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

EXCHANGE perspective

August 2015

Farmers hopeful water supplies will last thru August

Farmers in the San Joaquin River Exchange Contractors are hopeful that water supplies will last through the end of August in order to get their crops to harvest.

The final day of August is a focal point for farmers, explained Steve Chedester, Executive Director of the Exchange Contractors Authority.

"If we can get through the end of August with a water supply that saves our farmers' crops, then that will be a well-deserved accomplishment," said Chedester. "It appears that the Bureau of Reclamation has secured an ad-



Growers are hopeful that water supplies will be available for late fields of tomatoes (insert) to reach harvest.

Congress has dueling bills that target drought relief

Two measures designed to provide drought relief to California and other states are making their way through Congress and are destined for a conference committee to determine whether a resulting bill will be approved, a goal that has been elusive in recent years.

Rep. David G. Valadao (CA-21) of Hanford gained approval in the U.S. House of Representatives for his Western Water and American Food Security Act of 2015, H.R. 2898, and the bill was sent to the Senate.

A week later, Sen. Dianne Feinstein

equate water supply to get us through the summer months."

Announcements of water deliveries from the Bureau of Reclamation have been a roller coaster ride this season as the drought and environmental regulations designed to protect endangered salmon in the Sacramento River have prevented firm commitments.

An agreement between the Bureau and the Authority members when Friant Dam was constructed allowed the Bureau to provide a substitute supply to replace San Joaquin River water destined for the Authority members with water from the Sacramento-San Joaquin Delta and Delta Mendota Canal (DMC). However, this year when the Bureau turned to the DMC for water to deliver to the Authority members it wasn't there in sufficient quantities to satisfy the Exchange Contract requirements.

Not only had the drought cut back on the available water supplies from the

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Drought legislation...

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(D-CA), along with Sen. Barbara Boxer, (D-CA), introduced her California Emergency Drought Relief Act of 2015 and it is scheduled for a September hearing in the Senate Energy and Natural Resources Committee.

Similarities exist between the two measures but each also contains conflicting provisions that create obstacles to moving the two bills to a conference committee.

"It is a good signal that our elected officials in our national capital have drafted measures that could bring relief to

"We are still a long way away from seeing a final product."

farmers and others during this ongoing drought," said Steve Chedester, Executive Director of the San Joaquin River Exchange Contractors Authority.

"We are still a long way away from seeing a final product," he added. "Hopefully, the members in Congress will rise above partisan politics and work toward a real solution that will benefit water users in the state."

Among the actions included in the House bill introduced by Rep. Valadao are:

- Repeals the San Joaquin River Restoration Program and replace it with a revamped program.
- Requires federal regulators to maintain certain pumping levels in the Delta unless the Interior Department certifies that the levels would harm the long-term survival of Delta smelt and no other alternatives to protect the smelt are available.

- Establishes deadlines for the completion of feasibility studies to build or enlarge five dams in the state.
- Directs the sale of New Melones Unit on the Stanislaus River to local water districts.
- Adds artificially spawned salmon or smelt when counting Sacramento-San Joaquin River Delta fish populations under the Endangered Species Act.

In comparison, Sen. Feinstein's bill:

- Authorizes partial funding for new storage projects, including Temperance Flat on the Upper San Joaquin River.
- Includes language to safeguard endangered species from increased water deliveries.
- Authorizes the Department of Interior and other water users to pay irrigators to install water conservation technologies and in return receive the majority of water conserved.
- Assistance for drought-stricken communities.
- Support for desalination projects and research.

Time ran out last year in attempts to reconcile two previous measures. Chedester expressed concern that the same threat exists this year.

"Meaningful change to the federal laws and regulations which govern the operation of the water supply system in California is needed immediately," Chedester wrote in a letter to congressional members.

"There can be no further delays or partisan disagreements."

PUBLISHED COMMENTS

Western Water and American Food Security Act of 2015---

"We're helping deliver real water to the Valley." --- Rep. David Valadao, R-Hanford.

"Without new water supplies we'll continue to see our farmers go out of business." --- Rep. Jeff Denham, R-Modesto.

California Emergency Drought Relief Act of 2015 ---

"I've introduced a lot of bills over the years and this one may be the most difficult." --- Sen. Dianne Feinstein, D-CA.

"I am pleased to be sponsoring Senator Feinstein's new water bill, which addresses California's devastating drought in a multi-faceted way." --- Sen. Barbara Boxer, D-CA.

Cold water ---

Temperature plan for fish disrupts water deliveries

Deciding how much water to hold in Shasta Reservoir in order to provide cold water for salmon has played havoc with farmers in the four districts that make up the San Joaquin River Exchange Contractors Authority. Consequently, the amount of water allocations farmers can expect to receive has been a moving target this year.

The U.S. Bureau of Reclamation is required to deliver water from the Delta Mendota Canal (DMC) to the Authority members. But when multiple layers of environmental and water quality regulations intervene, such as the requirement to protect salmon, that supply of water is placed in jeopardy.

