Attachment B

San Joaquin River Exchange Contractors Water Authority
Comments, Including Attachments



February 24, 2012

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STEVE CHEDESTER

Executive Director

LARRY FREEMAN

Water Resources Specialist

JOANN WHITE

Administrative Assistant

MINASIAN, SPRUANCE, **MEITH, SOARES & SEXTON LLP**

Legal Counsel

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General Manager

FIREBAUGH CANAL WATER DISTRICT

Mike Stearns

President

Jeff Bryant

General Manager

COLUMBIA CANAL COMPANY

Roy Catania

President

Randy Houk

General Manager

P.O. Box 2115 541 H Street Los Banos, CA 93635 (209) 827-8616

Fax (209) 827-9703 e-mail: jtoscano@sjrecwa.net Website: www.sjrecwa.net

Via Email (MBanonis@usbr.gov)

Ms. Michelle Banonis U.S. Bureau of Reclamation Mid-Pacific Regional Office 2800 Cottage Way Sacramento, CA 95825

RE: Comments to Draft EA and Draft Finding of No Significant Impact (FONSI), Recirculation of Recaptured Water Year 2012 San Joaquin River Restoration Program Interim Flows

Dear Michelle:

Below you will find the San Joaquin River Exchange Contractors Water Authority's (Exchange Contractors) comments on the Draft EA and Draft Finding of No Significant Impact (FONSI), Recirculation of Recaptured Water Year 2012 San Joaquin River Restoration Program Interim Flows.

We request that you incorporate the in your document the mitigation measures that are contained in the February 21, 2012, letter agreement between the Exchange Contractors, the San Luis& Delta Mendota Water Authority, and Arvin-Edison Water Storage District and is attached to these comments.

On Page 6: The "purpose and need" for action set forth on page 6 appears to be incomplete. The water management goal is stated as limited to avoiding adverse water supply impacts on all Friant Division long-term contractors "that may result from the interim flows and restoration flows provided for in the settlement." The purpose and need for action statement ignores the fact that the San Joaquin River Restoration Act by its very terms provides that there shall be no adverse water supply impact to the San Joaquin River Exchange Contractors from Interim Flows or Restoration Flows. The narrow way in which the water management goals are described in the "Purpose and Need" section is counter to the terms of the Act. In addition, the Act provides specific protection for landowners from seepage, flooding or similar impacts. To narrowly look at

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the issue of whether Interim Flows can be transferred or transported to other users without looking at the full scope of water management as contemplated by the Act is inappropriate and improperly narrows the analysis of impacts and potential mitigation measures.

We think the "Purpose and Need" statement should be substantially expanded and the Environmental Assessment so expanded to include the Covenants and Restrictions so that the Bureau is binding itself to avoid water supply impacts on not only the Friant Division Contractors, but on the landowners along the San Joaquin River, the water suppliers who use the waters of the San Joaquin River and substitute or exchange waters, and the San Luis & Delta-Mendota Water Authority users.

We believe this expansion of the "Purpose and Need" and of the Environmental Assessment could be accomplished rapidly without causing any undue delay at potential implementation of the transfer, and the failure to provide for that expansion and the correction of the scope at this date could lead to "bad habits" in regard to future Environmental Assessments or examinations.

Page 7: Paragraph 16 of the Settlement Agreement is described on page 8. Unfortunately, the Environmental Assessment takes a very narrow view of the water management goal and fails to point out that Paragraph 3 of 16.A. requires:"... a plan for recirculation, recapture, reuse, exchange or transfer of the Interim Flows and Restoration Flows ... be developed and implemented in a manner that does not adversely impact the Secretary's ability to meet contractual obligations existing as of the effective date of this settlement."

There seems to be a presumption that water released from Friant Dam is "automatically recirculation water." In fact, the existing Purchase Agreement and Purchase Contract between the Exchange Contractors and the Bureau of Reclamation provides that water released from Friant Dam is water available to the Exchange Contractors for diversion under the terms of the Exchange Contract and the Purchase Contract for use by the Exchange Contractors.

