RECLAMATION
Managing Water in the West

FINDING OF NO SIGNIFICANT IMPACT

Assignment of 300 acre-feet of Tea Pot Dome Water District's Central Valley Project Friant Division Class 1 Water to Saucelito Irrigation District

FONSI-11-047

Recommended by:

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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 300 acre-feet (AF) of Tea Pot Dome Water District's (TPDWD's) Central Valley Project (CVP) Friant Division Class 1 water to Saucelito Irrigation District (SID). This Finding of No Significant Impact (FONSI) is supported by Reclamation's Environmental Assessment (EA)-11-047, *Assignment of 300 acre-feet of Tea Pot Dome Water District's Central Valley Project Friant Division Class 1 Water to Saucelito Irrigation District*, and is hereby incorporated by reference.

Reclamation provided the public with an opportunity to comment on the Draft FONSI and Draft EA between August 1, 2012 and August 31, 2012. Reclamation received one comment letter from Arvin-Edison Water Storage District. The comment letter and Reclamation's response to comments can be found in Appendix A of the Final EA.

Background

TPDWD has historically transferred some of their CVP water supply to other CVP contractors, such as SID, 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, TPDWD and SID have requested approval from Reclamation for the assignment of 300 AF of TPDWD's CVP Friant Division Class 1 water supply to SID.

Proposed Action

Reclamation proposes to approve the assignment of 300 AF of TPDWD's Class 1 allocation from Millerton Lake to SID and the consequent reduction of TPDWD's Class 1 allocation.

Delivery of this water to SID will be done through the existing turnouts on the FKC, between mileposts 100.64 and 107.35. The assigned 300 AF of Class 1 contractual supply will be used to meet SID's existing in-district demands and other uses consistent with the existing 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 to SID. Therefore, there will be no impact to district or federal facilities or water rights as a result of the Proposed Action.

The Proposed Action will not significantly impact water availability in TPDWD as this assignment is only four percent of TPDWD's Class 1 supply and is within the same amount historically transferred by TPDWD (767 AF on average were transferred to SID by TPDWD between 2006 and 2011 Contract Years, see Table 3-3). In addition, the assigned water will be used within the same groundwater basin. Therefore, the Proposed Action will not significantly impact groundwater resource availability for water users in TPDWD.

The addition of 300 AF of Class 1 water to SID's overall water supply will help increase water supply reliability in SID. Therefore, the Proposed Action will have beneficial impacts to water resources within SID.

Land Use

Under the Proposed Action, neither TPDWD nor SID will change historic land and water management practices. The proposed assignment of TPDWD's CVP water will move through existing facilities for delivery to lands within SID 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

SID and TPDWD are located near San Joaquin kit fox populations and there are several kit fox reported sightings. Orchards may support rodent and insect prey species if the grounds are not treated with intensive chemical applications, including fertilizers, pesticides, and defoliants; however, denning potential is typically low and kit foxes can be more susceptible to predation by coyotes within the orchards. 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. The Proposed Action will not result in the construction of new facilities; nor convert lands from pre-existing uses. Based upon the above factors Reclamation has determined there will be no effect to this species.

There are reports of vernal pool fairy shrimp along Highway 65, approximately three miles south of Porterville, within TPDWD. The population is threatened by roadway maintenance of Highway 65. The Proposed Action will not result in any ground-disturbing activities in or around this habitat type nor will other land use changes occur; therefore, Reclamation has determined there will be no effect to vernal pool fairy shrimp.

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 300 AF of TPDWD's Class 1 allocation from Millerton Lake to SID and the consequent reduction of TPDWD'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 TPDWD and TPDWD 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 TPDWD and will improve the financial conditions of the District, and reduce the uncertainty about the District being able to repay capital obligations associated with their Repayment Contract. The Proposed Action may support and maintain jobs in SID 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 SID and TPDWD as a result of the Proposed Action.

Socioeconomic Resources

The assignment of 300 AF of TPDWD's Class 1 allocation to SID will reduce the potential need for SID 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 SID as this water will be used to help sustain existing crops. In addition, as this is only four percent of TPDWD's Class 1 allocation, TPDWD will still have sufficient irrigation water (7,200 AF Class 1) available and the financial conditions of the District will improve thus reducing the uncertainty about the District being able to repay the capital obligations associated with their Repayment Contract. Therefore, there will be positive impacts to socioeconomics within both districts as a result of the Proposed Action.

Air Quality

Under the Proposed Action, Friant Division Class 1 water will be delivered off the FKC to SID rather than to TPDWD. 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 TPDWD and SID, which relate to or are similar to 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 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-day 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 Exeter Irrigation District and Tri-Valley Water District Reclamation received a request to approve the assignment of 400 AF of Exeter Irrigation District's Friant Division Class 1 allocation to Tri-Valley 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 300 AF of TPDWD's Friant Division Class 1 allocation to SID. The Proposed Action will not interfere with the projects listed above or contribute to any cumulative impacts of such projects, 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 district or federal facilities or water rights as no additional diversions or changes to distribution facilities are needed to move this water.

No cumulative impact to groundwater resources is expected since the Proposed Action will likely have similar results as the No Action Alternative as surface water will be delivered to the same general area for irrigation of existing agricultural lands.

The addition of 300 AF of Class 1 water to SID's overall water supply will help increase water supply reliability in SID. Therefore, the Proposed Action will have cumulatively beneficial impacts to water resources within SID.

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 300 AF CVP Class 1 water from TPDWD to SID 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.

Water supply and financial uncertainty have increased within both SID and TPDWD as a result of the San Joaquin River Settlement Act and its implementation. Litigation prior to the San Joaquin River Settlement certainly created its share of uncertainty, but to date had not resulted in a reduction of water supplies to Friant Division water contractors. The Proposed Action, when considered with the other water transfer and contract assignment actions recently considered by Reclamation and also when considered in the context of SJRRP, will have a slight beneficial contribution to cumulative impacts for minority or disadvantaged populations as well as economies of the districts as it will help support and maintain jobs that low-income and disadvantaged populations rely upon due to increased irrigation water supply and financial reliability.

Further, over the long term, the Proposed Action will facilitate an increase in the reliability of SID's surface water supply. This will subsequently help to maintain the economic viability of irrigated agriculture within SID, which presently includes 63 percent 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 SID.

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

Final Environmental Assessment/Initial Study

Assignment of 300 acre-feet of Tea Pot Dome Water District's Central Valley Project Friant Division Class 1 Water to Saucelito Irrigation District

EA-11-047

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

Teapot Dome Water District
105 W. Tea Pot Dome Avenue
Porterville, California

September 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 Tea Pot Dome Water 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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Appendices

Section 1 Introduction

The Bureau of Reclamation (Reclamation) provided the public with an opportunity to comment on the Draft Finding of No Significant Impact (FONSI) and Draft Environmental Assessment (EA) between August 1, 2012 and August 31, 2012. Reclamation received one comment letter from Arvin-Edison Water Storage District. The comment letter and Reclamation's response to comments can be found in Appendix A. Changes from the draft EA that are not minor editorial changes are indicated by vertical lines in the left margin of this document

Tea Pot Dome Water District (TPDWD) has historically transferred some of their Central Valley Project (CVP) water supply to other CVP contractors, such as Saucelito Irrigation District (SID), 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, TPDWD and SID have requested approval from Reclamation for the assignment of 300 acre-feet (AF) of TPDWD's CVP Friant Division Class 1 water supply to SID.

This 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 TPDWD 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 FONSI, documents when there are no significant impacts. If potentially significant impacts are identified then an EIS must be prepared.

1.1 Background

TPDWD is a Friant Division CVP contractor with a 9(d) Repayment Contract (Contract No. 14-06-200-7430D) with Reclamation for a Class 1 allocation of 7,500 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].

SID is a Friant Division CVP contractor with a 9(d) Repayment Contract (Contract No. 175r-2604D) for a Class 1 allocation of 21,200 AF and a Class 2 Allocation of 32,800 AF. Class 2 water is considered as the next 1,401,475 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

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

considered to be undependable in character and is furnished only if and 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.

TPDWD and SID are located in Tulare County and both take deliveries of irrigation water from their turnouts off the FKC. Lands within the districts and the surrounding agricultural areas conjunctively use both surface water and groundwater to meet crop demands. As both districts' share portions of the same groundwater basin and have a long history of cooperating with each other relative to management of available surface water supplies, they see the proposed assignment as an opportunity to improve each district's respective management of available surface water supplies.

1.2 Purpose and Need/Project Objectives

In 2006, the San Joaquin River Restoration Program (SJRRP) was established to implement the Stipulation of Settlement in *NRDC, et al. v. Kirk Rodgers et al.* The Settlement's two primary goals include: (1) restoration and maintenance of fish population in the San Joaquin River below Friant Dam to the confluence of the Merced River; and (2) management of water resources in order to reduce or avoid adverse water supply impacts to Friant Division long-term contractors.

