



August 20, 2009

Honorable Mike Chrisman  
Secretary for Natural Resources  
California Natural Resources Agency  
1416 Ninth Street, Suite 1311  
Sacramento, CA 95814

Subject: Request for Concurrence in the use of the Emergency Exemption Provisions of CEQA for the Water Transfer from the Tehama Colusa Canal Authority Members (TCCA) to the San Luis & Delta-Mendota Water Authority (SLDMWA)

Dear Honorable Secretary Chrisman,

This letter is to request your concurrence in the use of the emergency exemption provisions of CEQA for the subject water transfer pursuant to the Governor's February 27, 2009, Proclamation of a state of emergency issued in response to the third consecutive year of drought in California.

This project is being implemented to provide critical water supplies in the form of water transfers from the willing sellers from the Sacramento Valley to willing buyers on the water short Westside of the San Joaquin Valley and is ready for implementation. This project will be implemented in a manner that mitigates for the environmental impacts of water transfers as referenced in the attached application.

The Emergency Proclamation also allows for SLDMWA to use the emergency provisions of CEQA if it received concurrence from the California Protection Agency and the Secretary for the California Natural Resources Agency.

Please sign below if you concur with the SLDMWA's use of the emergency exemption for the subject transfer is appropriate under the Governor's February 27, Emergency Proclamation.

Best Regards,

  
Frances Mizuno  
Assistant Executive Director

15990 KELSO ROAD

BYRON, CA

CONCUR-

94514

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Mike Chrisman  
Secretary for Natural Resources Agency

\_\_\_\_\_  
Date

209 833 1040

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## APPLICATION FOR SECRETARIAL DETERMINATION REGARDING DROUGH EMERGENCY PROJECT

Applicant:

Entity Name	San Luis & Delta-Mendota Water Authority
Street Name	P.O. Box 2157
City, State Zip	Los Banos, CA 93635
Telephone/Fax	Phone:209-832-6200 Fax: 209-833-1034
Email	frances.mizuno@sldmwa.org

Project Title: Water Transfer from the Tehama Colusa Canal Authority Members (TCCA) to the San Luis & Delta-Mendota Water Authority (SLDMWA).

Project Location-Specific:

Tehama, Colusa, Glenn, Yolo, San Joaquin, Stanislaus, Merced, Fresno, Kings, San Benito and Santa Clara Counties.

The TCCA is a Joint Powers Authority comprised of 17 Central Valley Project water contractors. The service area spans four counties (Tehama, Glenn, Colusa, and Yolo) along the west side of the Sacramento Valley, providing irrigation water to farmers growing a variety of permanent and annual crops. TCCA operates and maintains the 140 mile Tehama-Colusa and Corning canals irrigation water supply system. The service area is approximately 150,000 acres.

The SLDMWA is a Joint Powers Authority comprised of 30 Central Valley Project water contractors. The service area spans seven counties (San Joaquin, Stanislaus, Merced, Fresno, Kings, San Benito and Santa Clara) along the Westside of the San Joaquin Valley into the Silicon Valley in the South Bay Area. These contractors provide irrigation water for permanent and annual crops, water for wildlife refuges and M&I purposes. The SLDMWA operates and maintains the 117 mile Delta-Mendota Canal, Jones Pumping Plant and O'Neill Pump/Generating Plant. The water contractors who will take delivery of the transferred water are Del Puerto Water District, Eagle Field Water District, Mercy Springs Water District, Pacheco Water District, Panoche Water District, San Benito County Water District, San Luis Water District, Santa Clara Valley Water District and Westlands Water District., located in San Joaquin, Stanislaus, Merced, San Benito, Santa Clara, Fresno and Kings Counties.

Project Description:

TCCA just recently offered this one-year water transfer to the San Luis & Delta-Mendota Water Authority (SLDMWA). This one-year water transfer from participating TCCA Member Contractors collectively referred to herein as

"Transferors" is for up to 30,000 acre-feet of CVP water. The transfer water is CVP water which would otherwise be diverted from the Sacramento River and delivered from the Tehama Colusa Canal under the participating TCCA member contractors' water service contract.

