

4 Attachment 4 – Project Description

4.1 Executive Summary

The San Joaquin River Exchange Contractors Water Authority (SJRECWA) is developing a project that will maximize the conjunctive use of surface and groundwater in the Los Banos Creek (LBC) and the Los Banos Creek Detention Reservoir (LBCDR). Entitled the *Los Banos Creek Water Resources Management Plan*, this project includes two components. One component is an optimization of surface water storage and transfers, the second component is the intentional recharge of groundwater within Los Banos Creek. This proposal will seek funds to implement the “Los Banos Creek Groundwater and Surface Water Monitoring Program”. This monitoring program will install remote monitoring devices to establish base line data, as well as provide on-going data collection to assess benefits and impacts for a future groundwater recharge project; the ultimate plan being to develop a water transfer program among partner agencies in the local watershed and groundwater basin. Project beneficiaries include the member agencies of the SJRECWA, San Luis Water District, Grassland Water District, and the City of Los Banos.

4.2 Background

4.2.1 San Joaquin River Exchange Contractors Water Authority

The San Joaquin River Exchange Contractors Water Authority is a Joint Powers Authority formed in 1992 for the purpose of administering and protecting the jointly held water rights under the Exchange Contract. The four member agencies that comprise the SJRECWA are Central California Irrigation District (CCID), Columbia Canal Company (CCC), Firebaugh Canal Water District (FCWD), and the San Luis Canal Company (SLCC). See **Exhibit 4.1** for District Map.

The Exchange Contractors Water Authority services approximately 240,000 acres of prime agricultural land east of I-5 and primarily west of the San Joaquin River. These lands span the counties of Fresno, Madera, Merced, and Stanislaus, from the town of Patterson in the north to Mendota in the south. The Exchange Contractors mission is to monitor environmental, legislative, and legal issues which impact the Exchange Contractors members and to defend the Exchange Contractors water rights.

The San Joaquin River Exchange Contractors hold some of the oldest water rights in the state, dating back to the late 1800s. The rights were established by Henry Miller of the legendary Miller and Lux cattle empire. In 1871, Henry Miller constructed canals to divert water from the San Joaquin and North Fork of the Kings Rivers for irrigation of his vast acreage. Today, several of the original Miller and Lux canals are operated by the Exchange Contractors.

Although Henry Miller’s canals served the irrigation needs of his estate in the western portion of Fresno, Madera, Merced, and Stanislaus counties, in order for more growth on the east side of the San Joaquin Valley to occur, more water was needed. In 1933, the United States Department of Interior undertook the Central Valley Project, a vast undertaking to build dams throughout the great Central Valley including the Sacramento, American and San Joaquin Rivers. When construction of the Friant Dam (north of Fresno) was under consideration, feasibility studies showed that irrigation development of the

Los Banos Creek Water Resources Management Plan

Los Banos Creek Groundwater and Surface Water Monitoring Program



Friant Project between Chowchilla and Bakersfield depended upon water being diverted from the San Joaquin River at Friant Dam and brought to the east side of the valley, via the Friant-Kern Canal.

To accomplish this, the government asked the heirs of Miller and Lux to agree to “exchange” where they receive their pre-1914 appropriative and riparian water from the San Joaquin and Kings Rivers for guaranteed deliveries of “substitute” water from the Sacramento River by means of the Delta-Mendota Canal and other facilities of the United States. This agreement, known as the “Exchange Contract,” along with the accompanying “Purchase Contract,” were reached in 1939 and that led to the name “San Joaquin River Exchange Contractors.” In normal years, the Exchange Contractors are guaranteed 100% of their contractual water allotment (840,000 acre feet) and in critical years the amount is 75% (650,000 acre feet).

The Exchange Contractors, however, did not abandon their San Joaquin River water rights. Instead, they agreed not to exercise those San Joaquin and Kings Rivers’ water rights if guaranteed water deliveries continued through the Delta-Mendota Canal or other facilities of the United States. In the event that the Bureau is unable to make its contracted deliveries of substitute water to the Exchange Contractors, the Exchange Contractors have reserved the right to receive their water from the San Joaquin River to satisfy their historic water rights.

4.2.2 Los Banos Creek Detention Reservoir

Los Banos Creek Detention Reservoir is a rainfed reservoir that collects water from a 160 square mile water shed in the Diablo Mountain range, just west of Los Banos. The Dam was constructed at a constriction of the Los Banos Creek Canyon, where the creek leaves the Coast Range and enters the San Joaquin Valley. The 167 foot tall dam impounds an operating volume of 20,600 AF. However, the maximum capacity is 34,600 AF. The dam was built for the purpose of flood control for the Los Banos Area, but has also become a destination for recreational boating and fishing. When reservoir volumes exceed 20,600 AF, water is released at controlled rates down the Los Banos Creek based on criteria developed by the Army Corps of Engineers. This water is not utilized other than the unintentional recharge in the creek and the spill into the Grassland Water District, which could cause operational problems depending on the needs of the refuges in the area at the time the water is available. When water is not being released, it is left to evaporate in the reservoir; there is no intended irrigation purpose for this water.

4.3 Project Description

This proposal will seek funds to implement a monitoring program that will install remote monitoring devices to establish base line data, as well as provide on-going data collection to assess benefits and impacts for a future groundwater recharge project. This project proposed to construct three stream gauging sites, install water level transducers at four existing well sites, install one weather station in the watershed tributary to the Los Banos Creek Detention Reservoir, and modify a website to accept and display real-time information from each of the sites mentioned above.