This year the need to provide cold water in the Sacramento River for winter-run Chinook salmon is requiring the Bureau to hold more water in Shasta Reservoir until this fall that would normally flow through Keswick Reservoir and into the Sacramento River. During the summer, the Sacramento River Temperature Management Plan, which is required each year, guides the release of water from the reservoir.

“We’re still working through the impacts of the revised Temperature Management Plan and its effect on South-of-Delta water deliveries,” said Steve Chedester, Executive Director of the San Joaquin River Exchange Contractors. “The ‘base flow’ for June, July and August is set at 7,250 cubic feet per second out of Shasta which is significantly less than last year and what was planned for up until late May.”

The revised plan Chedester referenced is the most recent temperature management plan issued by the

California Water Resources Control Board that was released in mid-June. An earlier April plan was rescinded when it was discovered that equipment used to estimate the amount of cold water in Shasta provided inaccurate data.

Chedester explained that many farmers in the four districts that make up the Authority were holding off planting their ground until learning how much water would be delivered from the DMC. Once the Temperature Management Plan had been worked out in April, and the districts provided delivery numbers to their farmers, tractors began moving through fields to plant seeds for annual crops.

“Those crops were already sprouting when the water board rescinded their plan,” Chedester said. “The plan, announced June 16, delivers less water than the previous plan and farmers were faced with abandoning part of their planted acreage.

“We will continue to scrutinize the current temperature management plan in hopes of lessening the negative impacts felt by our farmers,” he said.

According to the six State and federal agencies that worked to develop the Temperature Management Plan, the base operations of the current plan include:

- Establish 7,250 cubic feet per second (cfs) as a base flow from Keswick Dam in June, July and August.
- Modeled Keswick releases in other months that achieve the above objectives are: September: 6,500 cfs; October: 5,000 cfs. These are subject to adjustment by the real-time monitoring and decision-making group based on performance of the plan in June and July.



Water is being stored behind Shasta Dam for cooling purposes to protect winter-run Chinook Salmon.

Cannon Michael delivers drought testimony to U.S. Senate committee

Members of the U.S. Senate Committee on Energy and Natural Resources were told by a sixth-generation farmer during a June 2 hearing that he and his family are facing “a very scary time” as he plans for investments to get through the current drought gripping California.

Cannon Michael of Bowles Farming Co., Los Banos, delivered that message as he addressed the Committee on behalf of the Family Farm Alliance, a grass-roots organization that works toward protecting water for western irrigation agriculture. Michael is also a director of the San Luis Canal Company, a member-district of the San Joaquin River Exchange Contractors Authority.

“This is a very scary time for me and my family, since substantial investments are being made, primarily with the intent of converting more of our operation to drip irrigation, which we hope will stretch limited water supplies,” Michael testified. “Those investments will be for naught if the current drought and regulatory paradigm persists into the future and there is no water to conserve.”

“There are very real human impacts as a result of how our water system is being operated to protect fish.”

Michael has become a vocal champion of farm water over the years and he jumped at the opportunity to present his viewpoint to the Senate Committee.

“Industry and water district representatives do a lot of great work on our behalf, but growers really need to step up,” he says. “I think it was important in the case of this hearing for people to understand the ramifications of a fallowed acre --- it doesn’t just hurt a farmer, but has a wide-spread ripple effect. There are very real human impacts as a result of how our water system is being operated to protect fish.”

In his remarks to the Committee, Michael stressed that “water connects us all --- farms, cities and the environment --- and solutions should be interconnected and mutually beneficial, not divisive.”

“That is happening in some places. In other places it is not,” he said. “The most helpful thing that Congress can

Cannon Michael testifies in nation’s capital.



do for drought-stricken states is to encourage, demand and mandate, where necessary, creativity and flexibility on the part of federal water management and regulatory agencies.”

In constructing the scenario of how severe the ongoing drought is affecting farmers, Michael told the Committee that “in 2014, vast areas of farm land in the San Joaquin and Sacramento valleys received no surface water at all --- a 100 percent reduction. Those same areas were again zeroed out in 2015. Overall, agricultural water supplies have been cut by 70 percent in the Central Valley.

“Almost 75 percent of the state’s irrigated farm land, nearly 7 million acres, will receive 20 percent or less of its normal surface supplies,” he added.

Michael explained that when farmers were faced with minimal if any surface supplies, they were forced to turn to groundwater in order to keep their crops alive, especially permanent crops like grapes, tree fruits, nuts and citrus.

“But groundwater supplies are not infinite and were severely depleted in 2014 in areas that received no surface water,” he said. “Groundwater also isn’t cheap. Wells cost upwards of \$200,000 each and they are expensive to run; so many farmers pump only enough water to keep their trees alive but not producing a marketable crop.

“In 2014 our family fallowed more than 15 percent of our farm,” he said. “This year that number has climbed to 25 percent of our farm that will be abandoned or fallowed.”

“When one hears that land is fallowed it might only seem that the impact is to the farmer, but that is definitely not the case. Every acre of farmed land generates jobs, economic activity and products. That is why the drought is so devastating to the rural agricultural communities of the Central Valley.”