The transfer water would be made available through a combination of groundwater substitution (up to 28,000 acre-feet) and voluntary crop shifting actions (up to 7,000 acre-feet) implemented by the participating TCCA member contractors during the 2009 water year. These actions were taken in the beginning of the 2009 water year when initial CVP water allocations were announced at 10%. In response, water users in the participating districts increased groundwater pumping, altered cropping and purchased additional water from water suppliers in the basin. Because of the increased precipitation in February through May 2009 period, Reclamation increased the water supply allocation for each transferor to 40% of contract supply in May 2009. However, because of the cropping and water use decisions that water users within each transferor's service area had already made, the additional allocation from Reclamation would be the source of the surplus that each transferor is offering to be a part of the proposed water transfer. Crop shifting resulted generally from the reductions in the amount of corn, tomatoes, cotton, and onions in production and replacing these crops with less water insensitive plantings of beans, sunflower, vine seed, and wheat.

Table 1 provides a summary of the participating water districts, actions taken and the amount of water made available for transfer. The water made available through groundwater substitution includes a 12% reduction factor which is consistent with percent reduction used for groundwater substitution credits to the State of California 2009 Drought Water Bank. Crop shifting actions under the proposed action does not include rice fields.

**Table 1. Water Transfer Up to Quantities**

District	Quantity (AF)
4M W.D.	200
Colusa County W.D.	8,000
Cortina W.D.	400
Dunnigan W.D.	1,040
Holthouse W.D.	750
Glide W.D.	300
Kanahwa W.D.	2,000
LaGrande W.D.	2,100
Orland-Artois W.D.	2,433

Thomes Creek W.D.	500
Westside W.D.	11,866
<b>Total</b>	<b>29,589</b>

Where applicable in the water-use analysis, the unit values for evapotranspiration of applied water (ETAW) are from the California Department of Water Resources' (DWR) White Paper, Water Transfers Based on Crop Shifting and Crop Idling for DWR's 2009 Drought Water Bank and Bureau of Reclamation's Water Acquisition Program, dated August 22, 2008. These values were used to determine the quantity of water available for transfer through implementation of the 2009 crop shifting. The DWR's White Paper, Groundwater Substitution Transfers, How to Make Them Work in the Sacramento Valley in 2009, dated August 22, 2008, was used to assist in the determination of the quantity of water available for transfer through 2009 groundwater substitution. The Bureau of Reclamation (Reclamation) has performed this analysis and approved the transfer.

The transfer would be undertaken in a manner that allows Reclamation to accrue control of the transfer water at the Red Bluff Diversion Dam and to convey such water through the Delta for subsequent diversion in Old River. The diverted water would later be delivered to the Participating SLDMWA Member Contractors. Reclamation will, to the extent possible, operate the CVP and coordinate these operations with DWR to facilitate the conveyance of the transfer water through the Delta and south to the Participating SLDMWA Member Contractors. All transfer water will be conveyed through and diverted in the Delta by September 30, 2009 and delivered to the participating SLDMWA member contractors by February 29, 2010.

This transfer will be pumped with available capacity at the Banks Pumping Plants, and CVP Project Use Energy will be used to pump the transferred water. If available capacity at either Banks or Jones Pumping Plants is limited to facilitate this transfer, and other transfer arrangements during 2009, the available capacity will be allocated proportionately among all such actions and only after CVP-wide commitments have been met. No specific priority for available capacity will be provided for the purposes of delivery pursuant to this transfer. **It is anticipated that Banks Pumping Plant will be able to pump this transfer water at a rate of 500 cfs. Therefore to pump the total quantity of water would take a minimum of 24 days. Pumping of this water would need to begin by September 6, 2009.**

The total quantity of transferred water to be delivered to the participating SLDMWA member contractors will be reduced by an estimated 15-25 percent to account for Delta carriage losses. The actual carriage losses will be determined by Reclamation for the period the transfer water is conveyed through the Delta.