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4.3.1 Goals and Objectives

While this grant is applying for money to install gauging and monitoring devices, the ultimate project is to develop a water transfer program amongst multiple partners to better utilize surface water and groundwater storage and resources. All of this monitoring is necessary to develop a baseline of data prior to project implementation as well as provide long term monitoring sites after the project is underway.

4.3.2 Needed Facilities

The following items will provide monitoring at key locations throughout the project area. These are all necessary for the establishment of baseline data, and the future management and success of an optimized conjunctive use project. See **Exhibit 4.2** for location of proposed improvement.

4.3.2.1 Stream Gauge Monitoring

Stream gauges are proposed to be installed in Los Banos Creek and are necessary for two purposes: 1) to determine how much water is recharged in the creek that will directly benefit the City of Los Banos, CCID and San Luis WD portions of the Los Banos Creek groundwater basin, and 2) to document stream releases and determine the amount of water delivered to the Grassland Water District. Stream gauges are proposed at three following locations that intersect Los Banos Creek:

- Delta Mendota Canal
- CCID's Outside Canal
- CCID's Main Canal

4.3.2.2 Groundwater Level Monitoring

Remote monitoring devices will be installed in existing monitoring wells to collect instantaneous data on the impact of a more consistent creek flow and recharge on the groundwater table. Recharge in the area has the potential to impact adjacent growers' crops and gravel mining operations. This data will also be made available to other agencies to fill gaps in other regional monitoring efforts.

4.3.2.2.1 Water Quality Monitoring

It is the intention of the project not to create any negative impacts and result in improved water quality in the region. By monitoring water quality in the stream as well as in the monitoring wells, the Authority will understand the base line conditions and the impact and improvement the project may have on the aquifer.

4.3.2.3 Weather Station Monitoring

A weather station in the watershed will help with the operations of the basin. This will give a better idea of inflows, which will allow for a more optimized operation of the Los Banos Creek Detention Reservoir. Preliminary research with CIMIS and CDEC show no sign of a representative weather station in the tributary to Los Banos Creek. Discussions with DWR and USBR indicate that there is a correlation run from nearby watersheds and a gauge at the dam site. Currently the basin inflow is calculated based on reservoir change in water level. A weather station in the watershed will allow the operator to predict inflow, thus more optimally (proactively) managing the reservoir.

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4.3.2.4 Website Development

The Grassland Water District website will be the host website and will be updated and modified to allow the display of all the real time data gathered with the infrastructure described above. The other project proponents' websites will host a link to the data on the Grassland WD website. Establishing a database will allow all of the project benefactors and public to understand how the project is operating and provide them all with access to real time data.

4.4 Public Outreach and Community Support

Educational outreach and community involvement in the San Joaquin River Exchange Contractors Water Authority is achieved through a number of methods as described below, and will expand with the implementation of this project. Parties that are the focus of the public outreach include not only the District growers, but also neighboring Districts (San Luis Water District, Grassland Water District, etc.), other public agencies (City of Los Banos) and any other parties requesting participation or information.

The Authority has a well-developed process for informing water users and stakeholders on groundwater issues. The following is a discussion on past public outreach efforts that will also be used as part of the proposed Groundwater Management Program:

4.4.1 Board Meetings

The Authority holds monthly board meetings on the first Friday of each month that are publicly advertised and open to the public. At the beginning of each meeting there is a public comment period where anyone can voice their opinion or concern on any issue. **Exhibit 4.3** is the first page of an agenda from a recent SJRECWA Board meeting; the agenda includes a public comment period (4. Public Participation). During the course of the proposed project, regular presentations will be made at the monthly Board meetings on the project status and any important project issues.

4.4.2 Annual Grower's Meeting

The Authority member districts hold an Annual Grower's Meetings to discuss important issues and plans for the future. Most of the growers in the District attend the meeting. During the meeting there are numerous opportunities for open forums and discussions. The project will be discussed at each Grower's Meeting occurring during the life of the proposed project.

4.4.3 District Newsletter

The Authority prepares a quarterly newsletter that provides valuable information to the growers on water supplies, Authority policies, new facilities, and advice on water management. **Exhibit 4.4** is a copy of a recent SJRECWA newsletter. Articles on the proposed project are anticipated to be published issues of the Authority Newsletter. See the Information Dissemination section of the Work Plan (**Attachment 5**) for more details.

4.4.4 Public Outreach in Work Plan

The Authority will expand an existing website to disseminate information to all those concerned with the project.

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4.4.5 Community Support

The Authority has broad-based support for the proposed project from local agencies within the groundwater basin, as evidenced by letters of support below from collaborating agencies that will benefit from the project:

- Central California Irrigation District
- Columbia Canal Company
- San Luis Water District
- Grassland Water District
- San Luis Water District
- City of Los Banos

Several of the referenced letters of support are included in as **Exhibit 4.5**, and a map showing the location of these agencies is provided as **Exhibit 4.1**. Additional letters may be being mailed directly to DWR.

In addition, the SJRECWA Board of Directors approved the preparation of this application and support the project's goals and objectives. The Board of Directors is comprised of local landowners, so this endorsement also represents support for the project from local farmers. See **Attachment 1** for information on an official board resolution.

There is no known opposition to this project, as proposed.

4.5 Need and Value

The Los Banos area is no different than the rest of the valley when it comes to water struggles. Entities in the area are feeling the effects of delta pumping restrictions and the restoration efforts on the San Joaquin River. Groundwater levels and quality in the vicinity of Los Banos have been degrading over time. Collaboration at the local level will provide benefits to all parties and reach common regional goals. The Los Banos Creek Water Resources Management Plan (Plan) will provide local and statewide benefits. The monitoring program outlined in this application will enable quantification of the benefits of the Plan and enhanced water management; helping to accomplish goals of the AB3030 Groundwater Management Plan and goals outlined in water quality investigations conducted by CCID and the City of Los Banos.

