RECLAMATION
Managing Water in the West

Draft FINDING OF NO SIGNIFICANT IMPACT

Assignment of 400 Acre-Feet of Exeter Irrigation District's Central Valley Project Friant Division Class 1 Water to Tri-Valley Water District

FONSI-11-024

Recommended by:

_____ Date: _____
Rain Healer
Natural Resources Specialist
South-Central California Area Office

Concurred by:

_____ Date: _____
Chuck Siek
Supervisory Natural Resources Specialist
South-Central California Area Office

Concurred by:

_____ Date: _____
Randy English
Chief, Resources Management Division
South-Central California Area Office

Approved by:

_____ Date: _____
Michael P. Jackson
Area Manager
South-Central California Area Office

U.S. Department of the Interior
Bureau of Reclamation
South-Central California Area Office

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Introduction

In accordance with section 102(2)(c) of the National Environmental Policy Act (NEPA) of 1969, as amended, the South-Central California Area Office of the Bureau of Reclamation (Reclamation), has determined that an Environmental Impact Statement (EIS) is not required to approve the assignment of 400 acre-feet (AF) of Exeter Irrigation District's (EID's) Central Valley Project (CVP) Friant Division Class 1 water to Tri-Valley Water District (TVWD). This Finding of No Significant Impact (FONSI) is supported by Reclamation's Environmental Assessment (EA)-11-024, *Assignment of 400 Acre-Feet of Exeter Irrigation District's Central Valley Project Friant Division Class 1 Water to Tri-Valley Water District*, and is hereby incorporated by reference.

Background

EID has historically participated in purchases, exchanges, and transfers of additional water with other CVP contractors, such as TVWD, through the Friant Division/Cross Valley Accelerated Water Transfer Program (AWTP) which is an accelerated process that allows for water transfers and exchanges under Section 3405 of Central Valley Project Improvement Act (CVPIA, Title 34 of Public Law 102-575). Rather than continue annual transfers under the AWTP, EID and TVWD have requested approval from Reclamation for the assignment of 400 AF of EID's CVP Friant Division Class 1 water supply to TVWD.

Proposed Action

Reclamation proposes to approve the assignment of 400 AF of EID's Class 1 allocation to TVWD and the consequent reduction of EID's Class 1 allocation.

Delivery of this water to TVWD will be done through an existing turnout on the Friant-Kern Canal (FKC) at milepost 35.85. The assigned 400 AF of Class 1 contractual supply will be used to meet TVWD's existing in-district demands and other uses consistent with its water service contract, EID's Repayment Contract, and Reclamation approvals.

No new infrastructure, modifications of facilities, or ground disturbing activities will be needed for movement of this water. No native or untilled land (fallow for three consecutive years or more) will be cultivated with water involved with these actions. Reclamation's South-Central California Area Office has initiated an Environmental Commitment Program in order to implement, track and evaluate these environmental commitments.

Reclamation's finding that implementation of the Proposed Action will result in no significant impact to the quality of the human environment is supported by the following findings:

Findings

Water Resources

The Proposed Action is the assignment of an existing CVP Class 1 allocation from a Friant Division CVP contractor to another CVP contractor located within the Friant Division service area. No additional diversions are being generated or needed for the assignment. No

modifications of existing facilities are required for the movement of this water from EID to TVWD. Therefore, there will be no impact to the San Joaquin River, district and federal facilities or water rights as a result of the Proposed Action.

The Proposed Action will not adversely impact water availability in EID as this assignment is only 3.5 percent of EID's Class 1 supply and will not impact EID's Class 2 water supply availability. In order to reduce potential impacts to its overall water supply, EID will likely make more use of its Class 2 water supply for direct delivery in addition to a slightly expanded program of conjunctive use of groundwater within the District. EID may also reduce the amount of water it has historically transferred. The volume of water to be permanently assigned from EID to TVWD is within the relative historical volume of water transfers and exchanges both districts have experienced (see Table 3-2 and Table 3-3 in EA-11-024). The total amount of EID's annually available CVP water entitlement will only be reduced by approximately 1 to 2 percent depending upon the availability of Class 2 supply in any particular year (see Table 3-2 in EA-11-024).

The addition of 400 AF of Class 1 water to TVWD's overall water supply will help increase water supply reliability in TVWD. Therefore, the Proposed Action will have beneficial impacts to water resources within EID.

Incidental recharge of the underlying groundwater from use of imported surface water for irrigation will be similar to existing conditions. The movement of water from EID to neighboring areas of shared groundwater resources will slightly decrease; however, 400 AF is small in comparison to the overall amount of water imported into the region and is within the amounts historically transferred to other areas of the Friant service area. There may be a slight increase in groundwater recharge in TVWD as the assigned water is used for irrigation; however, due to TVWD's proximity to the Sierra Foothills, groundwater recharge will be limited. Overall, the Proposed Action will not significantly impact groundwater resources.

Land Use

Under the Proposed Action, neither TVWD nor EID will change historic land and water management practices. The proposed assignment of EID's CVP water will move through existing facilities for delivery to lands within TVWD and will be used on existing crops. The water will not be used to place untilled or new lands into production, or to convert undeveloped land to other uses. Therefore, there will be no change to land use as a result of the Proposed Action.

Biological Resources

Under the Proposed Action, water will be conveyed in existing facilities to established agricultural lands only. The Proposed Action will not modify designated critical habitat for California tiger salamander (i.e., Unit 3a) within which the service areas are located, nor will the Proposed Action preclude or reduce this critical habitat's role in the conservation and recovery of the species. No new facilities will be required to bring the water to these locations, and no native or untilled lands will be brought into production by the Proposed Action.

Reclamation has determined that the Proposed Action will have no effect on Federally listed or proposed to be listed threatened or endangered species, designated critical habitat, or proposed or candidate species and critical habitat. The Proposed Action will not affect migratory birds, imperiled species, unique habitats, or species and habitats protected by federal or state law. No Essential Fish Habitat exists in the authorized Place of Use within the bounds of the agencies. The Proposed Action could not affect Essential Fish Habitat.

Cultural Resources

No new construction or ground disturbing activities will occur as part of the Proposed Action. There will be no change in land or water use, no new infrastructure, modifications of facilities, or ground disturbing activities for movement of this water. No native or untilled land (fallow for three consecutive years or more) will be cultivated with water involved with these actions. The proposed undertaking for Reclamation to approve the assignment of 400 AF of EID's Class 1 allocation from Millerton Lake to TVWD and the consequent reduction of TVWD's Class 1 allocation has no potential to cause effects to historic properties pursuant to the Section 106 implementing regulations at 36 CFR Part 800.3(a)(1).

Indian Sacred Sites

The Proposed Action will not limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites. There will be no impacts to Indian Sacred Sites as a result of the Proposed Action.

Indian Trust Assets

The Proposed Action will not impact Indian Trust Assets as there are none in the Proposed Action area.

Environmental Justice

The Proposed Action will not cause dislocation, changes in employment, or increased flood, drought, or disease, nor will it disproportionately impact economically disadvantaged or minority populations. Since the assigned water is a small percentage of the overall water supplies available to EID, and since EID has historically transferred similar amounts of water out of the district, the assignment is not likely to result in any economic uncertainty such that agricultural employment will be affected within EID. The assignment will improve the financial conditions of the District, and, in securing the District's ability to pay its Repayment Obligation under its Repayment Contract, it will secure the District's supplies under that contract for the benefit of its landowners and their employees. The Proposed Action may support and maintain jobs in TVWD that low-income and disadvantaged populations rely upon through increased irrigation water supply reliability. Therefore, there may be a beneficial impact to minority or disadvantaged populations in TVWD and EID as a result of the Proposed Action.

Socioeconomic Resources

The assignment of 400 AF of EID's Class 1 allocation to TVWD will reduce the potential need for TVWD to purchase additional water supplies at a much higher rate on the open market. The availability of this additional supplemental water supply will have beneficial impacts on socioeconomic resources with TVWD as this water will be used to help sustain existing crops

and may support and maintain jobs. Since the assigned water is a small percentage of the overall water supplies available to EID and EID has historically transferred similar amounts of water out of the district, the assignment is not likely to result in any economic uncertainty such that agricultural employment will be affected within EID. Therefore, the Proposed Action will have no significant effect on, and may have a slight beneficial impact, to low-income populations.

Air Quality

Under the Proposed Action, Friant Division Class 1 water will be delivered off the FKC to TVWD rather than to EID. Delivery of this water will require no modification of existing facilities or construction of new facilities. In addition, water delivery under the Proposed Action will move through the FKC via gravity and electrical pumps as it will under the No Action Alternative. Therefore, a conformity analysis is not required pursuant to the Clean Air Act and there will be no impact to air quality as a result of the Proposed Action.

Global Climate

Neither the Proposed Action nor the No Action alternative will involve physical changes to the environment or construction activities and, therefore, will not impact global climate change. Global climate change is expected to have some effect on the snow pack of the Sierra Nevada and the runoff regime. Current data are not yet clear on the hydrologic changes and how they will affect the San Joaquin Valley. CVP water allocations are made dependent on hydrologic conditions and environmental requirements. Since Reclamation operations and allocations are flexible, any changes in hydrologic conditions due to global climate change will be addressed within Reclamation's operation flexibility and therefore surface water resource changes due to climate change will be the same with or without either alternative.

Cumulative Impacts

Cumulative impacts result from incremental impacts of the Proposed Action or No Action alternative when added to other past, present, and reasonably foreseeable future actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time. Significance exists if it is reasonable to anticipate a cumulatively significant impact on the environment. To determine whether cumulatively significant impacts are anticipated from the Proposed Action or the No Action alternative, the incremental effect of both alternatives were examined together with impacts from past, present, and reasonably foreseeable future actions in the same geographic area.

As in the past, hydrological conditions and other factors are likely to result in fluctuating water supplies which drives requests for water service actions. Water districts aim to provide water to their customers based on available water supplies and timing, all while attempting to minimize costs. Farmers irrigate and grow crops based on these conditions and factors, and a myriad of water service actions are approved and executed each year to facilitate water needs. Each water service transaction involving Reclamation undergoes environmental review prior to approval.

Existing or foreseeable projects, in addition to the proposed assignment between TVWD and EID, which could affect or could be affected by the Proposed Action or No Action alternative, include the following:

Accelerated Water Transfer Program The CVPIA was signed into law in 1992 to mandate changes in management of the CVP. In addition to protecting, restoring, and enhancing fish and wildlife, one of the other purposes of the CVPIA is to increase water-related benefits provided by the CVP to the State of California through expanded use of voluntary water transfers and improved water conservation. To assist California urban areas, agricultural water users, and others in meeting their future water needs, Section 3405(a) of the CVPIA authorizes all individuals or districts who receive CVP water under water service or repayment contracts, water rights settlement contracts or exchange contracts to transfer, subject to certain terms and conditions, all or a portion of the water subject to such contract to any other California water users or water agency, State or Federal agency, Indian Tribe, or private non-profit organization for project purposes or any purpose recognized as beneficial under applicable State law.

After enactment of the CVPIA, Reclamation has historically acknowledged water transfers and/or exchanges between CVP contractors geographically situated within the same region and who are provided water service through the same CVP facilities under an AWTP. In 2011, Reclamation approved the continuation of the Friant Division/Cross Valley AWTP through February 29, 2016. Reclamation prepared EA-10-052, *Accelerated Water Transfer Program for Friant Division and Cross Valley Central Valley Project Contractors, 2011-2015* and a FONSI was signed on February 11, 2011.

San Joaquin River Restoration Program The San Joaquin River Restoration Program (SJRRP) is a long-term effort to restore flows to the San Joaquin River from Friant Dam to the confluence of Merced River in order to meet the two goals established in the Settlement. In 2007, Reclamation released a notice of intent to prepare a programmatic EIS/Environmental Impact Report (EIR) in the Federal Register. The draft programmatic EIS/EIR was released for a 60 public review on April 22, 2011. A final programmatic EIS/EIR is pending.

As an initial action to guide implementation of the SJRRP, the Settlement requires that Reclamation modify releases from Friant Dam from October 1 to September 30 for a program of interim flows in order to collect pertinent scientific data and to implement a monitoring program. Environmental effects for the release of interim flows from Friant Dam down the San Joaquin River were addressed in a FONSI and EA/IS entitled *Water Year 2010 Interim Flows Project*. Supplemental EAs and FONSIs for continuation of interim flows were also completed for Water Years 2011 and 2012 (October 1, 2011 through September 30, 2013). Full restoration flows are scheduled to start no later than January 1, 2014.

In order to reduce or avoid adverse water supply impacts to all of the Friant Division long-term contractors that may result from the interim flows, Reclamation developed plans for recirculation, recapture, reuse, and exchange or transfer of interim flows. An EA that analyzed the impacts of recirculation of interim flows entitled *Recirculation of Recaptured Water Year 2012 San Joaquin River Restoration Program Interim Flows* was released for public comment on February 7, 2012 and a FONSI completed on April 3, 2012.

Assignment between Southern San Joaquin Municipal Utility District and Kern-Tulare Water District Reclamation received a request to approve the assignment of 5,000 AF of Southern San Joaquin Municipal Utility District's Friant Division Class 2 allocation to Kern-

Tulare Water District. EA-11-008, *Southern San Joaquin Municipal Utility District Partial Assignment of 5,000 acre-feet of Central Valley Project Water to Kern-Tulare Water District*, was released for public comment on September 9, 2011 and a FONSI completed on January 26, 2012.

Long-term Warren Act Contract and License for Non-CVP Floodwater Reclamation received a request to execute a 25-year Warren Act contract and license with Delta Lands Reclamation District No. 770 to introduce and deliver up to 250,000 AFY of Non-CVP floodwater pumped from the Kings, St John's and Tule Rivers into the Friant-Kern Canal. EA-07-103, *Long-term Warren Act Contract and License for Delta Lands Reclamation District No. 770*, was released for public comment January 13, 2012. A final EA is pending.

Assignment between Saucelito Irrigation District and Teapot Dome Water District Reclamation received a request to approve the assignment of 300 AF of Saucelito Irrigation District's Friant Division Class 1 allocation to Tea Pot Dome Water District. Reclamation is currently preparing an EA for the proposed project.