The transferred water would be used within the areas serviced by the San Luis and Delta-Mendota canals to irrigate only lands that were under irrigation during the last 3-year period (2006-2008) and the delivery of the transfer water to such lands, in addition to Reclamation's allocation of CVP water to those lands, would not exceed the total CVP contract quantity for the respective CVP contractors receiving the transfer water. No conversion of habitat for fish and wildlife species would occur as a result of application of the water made available under the proposed action. The conditions that have made the transfer water available, as previously described, would have existed notwithstanding the proposed transfer. No additional change in crop patterns, surface or groundwater use, fish and wildlife habitat or other conditions in the service areas of the transferors would occur as a result of the transfer.

Name of Public Agency Approving Project:

4M Water District, Colusa County Water District, Cortina Water District, Dunnigan Water District, Glide Water District, Holthouse Water District, Kanawha Water District, LaGrande Water District, Orland-Artois Water District, Thomas Creek Water District, Westside Water District, San Luis & Delta-Mendota Water Authority, Del Puerto Water District, Eagle Field Water District, Mercy Springs Water District, Pacheco Water District, Panoche Water District, San Benito County Water District, San Luis Water District, Santa Clara Valley Water District, Westlands Water District. and United States Bureau of Reclamation (Reclamation)

Nature, Purpose and Beneficiaries of Project:

The up to 30,000 acre-feet of water have been made available by the Transferors during the irrigation season as a result of a combination of crop idling and crop shifting decisions that water users within each Transferor made, or ground water pumping conducted by such water users, during the time when Reclamation had imposed an 85% water supply reduction on the Northern CVP water service contract quantity available to each Transferor in 2009. Each Transferor committed to the purchase of quantities of water from sources other than its Reclamation water service contract in order to supplement the 15% supply allocation from Reclamation. In May 2009, Reclamation increased the water supply allocation for each Transferor from 15% to 40% of contract supply. However, because of the cropping and water use decisions that water users within each Transferor's service area had already made, the additional 25% allocation from Reclamation is the source of the surplus that each Transferor has committed to be a part of the Transfer Water under this transfer.

The transferred water will be available to provide irrigation water to complete the irrigation season to all the Participating Member Agencies' water users within the SLDMWA to supplement the current extreme water shortage situation due to dry

conditions, regulatory and operational constraints. The SLDMWA Member Agency water users are south of the Delta CVP agricultural water service contractors within the San Joaquin Valley that are the most impacted by the drought and regulatory constraints. The CVP allocation to these contractors is only 10 percent. The 2009 Drought Water Bank only netted less than 32,000 AF to the Authority members. Much of the permanent crops have been deficit irrigated this year. Having this supplemental water will provide additional irrigation water to the impacted permanent crops.

In order to take full advantage of this available water and the available pumping capacity at Banks Pumping Plant it is prudent upon SLDMWA Participating Member Agencies to purchase this water.

The window to pump transfer water at Banks Pumping Plant ends on September 30, 2009. Pumping of this water must begin no later than September 6, 2009 in order to ensure all the water can be all pumped at Banks at a rate of 500 cfs before September 30, 2009. Based on this timeframe, it does not allow sufficient time to complete the CEQA process and therefore, this application is submitted for a concurrence that this project qualifies as an emergency project under the Governor's Emergency Drought Proclamation and is therefore CEQA exempt.

Exemption or Suspension Status: (Check one)

- Declared Emergency [PRC, Sec.21080(b)(3);21172]
- Emergency Project [PRC, Sec.21080(b)(4); 14 CCR, Sec. 15269(c)]
- Suspension of Water Code section 13247

Reasons Why Project is Exempt:

**21080(b)(4) This project satisfies the Proclamation and the elements of the emergency statutory exemptions as an activity that prevents or mitigates the effects of the drought.**

On February 7, 2009, the Governor issued a Proclamation declaring a state of emergency resulting from three consecutive drought conditions in the state. Due to extremely dry conditions, regulatory and operational constraints, the allocation of the CVP agricultural water service contractors south of the Delta is 10 percent.

