

# Water Wrights

Exchange Contractors December 4, 2020

By Don A. Wright

**T**he **Exchange Contractors** board of directors met on Friday, December 4, 2020 remotely from its Los Banos headquarters on GoToMeeting. Before the meeting began there was talk about weather. DWR has recently made a 10 percent allocation for the 2020-21 water year. It has been a dry start but in many years a wet start fizzles out and the precipitation from January to May isn't much. The old high pressure ridge is riding off the coast of California and it pushes storms to the Pacific Northwest. It's good to keep in mind when the weather forecasters predict a 20 percent or 70 percent chance of rain what that means is – every time there is a very similar weather condition it rained two out of 10 days or seven out of 10 days. For some reason GoToMeeting can't stream audio and you have to call in.

At 9:00am Chairman **Jim O'Banion** called the meeting to order with the flag salute. The roll call was next and Executive Director **Chris White** invited those of us listening in to identify ourselves or forever hold our peace. The minutes were approved without discussion. There was no public comment and Controller **Joanne White** gave the financial and accounts payable reports. She said there was some legal activities that pushed costs up but still within budget. So, things are tracking OK for **Ex Con** budget wise. The board approved.



## **Water Report**

Water Master **Adam Hoffman** gave the water report saying Shasta storage is static. San Luis Reservoir is the same. Releases have been about the same as inflow. Lake Millerton is up a hair and Pine Flat Reservoir is static. He said there isn't a firm update on what's happening with Southern Cal Edison upstream from Friant. You may recall a massive fire that denuded a third or more of the San Joaquin River watershed and that could be an uncertainty on operations. The Jones Plant in the Delta is only running one pump. The Banks Plant is also under producing. Delta conditions are uninspiring between now and the next storms. Mid December is the nearest window expected for rain. Someone who sounded a lot like Director **Mike Stearns** asked Hoffman if PG&E is planning on selling assets at Bass Lake. That took folks by surprise and White said he'll look into it.

## **Management Reports**

White then gave his report saying ACWA will start next week and Ex Con will listen in on that. There is a meeting with the US Bureau of Reclamation to discuss land and real estate matters related to the SJR Restoration program. Sack Dam on the San Joaquin River needs some fish screens and the placement of that facility is in question. He said Ex Con is following the appropriation activity on the federal side. He reported the Ex Con GSA had a hearing on pertinent legal action. Triangle T Water

District has hired help for Dr. **Ken Schmidt** to produce a pumping plan. Staff and management is still working on strategic planning.

**Steve Chedester** gave his Director of Policy report saying the fish screen design has been pushed back to March of 2021. This delay is expensive and there needs to be a sit down with the Bureau over this. He said the only thing reportable about Temperance Flat was the return of \$171 million early Prop One money. The California Water Commission is looking at some why to be sure the money is spent in the Central Valley but it most likely will be divided by other projects that didn't receive full funding. Chedester said the San Joaquin Valley Water Blueprint is still going on and MBK Engineering is helping to review projects that could be used for restoring some of the lost surface water.

White next talked about the Del Puerto Canyon Reservoir project saying the local and Denver USBR offices have given approval. A feasibility report will be sent to the Secretary of Interior and that office find the project a go. He said transfer procedure and policy is under development as this water source is brought online.

### **Regulations**

Consultant **Dave Cory** gave is report saying the big news is more paperwork. Forms for Irrigation & Nitrogen Management are very important to complete and turn in. The State Board can charge you a \$1,000 per day late fee. If the form comes in a day late it could sit around accruing late fees until some unelected government worker gets around to checking off a box. If it takes 60 days to happen that's a \$60,000 fine possible. Is there any wonder an entire job classification of compliance management has sprung up? Cory said the State Board is looking to make examples and force folks to comply by fear. He said they have the power to do so.

Cory also said drinking water well monitoring is a process directly linked to the Regional Board and will not be routed through any coalition activities. Of course this requires more paperwork. He also said the CV Salts prioritization and optimization study is moving forward. This is a study actually about salt and not some other constituent. Cory said Ex Con isn't in a bad nitrate area but it is a huge effort and coordination effort in other areas. He said they're keeping a close eye on the situation to learn what not to do when it's Ex Con's turn.

### **Politics & Law**

White gave a legislation and political report which was pretty sparse because he only briefly quoted the lobbyists' reports. Congressman **David Valadao** has been successful in retaking his sit from **T.J. Cox**. Good for Valadao and perhaps other Valley congressmen will learn not to take campaign donations from the Natural Resource Defense Council. Representative Jim Costa did not end up with chairmanship of the ag committee. That went to a guy from Georgia who isn't considered as moderate as Costa.

Then a man almost too nice to be an attorney, **Paul Minasian** reported there will be a meeting coming up to prepare for the lawsuit regarding San Joaquin River supplies and Friant if I understood correctly. He said on the state side low precipitation could cause some troublesome issues from the State Board. The unimpaired flows through the Delta has taken an interesting turn. It looks like super litigator/State AG **Xavier Becerra** may not have a stomach for a bigger fight from the tributary forces.

### **Four Managers Reports**

San Luis Canal Company GM **John Wiersma** reported an update on the district's website making interaction with shareholders easier and more efficient.

Firebaugh Canal Water District GM **Jeff Bryant** said growers can run through the 23<sup>rd</sup> of this month then the district will shut down for canal repairs and maintenance. The newly formed

Grasslands Basin Authority has taken over all the SJR water quality work. He said there is no longer a connection with Panoche WD.

Central California ID GM **Jarrold Martin** said November was higher than average but it's good to see growers looking ahead and recharging in case of a dry year. He said they are going to try a more aggressive weed control program.

Columbia Canal Company GM **Randy Houk** said water deliveries ended last month and they are trying to wrap up maintenance earlier to take advantage of the drier weather.

Joann White recommended moving next month's board meeting from New Year's Day to the following Friday, January 8<sup>th</sup>, 2021. The board was fine with that.

Under informational items White showed a map of the area from the 1800s before there was a town of Los Banos as we know it. When you come into town from the east on State Route 152 you'll see the Canal Farm Inn. That is the old Miller & Lux headquarters. He quoted two different early Valley visitors. One, **William Brewer** arrived in June and he said the entire mess was one big tender box of dead weeds. The other, **John Muir** arrived in March and said the lush greenery and wildflowers were like walking on liquid gold. Bryant said the Mid Pacific Water Users Conference has been cancelled. O'Banion called the meeting over and they went into closed session at 10:01am.

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### **SAN JOAQUIN RIVER EXCHANGE CONTRACTORS WATER AUTHORITY**

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DWR SGMA Identifier #5-022.07

The Exchange Contractors cover almost a quarter of a million acres in Fresno, Madera, Merced and Stanislaus Counties.

#### **Mission Statement**

The Exchange Contractors Water Authority mission is to effectively protect the Exchange Contract and maximize local water supply, flexibility and redundancy in order to maintain local control over the members' water supply.

#### **Board**

James O'Banion-Chair Central California Irrigation District, Chris Cardella-Vice Chair Columbia Canal Company, James L. Nickel-Treasurer San Luis Canal Company, Mike Stearns-Director Firebaugh Canal Water District

#### **Staff**

Chris White-Executive Director, Steve Chedester- Director Policies & Programs, Adam Hoffman-Water Resources Specialist, Joann White-Director Finance and Human Resources, Patty Baldini-Office Assistant, Darlene O'Brien- Administrative Assistant, Paul Minasian-Attorney

#### **History**

From the Exchange Contractors' website: [www.sjrecwa.net](http://www.sjrecwa.net) 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 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 af).

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.