Page 12: There should be no reference to "advanced delivery of recaptured water." On page 12, the phrase "the proposed action could also provide an option to advance delivery of recaptured water year 2012 Interim Flows. Through this mechanism, a calculation of the expected amount of water recapture South of Delta facilities during peak Interim Flows would occur and would take into consideration the water year type, channel capacity constraints, and operational criteria. This quantity of water would be made available in advance of recapture of water year 2012 Interim Flows in South of Delta facilities."

This Environmental Assessment would have to explain all of the potential negative and adverse impacts to all water supply customers, and would have to identify all environmental conditions,

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including species harm that could arise from potential advance delivery of water labeled as recaptured. The operation of South of Delta facilities through San Luis Reservoir, Delta-Mendota Canal, and with the precarious levee situation in the Sacramento/San Joaquin Delta, is all sufficiently complex that if there was any "advance delivery of credited amounts" Reclamation would have to describe the potential harm of using water from other allocations of CVP uses because pre-delivery occurred and what mitigation measures would be employed. Reclamation has not done so in this Environmental Assessment and therefore your Environmental Assessment will be insufficient.

We look forward to your response and please call should you have any questions and/or comments.

Sincerely,

Steve Chedester

cc: San Joaquin River Exchange Contractors Water Authority Board Members

Attachment





February 22, 2012

Via Email: BEvoy@waterboards.ca.gov; KMrowka@waterboards.ca.gov

State Water Resources Control Board
Division of Water Rights
Ms. Barbara Evoy,
Deputy Director
Ms. Kathy Mrowka,
Senior Engineer
1001 I Street, 14th Floor
Sacramento CA 95814

RE: USBR Petitions for Temporary Transfer for 20 Central Valley Project Permits and One License of U.S. Bureau of Reclamation (Arvin-Edison Water Storage District)

Dear Ms. Evoy and Ms. Mrowka:

The San Joaquin River Exchange Contractors Water Authority and the San Luis & Delta-Mendota Water Authority (collectively the "Water Agencies") have been in discussion with the Arvin-Edison Water Storage District and the U.S. Bureau of Reclamation regarding the proposed balanced ("bucket-for-bucket") transfer/exchange involving the Metropolitan Water District of Southern California referenced above.

Attached to this letter is an agreement entered into among the Water Agencies and Arvin-Edison Water Storage District. The agreement clarifies certain aspects of the proposed transfer/exchange that were of concern. The agreement also sets forth conditions that are essential to the successful implementation of the proposed water transfer/exchange. As set forth in the agreement, the Water Agencies and Arvin-Edison Water Storage District after coordinating /collaborating with the Bureau of Reclamation respectfully request that the Water Board include the conditions in any order approving the transfer/exchange.

If there are any aspects of the agreement that are not clear or acceptable to the Water Board, the Water Agencies, Arvin-Edison Water Storage District and the Bureau of Reclamation, request that the Water Board convene a meeting to ensure that the essential elements of the agreement are incorporated as conditions of approval.

Ms. Barbara Evoy Ms. Kathy Mrowka

RE: USBR Petitions for Temporary Transfer for 20 Central Valley Project Permits and One License of U.S. Bureau of Reclamation (Arvin-Edison Water Storage District)

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Please contact either of the undersigned if you have any questions regarding the agreement or this letter.

Sincerely,

San Joaquin River Exchange Contractors Water Authority

> Steve Chedester Executive Director

San Luis & Delta-Mendota Water Authority

Daniel Nelson
Executive Director

cc: State Water Resources Control Board, Mr. Thomas Howard, Executive Director U.S. Bureau of Reclamation, Mr. Pablo Arroyave, Deputy Regional Director Arvin-Edison Water Storage District, Mr. Steve Collup, Engineer-Manager





February 22, 2012

Mr. Steve Collup Engineer- Manager Arvin –Edison Water Storage District P.O. Box 175 Arvin, CA 93203

RE: Letter agreement on the Notice of Petitions For Temporary Transfer for 20 Central Valley Project (CVP) Permits and One License of U.S. Bureau Of Reclamation

Dear Mr. Collup:

The purpose of this letter agreement is to set forth our mutual understanding of terms and conditions that the San Joaquin River Exchange Contractors Water Authority ("Exchange Contractors") and San Luis & Delta-Mendota Water Authority ("Water Authority") (collectively referred to herein as "First Parties") would agree to, in exchange for not providing comments to the U.S. Bureau of Reclamation's ("Reclamation") petition to the State Water Resources Control Board ("Water Board") to temporarily change the authorized CVP place of use for the permits and license listed in the petitions above.

