take" permit.

Chedester said that third-party landowners within the Exchange Contractors could be at risk if federally listed endangered species are introduced into the San Joaquin River without the above issues being addressed, without adequate ESA protections afforded in the enabling legislation in place, and without implementation of mitigation projects down the river. The NMFS will review these and other comments and respond before issuing its final decision later this year.



The Exchange Contractors noted several issues in recent public comments on an ESA permit request to relocate federally endangered salmon from the Feather River Fish Hatchery to Friant Dam for release into the San Joaquin River.

BUREAU REGIONAL DIRECTOR LEARNS ABOUT AREA CONSERVATION PROJECTS AND PLANS

Donald Glaser, mid-Pacific regional director with the Bureau of Reclamation, in May toured portions of the Exchange Contractors to learn more about conservation measures and other improvements within its service area.



The Bureau's Don Glaser, left, talks with John Relvas of CCID about initial water benefit plans being explored for Los Banos Creek Detention Dam.

Glaser spent time touring the area with Exchange Contractors staff, district managers and landowners to see first-hand on-farm and in-district conservation projects including micro-irrigation installations in the field, regulating reservoirs and canal facility modernization projects.

"This was the regional director's first time to visit specific sites in our area at this level and we spent a lot of time informing him about efforts the Exchange Contractors' members are doing to beneficially use their water resources," said SJRECWA Executive Director Steve Chedester.

Glaser also visited the Los Banos Creek Detention Dam to hear more about initial plans to get some additional water supply benefits for the region from the facility.

The Exchange Contractors are exploring the possibility of partnering with local water agencies, state and federal agencies, and the City of Los Banos on a plan to utilize the Los Banos Creek Detention Dam for additional water supply benefits for the partnership.

The Exchange Contractors Board of Directors in April initiated a feasibility study on Los Banos Creek Detention Dam as part of the first phase of a larger Water Resource Plan for the Authority. The feasibility analysis will determine if it is possible to utilize the Los Banos Creek facility for additional surface water storage and groundwater recharge opportunities. The Los Banos Creek project could provide significant benefits including, among other things, improved water supply reliability, recharge of local runoff, groundwater table stability and recreational and environmental enhancements behind the dam. These improvements could also improve the water supply and quality for the City of Los Banos.

Glaser reacted favorably to initial discussions about working with partners to utilize and get water supply benefits out of the Bureau-owned facility, Chedester said. The Exchange Contractors will review the feasibility report for the project and, if it looks favorable, put together plans for further phases. The Water Resources Plan includes the Los Banos Creek Detention Dam project and investigations into groundwater recharge opportunities throughout the service area that would maximize flexibility and improve reliability to the area in times of short supplies.

EXCHANGE CONTRACTORS FORMULATE PLAN TO COMPLY WITH WATER EFFICIENCY LAW

The Exchange Contractors are currently putting together an update for its Water Conservation Plan that is due this coming December. Included in this updated plan are compliance options for a new state requirement (Senate Bill X7-7) for its four member entities. Senate Bill X7-7 requires increased measurements and certification of the accuracy of delivered water by agricultural water suppliers.

SB X7-7, adopted in 2009 as a concession to environmental groups during state water bond negotiations, requires a 20 percent reduction in per capita water use in urban areas by 2020. The law also contains a number of measurement and pricing provisions for agricultural water suppliers, including a provision that agricultural water districts measure volumetrically all water at each field.

The Exchange Contractors' members have been measuring water deliveries to growers for years as part of its tiered water pricing and delivery system. However, this new provision will require measurement on a field-by-field, rather than aggregate, basis. The Bill also requires those measurements to be certified within 12 percent accuracy for existing measurement devices and within 5 percent accuracy for newly installed measurement devices.

Initially under the Bill, ag and urban water users had until July 31 to certify as accurate the volume they were delivering to each field. Realizing that the expense and labor required to measure each field was prohibitive, DWR now is requiring that agencies randomly select 10% of their measuring sites and certify that they are in compliance, in addition to including a plan on how they intend to comply with the new requirements on the remaining measuring sites.

"The Exchange Contractors' member agencies have over 4,000 turnouts and obviously will not be able to certify that all 4,000 turnouts are in compliance," said Executive Director Steve Chedester. "We will have to propose a plan to the state that provides a three-year implementation plan."



Under a new state law agricultural water districts will have to measure all water delivered to customers on a field-by-field basis and certify those measurements as accurate.



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GREETINGS

There are many water resource issues occurring in our region, and some are not likely to be resolved in the near term and will require long-term planning strategies. Those issues include the San Joaquin River Restoration Program, Bay Delta Conveyance and proceedings before the State Water Resources Control Board and the Regional Water Quality Control Board. Through our newsletters, our goal is to provide you with timely and useful information regarding some of these activities. We encourage you to contact our office should you have any questions or concerns about any of these activities.

Steve Chedester

Executive Director
San Joaquin River Exchange Contractors Water Authority

