

FRIANT WATER USERS AUTHORITY

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June 30, 1998

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Mr. Lester A. Snow, Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, CA 95814

Attention: Rick Breitenbach

Re: Comments on Draft Programmatic EIS/EIR for the
CALFED Bay-Delta Program

MEMBER AGENCIES

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Arvin-Edison Water Storage District
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Valley Irrigation District
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Pixley Irrigation District
Porterville Irrigation District
Rag Gulch Water District
Saucelito Irrigation District
Shafter-Wasco Irrigation District
Southern San Joaquin Municipal Utility District
Stone Corral Irrigation District
Tea Pot Dome Water District
Terra Bella Irrigation District
Tulare Irrigation District

Dear Mr. Snow:

The Friant Water Users Authority (Authority) has reviewed the Draft Programmatic EIS/EIR (Draft PEIS/EIR) for the CALFED Bay-Delta Program (Program). The Authority has also participated in the development of the comments you will receive from the Agricultural Water Caucus and the joint Agricultural and Urban Water Caucuses.

THE AUTHORITY

The Authority is a joint powers agency created under authority of California Law. The Authority has 25 member districts that deliver water to approximately one million acres of irrigable farmland on the east side of the southern San Joaquin Valley, from approximately Chowchilla on the north to the Tehachapi Mountains on the south. Water is delivered from the Friant Division of the Central Valley Project from Millerton Reservoir by way of the Friant-Kern and Madera Canals.

The majority of the water rights to the San Joaquin River allowing for diversion of water from Friant Dam were obtained by the United States Bureau of Reclamation through purchase and exchange agreements with individuals and entities that held those rights at the time the project was developed. The single largest of these agreements requires annual delivery of up to 840,0000 acre-feet of water to four entities near Mendota. Thus, the Friant Division is dependent upon other features of the Central Valley Project, including Shasta Dam, San Luis Reservoir, the Tracy Pumping Plant and the Delta Mendota Canal, to facilitate this required exchange.

In 1975 the locally financed Cross Valley Canal was completed, bringing water from the California Aqueduct through a series of six pump lifts to the east side of the southern San Joaquin Valley near Bakersfield. Such water delivered pursuant to contracts with the United States out of northern California CVP facilities is delivered to the contracting entities within the Friant service area through a complex series of exchange and transport agreements.

The Friant Division was established incorporating the concept of conjunctive use of the groundwater reservoir that underlies a major part of its service area. This groundwater reservoir is estimated to hold 20 million-acre feet of water.

The Friant Division employs a two "class" system of water supply. Class 1 water is the firm supply amounting to the first 800,000 acre-feet of Friant Division yield. It is generally delivered to areas within the Friant Division which do not have access to usable groundwater supplies. Class 2 water develops only after the Class 1 demands have been fully met. Class 2 water is typically under contract to those districts that have access to good groundwater supplies and can accept reoccurring deficiencies and alternately use their wells as their principal source of supply. These areas also have good recharge capability both naturally and by man-made facilities.

Implementation of the CALFED Bay-Delta Program could have significant impacts on the Friant Division of the Central Valley Project. Consequently, the Authority has a keen interest in the adequacy of the Draft PEIS/EIR.

GENERAL COMMENTS

The Authority fully supports the efforts of CALFED to develop a long-term program to resolve the problems of the Bay-Delta. We support development of a preferred alternative by the end of the 1998 and further development of the institutional and legal assurances that are critical to the success of the program. We support a balanced approach to resolving the problems in the Bay-Delta, incorporating marketplace principles for resource utilization, regulatory and non-regulatory incentives for sound resource management, and investments in source water protection, water conservation, water recycling, additional surface and groundwater storage and improved conveyance facilities in the Delta to reduce conflicts among water uses within the system. We believe that with this approach, a sustainable future for all Californians can be achieved.

We urge CALFED to adopt an implementation plan to provide "on the ground" benefits for all stakeholder interests in a balanced manner. This plan should be designed to eliminate the risk of withholding or limiting benefits to a stakeholder group while implementing those of another group.