Assignment between Lewis Creek Water District and Hills Valley Irrigation District Reclamation received a request to approve the assignment of 250 AF of Lewis Creek Water District's Friant Division Class 1 allocation to Hills Valley Irrigation District. Reclamation is currently preparing an EA for the proposed project.

Assignment between Porterville Irrigation District and Hills Valley Irrigation District Reclamation received a request to approve the assignment of 1,000 AF of Porterville Irrigation District's Friant Division Class 1 allocation to Hills Valley Irrigation District. Reclamation is currently preparing an EA for the proposed project.

Reclamation's Proposed Action is the approval of the assignment of 400 AF of EID's Friant Division Class 1 allocation to TVWD. The Proposed Action will not interfere with the projects listed above, nor will it hinder the normal operations of the CVP and Reclamation's obligation to deliver water to its contractors or to local fish and wildlife habitat. As described previously, the Proposed Action will not impact the San Joaquin River, district or federal facilities or water rights as no additional diversions or changes to distribution facilities are needed to move this water.

The reduction of 400 AF of EID's Class 1water supply is a relatively small portion (3.5 percent) of its overall water supply. In addition, EID has a history of water transfers of similar or larger amounts of water out of the district. The Proposed Action will likely result in less water being transferred out of the District under annual agreements and is not likely to result in the Proposed Action creating consequent additional groundwater pumping within EID. Therefore, the Proposed Action is not expected to cumulatively significantly impact water supplies or groundwater resources within EID.

The addition of 400 AF of Class 1 water supply to TVWD's water supply will have a beneficial impact to TVWD's overall water supply reliability. However, the balance of its supply still remains relatively undependable. It is likely that TVWD will continue to pursue other water

service related options, as it has in the past, in order to provide an even more reliable water supply. The Proposed Action will cumulatively be beneficial to water resources in TVWD, whereas the No Action alternative will not.

Existing conditions, such as loss of habitat due to urbanization and expanding agricultural lands that cumulatively impact listed species and their habitats, are expected to occur under either alternative. The partial assignment of 400 AF CVP Class 1 water from EID to TVWD is not expected to contribute cumulatively to habitat loss as this water will be used consistent with current uses. Therefore, there will be no cumulative significant impacts to biological resources as a result of the Proposed Action.

The Proposed Action, when added to other existing and proposed actions, will have a slight beneficial contribution to cumulative impacts for minority or disadvantaged populations as it will help support and maintain jobs that low-income and disadvantaged populations rely upon due to increased irrigation water supply reliability within TVWD.

Over the long term, the Proposed Action will facilitate an increase in the reliability of TVWD's surface water supply. This will subsequently help to maintain the economic viability of irrigated agriculture within TVWD, which presently includes nearly all of its irrigable lands as permanent crops. There is greater economic output associated with permanent crops, which includes a year-round demand for farm labor (as compared to annual crops). When added to other similar existing and proposed actions, the Proposed Action will contribute to beneficial cumulative impacts to socioeconomic resources within TVWD and EID.

As the Proposed Action will not result in any direct or indirect impacts on land use, cultural resources, Indian Sacred Sites, Indian Trust Assets, air quality, or global climate, it will not contribute cumulatively to impacts on these resources.

RECLAMATION

Managing Water in the West

Draft Environmental Assessment/Initial Study

Assignment of 400 acre-feet of Exeter Irrigation District's Central Valley Project Friant Division Class 1 Water to Tri-Valley Water District

EA-11-024

U.S. Department of the Interior
Bureau of Reclamation
Mid Pacific Region
South Central California Area Office
Fresno, California

Exeter Irrigation District
150 South E Street
Exeter, California

August 2012

Mission Statements

The mission of the Department of the Interior is to protect and provide access to our Nation's natural and cultural heritage and honor our trust responsibilities to Indian Tribes and our commitments to island communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

The mission of Exeter Irrigation District is to provide the landowners and water users of its Service Area with a reliable, affordable, and usable water supply.

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Section 1 Introduction

Exeter Irrigation District (EID) has historically participated in purchases, exchanges, and transfers of additional water with other Central Valley Project (CVP) contractors, such as Tri-Valley Water District (TVWD), through the Friant Division/Cross Valley Accelerated Water Transfer Program (AWTP) which is an accelerated process that allows for water transfers and exchanges under Section 3405 of Central Valley Project Improvement Act (CVPIA, Title 34 of Public Law 102-575). Rather than continue annual transfers under the AWTP, EID and TVWD have requested approval from the Bureau of Reclamation (Reclamation) for the assignment of 400 acre-feet (AF) of EID's CVP Friant Division Class 1 water supply to TVWD.

This Environmental Assessment (EA)/Initial Study (IS) was jointly prepared by Reclamation as the federal lead agency to satisfy the requirements of the National Environmental Policy Act (NEPA) and EID as the California lead agency to satisfy the requirements California Environmental Quality Act (CEQA).

While CEQA requires that a determination of significant impacts be stated in an IS, NEPA does not require this for an EA. Under NEPA, significance is used to determine whether an Environmental Impact Statement (EIS) is required. An EA is the basis for developing information on which to determine significance, such as the context of the intensity of the impacts, while a separate document, the Finding of No Significant Impact (FONSI), documents when there are no significant impacts. If potentially significant impacts are identified then an EIS must be prepared.

1.1 Background

EID is a Friant Division CVP contractor with a 9(d) Repayment Contract (Contract No. 175r-2508D) with Reclamation for a Class 1 allocation of 11,500 AF and Class 2 allocation of 19,000 AF. Class 1 water is considered as the first 800,000 AF supply of CVP water stored in Millerton Lake, which would be available for delivery from the Friant-Kern Canal (FKC) and/or Madera Canal as a dependable water supply during each Contract Year[1]. Class 2 water is considered as the next approximate 1,400,000 AF supply of non-storable CVP water which becomes available in addition to the Class 1 supply, and due to the uncertainty of its availability, is considered to be undependable in character and is furnished only if an when it can be made available as determined by Reclamation each Contract Year. Class 1 and 2 waters do not include additional waters released by Reclamation from Friant Dam for environmental and/or other obligations including waters made available under the San Joaquin River Settlement Act except to the extent those river restoration flows are recaptured and returned to the Friant Division service area.

TVWD is a South-of-Delta (SOD) Cross Valley CVP contractor with a Water Service Contract (Contract No. 14-06-200-8565A-IR13) with Reclamation for 1,142 AF from the Sacramento-San Joaquin River Delta (Delta).

[1] A Contract Year is from March 1 of a given year through February 28/29 of the following year.

1.2 Purpose and Need/Project Objectives

California has experienced a severe drought in recent years that has reduced water supplies to many CVP contractors. SOD CVP water service contractors, including Cross Valley contractors, experienced reduced water supply allocations since 2007 due to hydrologic conditions and due to regulatory requirements. It is likely that SOD CVP contractors will need to supplement supplies in the future to meet demands in many years because of dry years and overall CVP operational constraints. TVWD, as a SOD CVP contractor, thus needs to acquire additional supplies to avoid shortages for its customers. In addition, EID needs a firm source of funding to help repay its Repayment Obligation under its Repayment Contract.

The purpose of the assignment is to provide TVWD with an additional source of water to meet existing demands and to provide funding to EID to repay its Repayment Obligation.

1.3 Reclamation's Legal and Statutory Authorities and Jurisdiction Relevant to the Proposed Federal Action

Several Federal laws, permits, licenses and policy requirements have directed, limited or guided the NEPA analysis and decision-making process of this EA and include the following as amended, updated, and/or superseded (all of which are incorporated by reference):

- *Central Valley Project Improvement Act of 1992, Title 34 (of Public Law 102-575), Section 3408(c),* Additional Authorities authorizes the Secretary of the Interior to enter into contracts pursuant to Reclamation law and this title with any Federal agency, California water user or water agency, State agency, or private nonprofit organization for the exchange, impoundment, storage, carriage, and delivery of CVP and non-CVP water for domestic, municipal, industrial, fish and wildlife, and any other beneficial purpose, except that nothing in this subsection shall be deemed to supersede the provisions of section 103 of Public Law 99-546 (100 Stat. 3051).
- *Article 32 of the 9(d) Repayment Contracts for Friant Division Contractors* authorizes the Secretary of the Interior to enter into assignment contracts pursuant to Reclamation law.

1.4 Scope/Project Location and Setting

This EA/IS is being prepared to examine the possible environmental impacts of approving the permanent assignment of 400 AF of EID's Class 1 allocation to TVWD. The assignment would be in perpetuity. This EA/IS has also been prepared to examine the potential impacts of the No Action Alternative.

TVWD and EID are located approximately 50 miles from each other in Fresno and Tulare Counties, respectively (Figure 1-1).

1.5 Resources Eliminated from Further Analysis

Reclamation analyzed the affected environment of the Proposed Action and No Action Alternative and has determined that there is no potential for direct, indirect, or cumulative effects to the following resources:

Air Quality

There would be no impacts to air quality under the No Action alternative as conditions would remain the same as existing conditions. Under the Proposed Action, Friant Division Class 1 water would be delivered off the FKC to TVWD rather than to EID. Delivery of this water would require no modification of existing facilities or construction of new facilities. In addition, water delivery under the Proposed Action would move through the FKC via gravity and electrical pumps as it would under the No Action Alternative. Therefore, a conformity analysis is not required pursuant to the Clean Air Act and there would be no impact to air quality as a result of the Proposed Action.

Cultural Resources

There would be no impacts to cultural resources under the No Action alternative as conditions would remain the same as existing conditions. No new construction or ground disturbing activities would occur as part of the Proposed Action. There would be no change in land or water use, no new infrastructure, modifications of facilities, or ground disturbing activities for movement of this water. No native or untilled land (fallow for three consecutive years or more) would be cultivated with water involved with these actions. The proposed undertaking for Reclamation to approve the assignment of 400 AF of EID's Class 1 allocation from Millerton Lake to TVWD and the consequent reduction of TVWD's Class 1 allocation has no potential to cause effects to historic properties pursuant to the Section 106 implementing regulations at 36 CFR Part 800.3(a)(1).

Global Climate

Neither the Proposed Action nor the No Action alternative would involve physical changes to the environment or construction activities and, therefore, would not impact global climate change. Global climate change is expected to have some effect on the snow pack of the Sierra Nevada and the runoff regime. Current data are not yet clear on the hydrologic changes and how they will affect the San Joaquin Valley. CVP water allocations are made dependent on hydrologic conditions and environmental requirements. Since Reclamation operations and allocations are flexible, any changes in hydrologic conditions due to global climate change would be addressed within Reclamation's operation flexibility and therefore surface water resource changes due to climate change would be the same with or without either alternative.

Indian Sacred Sites

No impact to Indian Sacred Sites would occur under the No Action alternative as conditions would remain the same as existing conditions. The Proposed Action would not limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites. There would be no impacts to Indian Sacred Sites as a result of the Proposed Action.

Indian Trust Assets

No impact to Indian Trust Assets would occur under the No Action alternative as conditions would remain the same as existing conditions. The Proposed Action would not impact Indian Trust Assets as there are none in the Proposed Action area.

Land Use

There would be no impact to land use under the No Action alternative as conditions would remain the same as existing conditions. Under the Proposed Action, neither TVWD nor EID would change historic land and water management practices. The proposed assignment of EID's CVP water would move through existing facilities for delivery to lands within TVWD and would be used on existing crops. The water would not be used to place untilled or new lands into production, or to convert undeveloped land to other uses. Therefore, there would be no change to land use as a result of the Proposed Action.

As there would be no impact to the resources listed above as a result of the Proposed Action or the No Action alternative, they will not be considered further.

1.6 Resources Requiring Further Analysis

This EA/IS will analyze the affected environment of the Proposed Action and the No Action Alternative in order to determine the potential direct, indirect, and cumulative impacts to the following resources: Water Resources, Biological Resources, Socioeconomic Resources, Environmental Justice, Aesthetics, Agricultural Resources, Geology and Soils, Hazards and Hazardous Materials, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, and Utilities and Service Systems.

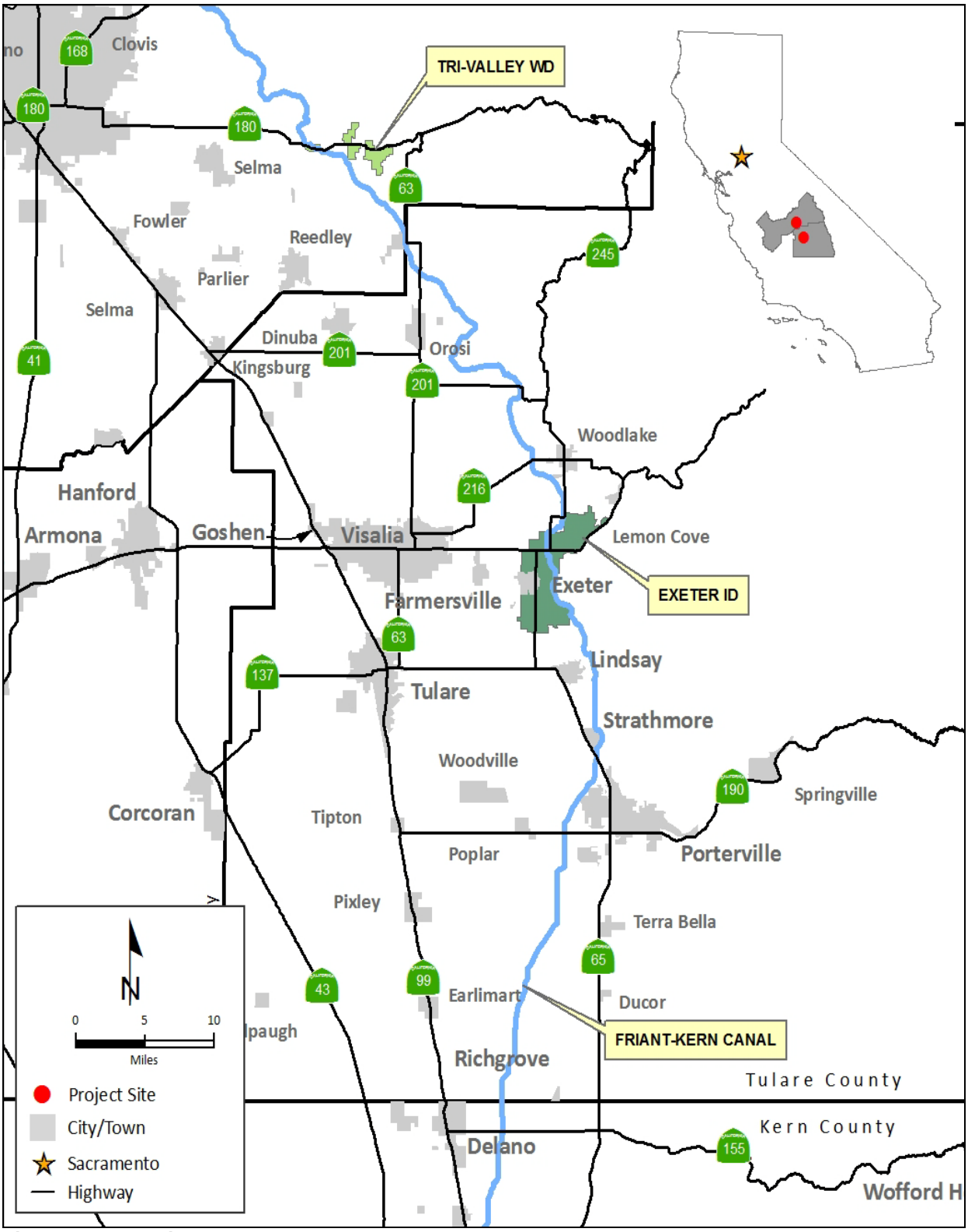

Figure 1-1 Location Map

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Section 2 Alternatives Including the Proposed Action

This EA/IS considers two possible actions: the No Action Alternative and the Proposed Action. The No Action Alternative reflects future conditions without the Proposed Action and serves as a basis of comparison for determining potential effects to the human environment.