4.5.1 Benefits to Project Proponents:

4.5.1.1 *San Joaquin River Exchange Contractors Water Authority*

The member agencies of the SJRECWA have been extremely proactive in water conservation measures. This water conserved can be transferred to other local entities that are struggling to meet the demand of their growers. The project will provide the necessary infrastructure to facilitate these transfers. In addition, use of the reservoir and creek to regulate water to the summer irrigation season will help alleviate summer time peaking limitations on district conveyance systems. The CCID, one of the

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SJRECWA members, has district and grower wells nearby the Los Banos Creek which will directly benefit from additional recharge.

4.5.1.2 San Luis Water District

San Luis Water District is a USBR Contractor with water supply taken from the Delta Mendota Canal. Due to Delta pumping restrictions, SLWD has been limited to 60% on average of their contracted allotment. Water deficiencies are made up through water transfers and groundwater pumping. Implementation of this Project will provide storage of water when available, and an opportunity to expand on the banking and wheeling agreements already in place with CCID (a member of SJRECWA). In addition about 21% of the Los Banos Creek Groundwater Basin study area lies beneath San Luis WD growers who rely entirely on groundwater as a supply.

4.5.1.3 Grassland Water District

Grassland Water District is responsible for delivering water to the Grassland Resource Conservation District, which lies at the terminus of Los Banos Creek, near the San Luis Wasteway. As Part of CVPIA water must be delivered for use in refuge for wildlife use. This water supply from USBR is broken into two Levels; Level 2 and Level 4. Level 2 supplies are typically delivered to the District; however, Incremental Level 4 supplies are not typically met. The full supplies are needed to optimally manage the wetlands. Using the LBCDR as a regulation site will provide a better opportunity for the water to be delivered when needed; aiding the USBR in meeting the Incremental Level 4 supplies requirements.

4.5.1.4 City of Los Banos

As stated in the City of Los Banos 2010 Urban Water Management Plan, The City is fully reliant on groundwater to meet its domestic demand. Groundwater recharge in the area is not from the City of Los Banos efforts, but from deep percolation of irrigation water in surrounding farms, seepage from canals, and seepage from the Los Banos Creek. Studies have indicated that at the City's current size (approximately 34,000 people), an additional 3,600 AF of groundwater would need to be recharged to have a self-sufficient groundwater supply, and with projected growth, the City will need to recharge an additional 5,400 AF. This project is expected to recharge all of the current demand and a majority of the projected demand. This will be done by an extended use of Los Banos Creek which will recharge more water. Several studies of the Los Banos area water supply and water quality have been conducted by the City, CCID and USBR, with the most recent completed in May 2010 by Kenneth D. Schmidt and Associates. These studies recommended certain actions be taken to improve groundwater conditions in Los Banos. The proposed Plan and associated monitoring will fulfill several of the recommendations.

4.5.2 Statewide Benefits

As described in the background section, the members of the SJRECWA are "exchanging" their water supply on and San Joaquin River for CVP water off of the Delta Mendota Canal, so that San Joaquin River water can be stored and delivered to the Eastside of the Central Valley. The SJRECWA still retains the right to that water and has the ability to take it should their supply not be met by USBR. By the SJRECWA having a source for regulation and storage, the likelihood of them calling on their original water right is even further diminished, maintaining the integrity of the Friant Water service area.

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4.5.3 Groundwater Benefits

According to Bulletin 118, the SJRECWA overlies the Delta-Mendota Sub-basin of the San Joaquin Valley Groundwater Basin. This basin is experiencing land subsidence, and poor water quality in some areas reaching 1,600 mg/l; all effects of groundwater pumping. This could be alleviated with this optimized conjunctive use project. Also, this basin has a Type B groundwater budget. The data provided by this project could help to fill gaps to earn a Type A budget.

4.6 Supporting Studies

4.6.1 Kenneth D. Schmidt and Associates Study

In January 2011, the SJRECWA had Kenneth D. Schmidt and Associates, a local hydrogeologist, perform an investigation on the groundwater banking potential within the SJRECWA. One area of interest was the Los Banos Creek. Through a combination of direct and in-lieu recharge, it was determined that this site had the potential to recharge nearly 20,000 AF. An issue identified is the potential groundwater impacts to adjacent farms, dairies, and gravel mining operations. To optimize operations remote monitoring and telemetry of existing monitoring wells will be used to minimize impacts while maximizing recharge.

In May 2010, Central California Irrigation District, City of Los Banos and US Bureau of Reclamation had Kenneth D. Schmidt and Associates prepare a report entitled Update on Groundwater Conditions in the Vicinity of the City of Los Banos. Recommendations from the report included adding more surface water to the area; providing increased groundwater recharge; increase surface water storage at Los Banos Creek Detention Reservoir for regulated releases into the creek; develop triggers based on monitor well data for private well pumpage into the DMC and CCID canals.

4.6.2 AECOM Study

In 2011, CCID tasked AECOM with performing a study analyzing 3 different options for surface water storage to maximize conjunctive use. These included 1) a new reservoir, 2) expanding an existing reservoir, and 3) utilize existing storage in the existing LBCDR. The study found LBCDR to be the most cost effective option, but further analysis is required before implementation, mainly confirmation of recharge rates by constructing and monitoring stream gauging stations.