CALFED must recognize that agriculture is critical to the long-term economic health of California. Agricultural land in California is a resource of global significance that, as a matter of good public policy, must be wisely used and preserved. We realize that there will be pressures to convert from agricultural land to urban uses. Conversion of agricultural land to urban uses can

have significant impacts upon agricultural economies and communities in the Central Valley. These impacts must be mitigated.

Because of the broad nature of the CALFED Bay-Delta Program, the level of detail that is included in the Draft PEIS/EIR is necessarily broad. The scope of the actions precludes CALFED from developing a PEIS/EIR that analyzes specific measures in sufficient detail to enable an evaluation of specific impacts and benefits. Therefore, it is important to note that while the Draft PEIS/EIR addresses the general impacts of implementing the CALFED Bay-Delta Program, a need exists to develop supplemental environmental impact analysis prior to implementation of any specific measures.

The final PEIS/EIR must contain sufficient detail to allow programmatic NEPA/CEQA approval, to obtain comprehensive State and Federal Endangered Species Act permits and to obtain a programmatic Clean Water Act Section 404 permit for the CALFED Preferred Alternative, including those features that will be subject to future phasing or triggers. It is imperative that the revised Draft PEIS/EIR contains sufficient detail to allow for this programmatic permitting.

The Draft PEIS/EIR relies upon various models to conduct much of its comparative analysis. Modeling, at its best, can only provide a generalized prediction of what may or may not occur. The results can only be interpreted at the gross level and for comparative analysis amongst the individual model runs. The modeling outputs are only as good as the assumptions used and the data entered. Inconsistencies and errors can mask the true impacts of the conclusions drawn.

The Authority supports the consideration of a new management entity to carry out the ecosystem portion of the program. The entity should be a non-regulatory, highly coordinated, well-funded, organization. This entity's scope will be different from the agencies now vested with the regulatory authority to protect fish and wildlife resources. The regulatory authority should remain with those existing agencies. It is vital that coordination of the action and management elements of the ecosystem program be centralized so that coordination and accountability can be achieved. Creation of a new ecosystem management entity should be viewed as a positive re-invention of government necessary to meet the challenge of Bay-Delta restoration.

SPECIFIC COMMENTS

In addition to the general comments above, the Authority has a number of specific comments by topic regarding the Draft PEIS/EIR.

Water Use Efficiency

We appreciate the CALFED approach to agricultural water use efficiency that recognizes it as a common program that provides "... a clear standard for agricultural water management planning and a balanced process for recognition of adequate programs of planning and implementation." The current system for encouraging water conservation should be preserved and enhanced. Farmers and districts have made significant investments in improving water conservation and

technology. The concept of providing financial incentives for promoting conservation beyond what is locally cost effective is good, however, the decision to participate in such a program must be made at the local level and without coercion. The U.S. Bureau of Reclamation (USBR) water conservation program must be reconciled with the water conservation program under the AB 3616 MOU process to achieve the voluntary goals of water conservation. CALFED should explicitly accept USBR approved water conservation plans, including Central Valley Project Improvement Act (CVPIA) water conservation plans, as equivalent to a plan endorsed by the AB-3616 Agricultural Water Management Council. We oppose any mandatory requirements for agricultural water use efficiency. Districts delivering water to over four million acres have already signed the AB 3616 MOU or have complied with the USBR water conservation criteria. We recommend that CALFED focus on providing sufficient support for additional water management programs. CALFED's goal of achieving 85 percent application efficiency throughout California agriculture is unachievable as a practical matter. Currently, on-farm applied irrigation efficiency (i.e., the percentage of water applied which is actually used by crops) within the Friant Division is extremely high, exceeding 77%. Technical experts agree that an applied irrigation efficiency of 80% is essentially unachievable. Specific water application efficiency targets should not be linked to access CALFED benefits. CALFED should modify its documents to accurately reflect that California agriculture is highly efficient in its use of water, e.g., the highest worldwide. Increased application efficiency, while desirable for many reasons, does not typically increase water supplies for other beneficial uses. Increasing the efficiency of water application does not create "new" water supplies. This dubious expectation should be clarified or false expectations will perpetuate. Only practices that reduce irrecoverable losses actually increase the total useable water supply. CALFED should refer to DWR Bulletin 160-98 and incorporate the appropriate sections thereof concerning the harm to land from being under irrigated. Long-term degradation of agricultural soils will occur due to salt accumulation caused by lack of sufficient applications of water to supply the needed leaching fraction. It should also be noted that increased water use efficiency can cause reductions in recharge to the groundwater basins and could interfere with ongoing conjunctive use programs.