SID needs to reduce impacts to their water supplies due to the implementation of the SJRRP and TPDWD needs funds to help repay the obligations associated with their Repayment Contract. The purpose of the assignment is to provide SID with an increased quantity of Class 1 water while providing funding to TPDWD for its Repayment Contract obligations.

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 300 AF of TPDWD's Class 1 allocation to SID. The assignment would be in perpetuity. This EA/IS has also been prepared to examine the potential impacts of the No Action Alternative.

Both districts are located on the eastern side of the San Joaquin Valley in Tulare County (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 SID rather than to TPDWD. 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 300 AF of TPDWD's Class 1 allocation from Millerton Lake to SID and the consequent reduction of TPDWD'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 TPDWD nor SID would change historic land and water management practices. The proposed assignment of TPDWD's CVP water would move through existing facilities for delivery to lands within SID 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, Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, and Utilities and Service Systems.

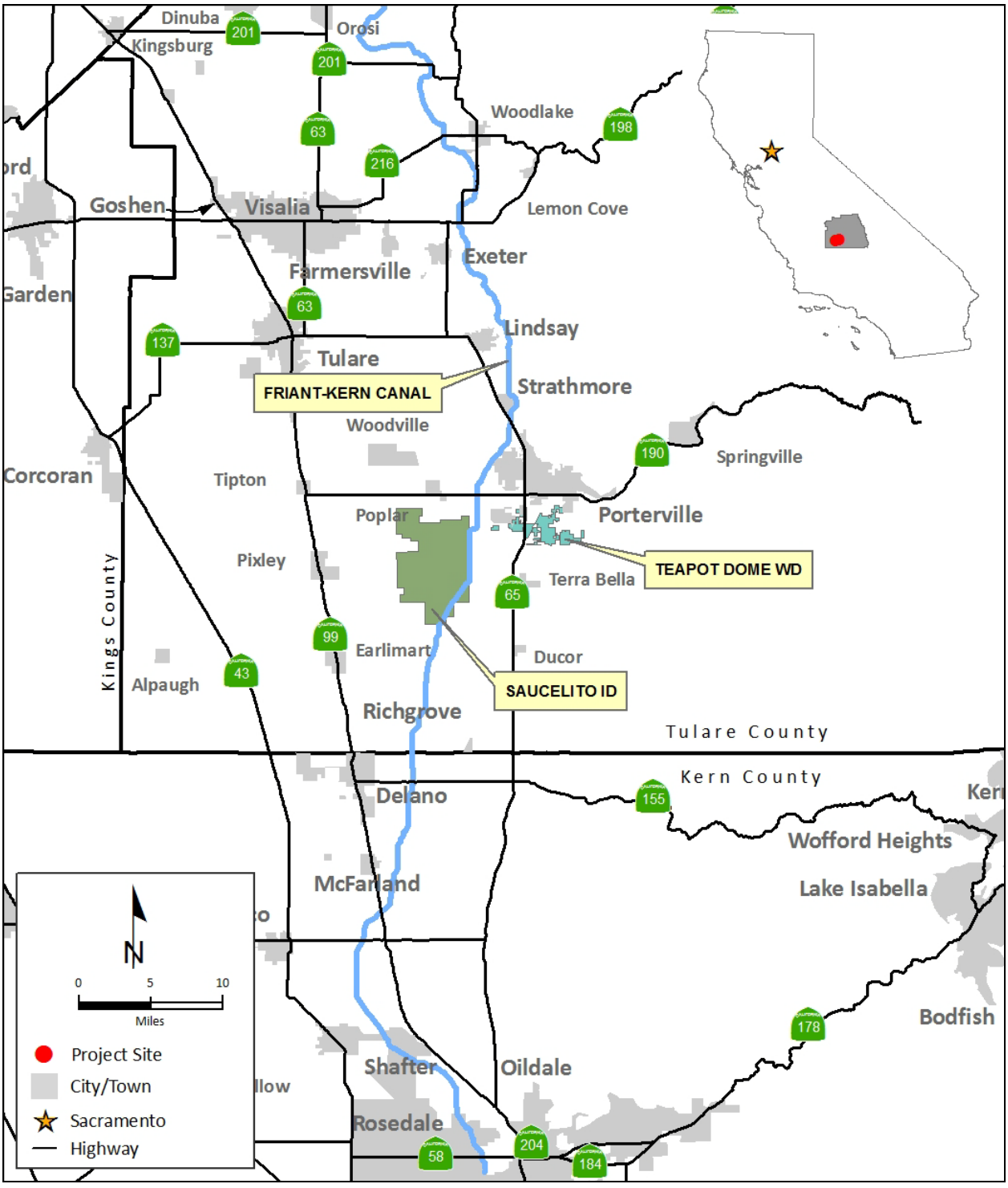

Figure 1-1 Location Map

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Section 2 Alternatives Including the Proposed Action

This EA 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 300 AF of TPDWD's Class 1 allocation to SID. SID would not receive additional water supplies that would supplement its CVP water supplies that have been reduced due to implementation of the SJRRP. SID 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 SID's overall water supply reliability.

TPDWD's Class 1 allocation would continue to be used as it has in the past. TPDWD would have to seek funding from other sources to repay its Repayment Contract obligations.

2.2 Proposed Action

Reclamation proposes to approve the assignment of 300 AF of TPDWD's Class 1 allocation from Millerton Lake to SID and the consequent reduction of TPDWD's Class 1 allocation.

Delivery of this water to SID would be done through the existing turnouts on the FKC, between mileposts 100.64 and 107.35. The assigned 300 AF of Class 1 contractual supply would be used to meet SID's existing in-district demands and other uses consistent with the existing 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 2012). 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 2012).

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**

Saucelito Irrigation District

SID provides irrigation water to over 19,057 acres of annual and permanent crops in Tulare County. Flood irrigation has and continues to be the principle method of on-farm irrigation. In recent years, nearly all the irrigated lands have been graded and laser leveled to increase the distribution uniformity of applied irrigation water. Water users with permanent crops continue to install drip and micro-sprinkler systems. Additionally, all farms have installed and operate tailwater return systems. SID does not own any groundwater extraction facilities; therefore, landowners must provide their own wells to sustain irrigation during periods when SID does not have enough surface water available.

The current annual irrigation demand is approximately 50,300 AF, of which approximately 30,300 AF is provided from SID. The remaining approximately 20,000 AF demand is met by groundwater pumped by water users. SID delivers water to its users through an over 50 year old, closed distribution system. At the present time, approximately 63 percent of irrigated lands are permanent plantings and approximately 37 percent are annual plantings.

SID has a contract with Reclamation for 21,200 AF of Class 1 water and 32,800 AF of Class 2 water for a total of 54,000 AF from Millerton Lake. Between 2006 and 2011, SID's total annual water supplies averaged 31,988 AF. Its Friant Division CVP supply averaged 20,127 AF for Class 1 and 11,103 AF for Class 2 with the difference made up by Section 215 CVP water, transfers-in and rescheduled contract supply from previous Contract Years (Table 3-2).

Table 3-2 Saucelito Irrigation District 2006 to 2010 In-District Water Supplies

	CVP Water Supplies (AF)					
Year	Class 1	Class 2	Section 215	Transfers[1]	Carryover[3]	Total
2011	21,227[2]	26,746	0	-1,701	0	46,272
2010	20,154[2]	11,520	3,659	3,118	-1,046	37,405
2009	21,837[2]	8,690	0	-1,555	-265	28,707
2008	21,901[2]	1,640	0	472	-637	23,376
2007	15,416	0	0	2,974	-1,338	17,052
2006	20,226	18,024	1,871	-1,007	0	39,114
Average	20,127	11,103	922	384	-548	31,988

[1] Net transfers to SID (positive) and from SID (negative) to other CVP contractors per the AWTP.
[2] Includes prior year carryover water.
[3] Water carried over into the subsequent year and thus subtracted from this year's supply.

There are two groundwater percolation ponds located within SID which cover approximately 1.5 acres. SID owns and maintains one of these ponds and previously leased the other from Tulare County. Both ponds were previously used during heavy rainfall years for groundwater recharge. Only the SID-owned recharge pond continues to be used for groundwater recharge.

Deer Creek crosses SID on its southern border. Deer Creek is an ephemeral stream with a relatively low elevation watershed and runs primarily as a result of rain flood events. SID uses Deer Creek to help recharge the groundwater supply in wet years in cooperation with other regional water users as part of the Deer Creek and Tule River Authority. They purposefully recharge their common underground by supplementing the normal runoff that percolates along the length of Deer Creek downstream of the FKC with CVP water supplies.