4.6.3 Provost and Pritchard Consulting Group (P&P) Study

In May 2012, building upon the findings of the KSA and AECOM studies mentioned above, Provost and Pritchard was tasked with further developing what was dubbed the Los Banos Creek Water Resources Management Plan. Simulations were run on various operation scenarios to determine which would optimally use the basin and creek, while providing the greatest benefits to the most entities. Studies concluded that recharge in the creek could nearly double with implementation of the Plan.

The P&P analysis has supported the earlier findings and has recommended moving ahead with design of the facilities analyzed in the Plan. In June 2012 the SJRECWA extended the P&P contract to provide a basis for design and determination of permits and contracts needed to move the project forward to construction. The monitoring facilities for stream flow losses and the relationship to groundwater storage are key components to demonstrating the effectiveness of the Plan.

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4.6.4 IRWM

The SJRECWA are part of the Westside – San Joaquin Funding Region represented by the San Luis and Delta-Mendota Water Authority's *Integrated Water Resources Plan (IWRP)*. This group spans 2.1 million acres, and 32 member agencies. Essentially located along Interstate 5 from the City of Tracy in the north to Kettleman City on the south, but also includes some coastal areas (see map **Exhibit 4.6**). This group has identified 12 projects/programs that would benefit the region as a whole. Of the 12, the LBC Conjunctive Use Project has been identified as a long term priority. The IWRP also includes benefits for another program, the SJRECWA and Water Authority Water Transfer Program. These two projects/programs were described in the following excerpts from the *Integrated Water Resources Plan*:

4.6.4.1 Los Banos Creek Conjunctive Use Project

The Central California Irrigation District, San Luis Water District, and City of Los Banos have collaborated on development of the Los Banos Creek Conjunctive Use Project. The concept is to utilize the stream bed and abandoned gravel mining pits along the creek, west of the City of Los Banos, to store temporarily surplus or conserved water from federal and exchange contract water rights holders. Water would be banked in years of surplus for extraction in years of shortage. The project would also provide the City of Los Banos a groundwater recharge program.

Preliminary investigations have identified the area as having aquifer storage potential through artificial recharge by use of spreading basins in or near the creek channels. Other studies have examined the potential for the Los Banos Creek Reservoir to provide recharge flow through altered operations utilizing both natural inflow and additional water pumped into the reservoir for such purposes. Further evaluations are needed to establish the full practicality of the project.

If project implementation evolves, formal agreements between the water purveyors and City of Los Banos would have to be negotiated to govern matters such as storage and recovery volumes, cost shares, and operations & maintenance responsibilities.

4.6.4.2 SJRECWA and Water Authority Water Transfer Program

The SJRECWA & Water Authority Water Transfer Program exists to potentially provide water for (1) the wildlife refuges (Incremental Level 4 under the CVPIA), (2) transfers and exchanges of CVP water from the Exchange Contractors to other CVP contractors, and (3) EWA contracts that would benefit CVP operations. The Exchange Contractors, as the lead agency for the State, have prepared environmental documentation to examine the environmental impacts of the transfer and exchange of their CVP water (up to 130,000 acre-feet per year for the next 10 years) in the San Joaquin Valley, the Sacramento-San Joaquin River Delta (Delta), San Benito County, and Santa Clara County (receiving areas). The Exchange Contractor, when possible, make water available for transfer and exchange to some combination of uses by the refuges, CVP contractors (Municipal & Industrial (M&I) and agricultural uses), and the USBR or the California Department of Water Resources (DWR) for use by the EWA in the CVP Delta export service area. The Program utilizes water conservation, source control, recirculation, land use management, and ground water management strategies to make water available for the uses outlined above.

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Los Banos Creek Groundwater and Surface Water Monitoring Program



4.7 Consistency with GWMP

The SJRECWA updated their Groundwater Management Plan (GWMP) in 2008 (Exhibit 3.1). The GWMP describes many efforts being pursued by the SJRECWA to maintain and improve the integrity of the groundwater throughout its boundary. The table below illustrates the specific topics of the GWMP that are being met by this project:

Page	Description
14-15	<u>Coordinate with other GWMPs</u> -A program will be pursued such that the necessary study is accomplished and water-level measurements and water sampling results will be coordinated and gathered by each respective agency and shared.
17	<u>Groundwater Quality</u> – At least every 5 years water samples are obtained from numerous selected wells for analysis of key constituents.
20	<u>Cities</u> – Focused groundwater quality studies will be periodically performed.
20 -21	<u>Water Banking</u> –Water banking could involve direct recharge in basins or stream channels, or in-lieu recharge. There are several areas along the west side of the CCID where direct recharge by basins or stream channels may be possible. Included are the fans of Los Banos Creek and Orestimba Creek, Where permeable deposits are present, groundwater salinity is relatively low, and depth to water is adequate to allow recharge.

4.8 Ongoing Use

After completion of the project, any on-going work will be added to the duties of the existing Authority staff. Extra staff will not be needed to cover these additional work requirements. The on-going work will depend on the final conclusions from the proposed project, but may include the following:

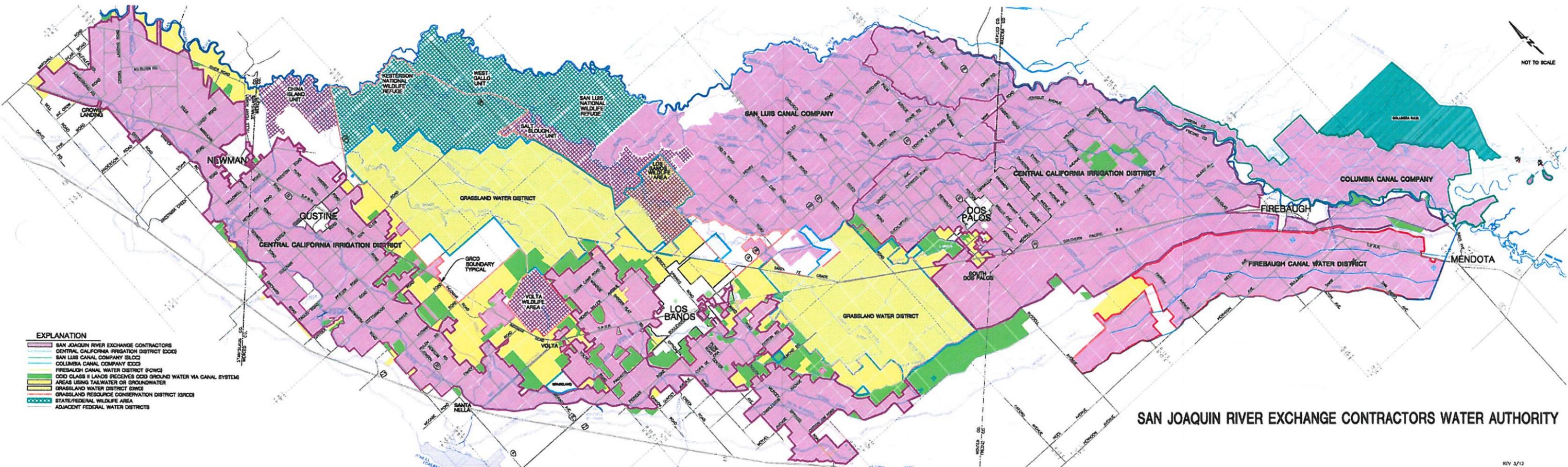
Remote Monitoring Site Maintenance

The Authority’s member agencies will be responsible for ongoing maintenance of remote monitoring sites. This includes regular site visits to ensure all facilities are in working order, and to clean all sensors.

Water quality testing in areas possibly impacted by recharge efforts

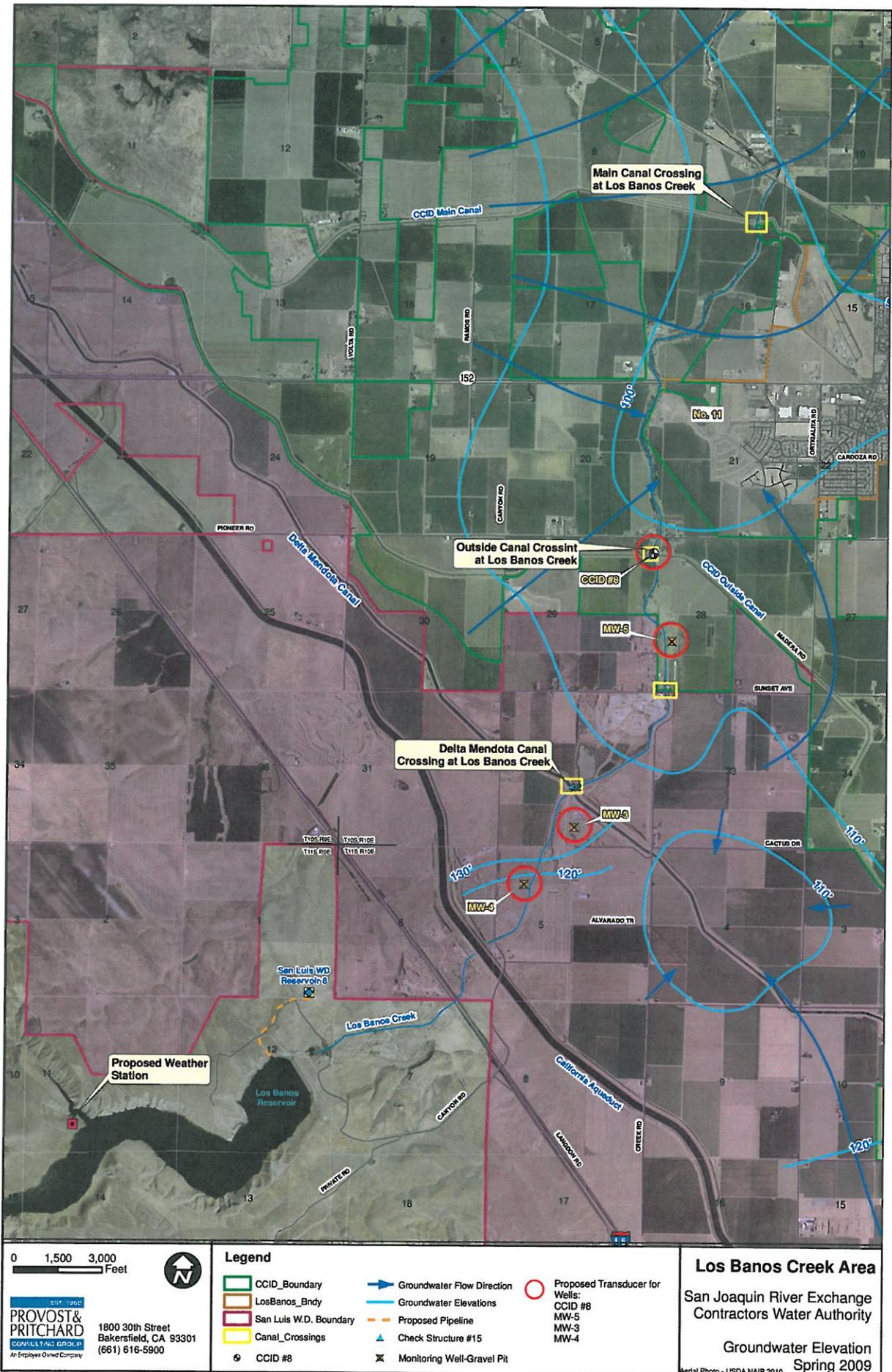
On-going water quality testing, if determined to be necessary, will include testing of the specific suite of constituents (TDS, Nitrate, Arsenic, and Chromium VI). These tests cost \$146/well and the Authority can easily accommodate a limited number of tests each year (say 10 to 15). The Authority would also be willing to pay for more testing if it is found to be necessary.