The labels and headings on the tables in the Water Use Efficiency Appendix need to be revised. These are very confusing and mislead the reader.

The deadline of January 1, 1999 for adopting and implementing agricultural water management plans should be changed. Since the CALFED PEIS/EIR will be finished in 1999, a more appropriate deadline for adopting and implementing the plans would be January 1, 2001.

Rather than focus on agricultural acreage targets, CALFED should focus on providing sufficient support for the implementation of water management programs. This rules out numerical targets from becoming required actions.

San Joaquin River Agreement (VAMP)

The main document contains a section entitled "Vernalis Adaptive Management Plan USBR/USFWS," page 2-37. This section should be revised to reflect that the VAMP has been subsumed under the San Joaquin River Agreement.

The No-Action Alternative Appendix should be revised to clarify that the San Joaquin Adaptive Management Plan, properly called the San Joaquin River Agreement, is not focused on the Vernalis salinity standard. The San Joaquin River Agreement provides equivalent protection for the Vernalis flow objective in the California State Water Resources Control Board's 1995 Water Quality Control Plan.

Water Transfers

Section 6.1 of the Draft PEIS/EIR includes a discussion of water transfers. The Draft PEIS/EIR states that "...it is expected that water transfers would result in more efficient distribution of water resources among water users during low flow periods, increasing the reliability of supplies for areas experiencing water supply shortages." However, the document should acknowledge that not all areas are capable of receiving transferred water. The viability of CALFED water transfers will rely heavily upon adequate storage capacity being available and adequate conveyance across the Delta. In addition, transfers of water to the "highest bidder" may not necessarily result in more "efficient" distribution of water.

The development of water markets should be on a "willing seller" basis. There must be a quantitative analysis of moving a range of water transfers through the Delta consistent with the transfer capability of each alternative. This analysis needs to be of such detail to allow for an informed decision regarding the adequacy of each alternative to provide for certain levels of transfers. Such analysis should evaluate the potential impacts of moving an assumed quantity of water across the Delta in addition to the water that would normally be moved by the federal and state projects under the proposed operations criteria.

The Draft PEIS/EIR incorrectly identifies water transfer opportunities as a characteristic that does not vary greatly among alternatives. That conclusion ignores the practical physical limitations and constraints of each alternative. The distinct difference among the alternatives must be adequately described and evaluated.

Levee Program

We support the CALFED levee system integrity program proposed in the long-term Levee Protection Plan Appendix. However, we are concerned that the levee program is not sufficient to reduce the risk of extended export outages. The document should evaluate the degree to which levee improvements will allow the alternatives to meet the long-term program objectives. A discussion of the levees that would be improved beyond current Corps of Engineers criteria should be included. The effect of boat wakes on the integrity of levees should be discussed.

Fisheries and Endangered Species

The Draft PEIS/EIR is based upon a number of implicit assumptions regarding fisheries that are essentially hypothesis rather than proven fact. Many of these assumptions, such as the ratio of Delta exports to Delta inflow and extended pulse flows, have yet to be proven. These assumptions can obscure the extent of scientific uncertainty associated with analysis contained in the documents. The uncertainty associated with the current understanding should be clearly identified. We encourage the use of adaptive management and independent scientific review.

While institutionally complex, management of harvest and hatcheries should be part of CALFED solution. Harvest management strategies should be established to protect weak natural stocks and the Pacific Fishery Management Council should have to evaluate the exploitation rates stock by stock.