Tea Pot Dome Water District

TPDWD is comprised of approximately 3,354 acres in Tulare County, of which 3,320 are irrigated. Virtually all of its water is delivered to agricultural customers with permanent crops (99 percent citrus and olives). TPDWD has a 9(d) Repayment Contract with Reclamation for 7,500 AF per year of Class 1 water. CVP water and limited groundwater are the district's sole sources of water (Table 3-3).

Table 3-3 Tea Pot Dome Water District 2006 to 2010 In-District Water Supplies

Year	CVP Water Supplies (AF)				TPDWD Well (AF)	Total (AF)
	Class 1	Section 215	Transfers[1]	Carryover[3]		
2011	6,615[2,4]	0	-2,000	-190	0	4,425
2010	7,658[2]	0	-1,358	-356	0	5,944
2009	7,626[2]	0	-1,450	-158	101	6,119
2008	7,572[2]	0	-500	-136	0	6,936
2007	5,003	0	200	-72	1,178	6,309
2006	6,456	0	-1,040	0	0	5,416
Average	**6,822**	**0**	**-1,025**	**-152**	**213**	**5,858**

[1] Net transfers to TPDWD (positive) and from TPDWD (negative) to other CVP contractors per the AWTP. Transfers to SID of TPDWD CVP Class 1 supplies totaled: 2000 AF, 1,200 AF, 900 AF, 500 AF in 2011 back through 2008, averaging 767 AF over this six year period of record.
[2] Includes prior year carryover water.
[3] Water carried over into the subsequent year and thus subtracted from this year's supply.
[4] 285 AF of 2010 Carryover water was spilled from Millerton Reservoir.

TPDWD's average Class 1 water supply averaged 6,822 AF between 2006 and 2011. After transfer in and transfers out of the district, the average water supply available to TPDWD growers was 5,858 AF (Table 3-3).

TPDWD has a small lined reservoir to regulate flows into their pipelines with a main booster station at the reservoir. All other pump stations are in-line boosters. TPDWD's conveyance system consists of 20 pipelines, with a diversion point at milepost 99.45 on the FKC. TPDWD owns one well that it uses for groundwater extraction. Landowners must provide their own wells to irrigate during times when TPDWD does not have surface water supplies available to meet irrigation demands. On the average, groundwater from grower owned wells makes up 25 to 30 percent of on-farm water supplies.

Groundwater Resources

Both TPDWD and SID are located within the Tule Subbasin of the San Joaquin Valley Groundwater Basin (California Department of Water Resources 2003). Groundwater generally flows through the San Joaquin Valley Groundwater Basin from east to west (Faunt et al. 2009). General groundwater flow between the TPDWD and SID is shown in Figure 3-1.

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).

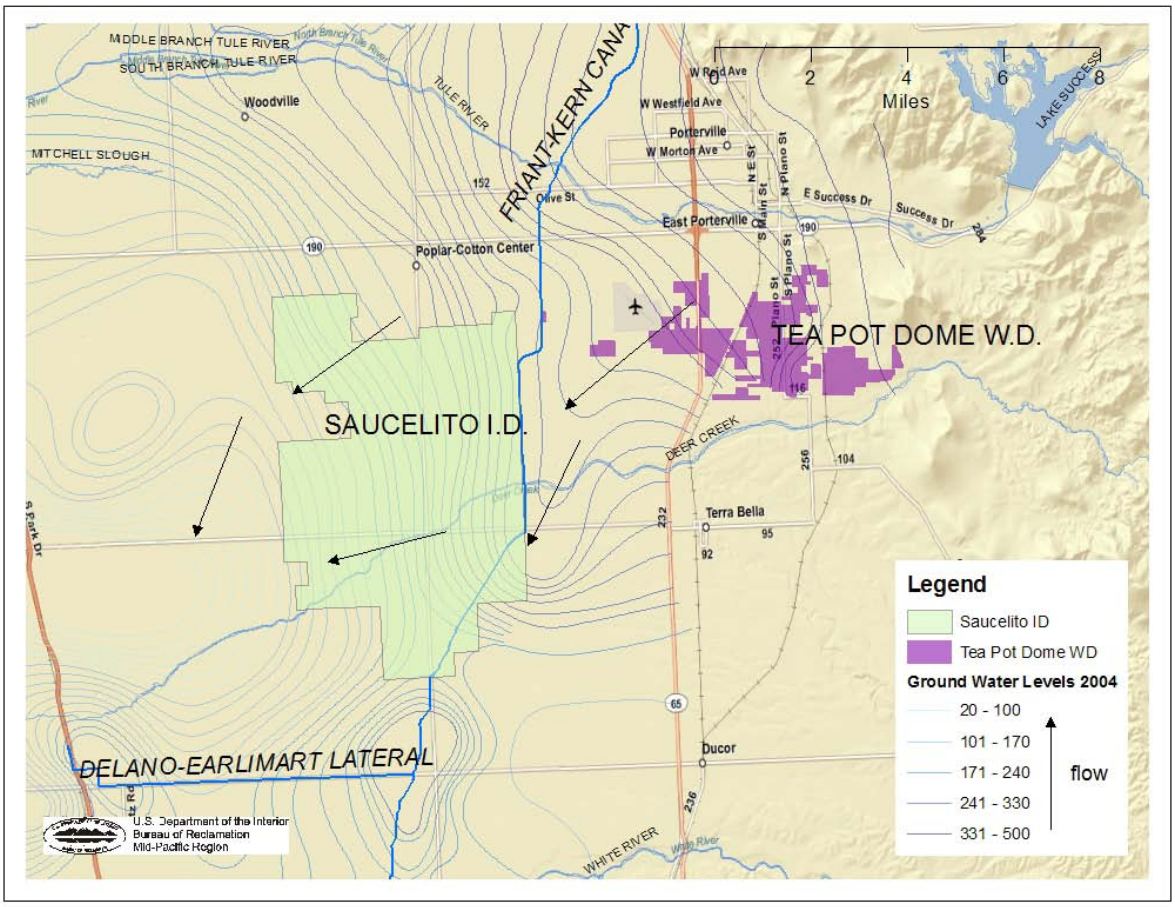

Figure 3-1 Groundwater flows from unconfined aquifers within the Proposed Action area

3.1.2 Environmental Consequences

No Action

Under the No Action Alternative, Reclamation would not approve the assignment of 300 AF of TPDWD's Class 1 water supply to SID. Water would continue to be used in TPDWD as it has in the past. SID 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 SID would need to be met from other sources, such as purchasing water supplies (including the continuation of annual transfers from TPDWD) or from additional groundwater pumping.

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 to SID.

Therefore, there would be no impact to district or federal facilities or water rights as a result of the Proposed Action.

The Proposed Action would not adversely impact water availability in TPDWD as this assignment is only four percent of TPDWD's Class 1 supply and is within the same amount historically transferred by TPDWD (767 AF on average were transferred to SID by TPDWD between 2006 and 2011 Contract Years, see Table 3-3). In addition, the assigned water would be used within the same groundwater basin. Therefore, the Proposed Action would not adversely impact groundwater resource availability for water users in TPDWD.

The addition of 300 AF of Class 1 water to SID's overall water supply would help increase water supply reliability in SID. Therefore, the Proposed Action would have beneficial impacts to water resources within SID.

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 TPDWD and SID, which relate to or are similar to 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 2011c).

San Joaquin River Restoration Program The 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-day 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 Exeter Irrigation District and Tri-Valley Water District Reclamation received a request to approve the assignment of 400 AF of Exeter Irrigation District's Friant Division Class 1 allocation to Tri-Valley 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 300 AF of TPDWD's Friant Division Class 1 allocation to SID. The Proposed Action would not interfere with the projects listed above or contribute to any cumulative impacts of such projects, 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 district or federal facilities or water rights as no additional diversions or changes to distribution facilities are needed to move this water.

No cumulative impact to groundwater resources is expected since the Proposed Action would likely have similar results as the No Action Alternative as surface water would be delivered to the same general area for irrigation of existing agricultural lands.

The addition of 300 AF of Class 1 water to SID's overall water supply would help increase water supply reliability in SID. Therefore, the Proposed Action would have cumulatively beneficial impacts to water resources within SID.