In summary, on-going efforts will be added to the responsibilities of existing Authority staff. It is not anticipated that additional staff members will be required to continue implementing the program.



- EXPLANATION**
- SAN JOAQUIN RIVER EXCHANGE CONTRACTORS
 - CENTRAL CALIFORNIA IRRIGATION DISTRICT (CCID)
 - SAN LUIS CANAL COMPANY (SLCC)
 - COLUMBIA CANAL COMPANY (CCC)
 - FIREBAUGH CANAL WATER DISTRICT (FCWD)
 - CCID CLASS II LANDS (RECEIVES CCID GROUND WATER VIA CANAL SYSTEM)
 - AREAS USING TAILWATER OR GROUNDWATER
 - GRASSLAND WATER DISTRICT (GWD)
 - GRASSLAND RESOURCE CONSERVATION DISTRICT (GRCD)
 - STATE/FEDERAL WILDLIFE AREA
 - ADJACENT FEDERAL WATER DISTRICTS

SAN JOAQUIN RIVER EXCHANGE CONTRACTORS WATER AUTHORITY





Consisting of 240,000 acres on the Westside of the San Joaquin Valley

AGENDA

SAN JOAQUIN RIVER EXCHANGE CONTRACTORS WATER AUTHORITY

Wednesday, April 4, 2012

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ROY CATANIA
Vice Chairman

STEVE CHEDESTER
Executive Director

LARRY FREEMAN
Water Resources Specialist

JOANN WHITE
Administrative Assistant

**MINASIAN, SPRUANCE,
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NOTICE IS HEREBY GIVEN that on *Wednesday, April 4, 2012, at 1:00 p.m.*, the *San Joaquin River Exchange Contractors Water Authority*, otherwise known as the *Exchange Contractors*, will meet in the **Board Room of the San Joaquin River Exchange Contractors Water Authority office** located at 541 H Street, Los Banos, California. The agenda for the meeting will be:

1. **Pledge of Allegiance**
2. **Agenda:**
The Board will consider corrections or additions to the agenda of items requiring immediate action that have come to the attention of the Exchange Contractors following the posting of the agenda.
3. **Approval of Minutes** [TAB 1]
March 2, 2012 Board Meeting
4. **Public Participation**
At this time, members of the public may address the representatives on matters which may affect the operations of the Exchange Contractors. The Chairman may limit the time allowed for comment.
5. **Report of Audited Financial Statements and Other Financial Information – December 31, 2011 – Board to Consider Adoption of Audit Report** [TAB 2]
6. **Board to approve March, 2012 Expenditures** [TAB 3]
7. **Finance Committee Report** [TAB 4]
 - A) Review Financial Report for March, 2012 – Board Action Required
 - i. March, 2012 General Budget Comparison
 - ii. March, 2012 Water Transfer Budget Comparison
 - iii. March, 2012 San Joaquin Valley Drainage Authority Budget Comparison
 - iv. Cash Activity Report
 - B) Finance Committee Minutes of February 27, 2012

8. **Water Report**



((Spring 2012))

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

EXCHANGE

perspective

April 2012

LATE MOISTURE BRINGS FULL ALLOCATION ANNOUNCEMENT

Improved hydrology since mid-March led the Bureau of Reclamation on April 13th to increase its allocation to the Exchange Contractors to 100 percent. Dry conditions early in the year led to a critical year designation when the Bureau made its initial allocation announcement in mid-February.



An increase in projected inflows into Shasta reservoir led the Bureau to change its initial forecast from a "critical" to a "non-critical" year and reinstate a 100 percent allocation to the Exchange Contractors.

Precipitation and improved snowpack in the Northern Sierra since that early

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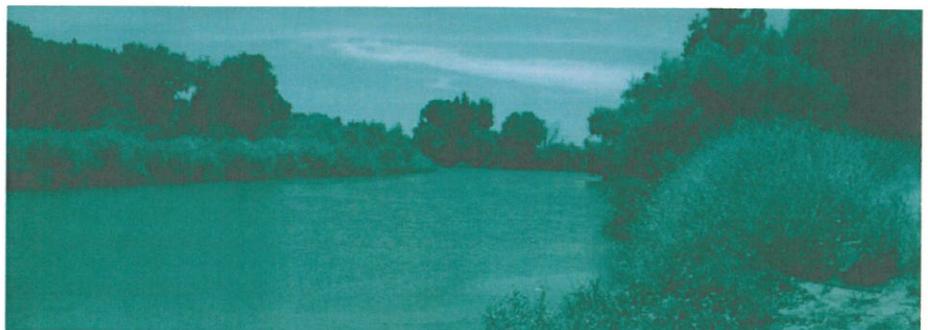
CONCERNS OVER UNREALISTIC SAN JOAQUIN RIVER RESTORATION TIMELINE

The Bureau of Reclamation appears poised to continue its planned schedule to introduce endangered spring-run salmon into the San Joaquin River despite the fact that ground has not yet been broken on any Phase I projects called for in the San Joaquin River Restoration Settlement Act.