2.1 No Action Alternative

Under the No Action Alternative, Reclamation would not approve the assignment of 400 AF of EID's Class 1 allocation to TVWD. TVWD would not receive additional water supplies that would supplement its SOD CVP water supplies. TVWD would continue to supplement its reduced supplies by seeking additional annual transfers as it has in the past; however, these transfers can be uncertain and unreliable and would not increase TVWD's overall water supply reliability.

EID would continue its program of water management through the use of annual transfers to other districts within the Friant Division service area. Given the variability of annual transfers, EID would be required to seek other financing alternatives to repay its 9(d) Contract Repayment Obligation.

2.2 Proposed Action

Reclamation proposes to approve the assignment of 400 AF of EID's Class 1 allocation to TVWD and the consequent reduction of EID's Class 1 allocation.

Delivery of this water to TVWD would be done through an existing turnout on the FKC at milepost 35.85. The assigned 400 AF of Class 1 contractual supply would be used to meet TVWD's existing in-district demands and other uses consistent with its water service contract, EID's Repayment Contract and Reclamation approvals.

No new infrastructure, modifications of facilities, or ground disturbing activities would be needed for movement of this water. No native or untilled land (fallow for three consecutive years or more) would be cultivated with water involved with these actions.

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Section 3 Affected Environment and Environmental Consequences

This section of the EA/IS includes the NEPA analysis portion of the potentially affected environment and the environmental consequences involved with the Proposed Action and the No Action Alternative.

3.1 Water Resources

3.1.1 Affected Environment

Friant Division

The Friant Division was authorized by Congress under the concept of conjunctive use where the CVP water was meant to be a supplemental supply to alleviate groundwater overdraft in the area. Based on the conjunctive use concept within the Friant Division, contractors are expected to continue mixed use of CVP and other surface water supplies and groundwater, with greater emphasis on groundwater use during dry periods when surface water is limited or expensive and percolate excess surface water in wet years. The Friant Division is an integral part of the CVP, but is hydrologically independent and therefore operated separately from the other divisions of the CVP (Reclamation 2012a). Major facilities of the Friant Division include Friant Dam and Millerton Lake, the Madera Canal and the FKC.

Friant-Kern Canal The FKC serves over 800,000 acres of farmland and communities in four counties. Water for the Friant Division is diverted from the San Joaquin River at Millerton Lake. From there, water is released from the reservoir to the 152-mile long FKC flowing south to its terminus at the Kern River. The FKC is an earthen and concrete-lined structure operated on behalf of Reclamation by the Friant Water Authority (Reclamation 2012a).

Friant Allocations Friant Division allocations averaged 97 percent over a 10 year period for Class 1 water and 10 percent for Class 2 water, and ranged from 65 percent to 100 percent, and 0 percent to 20 percent respectively (Table 3-1).

Table 3-1 Friant Division Allocations 2002 to 2011

Contract Year	Class 1 Allocation (%)	Class 2 Allocation (%)
2011	100	20
2010	100	15
2009	100	15
2008	100	5
2007	65	0
2006	100	10
2005	100	10
2004	100	8
2003	100	5
2002	100	8
Average	**97**	**10**

Tri-Valley Water District

TVWD is comprised approximately 4,481 acres and provides irrigation water to over 1,840 irrigable acres of permanent crops in Fresno County. All of the irrigated lands are permanent plantings. Due to the proximity of TVWD to the Sierra foothills, groundwater supplies are typically inadequate. Wells tend to produce groundwater early in the growing season but produce very little in mid and late summer. The water distribution system is comprised of approximately seven miles of pipeline which is shared with Orange Cove Irrigation District landowners and operated by Orange Cove Irrigation District personnel. TVWD does not own or operate any canals, recharge basins, or regulating reservoirs. The main crops are oranges, lemons and tangerines. There are no urban areas within TVWD.

Surface water is made available to TVWD from the Delta through its CVP SOD Cross Valley contract. TVWD is an original Cross Valley Canal participant executing its original 3-party contract in May of 1976. TVWD currently operates under the thirteenth interim renewal contract (Contract No. 14-06-200-8565A-JR13).

Cross Valley CVP agricultural water supply allocations averaged 58 percent over a 10 year period and ranged from 10 to 100 percent. Because Cross Valley water most often is conveyed in the California Aqueduct and conveyance is subject to capacity being available at Banks Pumping Plant (and Jones Pumping Plant when CVP facilities are used), there are many years that the allocated supply cannot be timely conveyed to TVWD, and therefore TVWD has not been able to receive the 58 percent average allocation.

Between 2006 and 2010, TVWD's total annual water supplies averaged 895 AF (Table 3-2). Their SOD CVP supply averaged only 71 AF for the same time period with ranges between zero and 188 AF.

Table 3-2 Tri-Valley Water District's 2006 to 2010 In-District Water Supplies

Year	CVP Water Supplies (AF)		
	Delta[1]	Section 215	Transfers[2]
2010	169	0	780
2009	188	0	752
2008	0	0	919
2007	0	0	700
2006	0	30	939
Average	71	6	818

[1]Supplies from TVWD's CVP Cross Valley Contract delivered by exchange or transferred in exchange for Friant supply
[2]Transfers from Friant Division contractors

Exeter Irrigation District

EID is comprised of approximately 15,200 acres in Tulare County. 12,700 acres are irrigable, and delivers virtually all of its water to agricultural customers with mostly permanent crops, such as citrus and olives (98 percent). EID's delivery and conveyance system consists of completely closed conduits, with the exception of two small balancing or regulating reservoirs with a capacity of less than one AF each which are located at the highest point on each of the two primary pumped zones.

EID has a 9(d) Repayment Contract with Reclamation for 11,500 AFY of Class 1 and 19,000 AFY of Class 2 water. Growers rely on groundwater as an alternative firm source of supply. Most growers have their own wells. EID does not own or operate any wells or recharge basins (soils within the area are tight and are not conducive, for the most part, to direct recharge). The District does, however, participate in conjunctive use and banking programs with neighboring Friant districts during above normal water supply years that have more favorable recharge capabilities.

The District takes CVP water from seven turnouts located directly on the FKC between MP 74.6 and MP 81.4, each of which is fully metered and maintained by the Friant Water Authority, under contract with Reclamation. Conveyance from the FKC turnouts is accomplished by an approximately 60 mile network of underground reinforced concrete piping systems ranging in size from 12-inch to 42-inch in diameter.

Between 2006 and 2010, EID's total annual water supplies delivered averaged 10,488 AF (Table 3-3). Their Class 1 and Class 2 supplies available averaged 11,151 AF and 3,368 AF, respectively. EID is experiencing some supply reduction as a result of implementation of the San Joaquin River Settlement. Supplies not needed for current demand are managed through annual transfers or exchanges, such as have occurred with TVWD.

Table 3-3 Exeter Irrigation District's 2006 to 2010 In-District Water Supplies

Year	CVP Water Supplies (AF)						Total (AF)
	Class 1	Class 2	RWA[1]	Section 215	Transfers[2]	Carryover	
2010	11,771[(3)]	7,977	3,584	0	-9,220	-1,545	12,567
2009	14,185[(3,4)]	2,286	0	0	-5,302	-1,279	9,890
2008	12,524[(3)]	950	0	0	0	-2,579	10,895
2007	7,885[(3)]	0	0	0	185	-1,897	6,173
2006	9,390[(3)]	5,629	0	4	-1,700	-410	12,913
Average	11,151	3,368	717	1	-3,207	-1,542	10,488

[1]Recovered Account Water pursuant to the San Joaquin River Settlement Act
[2]Transfers to and from other CVP contractors.
[3]Includes prior year carryover water.
[4]Includes 106 AF of Class 1 Pre-use.

Groundwater Resources

Groundwater overdraft and the potential resulting land subsidence are prevalent in the southern two-thirds of the Central Valley. Currently all basins in this region are in overdraft conditions (California Department of Water Resources 2003). During drought, as surface supplies dwindle and carryover storage in reservoirs is not replaced, groundwater pumping increases. Between 1970 and 1993, the total mean annual groundwater extraction within this area was 4.6 million AF (California Department of Water Resources 2003). An annual total average of 0.44 million AF (9.5) percent was used to meet urban needs and 4.2 million AF (90.5 percent) was used for agriculture. The total mean annual overdraft during this period was nearly 0.8 million AF (California Department of Water Resources 2003).

3.1.2 Environmental Consequences

No Action

Under the No Action Alternative, Reclamation would not approve the assignment of 400 AF of EID's Class 1 water supply to TVWD. Water would continue to be used in EID as it has in the

past. TVWD would continue to receive their existing CVP water supplies dependent upon hydrologic conditions and operational constraints as it has in the past. Any additional water supply needs within TVWD would need to be met from other sources, such as purchasing water supplies (including the continuation of annual transfers from EID) or from additional groundwater pumping. Delta restrictions would likely result in pumping and conveyance constraints, which could lead to a decline in the amount of Cross Valley CVP contract supply available to be delivered to TVWD. Diversions from the Delta are also subject to the availability (and cost) of exchange opportunities, which are also anticipated to result in a decline of supplies actually being made available within TVWD from this source. EID and TVWD would continue operation and maintenance activities within their service areas as they have in the past.

Proposed Action

The Proposed Action is the assignment of an existing CVP Class 1 allocation from a Friant Division CVP contractor to another CVP contractor located within the Friant Division service area. No additional diversions are being generated or needed for the assignment. No modifications of existing facilities are required for the movement of this water from EID to TVWD. Therefore, there would be no impact to the San Joaquin River, district and federal facilities or water rights as a result of the Proposed Action.

The Proposed Action would not adversely impact water availability in EID as this assignment is only 3.5 percent of EID's Class 1 supply and would not impact EID's Class 2 water supply availability. In order to reduce potential impacts to its overall water supply, EID would likely make more use of its Class 2 water supply for direct delivery in addition to a slightly expanded program of conjunctive use of groundwater within the District. EID may also reduce the amount of water it has historically transferred. The volume of water to be permanently assigned from EID to TVWD is within the relative historical volume of water transfers and exchanges both districts have experienced (see Table 3-2 and Table 3-3). The total amount of EID's annually available CVP water entitlement would only be reduced by approximately 1 to 2 percent depending upon the availability of Class 2 supply in any particular year (see Table 3-2).

The addition of 400 AF of Class 1 water to TVWD's overall water supply would help increase water supply reliability in TVWD. Therefore, the Proposed Action would have beneficial impacts to water resources within EID.

Incidental recharge of the underlying groundwater from use of imported surface water for irrigation would be similar to existing conditions. The movement of water from EID to neighboring areas of shared groundwater resources would slightly decrease; however, 400 AF is small in comparison to the overall amount of water imported into the region and is within the amounts historically transferred to other areas of the Friant service area. There may be a slight increase in groundwater recharge in TVWD as the assigned water is used for irrigation; however, due to TVWD's proximity to the Sierra Foothills, groundwater recharge would be limited. Overall, the Proposed Action would not adversely impact groundwater resources.

Cumulative Impacts

Cumulative impacts result from incremental impacts of the Proposed Action or No Action alternative when added to other past, present, and reasonably foreseeable future actions. Cumulative impacts can result from individually minor but collectively significant actions taking

place over a period of time. Significance exists if it is reasonable to anticipate a cumulatively significant impact on the environment. To determine whether cumulatively significant impacts are anticipated from the Proposed Action or the No Action alternative, the incremental effect of both alternatives were examined together with impacts from past, present, and reasonably foreseeable future actions in the same geographic area.

As in the past, hydrological conditions and other factors are likely to result in fluctuating water supplies which drives requests for water service actions. Water districts aim to provide water to their customers based on available water supplies and timing, all while attempting to minimize costs. Farmers irrigate and grow crops based on these conditions and factors, and a myriad of water service actions are approved and executed each year to facilitate water needs. Each water service transaction involving Reclamation undergoes environmental review prior to approval.

Existing or foreseeable projects, in addition to the proposed assignment between TVWD and EID, which could affect or could be affected by the Proposed Action or No Action alternative, include the following:

Accelerated Water Transfer Program The CVPIA was signed into law in 1992 to mandate changes in management of the CVP. In addition to protecting, restoring, and enhancing fish and wildlife, one of the other purposes of the CVPIA is to increase water-related benefits provided by the CVP to the State of California through expanded use of voluntary water transfers and improved water conservation. To assist California urban areas, agricultural water users, and others in meeting their future water needs, Section 3405(a) of the CVPIA authorizes all individuals or districts who receive CVP water under water service or repayment contracts, water rights settlement contracts or exchange contracts to transfer, subject to certain terms and conditions, all or a portion of the water subject to such contract to any other California water users or water agency, State or Federal agency, Indian Tribe, or private non-profit organization for project purposes or any purpose recognized as beneficial under applicable State law.