3.2 Biological Resources

3.2.1 Affected Environment

Reclamation requested an official species list from the U.S. Fish and Wildlife Service (USFWS) on June 11, 2012 via the Sacramento Field Office's website: http://www.fws.gov/sacramento/ES_Species/Lists/es_species_lists-form.cfm (Document Number 120611022609). The list is for the following 7 ½ minute U.S. Geological Survey quadrangles, which overlapped SID and TPDWD: Ducor, Sausalito School, Success Dam, Woodville, and Porterville 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.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
BIRDS			
California condor (*Gymnogyps californianus*)	E	NE	**Absent.** No individuals or habitat in area of impact.
southwestern willow flycatcher (*Empidonax traillii extimus*)	E	NE	**Absent.** No individuals or habitat in area of impact.
FISH			
Delta smelt (*Hypomesus transpacificus*)	T	NE	**Absent.** No individuals or habitat in area of impact. No natural waterways within the species' range would be affected by the proposed action.
INVERTEBRATES			
Valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*)	T	NE	**Absent.** No individuals or habitat in area of impact.
Vernal pool fairy shrimp (*Branchinecta lynchi*)	T	NE	**Present.** There are CNDDB[4] reports from Tea Pot Dome WD Service Area. No ground disturbing activities; no other land use changes would occur.
MAMMALS			
San Joaquin kit fox (*Vulpes macrotis mutica*)	E	NE	**Present.** There are CNDDB reports within 10-miles of the service areas, the most recent from 1992. However, no construction of new facilities; no conversion of lands from existing use.
Tipton kangaroo rat (*Dipodomys nitratoides nitratoides*)	E	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
PLANTS			
California jewelflower (Caulanthus californicus)	E	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
Keck's checker-mallow (*Sidalcea keckii*)	E, X	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
San Joaquin adobe sunburst (*Pseudobia piersonii*)	T	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
Springville clarkia (*Clarkia springvillensis*)	T	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
REPTILES			
Blunt-nosed leopard lizard (*Gambelia sila*)	E	NE	**Absent.** No individuals or habitat in area of impact. No ground disturbing activities; no other land use changes would occur.
Giant garter snake (*Thamnophis gigas*)	T	NE	**Absent.** No individuals or habitat in area of impact. 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 (ESA)
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 area
Absent: Species not recorded in study area and habitat requirements not met
4 CNDDB = California Natural Diversity Database 2012

Neither district includes any undisturbed lands with native vegetation. Land use within SID and TPDWD is actively cultivated agricultural lands (Figure 3-2) and offers limited habitat value to wildlife (Table 3-4). Approximately 99 percent of TPDWD and 63 percent of SID lands are currently planted to permanent crops.

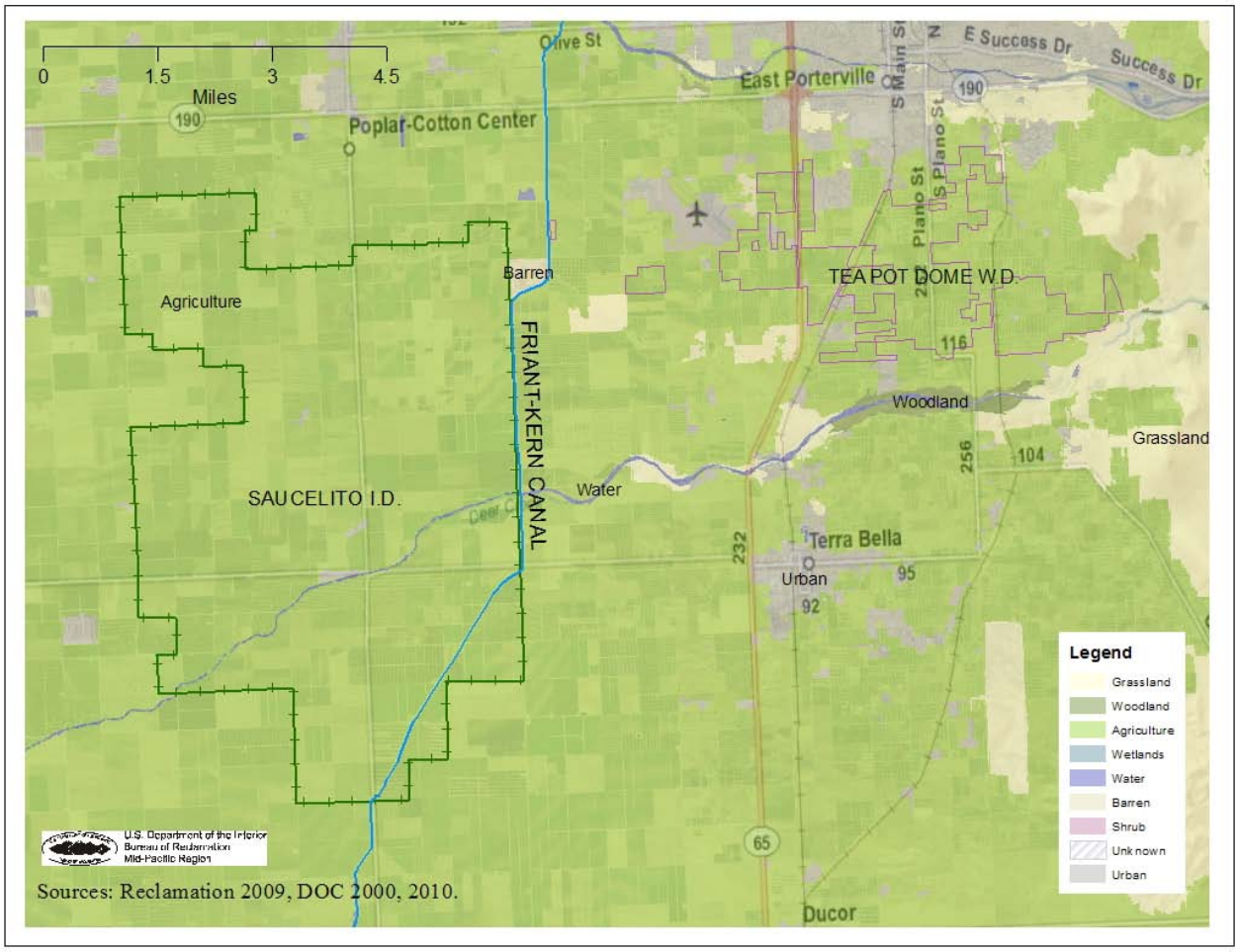

Figure 3-2 Land Use within the Proposed Action Area

Of the 14 special-status species identified in Table 3-4, only two protected species have the potential to occur in the districts' boundaries: San Joaquin kit fox (*Vulpes macrotis mutica*) and vernal pool fairy shrimp (*Branchinecta lynchi*).

San Joaquin Kit Fox

San Joaquin kit fox is federally listed as an endangered species. Their diet varies based on prey availability; and includes small to mid-sized mammals, ground-nesting birds, and insects. San Joaquin kit fox 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 habitat loss and degradation of habitat (USFWS 1998).

Vernal pool fairy shrimp

The vernal pool fairy shrimp is listed as federally threatened. Occurrences of vernal pool crustaceans are restricted to vernal pools/swales (Eng et al. 1990, Helm 1998). The vernal pool fairy shrimp occupies a variety of different vernal pool habitats, from small, clear, sandstone rock pools to large, turbid, alkaline, grassland valley floor pools. Although the species has been collected from large vernal pools, including one exceeding 25 acres, it tends to occur in smaller pools measuring less than 0.05 acre (Gallagher 1996, Helm 1998). Conversion and modification of vernal pool habitat contribute to the decline of this species.

3.2.2 Environmental Consequences

No Action

There would be no impact to biological resources since existing conditions would not change with the Proposed Action.

Proposed Action

SID and TPDWD are located near San Joaquin kit fox populations (USFWS 2010) and there are several kit fox reported sightings (CNDDB 2012). Orchards may support rodent and insect prey species if the grounds are not treated with intensive chemical applications, including fertilizers, pesticides, and defoliants; 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. The Proposed Action would not result in the construction of new facilities; nor convert lands from pre-existing uses. Based upon the above factors Reclamation has determined there would be no effect to this species.

There are reports of vernal pool fairy shrimp along Highway 65, approximately three miles south of Porterville, within TPDWD (CNDDB 2012). The population is threatened by roadway maintenance of Highway 65. The Proposed Action would not result in any ground-disturbing activities in or around this habitat type nor would other land use changes occur; therefore, Reclamation has determined there would be no effect to vernal pool fairy shrimp.

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 300 AF CVP Class 1 water from TPDWD to SID 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

Tulare County relies to a large extent, either directly or indirectly, on agriculture for employment. 58.3 percent of the population within Tulare county 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 Tulare County 2009 Estimated Demographics

	Total Population	White (not Hispanic)	Black or African American	American Indian	Asian	Native Hawaiian/ Pacific Islander	Hispanic
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 2011							

3.3.2 Environmental Consequences

No Action

Under the No Action Alternative, SID 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, TPDWD 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 TPDWD and TPDWD 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 TPDWD and will improve the financial conditions of the District, and reduce the uncertainty about the District being able to repay

capital obligations associated with their Repayment Contract. The Proposed Action may support and maintain jobs in SID 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 SID and TPDWD as a result of the Proposed Action.