Since the Ecosystem Restoration Program Plan (ERPP) is intended to recover native species, we question the strong support given to increasing non-native populations that have a significant impact on native species. Support for striped bass seems unjustifiable. Striped bass should be considered a stressor.

The ERPP should clarify that all Chinook salmon stocks in California have been proposed for listing under the Endangered Species Act (ESA). There is no endangered delineation of fall-run stocks in the Central Valley.

We need assurances under the ESA and/or through the CALFED assurances program, that there will be "no surprises" in terms of reductions of water supplies due to future listings, etc.

Table 2-1 of the Draft PEIS/EIR indicates CVP and SWP Delta exports are expected to increase under the No-Action Alternative. However, as a result of regulatory actions under ESA, the CVPIA and other statutes, it is unclear how those exports can increase.

Trinity River

The potential range of flow impacts to the Sacramento River resulting from the Trinity River Flow Evaluation Study being accomplished under section 3406 (b)(23) of the CVPIA must be discussed. Without considering the potential impacts of this program, CALFED could overestimate inflows to the Delta and, as a result, underestimate the conflict between environmental and consumptive water needs.

Groundwater Recharge and Conjunctive Use

As stated previously, the Friant Division, relies heavily on its groundwater resources. Virtually every district in the Friant Division has already adopted a groundwater management plan under AB 3030.

Section 6.2.2.1 of the Draft PEIS/EIR states that no groundwater modeling studies were performed. Instead groundwater impacts of the CALFED Program were evaluated qualitatively. The Authority is concerned that the Table 6.2-1 reveals that the impacts of each of the alternatives, including each of its variations, will result in the reduction of groundwater quality and the net decline in water levels in the San Joaquin River Region. Although the Draft PEIS/EIR identifies these impacts that could be mitigated, in light of the reliance of the members of the Authority on groundwater during years in which surface water supplies are limited and the ongoing recharge activities conducted by its members, the Authority believes that the effects of the alternatives on groundwater quality and groundwater levels in the San Joaquin River Region may not be mitigated and/or beneficial. To the extent groundwater modeling studies would confirm that the effects of the Program on groundwater could be (or, more importantly, could not be) mitigated, such studies should be conducted. Also, to the extent the Program can be revised to avoid groundwater impacts in the San Joaquin River Region, including the Friant Division, consideration should be given to revising the Program.

There are practical limitations to conjunctive use operations. The reality is that groundwater sites are heterogeneous in nature and very complex geologically. Aquifer structure is far from uniform and movement of water is extremely slow. Groundwater management programs must continue to be developed on the local level. Future development and expansion must receive rigorous study and analysis before investments are made.

Member districts of the Authority have had recent success in developing the Deer Creek Groundwater Recharge Enhancement Demonstration Project that combines the goals of groundwater recharge with providing wetland resources for waterfowl. The program is proving to be a resounding success. A region-wide enhancement of basins, ponds, reservoirs, canals and ditches for aquatic wetland, riparian habitats and species could be developed. Financial incentives need to be provided to develop and expand similar programs.

Land Retirement

While land retirement for demand reduction is not an official CALFED proposal, we wish to re-emphasize that large-scale land retirement is not good public policy and we oppose the wholesale retirement of agricultural lands for demand reduction. There are appropriate places for considering land retirement such as in the CALFED water quality common program. The Authority wishes to emphasize the importance of acquiring land from "willing sellers" for any restoration efforts and fully mitigating any and all impacts associated with taking farmland out of production.