Exchange Contractors representatives are meeting regularly with key decision

makers to ensure that the reintroduction of spring-run salmon is delayed until Phase I projects called for in the settlement and resulting restoration legislation are completed. The Exchange Contractors are also strongly advocating for meaningful input into a revised implementation schedule that includes realistic budget appropriations to fulfill obligations set forth within the Settlement Act.

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The Exchange Contractors are concerned that federal officials are moving forward with a timeline to reintroduce endangered salmon into the San Joaquin River before mitigation projects to protect third party interests that were called for in the settlement agreement and legislation have been completed.

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Legal Counsel

July 10, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, CA 94236-0001

Re: San Joaquin River Exchange Contractors Water Authority's
2012 Local Groundwater Assistance Grant Application

Mr. Lutterman:

As a member of the San Joaquin River Exchange Contractors Water Authority's (SJRECWA or Authority), the Central California Irrigation District is participating in the Authority's plan to improve the surface and groundwater management at the Los Banos Creek Detention Reservoir as well as along the Los Banos Creek. We are also aware of the Authority's application for grant money from the Local Groundwater Assistance funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's efforts in the areas of groundwater management, importation of surface water, and groundwater recharge has been vital to maintaining sufficient water supply and water quality in the area.

CCID is fully in support of the SJRECWA in their proposed project and appreciates their commitment to work with local agencies to improve the groundwater management and monitoring throughout the groundwater basins.

Very truly yours,

Chris White
General Manager

CW:mm



July 11, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, Ca 94236-0001

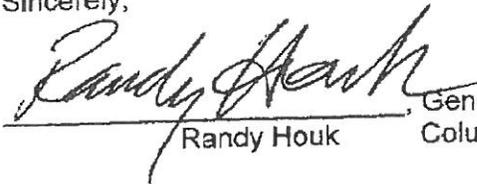
Mr. Lutterman:

RE: San Joaquin River Exchange Contractors Water Authority's
2012 Local Groundwater Assistance Grant Application

Columbia Canal Company (CCC) is aware of the San Joaquin River Exchange Contractors Water Authority's (SJRECWA or Authority) plan to improve the surface and groundwater management at the Los Banos Creek Detention Reservoir as well as along the Los Banos Creek. We are also aware of the Authority's application for grant money from the Local Groundwater Assistance funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's groundwater management, importation of surface water, and groundwater recharge has been vital to maintaining sufficient water supply and water quality in the area.

CCC supports the SJRECWA in their proposed project and appreciates their commitment to work with local agencies to improve the groundwater management and monitoring throughout the groundwater basins.

Sincerely,


Randy Houk General Manager
Columbia Canal Company



June 29, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, Ca 94236-0001

Mr. Lutterman:

RE: San Joaquin River Exchange Contractors Water Authority's
2012 Local Groundwater Assistance Grant Application

San Luis Canal Company is aware of the San Joaquin River Exchange Contractors Water Authority's (SJRECWA or Authority) plan to improve the surface and groundwater management at the Los Banos Creek Detention Reservoir as well as along the Los Banos Creek. We are also aware of the Authority's application for grant money from the Local Groundwater Assistance funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's groundwater management, importation of surface water, and groundwater recharge has been vital to maintaining sufficient water supply and water quality in the area.

San Luis Canal Company supports the SJRECWA in their proposed project and appreciates their commitment to work with local agencies to improve the groundwater management and monitoring throughout the groundwater basins.

Sincerely,


Chase Hurley
General Manager
San Luis Canal Company

11704 W. HENRY MILLER AVE.
DOS PALOS, CA 93620
(209) 826-5112 ** (209) 387-4305

"A MUTUAL WATER COMPANY SINCE 1913"

22759 S. Mercey Springs Road
Los Banos, CA 93635



(209) 826-5188
Fax (209) 826-4984
Email: veronica@gwdwater.org

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Treasurer/Controller

ADAMS BROADWELL JOSEPH CARDOZO PC

July 12, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, Ca 94236-0001

Mr. Lutterman:

RE: San Joaquin River Exchange Contractors Water Authority's
2012 Local Groundwater Assistance Grant Application

Grassland Water District is aware of the San Joaquin River Exchange Contractors Water Authority's (or Authority) plan to improve the surface and groundwater management at the Los Banos Creek Detention Reservoir as well as along the Los Banos Creek. We are also aware of the Authority's application for grant money from the Local Groundwater Assistance funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's groundwater management, importation of surface water, and groundwater recharge has been vital to maintaining sufficient water supply and water quality in the area.

Grassland Water District supports the SJRECWA in their proposed project and appreciates their commitment to work with local agencies to improve the groundwater management and monitoring throughout the groundwater basins.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ric Ortega", is written over a circular stamp or seal.

Ric Ortega

General Manager

San Luis Water District

BOARD OF DIRECTORS

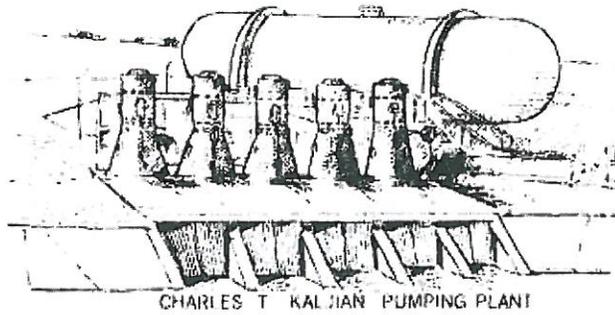
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Bill Diedrich
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Tax Assessor-Collector

Tom Teixeira
Secretary-Treasurer

Grant Craven
Director



MANAGEMENT

Martin R. McIntyre
General Manager

Linda M. Bond
Financial Controller

Ildo Martins
O & M Superintendent

Janet Gutierrez
Watermaster

Mike Zuspan
Treatment Supervisor

July 12, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, Ca 94236-0001

Mr. Lutterman:

RE: San Joaquin River Exchange Contractors Water Authority's
2012 Local Groundwater Assistance Grant Application

The San Joaquin River Exchange Contractors Water Authority's (Authority) has long worked to improve surface and groundwater management in the vicinity of Los Banos Creek Detention Reservoir in and around Los Banos Creek. We understand that the Authority has applied for grant funds from the Local Groundwater Assistance program funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's programs, including groundwater management, importation of surface water, and groundwater recharge are critical to attain water supply and quality objectives in the area.