Delay in river restoration raises concerns

Federal officials overseeing the San Joaquin River Restoration Program have finally acknowledged that it will take years longer and cost hundreds of millions of dollars more than initially planned. This admission was included in a “Framework for Implementation” recently released, which targeted 2030 and beyond for completion of the necessary infrastructure that was mandated in the settlement and enabling legislation.

“They have finally acknowledged what we have been saying all along,” said Steve Chedester, Executive Director of the San Joaquin River Exchange Contractors Water Authority.

“But what continues to be especially disturbing to us is Reclamation’s plan to create hydraulic continuity from Friant Dam to the Merced River and reintroduce Spring-

run salmon, an endangered species, despite the lack of required infrastructure projects first being completed that will provide protections to adjacent landowners.

“We’re disappointed that there is no firm prioritization for completion of required projects prior to hydraulic continuity being established,” added Chedester. “We have been involved in the process and constantly provided input but now we are asking ourselves ‘what’s next?’ It is time to reevaluate our participation.”

The new “Framework” also anticipates new annual federal appropriations of \$50 million per year. To date, acquiring much less than this amount has proven very difficult for the program...why now the SJRRP believes it can obtain this amount just doesn’t seem realistic and makes one wonder about completion of the program.

Water supply...

Continued from Page 1

DMC but environmental regulations and State Water Resources Control Board actions also kept water in Shasta Reservoir instead of letting the water flow into the Sacramento River and through the Delta for eventual delivery to contractors such as the Authority.

The water was held in Shasta to preserve cold water for the survival of winter-run salmon rearing. The current Temporary Urgency Control Plan targets a goal of no higher than 57 degrees for water in the upper reaches of the Sacramento River near Redding when salmon are present.



Tomatoes irrigated with drip.

Consequently, the base flow for water after it leaves Shasta Reservoir

and through Keswick Dam is 7,250 cubic feet per second (cfs) during June and July. That level remains for August but drops to 6,500 cfs in September and 5,000 cfs in October. The August through October flows are subject to adjustment.

Due to the new Operation’s Plan that was adopted in June, the Bureau scrambled to find supplies elsewhere that it can obtain to make up the shortfall to meet delivery schedule to the Authority and other CVP contractors. It needs to “borrow” 120,000 to 160,000 acre-feet in San Luis Reservoir to continue deliveries through August. With the cooperation of both federal and state contractors, it appears this has been accomplished.

“The Bureau met with contractors that receive water from the Central Valley Project and the State Water Project,” said Chedester. “However, any water borrowed must be paid back by the end of the year and that is causing some concerns with potential partners.

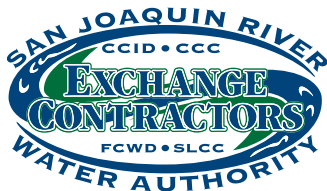
“This concern is understandable. If a contractor or grower releases water that is already South of the Delta in San Luis Reservoir, they may not need it until later this fall or into next year. However, they have to be assured the ‘borrowed’ water will be replaced and be available when they call for it.”

“Right now the Exchange Contractors do not have an assurance of anything relating to water supply beyond August 31,” said Chedester, “and that’s our problem. Our schedule calls for 100,000 acre-feet in July and another 78,000 acre-feet in August. Our presumption is that we will get all of that but nothing additional in the fall, September through December.

“The Exchange Contractors have already reduced their supplies more than 175,000 acre-feet from its contracted amount according to a ‘critical year’ designation, which is 650,000 acre-feet.”

The total of fallowed acres projected among growers within the Exchange Contractors service area is currently about 30,000 to 40,000 acres, according to Chedester.

“Making it through the summer months has not been easy,” Chedester added. “It is the result of the growers’ cooperation and the due diligence of the Exchange Contractors that is getting us through.”



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Leadership changes planned at SL&DMWA

The announcement of a planned shift in the leadership of the San Luis & Delta-Mendota Water Authority drew immediate praise from Steve Chedester, Executive Director of the San Joaquin River Exchange Contractors Authority.

"The planned succession of Jason Peltier to follow Dan Nelson as Executive Director of the SL&DMWA is a good move and one that provides the opportunity to continue its long standing role as a leader in the water industry," said Chedester.

"Jason has the experience needed to assist the Authority's board of directors as they tackle ongoing issues that affect the water supply availability for much of the Westside and in Santa Clara and San Benito counties," Chedester added.

Peltier will join the SL&DMWA staff on Aug. 15 as a Deputy Executive Director and will assume the Execu-



Jason Peltier

tive Director's position on Jan. 1, 2016, when Nelson steps down.

Peltier's most recent experience includes serving as Chief Deputy General Manager of Westlands Water District. Previously he served as Deputy Assistant Secretary for Water and Science at the U.S. Department of Interior and as manager of the Central Valley Project Water Association.

"Dan is the only Executive Director the Authority has known in its 24 years of existence and the job he has done sets a high bar for Jason," said Chedester. "Dan has worked tirelessly on behalf of the districts and farmers of the Authority. Keeping the water flowing has been a paramount goal of Dan's, even in these years when the Central Valley Project is delivering zero supplies of contracted water.

"Not only have farmers been hurt from reduced supplies but also their workers and families," Chedester added. "Dan has done a great job and we can't thank him enough."