In Section 8.1, the Draft PEIS/EIR states that the crop revenue loss associated with taking lands out of production ranges from \$500 to \$1,000 per acre, resulting in a total loss in crop revenue between \$25,000,000 and \$50,000,000 in the San Joaquin River Region. The figures of \$500 to \$1,000 in gross revenue per farmed acre were used as basic assumptions in evaluating the impacts of the Program on regional economics. The Draft PEIS/EIR recognizes that this would have a "substantial adverse economic impact on farm revenues, income generation, and

employment levels. Loss of production may also adversely affect the financial viability of local agencies, especially water and Reclamation districts." We believe these figures are much too low and that the crop revenue loss in the San Joaquin River Region would be far in excess of \$50,000,000. For example, growers within the Friant Division have approximately 960,000 acres under irrigation. Of these, more than 485,000 acres, or 51%, are planted in permanent crops consisting of trees and vines. The average annual value of the crops in the area served by the Friant Division is approximately \$3.5 billion dollars. This is an average of approximately \$3,645 per acre per year. The Draft PEIS/EIR should reevaluate the figures used to determine crop losses in the San Joaquin River Region from converting farmland, refining the financial impacts using more realistic data.

Similarly, in the discussion in Section 8.6 regarding regional economics, the Draft PEIS/EIR states that the loss of revenue in the San Joaquin River Region would be between \$5,000,000 and \$27,000,000 which represents "less than 0.1% of the regional total." The Draft PEIS/EIR states that job loss would be between 200 and 1,350 jobs. While those jobs and losses may calculate to be 0.1% of the regional total, those losses could in some cases be closer to 100% in the specific affected area. In addition, while the Draft PEIS/EIR states that \$3,000,000 to \$17,000,000 in new spending would occur from the recreational and fisheries industry, those gains are still less than the lost revenue of between \$5,000,000 and \$27,000,000 resulting from the conversion of agricultural land (even assuming those figures are not materially misunderstood).

Finally, in Section 10 of the Draft PEIS/EIR, there is a conclusion that improvements in the water supply could allow additional agricultural land to be developed and allow a shift to higher value crops. The Draft PEIS/EIR concludes that it "is possible that there would be a net gain in agricultural land in the San Joaquin River Region" It is unclear how the Draft PEIS/EIR can state in Chapter 10 that the San Joaquin River Region could experience an increase in agricultural land while stating in previous chapters that there would be a loss of approximately 11,000 acres of land to conversion of agricultural land to other purposes.

San Joaquin River Riparian Restoration Project

This section in the ERPP Appendix should include the fact that two reports have recently been completed:

1. Historical Riparian Habitat Conditions of the San Joaquin River and
2. Analysis of Physical Processes and Riparian Habitat Potential of the San Joaquin River.

Storage

To meet California's future water demand, new sources of water will need to be identified and developed. According to Bulletin 160-98, the greatest potential lies in urban reclamation and new surface storage. We strongly support additional water storage capacity, both surface and

groundwater, as part of CALFED's common program rather than as a variable option. Increased storage capacity is needed to successfully operate the ERPP.

Conveyance

We strongly support improved conveyance through the Delta to meet CALFED objectives. Alternative 1 does not meet these objectives and should be dropped from further consideration. Alternative 2 provides improved conveyance, although it provides minimal benefits to fish and export water quality. Alternative 3 is most protective of the fish and provides good export water quality. Alternative 3 could negatively impact local water quality in the Delta if not properly designed.

Finance

CALFED should continue to evaluate and develop cost allocation strategies that sustain the agricultural economy and recognize the public benefits derived from improved water quality, environmental protection, flood control, recreation, and truly adequate water supplies. The cost allocation should reflect water agencies' substantial investments in conservation, water recycling and other common programs. Agencies should receive financial credit for Category III investments, conservation programs, CVPIA contributions and other activities that contribute to CALFED's objectives. These cost allocation strategies must acknowledge that any effort to require additional payments from agricultural water users to replace supplies taken for environmental uses through regulatory actions or dedicated in the interim to environmental protections by federal actions and the Bay-Delta Accord is unacceptable.

CONCLUSION

The CALFED Draft PEIS/EIR is a useful programmatic evaluation of the impacts of alternatives and programs to restore the Bay-Delta system. The draft provides the basis for moving toward identifying the Preferred Alternative.

The Authority will continue to work with CALFED to insure reasonable implementation of the CALFED long-term program and expresses its appreciation for the many opportunities to participate in the development of the Draft PEIS/EIR that have been provided to date.

Very truly yours,



Richard M. Moss
General Manager

cc: FWUA Member Districts

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