After enactment of the CVPIA, Reclamation has historically acknowledged water transfers and/or exchanges between CVP contractors geographically situated within the same region and who are provided water service through the same CVP facilities under an AWTP. In 2011, Reclamation approved the continuation of the Friant Division/Cross Valley AWTP through February 29, 2016. Reclamation prepared EA-10-052, *Accelerated Water Transfer Program for Friant Division and Cross Valley Central Valley Project Contractors, 2011-2015* and a FONSI was signed on February 11, 2011 (Reclamation 2011a).

San Joaquin River Restoration Program The San Joaquin River Restoration Program (SJRRP) is a long-term effort to restore flows to the San Joaquin River from Friant Dam to the confluence of Merced River in order to meet the two goals established in the Settlement. In 2007, Reclamation released a notice of intent to prepare a programmatic EIS/Environmental Impact Report (EIR) in the Federal Register. The draft programmatic EIS/EIR was released for a 60 public review on April 22, 2011 (Reclamation 2011b). A final programmatic EIS/EIR is pending.

As an initial action to guide implementation of the SJRRP, the Settlement requires that Reclamation modify releases from Friant Dam from October 1 to September 30 for a program of interim flows in order to collect pertinent scientific data and to implement a monitoring program. Environmental effects for the release of interim flows from Friant Dam down the San Joaquin River were addressed in a FONSI and EA/IS entitled *Water Year 2010 Interim Flows Project* (Reclamation 2009a). Supplemental EAs and FONSIs for continuation of interim flows were also completed for Water Years 2011 and 2012 (October 1, 2011 through September 30, 2013). Full restoration flows are scheduled to start no later than January 1, 2014.

In order to reduce or avoid adverse water supply impacts to all of the Friant Division long-term contractors that may result from the interim flows, Reclamation developed plans for recirculation, recapture, reuse, and exchange or transfer of interim flows. An EA that analyzed the impacts of recirculation of interim flows entitled *Recirculation of Recaptured Water Year 2012 San Joaquin River Restoration Program Interim Flows* was released for public comment on February 7, 2012 and a FONSI completed on April 3, 2012 (Reclamation 2012b).

Assignment between Southern San Joaquin Municipal Utility District and Kern-Tulare Water District Reclamation received a request to approve the assignment of 5,000 AF of Southern San Joaquin Municipal Utility District's Friant Division Class 2 allocation to Kern-Tulare Water District. EA-11-008, *Southern San Joaquin Municipal Utility District Partial Assignment of 5,000 acre-feet of Central Valley Project Water to Kern-Tulare Water District*, was released for public comment on September 9, 2011 and a FONSI completed on January 26, 2012 (Reclamation 2012c).

Long-term Warren Act Contract and License for Non-CVP Floodwater Reclamation received a request to execute a 25-year Warren Act contract and license with Delta Lands Reclamation District No. 770 to introduce and deliver up to 250,000 AFY of Non-CVP floodwater pumped from the Kings, St John's and Tule Rivers into the Friant-Kern Canal. EA-07-103, *Long-term Warren Act Contract and License for Delta Lands Reclamation District No. 770*, was released for public comment January 13, 2012 (Reclamation 2012d). A final EA is pending.

Assignment between Saucelito Irrigation District and Teapot Dome Water District Reclamation received a request to approve the assignment of 300 AF of Saucelito Irrigation District's Friant Division Class 1 allocation to Tea Pot Dome Water District. Reclamation is currently preparing an EA for the proposed project.

Assignment between Lewis Creek Water District and Hills Valley Irrigation District Reclamation received a request to approve the assignment of 250 AF of Lewis Creek Water District's Friant Division Class 1 allocation to Hills Valley Irrigation District. Reclamation is currently preparing an EA for the proposed project.

Assignment between Porterville Irrigation District and Hills Valley Irrigation District Reclamation received a request to approve the assignment of 1,000 AF of Porterville Irrigation District's Friant Division Class 1 allocation to Hills Valley Irrigation District. Reclamation is currently preparing an EA for the proposed project.

Reclamation's Proposed Action is the approval of the assignment of 400 AF of EID's Friant Division Class 1 allocation to TVWD. The Proposed Action would not interfere with the projects listed above, nor would it hinder the normal operations of the CVP and Reclamation's obligation to deliver water to its contractors or to local fish and wildlife habitat. As described previously, the Proposed Action would not impact the San Joaquin River, district or federal facilities or water rights as no additional diversions or changes to distribution facilities are needed to move this water.

The reduction of 400 AF of EID's Class 1water supply is a relatively small portion (3.5 percent) of its overall water supply. In addition, EID has a history of water transfers of similar or larger amounts of water out of the district. The Proposed Action would likely result in less water being transferred out of the District under annual agreements and is not likely to result in the Proposed Action creating consequent additional groundwater pumping within EID. Therefore, the Proposed Action is not expected to cumulatively adversely impact water supplies or groundwater resources within EID.

The addition of 400 AF of Class 1 water supply to TVWD's water supply would have a beneficial impact to TVWD's overall water supply reliability. However, the balance of its supply still remains relatively undependable. It is likely that TVWD would continue to pursue other water service related options, as it has in the past, in order to provide an even more reliable water supply. The Proposed Action would cumulatively be beneficial to water resources in TVWD, whereas the No Action alternative would not.

3.2 Biological Resources

3.2.1 Affected Environment

Biological resources in TVWD and EID are similar to those biological resources found in agricultural areas of Fresno and Tulare Counties. The habitats are dominated by agriculture, grazing lands, and urban development (CDC 2011). Reclamation requested an official species list from the U.S. Fish and Wildlife Service (USFWS) on June 8, 2012 via the Sacramento Field Office's website: http://www.fws.gov/sacramento/ES_Species/Lists/es_species_lists-form.cfm (Document Number 120608010248). The list is for the following 7 ½ minute U.S. Geological Survey quadrangles, which overlapped TVWD and EID: Lindsay, Cairns Corner, Exeter, Rocky Hill, Orange Cove North, and Wahtoke quadrangles. Reclamation further queried the California Natural Diversity Database (CNDDB) for records of protected species within five-miles of the service areas (CNDDB 2012). The two lists, in addition to the type of action and other information within Reclamation's files, were combined to create the following list (Table 3-4).

Table 3-4 Federal Protected Species with Potential to be Present

Species	Status[1]	Effects[2]	Summary basis for ESA determination[3]
AMPHIBIANS			
California red-legged frog (*Rana draytonii*)	T	NE	**Absent**. Species absent from vicinity of the project area and habitat absent. No ground disturbing activities; no other land use changes would occur.
California tiger salamander, central population	T, X	NE	**Possible.** There is a report for this species recorded in 1974 in TVWD and critical habitat was determined

Species	Status[1]	Effects[2]	Summary basis for ESA determination[3]
(*Ambystoma californiense*)			to be present. Agricultural lands do not provide suitable habitat, and PCEs absent. No vernal pool habitat or other suitable wetland habitat in the Facility footprint. No construction of new facilities; no conversion of lands from existing uses.
mountain yellow-legged frog (*Rana muscosa*)	C	NE	**Absent.** No ground disturbing activities; no other land use changes would occur.
BIRDS			
California condor (*Gymnogyps californianus*)	E	NE	**Absent.** Species absent from valley floor. No ground disturbing activities; no other land use changes would occur.
FISH			
Delta smelt (*Hypomesus transpacificus*)	T	NE	**Absent.** No stream habitat present in project area. No disturbance to waters inhabited by this species
INVERTEBRATES			
Valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*)	T	NE	**Possible.** There is a nearby report from 1990 just outside TVWD service area. No suitable habitat in the project area and no elderberry shrubs would be disturbed.
Vernal pool fairy shrimp (*Branchinecta lynchi*)	T	NE	**Absent.** No vernal pool habitat would be disturbed. No ground disturbing activities; no other land use changes would occur.
vernal pool tadpole shrimp (*Lepidurus packardi*)	E	NE	**Absent.** No vernal pool habitat would be disturbed. No ground disturbing activities; no land use changes would occur.
MAMMALS			
Fresno kangaroo rat (*Dipodomys nitratoides exilis*)	E	NE	**Absent.** No reports from within the project area and suitable habitat absent. No ground disturbing activities; no land use changes would occur.
San Joaquin kit fox (*Vulpes macrotis mutica*)	E	NE	**Possible.** No reports in either service area, however there are two CNDDB-recorded occurrences located within 10-mile radius of EID and TVWD, the most recent from 1990. No construction of new facilities; no conversion of lands from existing use. No suitable habitat affected.
Tipton kangaroo rat (*Dipodomys nitratoides nitratoides*)	E	NE	**Absent.** No reports from within the project area and suitable habitat absent. No ground disturbing activities; no other land use changes would occur.
PLANTS			
San Joaquin adobe sunburst (*Pseudobia piersonii*)	T	NE	**Possible.** Species reported withinTVWD along State Route 180 between Jesse Morrow Mountain and Campbell Mountain and between the Friant-Kern and Alta-Main Canals; however, reported locations are frequently disturbed as they occur along, roadways that have been disced/mowed and/or are adjacent to agricultural fields.
San Joaquin Valley Orcutt grass (*Orcuttia inaequalis*)	T	NE	**Absent.** Suitable habitat absent. No ground disturbing activities; no other land use changes would occur.
REPTILES			
Blunt-nosed leopard lizard (*Gambelia sila*)	E	NE	**Absent.** Suitable habitat absent. No ground disturbing activities; no other land use changes would occur.
Giant garter snake (*Thamnophis gigas*)	T	NE	**Absent.** Suitable habitat absent. No ground disturbing activities; no other land use changes would occur.

Species	Status[1]	Effects[2]	Summary basis for ESA determination[3]
[1] Status= Listing of Federally protected species under the Endangered Species Act C: Candidate to become a proposed species. E: Listed as Endangered T: Listed as Threatened X: Critical Habitat designated for this species [2] Effects = Endangered Species Act Effect determination NE: No Effect [3] Definition Of Occurrence Indicators Present: Species and habitat recorded in service area Possible: Species recorded in or near service area but actively cultivated lands provides poor quality habitat Absent: Species not recorded in study area and/or habitat requirements not met [4] Report= as per the California Natural Diversity Database 2012			

Land use within EID and TVWD is actively cultivated agricultural lands (Figure 3-1) and offers limited habitat value to wildlife (Table 3-3). Of the 15 special-status species identified above (Table 3-3), only four protected species have the potential to occur in the Project area: California tiger salamander (*Ambystoma californiense*), Valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*), San Joaquin kit fox (*Vulpes macrotis mutica*), and San Joaquin adobe sunburst (*Pseudobia piersonii*). In addition, the service area boundaries fall within designated critical habitat for California tiger salamander.

California tiger salamanders California tiger salamander, central population was federally listed as Threatened in August 2004 (USFWS 2004). California tiger salamander are found in the Central Valley and adjacent foothills, and prefer open grassland habitat (Storer 1925), usually within 1 mile of water (Trenham et al. 2001). They are restricted to grasslands, oak savannahs, and coastal scrub communities of lowlands and foothill regions where aquatic sites are available for breeding. Habitat loss and fragmentation from urban and agricultural development, land conversion, and other human-caused factors are the primary causes for decline of California tiger salamander populations.

In 1973, California tiger salamander was reported from within TVWD (element occurrence index 28442; CNDDB 2012). Surrounding habitat of this 1973 report has since been converted to agriculture by 2000 (CDC 2000).

California tiger salamanders designated Critical Habitat The USFWS designated critical habitat for California tiger salamander central population on August 23 2005 (USFWS 2005). Approximately 230 acres of designated California tiger salamander critical habitat (Unit 3a, Hills Valley Unit, Southern San Joaquin Region) falls within TVWD (USFWS 2005). Primary constituent elements (PCE) for critical habitat specific to California tiger salamander contain the following features essential for the conservation of the species: suitable aquatic habitat (PCE 1), upland habitat (PCE 2), dispersal between aquatic and upland areas (PCE 3) (USFWS 2005). This Unit contains all PCEs and represents the Southern Sierra Foothills vernal pool region and the southeastern portion of the species' distribution within the San Joaquin Valley.

Agricultural lands were included as designated critical habitat if they were directly adjacent to known extant occurrences and considered essential for upland refugia or connectivity between occurrences and were not considered a barrier to movement. This type of habitat is evident within the border of California tiger salamander designated critical habitat within the TVWD

service area. Unit 3a, of the Southern San Joaquin region, has been identified as agricultural lands since 2000 and has not changed in over 10 years (CDC 2000, 2011, Reclamation 2009b).