Cumulative Impacts

Water supply and financial uncertainty have increased within both SID and TPDWD as a result of the San Joaquin River Settlement Act and its implementation. Litigation prior to the San Joaquin River Settlement certainly created its share of uncertainty, but to date had not resulted in a reduction of water supplies to Friant Division water contractors. 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 considered with the other water transfer and contract assignment actions recently considered by Reclamation and also when considered in the context of SJRRP, 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 and financial reliability.

3.4 Socioeconomic Resources

3.4.1 Affected Environment

Unemployment for Tulare County was 10.4 percent in 2009, which has since risen to 16.6 in 2011. For 2009 and 2011 Tulare County was approximately three to four percent higher than the State average. In addition, Tulare County had a per capita income approximately $10,000 lower than the State per capita income (United States Department of Agriculture-Economic Research Service 2011).

3.4.2 Environmental Consequences

No Action

Under the No Action Alternative, SID may be required to purchase additional water sources. The cost of water on the open market is likely to be much higher than the assigned Class 1 water supplies which would increase operational costs for SID. TPDWD 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. These increased costs would negatively impact socioeconomics within the Districts.

Proposed Action

The assignment of 300 AF of TPDWD's Class 1 allocation to SID would reduce the potential need for SID 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 SID as this water would be used to help sustain existing crops. In addition, as this is only four percent of TPDWD's Class 1 allocation, TPDWD would still have sufficient irrigation water (7,200 AF Class 1) available and the financial conditions of the District will improve thus reducing the uncertainty about the District being able to repay the

capital obligations associated with their Repayment Contract. Therefore, there would be positive impacts to socioeconomics within both districts as a result of the Proposed Action.

Cumulative Impacts

Water supply and financial uncertainty have increased within both SID and TPDWD as a result of the San Joaquin River Settlement Act and its implementation. Litigation prior to the San Joaquin River Settlement certainly created its share of uncertainty, but to date had not resulted in a reduction of water supplies to Friant Division water contractors. The Proposed Action, when considered with the other water transfer and contract assignment actions recently considered by Reclamation and also when considered in the context of San Joaquin River Settlement actions, would have a slight beneficial contribution to cumulative impacts for the economies with these districts as it would help support and maintain jobs due to increased irrigation water supply and financial reliability. There may be adverse cumulative impacts to socioeconomic resources in SID under the No Action Alternative as SID may need to purchase more costly water supplies and/or increase groundwater pumping in order to meet irrigation demand. Similarly, the economic conditions within TPDWD may be adversely affected by the No Action Alternative as TPDWD may need to find alternative, and more expensive, means to finance the repayment obligations associated with their CVP Repayment Contract.

Further, over the long term, the Proposed Action would facilitate an increase in the reliability of SID's surface water supply. This would subsequently help to maintain the economic viability of irrigated agriculture within SID, which presently includes 63 percent 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 SID.

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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. SID and TPDWD will also consider and rely upon the comprehensive analysis contained in Sections 1.5 and 3 for purposes of considering environmental impacts of the Project as required by CEQA. This section summarizes the conclusions supporting the determinations made by TPDWD, as lead agency.

4.1 Discussion of Potentially Affected Environmental Factors

The Project is the assignment from TPDWD to SID of 300 AF under its Class 1 Friant Division, CVP water supply contract. When Class 1 water is made available, SID 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 (from the existing TPDWD point of delivery to the SID point of delivery) for the water supply and the service area (from TPDWD service area to SID service area) within which the water would 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. All of SID's surface area is fully developed to irrigated agriculture and no construction/reconstruction would be required to put the assigned contract supply to reasonable beneficial use. Conversely, no lands would be taken out of production in TPDWD, as this water represents four percent of its Class 1 supply that has been routinely transferred out of the District and there are no anticipated impacts to its overall water supply. There would be no impact to this resource category 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 TPDWD, as this water represents four percent of its Class 1 supply that has been routinely transferred out of the District and there are no anticipated impacts to its overall water supply. Additionally, existing zoning would not be changed, and Williamson Act contracts would not be affected. No forestland exists within the Project Area. 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 (MBTA). 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: Ducor, Sausalito School, Success Dam, Woodville, and Porterville. 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 fourteen species with federal, state, or CNPS listed status that are reported from historical information as shown in Table 4-1.

Table 4-1 Federal and State-Listed Status

Species	Status[1]	CNPS Ranks[2]
California red-legged frog (*Rana draytonii*)	FT/CSC	N/A
California condor (*Gymnogyps californianus*)	FE/SE	N/A
southwestern willow flycatcher (*Empidonax traillii extimus*)	FE/SE	N/A
Delta smelt (*Hypomesus transpacificus*)	FT/SE	N/A

Species	Status[1]	CNPS Ranks[2]
Valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*)	FT	N/A.
Vernal pool fairy shrimp (*Branchinecta lynchi*)	FT	N/A
Tipton kangaroo rat (*Dipodomys nitratoides nitratoides*)	FE/SE	N/A
San Joaquin kit fox (*Vulpes macrotis mutica*)	FE/ST	N/A
California jewelflower (*Caulanthus californicus*)	FE	1B.1
Keck's checker-mallow (*Sidalcea keckii*)		1B.1
San Joaquin adobe sunburst (*Pseudobia piersonii*)	FT/SE	1B.1
Springville clarkia (*Clarkia springvillensis*)	T	1B.2
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 impacts to listed species that may occur in the Project area because all but two 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 portion of the Project according to the Alquist-Priolo Earthquake Fault Zoning Map (DOC 2010b). 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, TPDWD, and SID 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, TPDWD and SID. As such, the proposed assignment is not expected to produce additional greenhouse gases that could contribute to global climate change.

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 SID 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. The Project is not expected to have a significant adverse impact on TPDWD's total water supply and is expected to have a positive effect on SID's total water supply. The conditions of the commonly shared underlying groundwater basin would likely see no change (and not an adverse 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 SID or TPDWD, nor would it involve any construction activities. Therefore, this Project would not physically divide any established communities and will have no impact on land use and planning.

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

SID 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 SID. SID 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

TPDWD and SID 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 SID through the same Reclamation facilities as currently used to make the water available to TPDWD. SID 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 effect on 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 Sections 1.5 and 3 and supplemented above in Section 4.1, the Project would not contribute to any cumulatively considerable impacts to the environment since the Project does not impact any of the resource areas. 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.

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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 provided the public with an opportunity to comment on the Draft FONSI and Draft EA between August 1, 2012 and August 31, 2012. Reclamation received one comment letter from Arvin-Edison Water Storage District. The comment letter and Reclamation's response to comments can be found in Appendix A.

TPDWD provided the public with an opportunity to comment on the draft EA/IS and proposed Negative Declaration as required by CEQA and its implementing Guidelines. No comments were received. A Notice of Determination was filed by TPDWD and SID with Tulare County September 10 and September 17, 2012, respectively (Appendix D).

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. No species listed or proposed to be listed as endangered or threatened would be affected. No critical habitat for any listed species is located within the proposed action area and therefore would not 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 land use patterns in either SID or TPDWD. Cultivated or fallowed fields that could have value for birds protected by the MBTA would continue to be available; therefore, the Proposed Action would no impact birds protected by the MBTA.

Section 6 List of Preparers and Reviewers

Bureau of Reclamation

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Scott Williams, Archaeologist, MP-153
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George Bushard, Repayment Specialist, SCCAO – reviewer
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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
CO_2	Carbon dioxide
CVP	Central Valley Project
CVPIA	Central Valley Project Improvement Act
Delta	Sacramento-San Joaquin River Delta
EA	Environmental Assessment
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
Reclamation	Bureau of Reclamation
SID	Saucelito Irrigation District
SJRRP	San Joaquin River Restoration Program
SJVAPCD	San Joaquin Valley Air Pollution Control District
SO_2	Sulfur dioxide
SOD	South-of-Delta
TPDWD	Tea Pot Dome Water District
USFWS	U.S. Fish and Wildlife Service

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FINAL ENVIRONMENTAL ASSESSMENT (11-047)

ASSIGNMENT OF 300 ACRE-FEET OF TEA POT DOME WATER DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO SAUCELITO IRRIGATION DISTRICT

Appendix A
Comment Letter and Reclamation's Response to Comments

September 2012

Response to Arvin-Edison Water Storage District Comment Letter, August 27, 2012

AEWSD-1 Hills Valley Irrigation District (HVID), Saucelito Irrigation District (SID), and Tri-Valley Water District (TVWD) have taken delivery of Section 215 water only when Reclamation has determined that Section 215 contract supplies were available to them as either Cross Valley contractors (HVID and TVWD) or long-term Friant Division contractors (SID). HVID took delivery of 519 acre-feet (AF) of Section 215 water in 2006 and 83 AF of Section 215 water in 2007. HVID has not taken delivery of Section 215 water between 2008 and 2012. SID took delivery of 1,871 AF of Section 215 water in 2006 and 3,659 AF of Section 215 water in 2010. SID did not take any delivery of Section 215 water in 2007 through 2009 or between 2011 and 2012. TVWD took delivery of 30 AF of Section 215 water only in 2006.