The San Luis Water District supports the SJRECWA proposed project and appreciates their collaborative efforts to improve the groundwater management and monitoring throughout the area. We encourage your approval of their grant request.

Sincerely,

Martin McIntyre
General Manager



City of
Los Banos
At the Crossroads of California

City Hall
520 J Street
Los Banos, CA 93635

Phone: (209) 827-7000
Fax: (209) 827-7010
www.losbanos.org

July 12, 2012

Mr. Tom Lutterman
California Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
P.O. Box 942836
Sacramento, Ca 94236-0001

Mr. Lutterman:

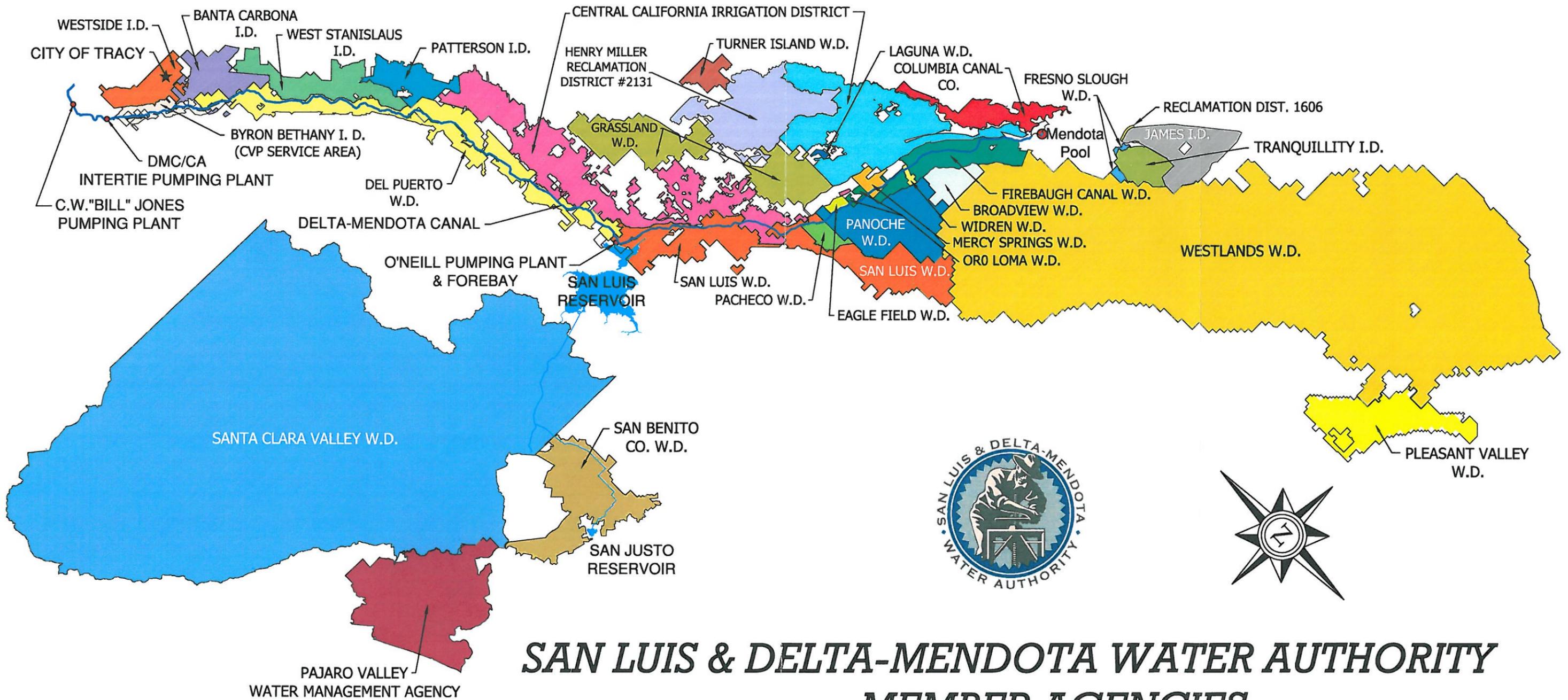
RE: San Joaquin River Exchange Contractors Water Authority's 2012 Local Groundwater Assistance Grant Application

The City of Los Banos is aware of the San Joaquin River Exchange Contractors Water Authority's (SJRECWA or Authority) plan to improve the surface and groundwater management at the Los Banos Creek Detention Reservoir as well as along the Los Banos Creek. We are also aware of the Authority's application for grant money from the Local Groundwater Assistance funded by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The Authority's groundwater management, importation of surface water, and groundwater recharge has been vital to maintaining sufficient water supply and water quality in the area.

The City of Los Banos supports the SJRECWA in their proposed project and appreciates their commitment to work with local agencies to improve the groundwater management and monitoring throughout the groundwater basins.

Sincerely,

Steve Rath
City Manager



SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MEMBER AGENCIES