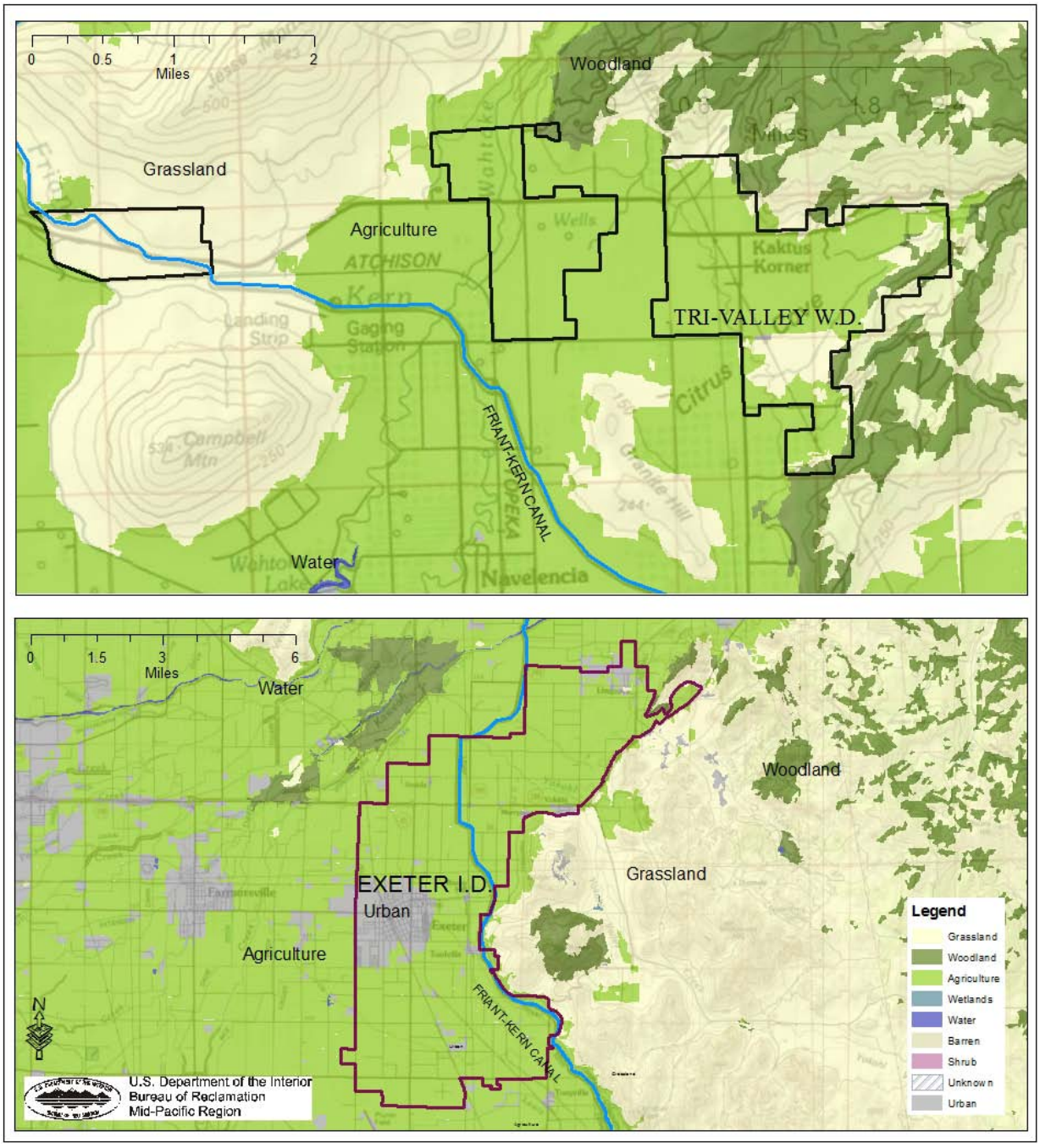

Figure 3-1 Land Use within the Proposed Action Area

Valley elderberry longhorn beetle Valley elderberry longhorn beetle was listed as federally threatened in 1980 (USFWS 1980). This species is found only in association with its host plant, elderberry (*Sambucus* spp.), which is a common component of the remaining riparian forests of the Central Valley (Barr 1991). The beetle's current distribution is patchy throughout the

remaining habitat of the Central Valley from Redding to Bakersfield. Loss and degradation of riparian forests for agriculture and urban development are the primary reasons for the species' decline (USFWS 2006).

There is one reported record for Valley elderberry longhorn beetle directly west of TVWD service area (element occurrence index 28442; CNDDB 2012). This record was reported from pasture along the canal bank at SR 180 (CNDDB 2012).

San Joaquin kit fox San Joaquin kit fox was federally listed as an endangered species (USFWS 1967). Their diet varies based on prey availability, and includes small to mid-sized mammals, ground-nesting birds, and insects. Kit foxes excavate their own dens, or use other animals, and human-made structures (culverts, abandoned pipelines, and banks in sumps or roadbeds). Primary reasons for the species decline include loss and degradation of habitat (USFWS 1998).

There are two reported sightings (element occurrence index 70606 and 70621) within a 10-mile radius of the service area (CNDDB 2012). The most recent of these records was from 1990 (CNDDB 2012). Orchards may support rodent and insect prey species if the grounds are not managed; however, denning potential is typically low and kit foxes can be more susceptible to predation by coyotes within the orchards (Nelson et al. 2007, Warrick et al. 2007). In addition, agricultural practices such as cultivation, irrigation, and chemical treatments result in elevated disturbances within this area, thus limiting denning opportunities and food availability to San Joaquin kit fox.

San Joaquin adobe sunburst This federally-listed plant is restricted to heavy adobe clay soils (Stebbins 1991) and its current range includes Fresno, Tulare and Kern counties in the eastern San Joaquin Valley (CNDDB 2012). The probable reason for the plant/soil association is the capability of these clay soils to retain moisture longer than most other soil types (Stebbins 1991). San Joaquin adobe sunburst grows in grasslands and in the transition zone between grassland and blue oak woodland or gently sloping areas between low hills (Stebbins 1989).

Primary threats include agricultural development, urbanization, flood control projects, and heavy animal grazing (USFWS 2007). Moderate grazing regimes are not believed to seriously affect the plant species, and may actually enhance their growth due to the removal of nonnative, aggressive, invasive grasses and forbs (Stebbins 1989).

Within the western TVWD service area boundary, there are records of San Joaquin adobe sunburst (element occurrence index 7979) along both sides of State Route 180 on Porterville clay soils (CNDDB 2012). This area is disturbed non-native grassland now utilized for agriculture and grazing since (CDC 2000).

3.2.2 Environmental Consequences

No Action

Under the No Action Alternative, Reclamation would not approve the partial assignment of 400 AF of EID's Class 1 allocation to TVWD. Contractor operations would continue unchanged; TVWD would not receive firm additional water supplies that would provide a predictable

supplement to its reduced surface water supplies. EID would continue operation and maintenance activities within their service area as it has in the past, including use of annual transfers to manage its water supplies with demand. The No Action Alternative would neither hinder nor enhance populations of special status species or their habitats.

Proposed Action

Under the Proposed Action, water would be conveyed in existing facilities to established agricultural lands only. The Proposed Action would not modify designated critical habitat for California tiger salamander (i.e., Unit 3a) within which the service areas are located, nor would the Proposed Action preclude or reduce this critical habitat's role in the conservation and recovery of the species. No new facilities would be required to bring the water to these locations, and no native or untilled lands would be brought into production by the Proposed Action.

Reclamation has determined that the Proposed Action would have no effect on Federally listed or proposed to be listed threatened or endangered species, designated critical habitat, or proposed or candidate species and critical habitat. The Proposed Action would not affect migratory birds, imperiled species, unique habitats, or species and habitats protected by federal or state law. No Essential Fish Habitat exists in the authorized Place of Use within the bounds of the agencies. The Proposed Action could not affect Essential Fish Habitat.

Cumulative Impacts

Existing conditions, such as loss of habitat due to urbanization and expanding agricultural lands that cumulatively impact listed species and their habitats, are expected to occur under either alternative. The partial assignment of 400 AF CVP Class 1 water from EID to TVWD is not expected to contribute cumulatively to habitat loss as this water would be used consistent with current uses. Therefore, there would be no cumulative adverse impacts to biological resources as a result of the Proposed Action.

3.3 Environmental Justice

Environmental justice refers to the fair treatment of peoples of all races, income levels, and cultures with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment implies that no person or group of people should shoulder a disproportionate share of negative impacts resulting from the execution of Federal programs. Executive Order 12898 (February 11, 1994) mandates Federal agencies to identify and address disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority and low-income populations.

3.3.1 Affected Environment

EID is located within Tulare County and TVWD is located within Fresno County. Fresno and Tulare Counties rely to a large extent, either directly or indirectly, on agriculture for employment. Between 49.3 and 58.3 percent of the population within Fresno and Tulare counties is of Hispanic or Latino origin, which compares to about one-third for the state as a whole (Table 3-5). The market for seasonal workers on local farms also draws thousands of

migrant workers, commonly of Hispanic origin from Mexico and Central America, increasing populations within these small communities during peak harvest periods.

Table 3-5 Fresno County and Tulare County 2009 Estimated Demographics

	Total Population	White (not Hispanic)	Black or African American	American Indian	Asian	Native Hawaiian/ Pacific Islander	Hispanic
Fresno County	915,267	36.4%	5.8%	2.0%	9.0%	0.2%	49.3%
Tulare County	429,668	35.0%	2.1%	1.9%	3.6%	0.2%	58.3%
California	36,961,664	41.7%	6.6%	1.2%	12.7%	0.4%	37%
Source: U.S. Census Bureau 2012							

3.3.2 Environmental Consequences

No Action

Under the No Action Alternative, TVWD may be required to purchase additional water sources. The cost of water on the open market is likely to be higher than the assigned Class 1 water supplies which would potentially impact disadvantaged or minority populations due to economic impacts to the agricultural industry and current unmet water demands. Also, EID would be required to find alternative ways to finance the repayment of their capital obligations associated with their Repayment Contract which would likely have an interest charge associated with it and thus would increase water costs to the District's growers and would potentially impact disadvantaged or minority populations due to consequent economic impacts to the agricultural local industry.

Proposed Action

The Proposed Action would not cause dislocation, changes in employment, or increased flood, drought, or disease, nor would it disproportionately impact economically disadvantaged or minority populations. Since the assigned water is a small percentage of the overall water supplies available to EID, and since EID has historically transferred similar amounts of water out of the district, the assignment is not likely to result in any economic uncertainty such that agricultural employment would be affected within EID. The assignment will improve the financial conditions of the District, and, in securing the District's ability to pay its Repayment Obligation under its Repayment Contract, it will secure the District's supplies under that contract for the benefit of its landowners and their employees. The Proposed Action may support and maintain jobs in TVWD that low-income and disadvantaged populations rely upon through increased irrigation water supply reliability. Therefore, there may be a beneficial impact to minority or disadvantaged populations in TVWD and EID as a result of the Proposed Action.

Cumulative Impacts

There would be no cumulative impacts to low-income and disadvantaged populations under the No Action alternative as conditions would remain the same as existing conditions. The Proposed Action, when added to other existing and proposed actions, would have a slight beneficial contribution to cumulative impacts for minority or disadvantaged populations as it would help support and maintain jobs that low-income and disadvantaged populations rely upon due to increased irrigation water supply reliability within TVWD.

3.4 Socioeconomic Resources

3.4.1 Affected Environment

The agricultural industry significantly contributes to the overall economic stability of the San Joaquin Valley. Agriculture and its related industries are the third largest industry within Fresno County and the first largest industry in Tulare County (U.S. Census Bureau 2012). In 2010, Fresno County's unemployment rate of 15.7 percent and Tulare County's unemployment rate of 10.4 percent both exceeded the state average of 7.9 percent (California Employment Development Department 2012). Additionally, the number of families in both Fresno and Tulare Counties below the poverty line was nearly double the state's average (U.S. Census Bureau 2012).

3.4.2 Environmental Consequences

No Action

Under the No Action Alternative, TVWD would pursue other water sources to ensure water supply reliability for existing agricultural uses. Short-term supplies, as obtained in past years, provide less certainty, which would result in more economic uncertainty for the agricultural industry and potentially impact lower-income populations relying on agricultural employment within TVWD. The cost of water on the open market is likely to be much higher than the assigned Class 1 water supplies which could potentially impact lower-income populations due to economic impacts to the agricultural industry based on current water demands. EID would be required to find alternative ways to finance the repayment of their capital obligations associated with their Repayment Contract which would likely have an interest charge associated with it and thus would increase water costs to the District's growers.

Proposed Action

The assignment of 400 AF of EID's Class 1 allocation to TVWD would reduce the potential need for TVWD to purchase additional water supplies at a much higher rate on the open market. The availability of this additional supplemental water supply would have beneficial impacts on socioeconomic resources with TVWD as this water would be used to help sustain existing crops and may support and maintain jobs. Since the assigned water is a small percentage of the overall water supplies available to EID and EID has historically transferred similar amounts of water out of the district, the assignment is not likely to result in any economic uncertainty such that agricultural employment would be affected within EID. Therefore, the Proposed Action would have no adverse effect on, and may have a slight beneficial impact, to low-income populations.

Cumulative Impacts

There may be adverse cumulative impacts to socioeconomic resources in TVWD under the No Action Alternative as TVWD may need to purchase more costly water supplies in order to meet irrigation demand. Similarly, the economic conditions within EID may be adversely affected by the No Action Alternative as EID may need to find alternative, and more expensive, means to finance their repayment obligations under their CVP Repayment Contract.

Over the long term, the Proposed Action would facilitate an increase in the reliability of TVWD's surface water supply. This would subsequently help to maintain the economic viability of irrigated agriculture within TVWD, which presently includes nearly all of its irrigable lands as

permanent crops. There is greater economic output associated with permanent crops, which includes a year-round demand for farm labor (as compared to annual crops). When added to other similar existing and proposed actions, the Proposed Action would contribute to beneficial cumulative impacts to socioeconomic resources within TVWD and EID.

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Section 4 CEQA Environmental Factors Potentially Affected

This section of the EA/IS includes additional analysis required by CEQA. Reference to the "project" in this section is synonymous with the term, "Proposed Action", used in other sections. TVWD and EID will also consider and rely upon the comprehensive analysis contained in Section 3 for purposes of considering environmental impacts of the Project as required by CEQA. This section summarizes the conclusions supporting the determinations made by EID, as lead agency.

4.1 Discussion of Potentially Affected Environmental Factors

The Project is the assignment from EID to TVWD of 400 AF under its Class 1 Friant Division, CVP water supply contract. When Class 1 water is made available, TVWD would deliver this water through existing turnouts on the FKC, as it currently does for other transfer and exchange water. This water would be used for direct in-district deliveries to its growers, as a supplemental supply to be used in addition to its existing water allocation. The Project involves no construction or alterations to the environment; rather, it only involves a change in the delivery point for the water supply and the service area within which the water will be put to use.

The following is a discussion of each of the environmental factors potentially affected.

4.1.1 Aesthetics

The Project area is developed to production agriculture, which dominates the aesthetics of the surrounding area. No new lands would be planted in TVWD as a result of the Proposed Action. No lands would be taken out of production in EID, as this water represents only 3.5 percent of its Class 1 supply and only 1.2 percent of its total CVP contract entitlement (30,500 AF). There would be no impacts to any scenic vista or scenic resource, nor would it create a new source of light or glare. There would be no impacts to aesthetics as a result of this Project.