Reclamation has evaluated and determined that the capability of HVID, SID, and TVWD to take delivery of the Section 215 water supply would not create adverse impacts on other long-term Friant Division CVP contractors. HVID, SID, and TVWD will still have the capability to enter into arrangements to take delivery of water in excess of their historical deliveries. Reclamation has not identified any impacts on existing long-term Friant Division CVP contractors brought about by this proposed assignments that would be adverse to these contractors.

The total assignment of CVP water to HVID is 1,250 AF, to SID is 300 AF, and to TVWD is 400 AF. During uncontrolled season, these contractors would only be able to take up to their respective assigned contract amounts. Should they want any additional Friant Division CVP supplies, these contractors would need to enter into transfer agreements with other long-term Friant Division contractors in order to supplement their available supplies or, in the case of SID, they could use their Friant Division long-term contract supply, all which have been done historically.

AEWSD-2 Reclamation has evaluated and determined that the capability of SID to take delivery of the assigned water supply would not create adverse impacts on other long-term Friant Division CVP contractors beyond that which currently exists. SID would be taking assignment of a portion of the Tea Pot Dome Water District (TPDWD) water supply and would be subject to identical terms and conditions that TPDWD is subject to. SID would not be gaining any rights beyond those which are currently available to TPDWD, including capacity availability to specific points of diversion.

As noted by AEWSD, this comment does not apply to the assignment to HVID from Lewis Creek Water District (LCWD), to HVID from Porterville Irrigation District (PID), or to the assignment to TVWD from Exeter Irrigation District (EID).

AEWSD-3 Reclamation has evaluated and determined that the capability of HVID, SID, and TVWD to take delivery of the assigned water supply would not create adverse impacts on other long-term Friant Division CVP contractors beyond that which currently exists. HVID, SID, and TVWD would be taking assignment of a portion of the LCWD, PID, and EID's water supply and would be subject to identical terms and conditions that LCWD, PID, and EID are subject to. HVID, SID, and TVWD would not be gaining any rights beyond those which are currently available to LCWD, PID, and EID, including capacity availability to specific points of diversion.

FINAL ENVIRONMENTAL ASSESSMENT (11-047)

ASSIGNMENT OF 300 ACRE-FEET OF TEA POT DOME WATER DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO SAUCELITO IRRIGATION DISTRICT

Appendix B
Draft Contract

September 2012

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

AGREEMENT FOR PARTIAL ASSIGNMENT OF TEA POT DOME WATER DISTRICT WATER SERVICE AND FACILITIES REPAYMENT CONTRACT TO SAUCELITO IRRIGATION DISTRICT

Table of Contents

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

AGREEMENT FOR PARTIAL ASSIGNMENT OF TEA POT DOME WATER DISTRICT WATER SERVICE AND FACILITIES REPAYMENT CONTRACT TO SAUCELITO IRRIGATION 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"); Tea Pot Dome Water District, hereinafter referred to as "Tea Pot", and Saucelito Irrigation District, hereinafter referred to as "Saucelito", 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. Tea Pot, Saucelito, and Reclamation may sometimes be collectively referred to herein as the "Parties" and individually as a "Party".

WITNESSETH, That:

EXPLANATORY RECITALS

A. On October 23, 1958, the United States and Tea Pot entered into Contract No. 14-06-200-7430, as amended, providing for the annual delivery to Tea Pot of up to 7,500 acre-feet of Class 1 water from the Friant Division of the Central Valley Project (Project) through February 28, 1995.

B. The United States and Tea Pot entered into a series of interim renewal contracts, identified as Contract Nos. 14-06-200-7430-IR1, IR2, IR3, and IR4, which provided for the continued water service to Tea Pot from March 1, 1995 through February 28, 2001.

C. Subsequently, the United States and Tea Pot entered into a long-term renewal contract identified as Contract No. 14-06-200-7430-LTR1, which provided for continued water service to Tea Pot through February 28, 2026, which was amended January 22, 2007.

D. On December 10, 2010, the United States and Tea Pot entered into Repayment Contract No. 14-06-200-7430D, providing for continued water service and facilities repayment. Hereinafter, Tea Pot'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 December 17, 2010, Tea Pot remitted to the United States $1,478,085.21, 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 Tea Pot 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 Tea Pot.

F. On February 13, 1951, the United States and Saucelito entered into Contract No. I75r-2604, as amended, providing for the annual delivery to Tea Pot of up to 21,200 acre-feet of Class 1 water and up to 32,800 acre-feet of Class 2 water from the Friant Division of the Central Valley Project (Project) through February 28, 1991.

G. The United States and Saucelito entered into a series of interim renewal contracts, identified as Contract Nos. I75r-2604R and I75r-2604-IR1, which provided for the continued water service to Saucelito from March 1, 1991 through February 28, 2001.

H. On December 10, 2010, the United States and Saucelito entered into Repayment Contract No. I75r-2604D, providing for continued water service and facilities repayment.

I. Tea Pot has requested that Reclamation approve a partial assignment of the Existing Contract to Saucelito to provide an additional source of Project Water, as that term is used in the Existing Contract, hereinafter referred to as "Project Water", to Saucelito.

J. 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.

K. Tea Pot intends to hereby assign a portion of the Existing Contract to Saucelito in exchange for monetary consideration. Tea Pot and Saucelito now wish to secure Reclamation's approval of the assignment of a portion of the Project Water referenced in the Existing Contract to Saucelito.

L. Upon the effective date of this Agreement, Tea Pot's partial assignment to Saucelito will be final and Saucelito 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 Three Hundred (300) acre-feet of Class 1 Project Water (hereinafter referred to as the "Assigned Project Water".)

M. Tea Pot and Saucelito will comply with all applicable Federal, state and local laws, rules and ordinances that apply to this Agreement.

N. 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 Saucelito of Tea Pot's rights to the Assigned Project Water will be complete and Saucelito acknowledges and accepts the obligation to pay its proportionate share of the Additional Capital Obligation, as that term is used in the Existing Contract. Saucelito 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 Tea Pot. Saucelito 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 Tea Pot 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 Saucelito separately from Tea Pot as a Contractor, as that term is used under the Existing Contract, and as to those quantities assigned hereby will hold Saucelito 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, Tea Pot shall have paid in full to the United States any operation and maintenance deficit that may be owed by Tea Pot to the United States as a result of the previous delivery of the Assigned Project Water to Tea Pot 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 Tea Pot 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 Tea Pot, including Restoration Fund charges, such amount or adjustment shall be owed by Tea Pot if outstanding, or credited or refunded to Tea Pot 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 Saucelito's service area as shown on Exhibit A attached to this Agreement. Saucelito 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, Saucelito shall be the Contractor under the Existing Contract as to the Assigned Project Water, and Tea Pot 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 Saucelito of any obligation with respect to the Assigned Project Water shall not affect the rights, duties, obligations, and interests of the Tea Pot with respect to the Existing Contract, and shall not constitute a breach or default of Tea Pot with respect to the balance of Project Water under the Existing Contract.

(c) In the event of termination of this Agreement, Tea Pot 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 Saucelito, as determined by the Contracting Officer, existing at the time of termination of this Agreement are cured within a reasonable time by Tea Pot, then Tea Pot's rights and obligations related to all contract quantities specified in Article 3 of the Existing Contract shall fully revert to Tea Pot. Saucelito'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. Saucelito 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 Saucelito.

RECOVERED WATER ACCOUNT

6. On the effective date of this Agreement, Saucelito 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. Saucelito'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. Tea Pot'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 Saucelito's Service Area with respect to the Assigned Project Water

pursuant to this Agreement. Saucelito 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 Saucelito 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 Saucelito 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 Saucelito; *Provided*, That the Contracting Officer shall not seek to terminate this Agreement by reason of an asserted material uncured breach by Saucelito unless it has first provided at least sixty (60) days written notice of the asserted breach to Saucelito and Saucelito 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 Saucelito 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 Saucelito and Tea Pot, 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 Saucelito, Post Office Box 3858, Porterville, California 93258-3858 and the Board of Directors of Tea Pot, 105 West Tea Pot Dome Avenue, Porterville, California 93257. 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.