Specifically, the clarifications are being requested solely to facilitate the balanced ("bucket-for-bucket") exchange of up to 100,000 acre feet between Arvin-Edison Water Storage District ("AEWSD") (a CVP contractor) and the Metropolitan Water District of Southern California ("MWD") (a State Water Project contractor) for a one year (the "Program") period. This letter agreement pertains solely to an exchange with MWD (Program) and does not pertain to any action(s) AEWSD may take outside of an exchange with MWD. The Program, as explained to First Parties and Reclamation, is to allow for three actions:

- (1) AEWSD delivering their CVP Friant Division Contract water to MWD, pursuant to a MWD call on AEWSD to return to MWD previously banked SWP water (as opposed to returning pumped groundwater CVP water in exchange for previously banked SWP water);
- (2) AEWSD delivering their CVP Friant Division Contract water to MWD (Uncontrolled Season Class 2, Section 215 or flood flow water) first to be returned from MWD to AEWSD later in the year (12 month period) (CVP water in exchange for SWP water); and

Mr. Steve Collup

RE: Letter agreement on the Notice of Petitions For Temporary Transfer for 20 Central Valley Project (CVP) Permits and One License of U.S. Bureau Of Reclamation February 22, 2012

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(3) AEWSD providing MWD recaptured and recirculated San Joaquin River Restoration Program water in exchange for a later return to AEWSD of MWD's SWP water later in the year (12 month period) (Recirculation water in exchange for SWP water).

The Program will not involve delivery of water to any SWP contractors, other than MWD.

The First Parties spoke with AEWSD on several occasions to get a better understanding of the Program and to express concerns the First Parties and their agencies have with the change petitions. The conference call on February 15th among Reclamation, AEWSD, and the First Parties was very informative and brought additional clarity to the Program. At the end of the call the Exchange Contractors proposed a letter agreement be developed and circulated among all the parties on the call that would alleviate the necessity for the First Parties to file comments on the change petition. The intent is that the parties would agree to these terms and that they would be included in the permit issued by the Water Board.

As a result of those meetings and through this joint letter the First Parties present six conditions that they respectfully request AEWSD agree to.

- 1. The Program is not precedent setting.
- 2. The Program will not interfere with or harm Reclamation's ability to meet any of their CVP contractual obligations including their obligations under the Second Amended Exchange Contract or the 1939 Purchase Contract between Miller and Lux and the Department of Interior.
- 3. The Program will not cause a net reduction in CVP water supply to contractors South of the Delta.
- 4. Recirculation water in San Luis Reservoir will not be moved to MWD until after the "low point" in San Luis Reservoir has occurred.
- 5. There is no resultant change to the Order Approving Temporary Transfer And Change, issued In The Matter Of Permits 11885, 11886 and 11887 (Applications 234, 1465 AND 5638) of U.S. Bureau Of Reclamation, dated September 30, 2011.
- 6. AEWSD will provide five days advance notice to the First Parties prior to any exchange being implemented between AEWSD and MWD. Notice shall be provided by email to the First Party signatories named below.

First Parties appreciate AEWSD's willingness to cooperatively address our concerns on this important issue. First Parties request that AEWSD endorse this letter agreement to acknowledge their agreement (1) with all statements made in the letter, and (2) that the letter be submitted to the Water Board as part of a request for inclusion of the above stated conditions in any order

Mr. Steve Collup

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approving the requested changes to the authorized place of use for the permits and license listed in the petitions above.

Sincerely,

San Joaquin River Exchange

Contractors Water Authority

Steve Chedester

Executive Director

San Luis & Delta-Mendota

Water Authority

Daniel Nelson

Executive Director

We concur:

Dated: February 22, 2012

Arvin-Edison Water Storage District

Steve Collup,

Engineer-Manager

cc: Pablo Arroyave, U.S. Bureau of Reclamation