4.1.2 Agricultural Resources

As described in Section 4.1.1, no farmland would be converted to non-agricultural use as a result of the Project. No lands would be taken out of production in EID, as this water represents only 3.5 percent of its Class 1 supply and 1.2 percent of its total CVP contract entitlement with no anticipated impacts to its overall water supply. No forest land exists within the Project Area. Additionally, existing zoning would not be changed, and Williamson Act contracts would not be affected. As such, there would be no impact to agricultural resources as a result of this Project.

4.1.3 Air Quality

The climate of the San Joaquin Valley is characterized by long, hot summers and stagnant, foggy, winters. Precipitation is low and temperature inversions are common. These characteristics are conducive to the formation and retention of air pollutants. These characteristics are in part influenced by the surrounding mountains which intercept precipitation and also act as a barrier to the passage of cold air and air pollutants.

The proposed Project lies within the San Joaquin Valley Unified Air Basin, which is managed by the San Joaquin Valley Air Pollution Control District (SJVAPCD or Air District). National Ambient Air Quality Standards (NAAQS) and California Ambient Air Quality Standards (CAAQS) have been established for the following criteria pollutants: carbon monoxide (CO), ozone (O_3), sulfur dioxide (SO_2), nitrogen dioxide (NO_2), particulate matter (PM_{10} and $PM_{2.5}$), and lead (Pb). The CAAQS also set standards for sulfates, hydrogen sulfide, and visibility. Air quality plans or attainment plans are used to bring the applicable air basin into attainment with all state and federal ambient air quality standards designed to protect the health and safety of residents within that air basin. Areas are classified under the Federal Clean Air Act as either "attainment", "non-attainment", or "extreme non-attainment" areas for each criteria pollutant based on whether the NAAQS have been achieved or not. Attainment relative to the State standards is determined by the California Air Resources Board (CARB). The San Joaquin Valley is designated as a State and Federal extreme non-attainment area for O_3, a State and Federal non-attainment area for $PM_{2.5}$, a State non-attainment area for PM_{10}, and Federal and State attainment area for CO, SO_2, NO_2, and Pb (SJVAPCD 2012).

As the Project includes delivering water through existing facilities, no construction is associated with project implementation. There would be no impact to air quality plans or standards, nor would project contribute to the emission of criteria pollutants. As such, there would be no impact to sensitive receptors, nor would the project create objectionable odors.

4.1.4 Biological Resources

Section 3.2 above analyzes federally protected species with potential to be present in the Project Area as summarized in Table 3-4 therein. Table 4-1 below identifies federal and state listed species as well as California Native Plant Society (CNPS) listed species and birds protected under the Migratory Bird Treaty Act (MTBA). A list of State-listed and special status species of concern relevant to CEQA was generated in June, 2012 using the California Department of Fish and Game's CNDDB RareFind2 data (May 2012) for the following USGS 7 ½ minute quadrangles: Lindsay, Cairns Corner, Exeter, rocky Hill, Orange Cove North and Wahtoke. Since the identified State listed species are also subject to federal protection, the potential presence of and effects on each of these species was already analyzed within Section 3.2. Therefore, the following table summarizes the listing information only. There are three plant species with federal, state, or CNPS listed status, and twelve species of wildlife that are federally or state-listed or have other special status that are reported from historical information as shown in Table 4-1.

Table 4-1 Federal and State-Listed Status

Species	Status[1]	CPNS Ranks[2]
AMPHIBIANS		
California red-legged frog (*Rana draytonii*)	FT/CSC	N/A
California tiger salamander (*Ambystoma californiense*)	FT/ST/CSC	N/A
BIRDS		
California condor *(Gymnogyps californiaus)*	FE/SE	N/A
FISH		
Delta smelt (*Hypomesus transpacificus*)	FT/SE	N/A
INVERTEBRATES		

Species	Status[1]	CPNS Ranks[2]
Valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*)	FT	N/A
Vernal pool fairy shrimp (*Branchinecta lynchi*)	FT	N/A
vernal pool tadpole shrimp (*Lepidurus packardi)*	FE	N/A
HABITATS		
Northern Claypan Vernal Pool	None	N/A
MAMMALS		
Fresno kangaroo rat *(Dipodomys nitratoides exilis)*	FE/SE	N/A
San Joaquin kit fox (*Vulpes macrotis mutica*)	FE/ST	N/A
Tipton kangaroo rat (*Dipodomys nitratoides nitratoides*)	FE/SE	N/A
PLANTS		
San Joaquin adobe sunburst (*Pseudobia piersonii*)	FT/SE	1B.1
San Joaquin Valley Orcutt grass *(Orcuttia inaequalis)*	FT/SE	1B.1
spiny-sepaled button-celery *(Eryngium spinosepalum)*	None	1B.2
REPTILES		
Blunt-nosed leopard lizard (*Gambelia sila*)	FE/SE	N/A
Giant garter snake (*Thamnophis gigas*)	FT/ST	N/A

Source: CNDDB (6/2012)
1 Listing Status
FE: Federally listed as Endangered
FT: Federally listed as Threatened
SE: State listed as Endangered
ST: State listed as Threatened
CSC: California Special Concern species by California Department of Fish and Game
2 CPNS (California Native Plant Society)Ranks
List 1B: Plants considered by the CNPS to be rare, threatened, or endangered in California and elsewhere
List 2: Plants considered by the CNPS to be rare, threatened, or endangered in California but more common elsewhere

As analyzed within Section 3.2 above, there would be no impact to listed species that may occur in the Project area because all but three of the species are absent from the Project area and no construction, conversion of farmland, or change in land use would occur as a result of the Project.

4.1.5 Cultural Resources

The Project does not involve any construction activities that would alter a historical, archaeological or paleontological resource, or disturb any human remains. There would be no impact to Cultural Resources as a result of this Project.

4.1.6 Geology and Soils

No substantial faults are known to exist in the Tulare County and Fresno County portions of the Project according to the Alquist-Priolo Earthquake Fault Zoning Map (CDC 2010). As this Project does not involve the construction of new facilities, the risk to people or structures by earthquake, ground shaking, ground failure, liquefaction or landslides is negligible. As discussed in Section 4.1.1, no land conversion that could result in soil erosion or loss of topsoil would occur. The Project does not include a construction component that would result in increased soil

erosion or loss of topsoil, result in soil instability, or be located on expansive soil. There would be no impact to this resource category as a result of this Project.

4.1.7 Greenhouse Gas Emissions

Pumping related to existing Reclamation, EID, and TVWD water delivery operations may contribute to cumulative climate change impacts. However, delivery of water pursuant to the assignment would not significantly change the existing cumulative pumping operations of Reclamation, EID and TVWD. As such, the proposed assignment is not expected to produce additional greenhouse gases that could contribute to global climate change. Any impact would be less than significant.

4.1.8 Hazards and Hazardous Materials

The Project does not involve the generation of any hazardous emissions or involve the transport, use, storage, or disposal of any hazardous materials. The proposed Project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

The Project does not involve the disturbance of land that is listed as a hazardous materials site pursuant to Government Code Section 65962.5 and is not included on a list compiled by the Department of Toxic Substances Control (California Department of Toxic Substances Control 2011). There would be no impact to this resource category as a result of this Project.

4.1.9 Hydrology and Water Quality

The water made available to TVWD as a result of the Project would be delivered through existing facilities and would not alter the existing drainage pattern in the area, create runoff, or otherwise degrade water quality. As described in Section 3.1, the Proposed Action is not expected to have an adverse impact on EID's total water supply and a positive effect on TVWD's total water supply. The conditions of the underlying groundwater basin would likely see no change. Thus, there would be no impact to this resource category as a result of this Project

4.1.10 Land Use and Planning

The proposed Project would not cause fallowing or land use changes within TVWD or EID, nor would it involve any construction activities. Therefore, this Project would not physically divide any established communities. There would be no impact.

4.1.11 Mineral Resources

The Project does not involve construction or land alteration that would have the potential to impact the availability of any mineral resources or mineral resource recovery sites. There would be no impact to mineral resources as a result of this Project.

4.1.12 Noise

The facilities used to make the water deliveries as a result of this Project are already in place and in use. No additional noise or vibration would be generated as a result of this Project. There would be no impact to this resource category as a result of this Project.

4.1.13 Population and Housing

TVWD is purchasing the assigned water in order to ensure water supply reliability to support existing agricultural uses and maintain the existing economic viability/agricultural employment within TVWD. TVWD is an irrigation water supplier and does not deliver water for municipal and industrial uses. As such, the assignment would not result in additional population or urban growth. The Project does not include any features that would require the destruction or relocation of existing housing or the construction of replacement housing, and would not increase or decrease the number of available dwelling units in the area. The Project would not displace any people. The Project would have no effect on population growth. There would be no impact to this resource category as a result of this Project.

4.1.14 Public Services

The Project does not include any features or facilities that would require additional or unusual fire protection resources, enhanced levels of police protection, nor does it have the potential to increase or decrease the area's population, and would therefore not result in a greater or lesser demand for schools or parks. There would be no impact to this resource category as a result of this Project.

4.1.15 Recreation

The Project does not have the potential to increase or decrease the area's population, and would therefore not result in increased or decreased use of parks or other recreational facilities. Additionally, the Project does not include recreational facilities and would not require the construction or expansion of any recreational facilities. There would be no impact to this resource category as a result of this Project.

4.1.16 Transportation/Traffic

The Project does not involve construction or land alteration that would have the potential to impact transportation, create additional traffic, or affect any established emergency access routes. There would be no increase in aircraft transportation as a result of the Project. Additionally, the Project would not conflict with any adopted transportation management plan. There would be no impact to this resource category as a result of this Project.

4.1.17 Utilities and Service Systems

TVWD and EID do not operate, benefit from, or contribute to water treatment or wastewater treatment facilities. As such, the Project would not result in a change to facilities or operations at existing wastewater or water treatment facilities. Further, Reclamation would make the assigned water available to TVWD through the same Reclamation facilities as currently used to make the water available to EID. TVWD has sufficient capacity to deliver the assigned project water within its existing delivery systems. The amount of runoff at the Project area would not change as a result of this Project nor would implementation of the Project generate any solid waste. There would be no impact to this resource category as a result of this Project.

4.2 Mandatory Findings of Significance

The analysis conducted in this EA/IS results in a determination that the Project would have no significant impact to the local environment. The Project would involve no potential for significant impacts through the degradation of the quality of the environments, the reduction in

the habitat or population of fish or wildlife, including endangered plants or animals, the elimination of a plant or animal community or example of a major period of California history or prehistory. As indicated within the analysis for each impact area within Section 3 and supplemented above in Section 4.1, the Project will not contribute to any cumulatively considerable impacts to the environment. The Project would not result in substantial adverse effects on human beings, either directly or indirectly.

Refer to Appendix B for the signature page and proposed adoption of a Negative Declaration.

Section 5 Consultation and Coordination

Several Federal laws, permits, licenses and policy requirements have directed, limited or guided the NEPA analysis and decision making process of this EA/IS.

5.1 Public Review Period

Reclamation intends to provide the public with an opportunity to comment on the draft FONSI and draft EA/IS during a 30-day public comment period.

EID intends to provide the public with an opportunity to comment on the draft EA/IS and proposed Negative Declaration as required by CEQA and its implementing Guidelines.

5.2 Fish and Wildlife Coordination Act (16 U.S.C. § 661 et seq.)

The Fish and Wildlife Coordination Act (FWCA) requires that Reclamation consult with fish and wildlife agencies (federal and state) on all water development projects that could affect biological resources. The amendments enacted in 1946 require consultation with the Service and State fish and wildlife agencies "whenever the waters of any stream or other body of water are proposed or authorized to be impounded, diverted, the channel deepened, or the stream or other body of water otherwise controlled or modified for any purpose whatever, including navigation and drainage, by any department or agency of the United States, or by any public or private agency under Federal permit or license". Consultation is to be undertaken for the purpose of "preventing the loss of and damage to wildlife resources".

The Proposed Action does not involve any new impoundment or diversion of waters, channel deepening, or other control or modification of a stream or body of water as described in the statute, but the partial assignment of existing CVP supplies to an existing CVP contractor. In addition, no construction or modification of water conveyance facilities are required for movement of this water. Consequently, Reclamation has determined that FWCA does not apply.

5.3 Endangered Species Act (16 U.S.C. § 1531 et seq.)

Section 7 of the Endangered Species Act requires Federal agencies, in consultation with the Secretary of the Interior and/or Commerce, to ensure that their actions do not jeopardize the continued existence of endangered or threatened species, or result in the destruction or adverse modification of the critical habitat of these species.

The Proposed Action would support existing uses and conditions. No native lands would be converted or cultivated with CVP water. The water would be delivered to existing agricultural lands, through existing facilities, as has been done in the past, and would not be used for land conversion. The proposed project would not construct new facilities or modify any designated critical habitat from existing land used. No species listed or proposed to be listed as endangered or threatened would be affected. Based on the above factors, Reclamation has made a

determination of no-effect for the proposed action under the Endangered Species Act for all species expected to be within the action area.

5.4 National Historic Preservation Act (16 U.S.C. § 470 et seq.)

The National Historic Preservation Act of 1966 (NHPA), as amended (16 U.S.C. 470 et seq.), requires that federal agencies give the Advisory Council on Historic Preservation an opportunity to comment on the effects of an undertaking on historic properties, properties that are eligible for inclusion in the National Register of Historic Places. The 36 CFR Part 800 regulations implement Section 106 of the NHPA.

Section 106 of the NHPA requires federal agencies to consider the effects of federal undertakings on historic properties, properties determined eligible for inclusion in the National Register. Compliance with Section 106 follows a series of steps that are designed to identify interested parties, determine the Area of Potential Effect, conduct cultural resource inventories, determine if historic properties are present within the Area of Potential Effect, and assess effects on any identified historic properties.

Reclamation has determined that the Proposed Action has no potential to cause effects to historic properties pursuant to the Section 106 implementing regulations at 36 CFR Part 800.3(a)(1).