TEA POT DOME WATER DISTRICT

By _____
President, Board of Directors

(Seal)

By _____
Secretary, Board of Directors

SAUCELITO IRRIGATION DISTRICT

By _____
President, Board of Directors

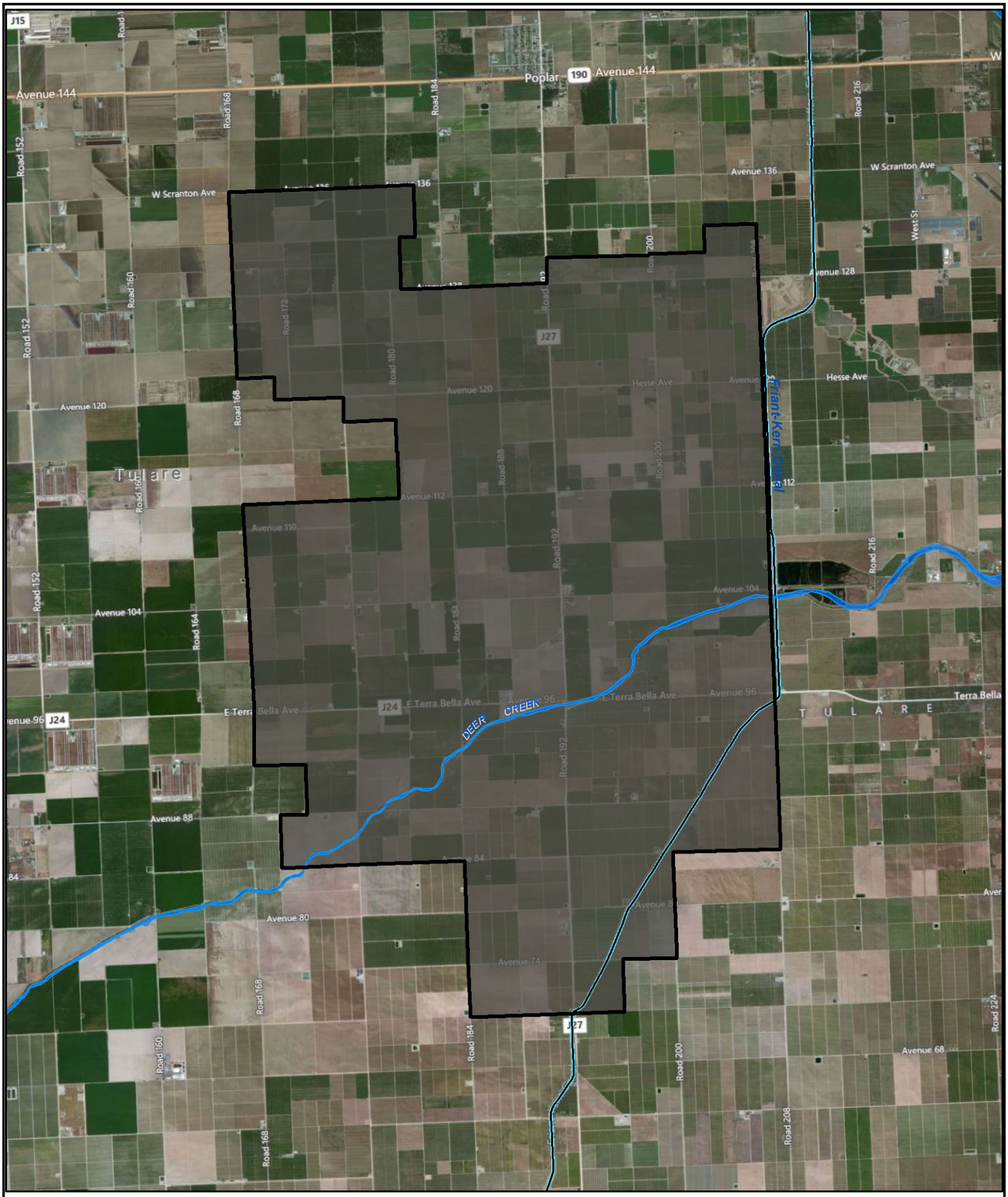
(Seal)

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



Saucelito I.D.

Contract No. 14-06-200-7430A
Exhibit A
Contractor's Service Area Boundary

Contractor's Service Area (Irrigation Only)
District Boundary

0 0.5 1 2 Miles

N

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Date: June 29, 2012
File Name: N:\Districts\Contracts\Saucelito\Saucelito_14-06-200-7430A.mxd

1785-202-157

Exhibit B
Contract Year 2012 Rates and Charges
(Saucelito)

	Irrigation Water Class 1	Other Water[1]
COST-OF-SERVICE RATE		
Capital Component[2]		
O&M Components		
Water Marketing	$6.43	
Storage	$8.03	
Conveyance[3]		
Conveyance Extraordinary O&M Cost	$0.15	
American Recovery and Reinvestment Act	$0.02	
TOTAL COS RATE	**$14.63**	
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 Other water for the 2012 contract year. A temporary M&I rate will be applied upon any Other 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

Saucelito ID

Average Annual Delivery - Forecasted for 2020-2039*	255
Total Projected deliveries (over 20 yr period) Article 7(c)**	**5,100**
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	**$70,239**
NPV at Half CMT (Repayment Obligation)	**$59,123**
NPV at Full CMT	**$50,368**
Financing Cost Offset: @ (Article 7(c)(1))	**$8,755**
NPV of FS Reduction	$8,120
Difference between Financing Cost Offset and NPV of FS Reduction	**$635**
2020 Other Obligation Credit (FV of difference) (Art. 7(c)(2)))* **	**$858**

	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	$ 70,239	$ 3,512	$7.00		$7.00	0	$ 634.84
2012	$ 66,727	$ 3,512	$7.00		$7.00	0	$ 656.42
2013	$ 63,215	$ 3,512	$7.00		$7.00	0	$ 678.74
2014	$ 59,703	$ 3,512	$7.00		$7.00	0	$ 701.82
2015	$ 56,191	$ 3,512	$7.00		$7.00	0	$ 725.68
2016	$ 52,679	$ 3,512	$7.00		$7.00	0	$ 750.35
2017	$ 49,167	$ 3,512	$7.00		$7.00	0	$ 775.86
2018	$ 45,655	$ 3,512	$7.00		$7.00	0	$ 802.24
2019	$ 42,144	$ 3,512	$7.00		$7.00	0	$ 829.52
2020	$ 38,632	$ 3,512	$7.00	($3.00)	$ 4.00	($765)	$ 857.72
2021	$ 35,120	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2022	$ 31,608	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2023	$ 28,096	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2024	$ 24,584	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2025	$ 21,072	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2026	$ 17,560	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2027	$ 14,048	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2028	$ 10,536	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2029	$ 7,024	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2030	$ 3,512	$ 3,512	$7.00	($3.00)	$ 4.00	(765)	
2031			$7.00	($3.00)	$ 4.00	(765)	
2032			$7.00	($3.00)	$ 4.00	(765)	
2033			$7.00	($3.00)	$ 4.00	(765)	
2034			$7.00	($3.00)	$ 4.00	(765)	
2035			$7.00	($3.00)	$ 4.00	(765)	
2036			$7.00	($3.00)	$ 4.00	(765)	
2037			$7.00	($3.00)	$ 4.00	(765)	
2038			$7.00	($3.00)	$ 4.00	(765)	
2039			$7.00	($3.00)	$ 4.00	(765)	
		$ 70,239				($15,300)	

Exhibit C-1
Friant Surcharge Reduction Calculation

Footnotes

* Average annual delivery forcast 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 surchage is applicable to, but not beyond 2039. If cummulative 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 contractors 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 comuted and presented on per a/f basis. Friant surchage may be reduced up to $3 per a/f.