Availability is further curtailed by water needs for special status species. Recently imposed limitations on water use to protect endangered species include a December 2008 Biological Opinion for delta smelt, the listing of long-fin smelt as threatened and the uplisting of delta smelt to endangered status under California's Endangered Species Act of March 4, 2009. Further restrictions to protect salmonids and marine mammal species have been imposed in the

National Marine Fisheries Services' Biological Opinion on the Long-Term Operations Criteria and Plan (OCAP) for the Central Valley Project and State Water Project .( DWR Report at p. 15.)

This drought event is also unlike past droughts because California agricultural industry has also shifted to higher value permanent crops. Due to the investments necessary for such crops, changing crop patterns and land fallowing are not available options. (*Ibid.*) Economic losses in the Central Valley in 2009 are projected to range between \$1.6 million to \$2.2 million. Agricultural users received only 10% of their allotment of CVP water this year. Other supplemental water is also very limited. Authority members only received less then 32,000 AF of water from the 2009 Drought Water Bank and just recently received approval for the 45,000 AF of the San Joaquin River Tributary Group transfer which will be pumped in the month of September.

In sum, as result of the limited Project supplies this year, it is estimated that close to 300,000 acres of agricultural land was fallowed this year. This additional water transfers is essential to provide supplemental supplies to help mitigate further devastating crop losses particularly for the permanent crops or risks to human, health and safety.

#### Explanation of How Project Serves the Purposes of the Drought Proclamation:

To combat the dire water supply conditions, the Governor ordered immediate action to manage the crisis. These actions include facilitating water transfers to regions hardest hit by the drought. This project will specifically provide additional water supply to the Westside of the San Joaquin Valley most impacted by the drought and regulatory actions. It will provide up to 30,000 acre-feet of water to permanent crops and help reduce further revenue and crop losses affecting the agricultural communities. Currently the total estimated water transfers to the SLDMWA Member Districts totals 138,000 acre-feet. This includes transfers from the Drought Water Bank, the Yuba County Water Agency transfer, San Joaquin River transfer and this project. This water transfer of up to 30,000 acre-feet makes up 22 percent of the total estimated water from water transfers to the Water Authority region in 2009.

#### Describe Any Actions Related to the Project that the Applicant is Taking to Protect the Public and the Environment:

In order to protect the public and the environment, the following parameters within which this transfer will be conducted are:

- A. For any transfer of this project water through the Delta, DWR and Reclamation will continue to operate the Projects in accordance with the 2008 delta smelt and 2009 Salmon biological opinion which

analyzed the effects of a maximum of 600,000 acre-feet of transfers exported from July-September.

- B. Carriage loss will be deducted from the water transferred through the Delta.
- C. The total quantity of water delivered to the CVP contractors as a result of this transfer will not exceed historic average deliveries.
- D. This transfer will not result in the net loss of Sacramento River flows.
- E. There will be no additional changes in crop patterns, surface or groundwater use, fish and wildlife or other conditions in the service areas of the transferors as a result of this transfer.
- F. The transfer water shall be pumped at Banks Pumping Plant during the period of September 1- September 30, 2009.

Frances C. Mizuno  
Applicant Contact Person

Assistant Executive Director  
Title

209-832-6200  
Phone Number

Frances C. Mizuno  
Applicant Signature

August 20, 2009  
Date

For Agency Use Only

I hereby determine that this project falls within one or more of the exemptions and suspension referenced in paragraph 17 of the Governor's Drought Emergency Proclamation dated February 27, 2009. (This determination may be signed in counterparts.)

\_\_\_\_\_  
Linda S. Adams  
Secretary for the Environmental  
Protection Agency

Date

Mike Chrisman  
Mike Chrisman  
Secretary for Natural Resources  
Agency

8/29/09  
Date