5.5 Migratory Bird Treaty Act (16 U.S.C. § 703 et seq.)

The MBTA implements various treaties and conventions between the United States and Canada, Japan, Mexico and the former Soviet Union for the protection of migratory birds. Unless permitted by regulations, the Act provides that it is unlawful to pursue, hunt, take, capture or kill; attempt to take, capture or kill; possess, offer to or sell, barter, purchase, deliver or cause to be shipped, exported, imported, transported, carried or received any migratory bird, part, nest, egg or product, manufactured or not. Subject to limitations in the Act, the Secretary of the Interior may adopt regulations determining the extent to which, if at all, hunting, taking, capturing, killing, possessing, selling, purchasing, shipping, transporting or exporting of any migratory bird, part, nest or egg will be allowed, having regard for temperature zones, distribution, abundance, economic value, breeding habits and migratory flight patterns.

The Proposed Action would not change the land use patterns of cultivated or fallowed fields that do have some value to listed species or birds protected under the MBTA; therefore, the Proposed Action would have no effect on birds protected by the MBTA.

Section 6 List of Preparers and Reviewers

Bureau of Reclamation

Rain Healer, M.S., Natural Resources Specialist, SCCAO
Jennifer Lewis, PhD, Wildlife Biologist, SCCAO
Joanne Goodsell, Archaeologist, MP-153
Patricia Rivera, ITA, MP-400
George Bushard, Repayment Specialist, SCCAO – reviewer
Rena Ballew, Repayment Specialist, SCCAO – reviewer
Chuck Siek, Supervisory Natural Resources Specialist, SCCAO – reviewer

Tri-Valley Water District

Dennis Keller, District Engineer
Douglas Jensen, Baker, Manock & Jensen PC, District Legal Counsel

Exeter Irrigation District

Dennis Keller, District Engineer
Jeffrey A. Meith, Minasian Law Firm, District Legal Counsel

Keller-Wegley Consulting Engineers

Nicholas Keller, Civil Engineer

Provost & Pritchard Consulting Group

Amy Wilson, Assistant Planner
Emily Bowen, LEED AP, Senior Planner
Richard Moss, Principal Engineer

Section 7 Acronyms and Abbreviations

AF	Acre-feet
Air District	San Joaquin Valley Air Pollution Control District
AWTP	Accelerated Water Transfer Program
CAAQS	California Ambient Air Quality Standards
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CNDDB	California Native Diversity Database
CNPS	California Native Plant Society
CO	Carbon monoxide
CVP	Central Valley Project
CVPIA	Central Valley Project Improvement Act
Delta	Sacramento-San Joaquin River Delta
EA	Environmental Assessment
EID	Exeter Irrigation District
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
FKC	Friant-Kern Canal
FONSI	Finding of No Significant Impact
FWCA	Fish and Wildlife Coordination Act
IS	Initial Study
MBTA	Migratory Bird Treaty Act
NAAQS	National Ambient Air Quality Standards
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NO_2	Nitrogen dioxide
O_3	Ozone
Pb	Lead
PCE	Primary Constituent Element
$PM_{2.5}$	particulate matter
PM_{10}	particulate matter
Reclamation	Bureau of Reclamation
SJRRP	San Joaquin River Restoration Program
SJVAPCD	San Joaquin Valley Air Pollution Control District
SO_2	Sulfur dioxide
SOD	South-of-Delta
TVWD	Tri-Valley Water District
USFWS	U.S. Fish and Wildlife Service

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DRAFT ENVIRONMENTAL ASSESSMENT (11-024)

ASSIGNMENT OF 400 ACRE-FEET OF EXETER IRRIGATION DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO TRI-VALLEY WATER DISTRICT

Appendix A
Draft Contract

August 2012

Irrigation and M&I
Contract No. I75r-2508A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Friant Division, Central Valley Project, California

AGREEMENT FOR PARTIAL ASSIGNMENT OF EXETER IRRIGATION DISTRICT WATER SERVICE AND FACILITIES REPAYMENT CONTRACT TO TRI-VALLEY WATER DISTRICT

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Friant Division, Central Valley Project, California

AGREEMENT FOR PARTIAL ASSIGNMENT OF EXETER IRRIGATION DISTRICT WATER SERVICE AND FACILITIES REPAYMENT CONTRACT TO TRI-VALLEY WATER DISTRICT

THIS AGREEMENT, made this _____ day of _____, 2012, is entered into by and among the UNITED STATES OF AMERICA, hereinafter referred to as the "United States", through the United States Bureau of Reclamation ("Reclamation"); Exeter Irrigation District, hereinafter referred to as "Exeter", and Tri-Valley Water District, hereinafter referred to as "Tri-Valley", both public agencies of the State of California, duly organized, existing, and acting pursuant to the laws thereof, with its principal place of business in California. Exeter, Tri-Valley, and Reclamation may sometimes be collectively referred to herein as the "Parties" and individually as a "Party".

WITNESSETH, That:

EXPLANATORY RECITALS

A. On November 8, 1950, the United States and Exeter entered into Contract No. I75r-2508, as amended, providing for the annual delivery to Exeter of up to 11,500 acre-feet of Class 1 water and 19,000 acre-feet of Class 2 water from the Friant Division of the Central Valley Project (Project) through February 28, 1991.

B. The United States and Exeter entered into a renewal contract and, pursuant to subsection 3404(c)(1) of the Central Valley Project Improvement Act, entered into interim renewal

contracts, identified as Contract Nos. I75r-2508R and I75r-2508-IR1, which provided for the continued water service to Exeter from March 1, 1991 through February 28, 2001.

C. Subsequently, the United States and Exeter entered into a long-term renewal contract identified as Contract No. I75r-2508-LTR1, which provided for continued water service to Exeter through February 28, 2026, which was amended January 19, 2007.

D. On December 29, 2010, the United States and Exeter entered into Repayment Contract No. I75r-2508D, providing for continued water service and facilities repayment. Hereinafter, Exeter's Repayment Contract, as it may be modified from time to time in accordance with law, and as supplemented herein, will be referred to as the "Existing Contract".

E. On April 27, 2011, Exeter remitted to the United States $2,918,332.02, representing payment in full of the Repayment Obligation, as that term is used in the Existing Contract. With the payment of the Repayment Obligation and in accordance with subdivision (b) of Article 2 of the Existing Contract, Exhibit E, attached to the Existing Contract, became the entire agreement between Exeter and Reclamation and the tiered pricing component and the acreage limitations, reporting, and full cost pricing provisions of the Reclamation Reform Act of 1982 were no longer applicable to Exeter.

F. On August 5, 1976, the United States, the Department of Water Resources, and Tri-Valley entered into Contract No. 14-06-200-8565A, as amended, providing for the annual delivery to Tri-Valley of up 1,142 acre-feet of Project Water from the Project through December 31, 1995.

G. The United States, the Department of Water Resources, and Tri-Valley subsequently entered into a series of interim renewal contracts identified as Contract

Nos. 14-06-200-8565A-IR1 through IR14, which provide for continued water service to Tri-Valley through February 28, 2014.

H. Exeter has requested that Reclamation approve a partial assignment of the Existing Contract to Tri-Valley to provide an additional source of Project Water, as that term is used in the Existing Contract, hereinafter referred to as "Project Water", to Tri-Valley.

I. Article 32 of the Existing Contract provides for assignment of the Existing Contract, or any interest therein, with the written approval of the Contracting Officer acting on behalf of the United States.

J. Exeter intends to hereby assign a portion of the Existing Contract to Tri-Valley in exchange for monetary consideration. Exeter and Tri-Valley now wish to secure Reclamation's approval of the assignment of a portion of the Project Water referenced in the Existing Contract to Tri-Valley.

K. Upon the effective date of this Agreement, Exeter's partial assignment to Tri-Valley will be final and Tri-Valley will accept and be fully responsible for all rights and obligations of a Contractor, as that term is used under the Existing Contract, with respect to Four Hundred (400) acre-feet of Class 1 Project Water (hereinafter referred to as the "Assigned Project Water".)

L. Exeter and Tri-Valley will comply with all applicable Federal, state and local laws, rules and ordinances that apply to this Agreement.

M. The Parties to this Agreement each have complied with all environmental and other laws applicable to their respective approval and implementation of this Agreement, including but not limited to, the National Environmental Policy Act, the California Environmental Quality Act, Reclamation Law, and the Federal Endangered Species Act.

IT IS THEREFORE AGREED AMONG THE PARTIES:

TERMS AND CONDITIONS

1. (a) Upon the effective date of this Agreement, the assignment to Tri-Valley of Exeter's rights to the Assigned Project Water will be complete and Tri-Valley acknowledges and accepts the obligation to pay its proportionate share of the Additional Capital Obligation, as that term is used in the Existing Contract. Tri-Valley will, commencing on the effective date of this Agreement, assume all rights, duties, and interests of a Contractor, as that term is used in the Existing Contract, as they apply to the Assigned Project Water, separately from Exeter. Tri-Valley accepts all obligations, terms and conditions with respect to the Existing Contract applicable to the Contractor, as that term is used under the Existing Contract, as they apply to the Assigned Project Water. This Agreement shall not constitute an amendment or modification of the terms, conditions, obligations, and duties in the Existing Contract.

(b) Reclamation's approval of this Agreement shall not constitute a release by Reclamation of Exeter from any of its duties and obligations under the Existing Contract as to all Project Water other than the Assigned Project Water. Reclamation will consider Tri-Valley separately from Exeter as a Contractor, as that term is used under the Existing Contract, and as to those quantities assigned hereby will hold Tri-Valley responsible for compliance with the terms and conditions of the Existing Contract in connection within the Assigned Project Water.

PAYMENT OF EXISTING OPERATION AND MAINTENANCE DEFICITS

2. (a) Prior to the effective date of this Agreement, Exeter shall have paid in full to the United States any operation and maintenance deficit that may be owed by Exeter to the United States as a result of the previous delivery of the Assigned Project Water to Exeter pursuant to the Existing Contract.

(b) Reclamation acknowledges and agrees that, upon the satisfaction of subdivision (a) above, no operation and maintenance deficit is owed by Exeter to the United States as a result of the delivery of the Project Water as of September 30, 2010. However, if Reclamation determines there is any additional amount owed or at any time needs to make an adjustment to its past water contractor accountings, resulting in an amount that is outstanding or overpaid as a result of delivery of Project Water to Exeter, including Restoration Fund charges, such amount or adjustment shall be owed by Exeter if outstanding, or credited or refunded to Exeter if overpaid.

CONTRACTOR SERVICE AREA AND POINTS OF DIVERSION

3. Consistent with the Existing Contract, on or after the effective date of this Agreement, the Assigned Project Water will be delivered to Tri-Valley's service area as shown on Exhibit A attached to this Agreement. Tri-Valley will divert the Assigned Project Water from existing points of diversion located on the Friant-Kern Canal, or other points approved in writing by Reclamation.

RESERVATION OF INTEREST

4. (a) Upon full execution of this Agreement, Tri-Valley shall be the Contractor under the Existing Contract as to the Assigned Project Water, and Exeter shall continue to be the Contractor under the Existing Contract for all Project Water other than the Assigned Project Water.

(b) Any breach or default by Tri-Valley of any obligation with respect to the Assigned Project Water shall not affect the rights, duties, obligations, and interests of the Exeter with respect to the Existing Contract, and shall not constitute a breach or default of Exeter with respect to the balance of Project Water under the Existing Contract.

(c) In the event of termination of this Agreement, Exeter hereby retains a right of reverter, as described below in this subdivision, to all of the Contractor's rights and obligations under the Existing Contract to the full contractual quantities set forth in Article 3 of the Existing Contract. The Parties agree that in the event that this Agreement is terminated and provided that any curable breaches by Tri-Valley, as determined by the Contracting Officer, existing at the time of termination of this Agreement are cured within a reasonable time by Exeter, then Exeter's rights and obligations related to all contract quantities specified in Article 3 of the Existing Contract shall fully revert to Exeter. Tri-Valley's rights and obligations related to the Assigned Project Water as established by this Agreement shall terminate, as of the date of such reversion.

WATER RATES AND CHARGES

5. The Assigned Project Water shall be subject to the applicable Rates and Charges as shown in Exhibit B, attached to this Agreement, which shall be subject to annual adjustment as provided in subdivision (c) of Article 7 in the Existing Contract, and crediting determined annually in accordance with Federal law, associated regulations and the then-existing Central Valley Project Ratesetting policies. Tri-Valley shall submit to Reclamation water delivery schedules as required by the Existing Contract, as may be amended. Upon the effective date of this Agreement, all historic, present, and future costs and credits accrued under the Existing Contract, that relates to the Assigned Project Water, will be recognized and established under separate financial accountings for Tri-Valley.

RECOVERED WATER ACCOUNT

6. On the effective date of this Agreement, Tri-Valley will be entitled to a proportionate share of any subsequent Recovered Water Account credits made available by the

United States pursuant to the Existing Contract. The manner in which the Recovered Water Account will be administered will be developed in accordance with subdivision (k) of Article 7 of the Existing Contract, the San Joaquin River Restoration Settlement Act, and Paragraph 16 of the Stipulation of Settlement.

FRIANT SURCHARGE REDUCTION CALCULATIONS – EXHIBITS C-1 AND C-2

7. Tri-Valley's applicable reduction of the Friant Surcharge and other values, as set forth in subdivision (c) of Article 7 in the Existing Contract, are reflected in Exhibit C-1 attached to this Agreement. Exeter's applicable reduction of the Friant Surcharge and other values, as set forth in subdivision (c) of Article 7 in the Existing Contract, are reflected in Exhibit C-2 attached to this Agreement.

APPLICABILITY OF THE RECLAMATION REFORM ACT OF 1982

8. The acreage limitations, reporting, and Full Cost pricing provisions of the Reclamation Reform Act of 1982 (96 Stat. 1293), hereinafter referred to as "RRA", shall no longer apply to lands in Tri-Valley's Service Area with respect to the Assigned Project Water pursuant to this Agreement. Tri-Valley is currently subject to the acreage limitations, reporting, and Full-Cost pricing provisions of the RRA, through separate contracts, other than this Agreement. The terms and conditions in such other contracts shall continue to apply, and if such terms and conditions so require, the lands to receive Project Water under such other contracts shall be properly designated by Tri-Valley and such Project Water is to be delivered in accordance with the RRA including any applicable acreage limitations, reporting, and Full Cost pricing provisions.

TERMINATION CLAUSE

9. This Agreement shall become effective on the date referenced in Article 14 and shall continue so long as Tri-Valley is complying with the terms and conditions of the Existing Contract, making the annual payments required and paying any other amounts owing under the Existing Contract, this Agreement and applicable law, as they apply to the Assigned Project Water, unless it is terminated by the Contracting Officer by reason of a material uncured breach by Tri-Valley; *Provided*, That the Contracting Officer shall not seek to terminate this Agreement by reason of an asserted material uncured breach by Tri-Valley unless it has first provided at least sixty (60) days written notice of the asserted breach to Tri-Valley and Tri-Valley has failed to cure such breach (or to diligently commence curative actions satisfactory to the Contracting Officer for a breach that cannot be fully cured within sixty (60) days) within the sixty (60) day notice period; *Provided further*, That this Agreement may be terminated at any time by mutual consent of the Parties hereto. If this Agreement is terminated pursuant to this Article 9, the provisions of subdivision (c) of Article 4 shall apply.

UNITED STATES APPROVAL

10. The United States hereby approves this Agreement, accepts the assignment contemplated hereby and accepts Tri-Valley as a Contractor, as that term is used in the Existing Contract, and finds that no further action by the United States is necessary to put this Agreement into effect.

AGREEMENT DRAFTING CONSIDERATION

11. Articles 1 through 10 and 14 of this Agreement have been drafted, negotiated, and reviewed by the Parties hereto, each of whom is sophisticated in the matters to which this Agreement pertains, and no one Party shall be considered to have drafted the stated articles**.**

ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED

12. The provisions of this contract shall apply to and bind the successors and assigns of the Parties hereto, but no assignment or transfer of this contract or any right or interest therein by either party shall be valid until approved in writing by the other party.

NOTICES

13. Any notice, demand, or request authorized or required by this contract shall be deemed to have been given, on behalf of Tri-Valley and Exeter, when mailed, postage prepaid, or delivered to the Area Manager, South-Central California Area Office, Bureau of Reclamation, 1243 "N" Street, Fresno, California 93721, and on behalf of the United States, when mailed, postage prepaid, or delivered to the Board of Directors of Tri-Valley Water District, 201 Hill Avenue, Sanger, California 93657 and the Board of Directors of Exeter Irrigation District, Post Office Box 546, Exeter, California 93221-0546. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

EFFECTIVE DATE

14. The effective date of this Agreement shall be October 1, 2012; *Provided*, it is fully executed by all the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

EXETER IRRIGATION DISTRICT

By _____
President, Board of Directors

(Seal)

By _____
Secretary, Board of Directors

TRI-VALLEY WATER DISTRICT

By _____
President, Board of Directors

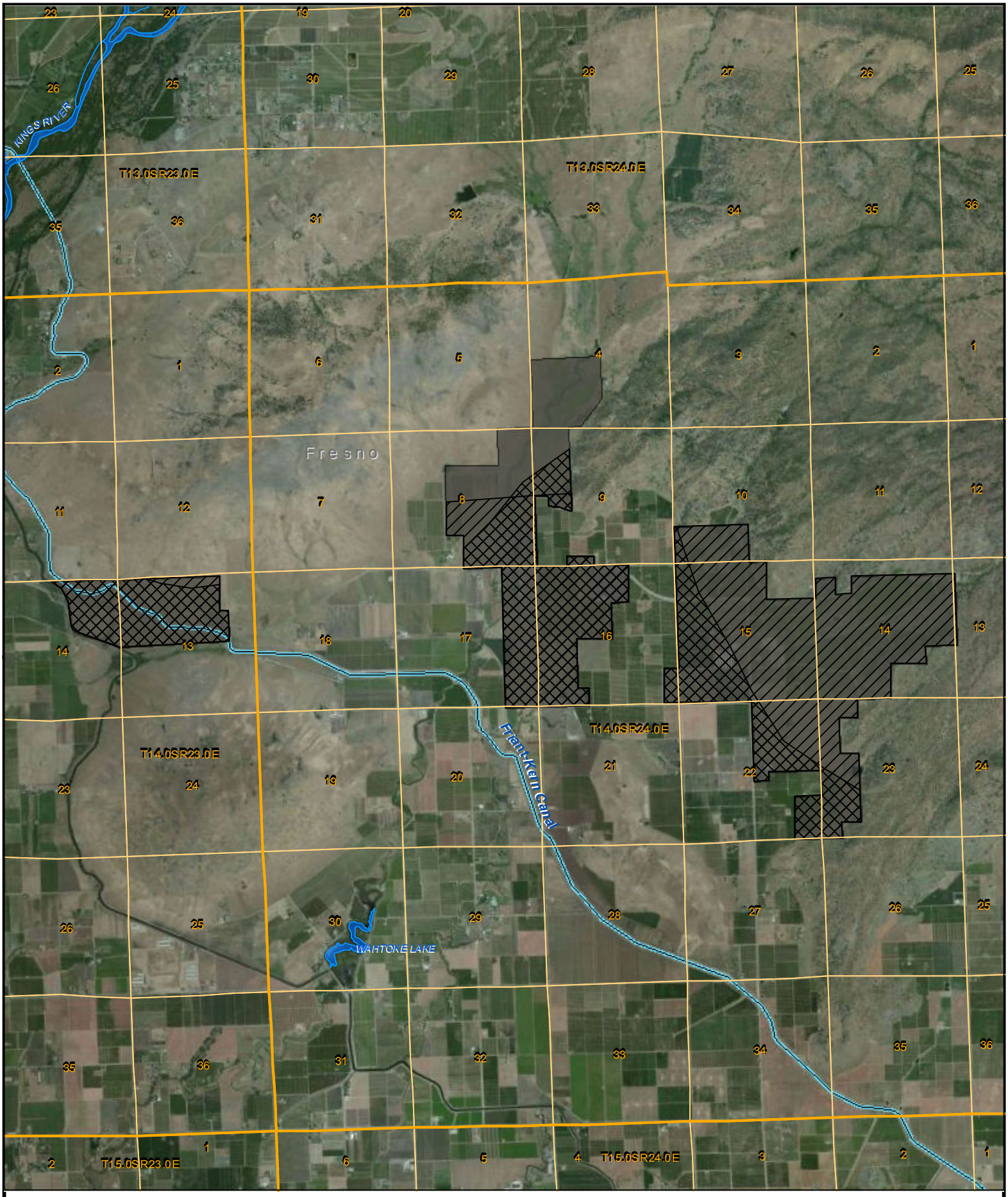
(Seal)

By _____
Secretary, Board of Directors

The foregoing Agreement for Partial Assignment of the Existing Contract and the terms detailed above are hereby approved and accepted by the United States of America.

THE UNITED STATES OF AMERICA

By _____
Regional Director, Mid-Pacific Region
Bureau of Reclamation



Tri-Valley Water District

Contract No. I75r-2508A

Exhibit A

District Boundary

Contractor's Service Area (Irrigation Only)

Contractor's Service Area (Irrigation and M&I)

0 0.5 1 Miles

N

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Date: July 11, 2012
File Name: N:\Districts\Contracts\tri_valley\tri_valley_071112.mxd

1785-202-160

Exhibit B
Contract Year 2012 Rates and Charges
(Tri-Valley)

	Irrigation Water Class 2	M&I Water[1]
COST-OF-SERVICE RATE		
Capital Component[2]		
O&M Components		
Water Marketing	$6.43	
Storage		
Conveyance[3]		
Conveyance Extraordinary O&M Cost	$0.15	
TOTAL COS RATE	**$6.58**	
Charges and assessments (Payments in addition to Rates)		
P.L. 102-575 Surcharges		
Restoration Fund Payment	$9.39	
Friant Surcharge	$7.00	
P.L. 106-377 Assessment (Trinity Public Utilities District)	$0.05	
Total Charges and Assessments	**$16.44**	

[1] The Contractor has not projected any delivery of M&I water for the 2012 contract year. A temporary M&I rate will be applied upon any M&I water delivery.

[2] Contractor's rate reflects contract has converted to 9(d) pursuant to the San Joaquin River Restoration Settlement Act. As such, all current and future obligations for construction costs will be repaid through a separate repayment agreement.

[3] Conveyance and Conveyance Pumping operation and maintenance costs were removed for ratesetting purposes and are to be direct billed.

Additional details of the rate components are available on the Internet at:
http://www.usbr.gov/mp/cvpwaterrates/ratebooks/index.html

Exhibit C-1
Friant Surcharge Reduction Calculation

Friant Contractor:
San Joaquin River Restoration Act

Tri Valley WD

Modified 7/8/12

Average Annual Delivery - Forecasted for 2020-2039*	293
Total Projected deliveries (over 20 yr period) Article 7(c)**	**5,860**
20 yr CMT as of 10/1/2010	**3.400%**
1/2 20 yr CMT as of 10/1/2010	1.700%
Irrigation Portion of Existing Capital Obligation	**$78,027**
NPV at Half CMT (Repayment Obligation)	**$65,679**
NPV at Full CMT	**$55,953**
Financing Cost Offset: @ (Article 7(c)(1))	**$9,726**
NPV of FS Reduction	$9,331
Difference between Financing Cost Offset and NPV of FS Reduction	**$395**
2020 Other Obligation Credit (FV of difference) (Art. 7(c)(2)))* **	**$534**

	Irrigation portion of Allocated Capital Cost		CVPIA Friant Surcharges	Reduction in Friant Surcharge			
Year	Beginning Balance	Straight Line Repayment	Surcharge per Acre-Foot Before Reduction	Friant Surcharge Reduction per Article 7(c)(1)	Friant Surcharge due per A/F after Reduction	Projected Total Annual Credit	2020 Other Obligation Credit Calculation (Art. 7(c)(2))
2011	$ 78,027	$ 3,901	$7.00		$7.00	0	$ 395.48
2012	$ 74,126	$ 3,901	$7.00		$7.00	0	$ 408.92
2013	$ 70,224	$ 3,901	$7.00		$7.00	0	$ 422.83
2014	$ 66,323	$ 3,901	$7.00		$7.00	0	$ 437.20
2015	$ 62,422	$ 3,901	$7.00		$7.00	0	$ 452.07
2016	$ 58,520	$ 3,901	$7.00		$7.00	0	$ 467.44
2017	$ 54,619	$ 3,901	$7.00		$7.00	0	$ 483.33
2018	$ 50,718	$ 3,901	$7.00		$7.00	0	$ 499.76
2019	$ 46,816	$ 3,901	$7.00		$7.00	0	$ 516.76
2020	$ 42,915	$ 3,901	$7.00	($3.00)	$ 4.00	($879)	$ 534.33
2021	$ 39,014	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2022	$ 35,112	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2023	$ 31,211	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2024	$ 27,309	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2025	$ 23,408	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2026	$ 19,507	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2027	$ 15,605	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2028	$ 11,704	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2029	$ 7,803	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2030	$ 3,901	$ 3,901	$7.00	($3.00)	$ 4.00	(879)	
2031			$7.00	($3.00)	$ 4.00	(879)	
2032			$7.00	($3.00)	$ 4.00	(879)	
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2037			$7.00	($3.00)	$ 4.00	(879)	
2038			$7.00	($3.00)	$ 4.00	(879)	
2039			$7.00	($3.00)	$ 4.00	(879)	
		$ 78,027				($17,580)	

Exhibit C-1
Friant Surcharge Reduction Calculation

Footnotes

* Average annual delivery forecast indicated above is a mutually agreed upon estimate of deliveries during the period 2020-2039 for purposes of calculating the Friant Surcharge reduction and related credits only.

** This figure represents the total cumulative deliveries the reduced surcharge is applicable to, but not beyond 2039. If cumulative actual deliveries exceed this amount prior to 2039, the full Friant Surcharge is applicable to deliveries in excess of this amount.

*** The difference represents the amount of financing costs that are not offset through the reduced Friant Surcharge computed on this schedule. Pursuant to Section 7(c)(2), this amount shall offset the Contractor's other outstanding or future obligations. After 2020, the Contractor's other obligations shall be reduced in the following order to fully offset this amount: 1) Payments or prepayments due for O&M expenses and, to the extent applicable, 2) Additional Capital Obligation.

@ Amount of reduction in Friant Surcharge is computed using FPV of Financing Costs adjusted to Yr 2020. Annual Friant Surcharge reduction to fully offset Financing costs is computed and presented on a per a/f basis. Friant surcharge may be reduced up to $3 per a/f.

Friant Surcharge (FS) Reduction Calculations		
FV of Total Financing Cost for Offset	$	13,588
Annual Credit Target	$	(916)
FS Reduction w/o limit	$	(3.13)
FS Reduction limit	$	(3.00)

Exhibit C-1
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*** The difference represents the amount of financing costs that are not offset through the reduced Friant Surcharge computed on this schedule. Pursuant to Section 7(c)(2), this amount shall offset the Contractor's other outstanding or future obligations. After 2020, the Contractor's other obligations shall be reduced in the following order to fully offset this amount: 1) Payments or prepayments due for O&M expenses and, to the extent applicable, 2) Additional Capital Obligation.

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DRAFT ENVIRONMENTAL ASSESSMENT (11-024)

ASSIGNMENT OF 400 ACRE-FEET OF EXETER IRRIGATION DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO TRI-VALLEY WATER DISTRICT

Appendix B
CEQA Checklist Signature Page

August 2012

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, as indicated by the initial study prepared for the Project.

☐ Aesthetics	☐ Agriculture Resources	☐ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Geology/Soils
☐ Greenhouse Gas Emissions	☐ Hazards & Hazardous Materials	☐ Hydrology/Water Quality
☐ Land Use/Planning	☐ Mineral Resources	☐ Noise
☐ Population/Housing	☐ Public Services	☐ Recreation
☐ Transportation/Traffic	☐ Utilities / Service Systems	☐ Mandatory Findings of significance

DETERMINATION: (To be completed by the Lead Agency)
On the basis of this initial evaluation:

☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Dennis R. Keller
Signature

09 July 2012
Date

Dennis R. Keller
Printed name

Exeter Irrigation District
For