Friant Surcharge (FS) Reduction Calculations		
FV of Total Financing Cost for Offset	$	12,231
Annual Credit Target	$	(825)
FS Reduction w/o limit	$	(3.23)
FS Reduction limit	$	(3.00)

Exhibit C-2

Restated Friant Surcharge Reduction Calculation

Friant Contractor:
San Joaquin River Restoration Act

Tea Pot Dome WD

Average Annual Delivery - Forecasted for 2020-2039*	6,120
Total Projected deliveries (over 20 yr period) Article 7(c)**	**122,400**
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	**$1,685,741**
NPV at Half CMT (Repayment Obligation)	**$1,418,962**
NPV at Full CMT	**$1,208,834**
Financing Cost Offset: @ (Article 7(c)(1))	**$210,128**
NPV of FS Reduction	$194,892
Difference between Financing Cost Offset and NPV of FS Reduction	**$15,236**
2020 Other Obligation Credit (FV of difference) (Art. 7(c)(2)))* **	**$20,585**

	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	$ 1,685,741	$ 84,287	$7.00		$7.00	0	$ 15,236.06
2012	$ 1,601,454	$ 84,287	$7.00		$7.00	0	$ 15,754.09
2013	$ 1,517,167	$ 84,287	$7.00		$7.00	0	$ 16,289.73
2014	$ 1,432,880	$ 84,287	$7.00		$7.00	0	$ 16,843.58
2015	$ 1,348,593	$ 84,287	$7.00		$7.00	0	$ 17,416.26
2016	$ 1,264,306	$ 84,287	$7.00		$7.00	0	$ 18,008.41
2017	$ 1,180,019	$ 84,287	$7.00		$7.00	0	$ 18,620.70
2018	$ 1,095,732	$ 84,287	$7.00		$7.00	0	$ 19,253.80
2019	$ 1,011,445	$ 84,287	$7.00		$7.00	0	$ 19,908.43
2020	$ 927,158	$ 84,287	$7.00	($3.00)	$ 4.00	($18,360)	$ 20,585.32
2021	$ 842,871	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2022	$ 758,584	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2023	$ 674,297	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2024	$ 590,010	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2025	$ 505,722	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2026	$ 421,435	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2027	$ 337,148	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2028	$ 252,861	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2029	$ 168,574	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2030	$ 84,287	$ 84,287	$7.00	($3.00)	$ 4.00	(18,360)	
2031			$7.00	($3.00)	$ 4.00	(18,360)	
2032			$7.00	($3.00)	$ 4.00	(18,360)	
2033			$7.00	($3.00)	$ 4.00	(18,360)	
2034			$7.00	($3.00)	$ 4.00	(18,360)	
2035			$7.00	($3.00)	$ 4.00	(18,360)	
2036			$7.00	($3.00)	$ 4.00	(18,360)	
2037			$7.00	($3.00)	$ 4.00	(18,360)	
2038			$7.00	($3.00)	$ 4.00	(18,360)	
2039			$7.00	($3.00)	$ 4.00	(18,360)	
		$ 1,685,741				($367,200)	

Exhibit C-2
Restated Friant Surcharge Reduction Calculation

Footnotes

* Average annual delivery forcast 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 surchage is applicable to, but not beyond 2039. If cummulative 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 contractors 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 comuted and presented on per a/f basis. Friant surchage may be reduced up to $3 per a/f.

Friant Surcharge (FS) Reduction Calculations		
FV of Total Financing Cost for Offset	$	293,555
Annual Credit Target	$	(19,795)
FS Reduction w/o limit	$	(3.23)
FS Reduction limit	$	(3.00)

FINAL ENVIRONMENTAL ASSESSMENT (11-047)

ASSIGNMENT OF 300 ACRE-FEET OF TEA POT DOME WATER DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO SAUCELITO IRRIGATION DISTRICT

Appendix C
CEQA Checklist Signature Page

September 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

Teapot Dome Water District
For

FINAL ENVIRONMENTAL ASSESSMENT (11-047)

ASSIGNMENT OF 300 ACRE-FEET OF TEA POT DOME WATER DISTRICT'S CENTRAL VALLEY PROJECT FRIANT DIVISION CLASS 1 WATER TO SAUCELITO IRRIGATION DISTRICT

Appendix D
Notice of Determinations by Tea Pot Dome Water District and Saucelito Irrigation District

September 2012

Notice of Determination

Lead agency / applicant

To: ☒ Office of Planning and Research
For U.S. Mail:
PO Box 3044
Sacramento, CA 95812-3044

Street Address:
1400 Tenth Street
Sacramento, CA 95814

☒ County Clerk
County of Tulare
County Civic Center, Rm 105
Visalia, CA 93291

From: Tea Pot Dome Water District
105 West Tea Pot Dome Avenue
Porterville, CA 93257

FILED
TULARE COUNTY

SEP 10 2012

ROLAND P. HILL
ASSESSOR/CLERK RECORDER
BY:

Subject: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Project Title: "Assignment of 300 acre-feet of Teapot Dome Water District's Central Valley Project Friant Division Class 1 Water to Saucelito Irrigation District."

2012071052	Tea Pot Dome Water District	(559) 784-8641
State Clearinghouse Number	Lead Agency	Area Code/Telephone/Extension

Project Location: The project is located within the District boundaries of Tea Pot Dome Water District and Saucelito Irrigation District, southeast of the City of Porterville in Tulare County.

Project Description: Tea Pot Dome Water District (TPDWD) has historically transferred some of its Central Valley Project (CVP) water supply to other CVP contractors, including Saucelito Irrigation District (SID), 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, TPDWD and SID have undertaken this project, and received approval from the Bureau of Reclamation (Reclamation) for same, for the assignment of 300 acre-feet (AF) of TPDWD's CVP Friant Division Class 1 water supply to SID. Reclamation (on behalf of the United States), TPDWD and SID have executed that certain "Agreement for Partial Assignment of Tea Pot Dome Water District water services and facilities repayment contract to Saucelito Irrigation District," which memorializes the terms and conditions for the project.

Contact Person: Dennis Keller, Consulting Engineer, Keller Wegley Engineers, P.O. Box 911, Visalia CA 93279-0911 – representing Tea Pot Dome Water District, 105 W. Tea Pot Dome Avenue, Porterville, CA 93257.

This is to advise that the Board of Directors of the Tea Pot Dome Water District approved the above described project on **September 4, 2012** and has made the following determinations regarding the above described project:

1. The project ☐will ☒will not have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
   ☒A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures (☐were ☒were not) made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan (☐was ☒was not) adopted for this project.
5. A Statement of Overriding Considerations (☐was ☒was not) adopted for this project.

6. Findings (☐were ☒were not) made pursuant to the provisions of 14 Cal. Code Regs. §15091.

This certifies that the final environmental document with comments, responses, and record of project approval is available to the General Public at the Tea Pot Dome Water District office located at 105 West Tea Pot Dome Avenue, Porterville, CA 93257.

Signature
Dennis Keller, District Engineer

September 4, 2012
Date

Date received for filing at OPR:

Notice of Determination

Responsible Agency/Applicant

To: ☒ Office of Planning and Research
For U.S. Mail:
PO Box 3044
Sacramento, CA 95812-3044

Street Address:
1400 Tenth Street
Sacramento, CA 95814

☒ County Clerk
County of Tulare
County Civic Center, Rm 105
Visalia, CA 93291

From: Saucelito Irrigation District
20712 Avenue 120
Porterville, CA 93258
Attn: Sean Geivet, General Manager

FILED
TULARE COUNTY
SEP 17 2012
ROLAND P. HILL
ASSESSOR/CLERK RECORDER
BY:

Subject: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Project Title: "Assignment of 300 acre-feet of Teapot Dome Water District's Central Valley Project Friant Division Class 1 Water to Saucelito Irrigation District."

2012071052	Tea Pot Dome Water District	(559) 784-8641
State Clearinghouse Number	Lead Agency	Area Code/Telephone/Extension

Project Location: The project is located within the District boundaries of Tea Pot Dome Water District and Saucelito Irrigation District, southeast of the City of Porterville in Tulare County.

Project Description: Tea Pot Dome Water District (TPDWD) has historically transferred some of its Central Valley Project (CVP) water supply to other CVP contractors, including Saucelito Irrigation District (SID), 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, TPDWD and SID have undertaken this project, and received approval from the Bureau of Reclamation (Reclamation), for the assignment of 300 acre-feet (AF) of TPDWD's CVP Friant Division Class 1 water supply to SID. Reclamation (on behalf of the United States), TPDWD and SID negotiated that certain "Agreement for Partial Assignment of Tea Pot Dome Water District water services and facilities repayment contract to Saucelito Irrigation District," which memorializes the terms and conditions for the project.

Contact Person: Sean Geivet, General Manager (559) 381-1592

This is to advise that the Board of Directors of the Saucelito Irrigation District approved the above described project on **September 13, 2012** and has made the following determinations regarding the above described project:

1. The project ☐will ☒will not have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
   ☒A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures (☐were ☒were not) made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan (☐was ☒was not) adopted for this project.
5. A Statement of Overriding Considerations (☐was ☒was not) adopted for this project.
6. Findings (☐were ☒were not) made pursuant to the provisions of 14 Cal. Code Regs. §15091.

This certifies that the final environmental document with comments, responses, and record of project approval is available to the General Public at the Saucelito Irrigation District office located at 20712 Avenue 120, Porterville, CA 93258.

Signature
Sean Geivet, District Manager

September 13, 2012
Date

Date received for filing at OPR: