

MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: October 7, 2024

RE: Update on Water Policy/Resources Activities

Background

This memorandum is provided to briefly summarize the current status of various agency processes regarding water policy activities, including but not limited to the (1) Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; (2) State Water Resources Control Board action; (3) San Joaquin River Restoration Program; (4) Delta conveyance; (5) Reclamation action; (6) Delta Stewardship Council action; (7) San Joaquin Valley Water Blueprint and San Joaquin Valley Water Collaborative Action Plan.

Policy Items

Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project

In August 2016, the Bureau of Reclamation and California Department of Water Resources (DWR) requested reinitiation of consultation with NOAA Fisheries, also known as National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (FWS) due to multiple years of drought, low populations of listed species, and new information developed as a result of ongoing collaborative science efforts over the last 10 years.

On Jan. 31, 2019, Reclamation transmitted its Biological Assessment to the Services. The purpose of this action is to continue the coordinated long-term operation of the CVP and SWP to optimize water supply delivery and power generation consistent with applicable laws, contractual obligations, and agreements; and to increase operational flexibility by focusing on nonoperational measures to avoid significant adverse effects to species.

The biological opinions carefully evaluated the impact of the proposed CVP and SWP water operations on imperiled species such as salmon, steelhead and Delta smelt. FWS and NMFS documented impacts and worked closely with Reclamation to modify its proposed operations to minimize and offset those impacts, with the goals of providing water supply for project users and protecting the environment.

Both FWS and NMFS concluded that Reclamation's proposed operations will not jeopardize threatened or endangered species or adversely modify their critical habitat. These conclusions were reached for

several reasons – most notably because of significant investments by many partners in science, habitat restoration, conservation facilities including hatcheries, as well as protective measures built into Reclamation's and DWR's proposed operations.

On Oct. 21, 2019, FWS and NMFS released their biological opinions on Reclamation's and DWR's new proposed coordinated operations of the CVP and SWP.

On Dec. 19, 2019, Reclamation released the final Environmental Impact Statement analyzing potential effects associated with long-term water operations for the CVP and SWP.

On Feb. 18, 2020, Reclamation approved a Record of Decision that completes its environmental review for the long-term water operations for the CVP and SWP, which incorporates new science to optimize water deliveries and power production while protecting endangered species and their critical habitats.

On January 20, 2021, President Biden signed an Executive Order: "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis", with a fact sheet attached that included a non-exclusive list of agency actions that heads of the relevant agencies will review in accordance with the Executive Order. Importantly, the NOAA Fisheries and U.S. Fish and Wildlife Service Biological Opinions on the Long-Term Operation of the Central Valley Project and State Water Project were both included in the list of agency actions for review.

On September 30, 2021, Reclamation Regional Director Ernest Conant sent a letter to U.S. FWS Regional Director Paul Souza and NMFS Regional Administrator Barry Thom requesting reinitiation of consultation on the Long-Term Operation of the CVP and SWP. Pursuant to 50 CFR § 402.16, Reclamation indicated that reinitiation is warranted based on anticipated modifications to the Proposed Action that may cause effects to listed species or designated critical habitats not analyzed in the U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) Biological Opinions, dated October 21, 2019. To address the review of agency actions required by Executive Order 13990 and to voluntarily reconcile CVP operating criteria with operational requirements of the SWP under the California Endangered Species Act, Reclamation and DWR indicated that they anticipate a modified Proposed Action and associated biological effects analysis that would result in new Biological Opinions for the CVP and SWP.

Following this action, on October 20, 2021, the SLDMWA sent a letter to Reclamation Regional Director Ernest Conant requesting participation in the reinitiation of consultation pursuant to Section 4004 of the WIIN Act and in the NEPA process as either a Cooperating Agency or Participating Agency.

On February 26, 2022, the Department of the Interior released a Notice of Intent to Prepare an Environmental Impact Statement (EIS) and Hold Public Scoping Meetings on the 2021 Endangered Species Act Reinitiation of Section 7 Consultation on the Long-Term Operation of the Central Valley Project and State Water Project². In response to this, on March 30, 2022, the SLDMWA submitted a comment letter highlighting actions for Reclamation to consider during preparation of the EIS.

¹ https://www.whitehouse.gov/briefing-room/statements-releases/2021/01/20/fact-sheet-list-of-agency-actions-for-review/

² https://www.govinfo.gov/content/pkg/FR-2022-02-28/pdf/2022-04160.pdf

During May 2022, Reclamation issued draft copies of the Knowledge Base Papers for the following management topics and requested supplementary material review and comments, to which the Authority submitted comment letters in June:

- 1. Spring-run Juvenile Production Estimate- Spring-run Survival Knowledge Base Document, May 2022
- 2. Steelhead Juvenile Production Estimate-Steelhead Survival Knowledge Base Document, April 2022
- 3. Old and Middle River Reverse Flow Management Smelt, Chinook Salmon, and Steelhead Migration and Survival Knowledge Base Document, May 2022
- 4. Central Valley Tributary Habitat Restoration Effects on Salmonid Growth and Survival Knowledge Based Paper, March 2022
- 5. Delta Spring Outflow Management Smelt Growth and Survival Knowledge Base Document, May 2022
- 6. Pulse Flow Effects on Salmonid Survival Knowledge Base Document, May 2022
- 7. Summer and Fall Habitat Management Actions Smelt Growth and Survival Knowledge Base Document, May 2022
- 8. Shasta Cold Water Pool Management End of September Storage Knowledge Base Document, May 2022

Subsequent to the Knowledge Base Paper review, a Scoping Meeting was held, to which Water Authority staff provided comments, resulting in the release of a Scoping Report³ by Reclamation in June 2022.

On October 14, 2022, Reclamation released an Initial Alternatives Report (IAR).

On May 16, 2023, Reclamation provided an administrative draft copy of the Proposed Action, titled "State and Federal Cooperating Agency Draft LTO Alternative" to agencies that have executed an MOU with Reclamation on engagement. Authority staff is reviewing the document and provided feedback to Reclamation, in coordination with member agencies and other CVP contractors.

On June 30, 2023, Reclamation released a draft Qualitative Biological Assessment for review by agencies that have executed an MOU with Reclamation on engagement, though Reclamation is not accepting formal comments. Note that this release does not initiate formal ESA consultation and is being provided to assist the fishery agencies in setting up their documents and resources for the formal consultation, which we expect to begin in late September/early October.

On July 21[,] 2023, Reclamation released an Administrative Draft Terrestrial Biological Assessment for review by agencies that have an MOU with Reclamation on engagement, though Reclamation is not accepting formal comments. Note that this release does not initiate formal ESA consultation and is being provided to assist the fishery agencies in setting up their documents and resources for the formal consultation, which we expect to begin in late September/early October.

On September 15, Reclamation released a Draft Environmental Impact Statement for 30-day NEPA Cooperating Agency review. The SLDMWA coordinated review of the document with member agencies

³ https://www.usbr.gov/mp/bdo/docs/lto-scoping-report-2022.pdf

and technical consultants and submitted both high-level and technical comments on the document⁴ on October 16.

On October 10, 2023, Reclamation transmitted an Aquatic species Quantitative Biological Assessment, and on October 18, 2023, Reclamation transmitted a Terrestrial Species Quantitative Biological Assessment to the Services and to consulting agencies pursuant to the WIIN Act.

On June 28, 2024, the U.S. Fish and Wildlife Service released their Draft Biological Opinion for WIIN Act agency review and comment, with comments due on July 29, after a two-week extension was granted by the Service. Authority staff coordinated with member agencies to provide comments on the document⁵.

Additionally, on July 18, NOAA Fisheries released an incomplete draft Biological Opinion for WIIN Act agency review and comment, and subsequently released the Effects Analysis sections of the BiOp on July 25, 2024. Comments on the draft Biological Opinion were due on August 12, 2024, and Authority staff coordinated with member agencies to provide comments⁶. Additionally, members of the California Congressional delegation requested⁷ an extension of the public comment period and NOAA Fisheries provided a response to the Congressional request⁸.

Next, on July 26, 2024, Reclamation released the Draft EIS on the LTO for a 45-day public review and comment period. The comment period closed on September 9 and the Water Authority coordinated comments in response with member agencies⁹.

Finally, the Fish and Wildlife Service and NOAA Fisheries released their draft Incidental Take Statements for review by WIIN Act coordinating entities on September 26th. The Water Authority and some members provided comments¹⁰ on the draft FWS ITS on September 30 and submitted comments¹¹ on the draft NOAA Fisheries ITS on October 4th.

Current Milestones

Sep: Trinity Modeling anticipated

• Oct 15: Final LTO FWS BiOp

• Nov 13: Final LTO EIS

• Dec 6: Final LTO NMFS BiOp

Dec 13: Final LTO Record of Decision

⁵ Request from Authority staff.

⁶ Request from Authority staff.

⁷ Request from Authority staff.

⁸ Request from Authority staff.

⁹ Request from Authority staff.

¹⁰ Request from Authority staff.

¹¹ Request from Authority staff.

⁴ Request from Authority staff.

Early 2025: Trinity Cooperating Agency Draft EIS/Draft Biological Assessment

• Spring 2025: Trinity Public Draft EIS

Late 2025: Trinity Biological Opinion, Final NEPA and ROD

Note: There are also Endangered Species Act consultations on the Trinity River and Klamath River that may have overlap/interactions with the consultation for the CVP/SWP.

State Water Resources Control Board (State Water Board) Activity

Bay Delta Water Quality Control Plan Update

Background

The State Water Board is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ("Bay Delta Plan") in two phases (Plan amendments). The first Plan amendment is focused on San Joaquin River flows and southern Delta salinity ("Phase I" or "San Joaquin River Flows and Southern Delta Salinity Plan Amendment"). The second Plan amendment is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows ("Phase II" or "Sacramento/Delta Plan Amendment").

During the December 12, 2018 Water Board Meeting, the Department of Water Resources ("DWR") and Department of Fish and Wildlife presented proposed "Voluntary Settlement Agreements" ("VSAs") on behalf of Reclamation, DWR, and the public water agencies they serve to resolve conflicts over proposed amendments to the Bay-Delta Plan update. ¹² The State Water Board did not adopt the proposed VSAs in lieu of the proposed Phase 1 amendments, but as explained below, directed staff to consider the proposals as part of a future Delta-wide proposal.

Phase 1 Status: The State Water Board adopted a resolution¹³ to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

Most recently, on July 18, 2022, the State Water Resources Control Board issued a Notice of Preparation (NOP)¹⁴ and California Environmental Quality Act (CEQA) Scoping Meeting for the Proposed Regulation to Implement Lower San Joaquin River Flows (LSJR) and Southern Delta Salinity Objectives in the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta (Bay-Delta Plan).

The purpose of the NOP is: (1) to advise responsible and trustee agencies, Tribes, and interested organizations and persons, that the State Water Board or Board will be the lead agency and will prepare a draft EIR for a proposed regulation implementing the LSJR flow and southern Delta salinity components

https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

¹² Available at https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf.

¹³Available at

¹⁴ Available at https://www.waterboards.ca.gov/public notices/notices/20220715-implementation-nop-and-scoping-dwr-baydelta.pdf

of the 2018 Bay-Delta Plan, and (2) to seek input on significant environmental issues, reasonable alternatives, and mitigation measures that should be addressed in the EIR. For responsible and trustee agencies, the State Water Board requests the views of your agency as to the scope and content of the environmental information related to your agency's area of statutory responsibility that must be include in the draft EIR.

In response to the release of the NOP, the Water Authority and member agencies provided scoping comments¹⁵.

Phase 2 Status: In the State Water Board's resolution adopting the Phase 1 amendments, the Water Board directed staff to assist the Natural Resources Agency in completing a Delta watershed-wide agreement, including potential flow and non-flow measures for the Tuolumne River, and associated analyses no later than March 1, 2019. Staff were directed to incorporate the Delta watershed-wide agreement as an alternative for a future, comprehensive Bay-Delta Plan update that addresses the reasonable protection of beneficial uses across the Delta watershed, with the goal that comprehensive amendments may be presented to the State Water Board for consideration as early as possible after December 1, 2019.

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents¹⁶ to the State Water Board that reflect progress since December to flesh-out the previously submitted framework to improve conditions for fish through targeted river flows and a suite of habitat-enhancing projects including floodplain inundation and physical improvement of spawning and rearing areas.

Since the March 1 submittal, work has taken place to develop the package into a form that is able to be analyzed by State Water Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review. Additionally, on February 4, 2020, the State team released a framework for the Voluntary Agreements to reach "adequacy", as defined by the State team.

Further work and analysis is needed to determine whether the agreements can meet environmental objectives required by law and identified in the State Water Board's update to the Bay-Delta Water Quality Control Plan.

On September 28, The State Water Resources Control Board released a draft Staff Report in support of possible updates to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) that are focused on the Sacramento River watershed, Delta, and Delta eastside tributaries (Sacramento/Delta).

The draft Staff Report includes scientific information and environmental and economic evaluations to support possible Sacramento/Delta updates to the Bay-Delta Plan. The report assesses a range of alternatives for updating the Sacramento/Delta portions of the Bay-Delta Plan, including: an alternative

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¹⁵ Request from Authority staff

¹⁶ Available at http://resources.ca.gov/docs/voluntary-agreements/2019/Complete March 1 VA Submission to SWRCB.pdf

based on a 2018 Framework document identifying a 55% of unimpaired flow level (within an adaptive range from 45-65%) from Sacramento/Delta tributaries and associated Delta outflows; and a proposed voluntary agreements alternative that includes voluntary water contributions and physical habitat restoration on major tributaries to the Delta and in the Delta. In addition, based on input from California Native American tribes, the draft Staff Report identifies the proposed addition of tribal and subsistence fishing beneficial uses to the Bay-Delta Plan.

The draft Staff Report is available for review on the <u>Board's website</u>. The Authority coordinated and submitted comments with member agencies¹⁷.

Schedule

LSJR Flow/SD Salinity Implementation Next Steps Assuming Regulation Path (Phase 1)

- Winter 2024/Spring 2025
 - o Final draft Staff Report for Tuolumne River VA
 - o Board workshop and consideration of Tuolumne River VA
 - o Final draft EIR and regulation implementing Lower SJR flows and South Delta Salinity
 - Board consideration of regulation implementing Lower SJR flows and South Delta Salinity

Sac/Delta Update: Key Milestones

- Summer 2024: Development of Draft Program of Implementation
- Winter 2024: Response to comments and development of proposed final changes to the Bay-Delta Plan
- Spring 2025: Board consideration of adoption

Voluntary Agreements

On March 29, 2022, members of the Newsom Administration joined federal and local water leaders in announcing the signing of a memorandum of understanding ¹⁸ that advances integrated efforts to improve ecosystem and fisheries health within the Sacramento-San Joaquin Bay-Delta. State and federal agencies also announced an agreement ¹⁹ specifically with the Sacramento River Settlement Contractors on an approach for 2022 water operations on the Sacramento River.

Both announcements represent a potential revival of progress toward what has been known as "Voluntary Agreements," an approach the Authority believes is superior to a regulatory approach to update the Bay-Delta Water Quality Control Plan.

The broader MOU outlines terms for an eight-year program that would provide substantial new flows for the environment to help recover salmon and other native fish. The terms also support the creation of new

¹⁷ Request from Authority staff.

¹⁸ Available at https://resources.ca.gov/-/media/CNRA-Website/Files/NewsRoom/Voluntary-Agreement-Package-March-29-2022.pdf

¹⁹ Available at https://calepa.ca.gov/2022/03/29/informational-statement-state-federal-agencies-and-sacramento-river-settlement-contractors-agree-on-approach-for-2022-water-operations-on-the-sacramento-river/

and restored habitat for fish and wildlife, and provide significant funding for environmental improvements and water purchases, according to a joint news release from the California Natural Resources Agency and the California Environmental Protection Agency (CalEPA). Local water agency managers signing the MOU have committed to bringing the terms of the MOU to their boards of directors for their endorsement and to work to settle litigation over engaged species protections in the Delta.

On June 16, the SLDMWA, Friant Water Authority and Tehama Colusa Canal Authority signed onto the VA MOU. Additionally, since that time, in September and November, four more agencies – Contra Costa Water District, San Francisco Public Utilities Commission (SFPUC), Turlock Irrigation District (TID) and Modesto Irrigation District (MID) – have signed onto the VA MOU.

Work continues to develop the working documents associated with execution and implementation of the VA's and workgroups for participating agencies have been formed. A number of documents continue to be developed, including a global agreement, implementing agreements for each tributary, enforcement agreements, an updated Science Plan, and governance plan.

On April 24-26, the State Water Resources Control Board held a three-day workshop on the Agreements, with sessions focused on many of the more developed plans and details of the program.

Delta Conveyance Project

Delta Conveyance Project Operations Plan

On Friday, August 23, DWR announced that the <u>DCP Operations Plan</u> is available. The notice indicates that the operations are consistent with what has been included in prior public documents, including the final EIR (12/2023) and the Project ITP allocation (4/2024).

DWR is *not* looking for any comments – they are presenting the Operations Plan for the State Board and the public. Some takeaways from my high-level review:

- States that DCP operations will be consistent with any DCP settlement with permit conditions.
- Confirms that the DCP will not change operational criteria associated with upstream reservoirs. Pulls in language (in section 2.1) that is included in various settlement agreements.
- Section 4.0 states that DWR "will continue to coordinate with USBR to minimize or avoid additional outflow requirements or require additional upstream stored water releases due to DCP operations." No additional detail is provided.
- Section 7.0 describes the potential use of the DCP for conveying transfers, which could reduce the
 amount of transfer water / Carriage Water flowing into the Delta. "If water transfers were
 diverted through the proposed north Delta intakes, buyers may assume that they will receive a
 larger percentage of the purchased water because less Carriage Water will be needed to maintain
 water quality."

Petition for Change of Point of Diversion and Rediversion for the Delta Conveyance Project

On February 22, 2024, the State Water Resources Control Board (Board) received a Petition for Change from the Department of Water Resources (DWR) to add two new points of diversion (POD) and rediversion (PORD) to the water right permits associated with the State Water Project. Specifically, the petition seeks to change Water Right Permits 16478, 16479, 16481, and 16482 (Applications 5630, 14443, 14445A, and 17512, respectively). The proposed new PODs/PORDs would consist of screened intakes 2.3 miles apart located on the lower Sacramento River between Freeport and Sutter Slough. The proposed new intakes

are part of the Delta Conveyance Project, which would allow DWR to divert water from the northern Sacramento-San Joaquin Delta Estuary (Delta) and convey the water through a tunnel to existing water distribution facilities in the southern Delta.

This petition is available on the DWR website at: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/Revised DCP CPOD Petition Package 2024.pdf

Protests against the change petition must have been filed by May 13, 2024, with a copy provided to the petitioner. SLDMWA entered into a Settlement Agreement²⁰ with DWR on the project.

The State Water Resources Control Board (State Water Board or Board) Administrative Hearings Office will hold a public hearing about the Delta Conveyance Project beginning on **January 16, 2025**. The hearing will address the water right change petitions filed by the Department of Water Resources to add two new points of diversion and rediversion to the water rights associated with the State Water Project, Permits 16478, 16479, 16481, and 16482 (Applications 5630, 14443, 14445A, and 17512, respectively).

The purpose of the hearing is to gather evidence to determine whether to approve these petitions and, if so, what specific terms and conditions, if any, should be included in the amended permits for the State Water Project. The Administrative Hearings Office held a pre-hearing conference on **August 13, 2024**, after which the AHO's Presiding Officer Nicole Kuenzi vacated the September 5 deadline to submit written comments on hearing issues and the November 4 deadline for all parties to file initial notices of intent to appear at the hearings.

HEARING SCHEDULE AND DEADLINES

| Deadlines / Schedule | Date and Time | |
|--|---------------------------------|--|
| Deadline to file optional pre-hearing | August 9, 2024 | |
| conference statements. | | |
| Initial Pre-Hearing Conference. | August 13, 2024, at 9:00 a.m. | |
| Deadline to submit written comments on hearing issues. | September 5, 2024 | |
| Second Pre-Hearing Conference. | October 17, 2024, at 9:00 a.m. | |
| Deadline for all parties to file initial NOIs, | November 4, 2024 | |
| including witness lists, and deadline for any | | |
| interested person who intends to give a policy | | |
| statement to file an NOI. | | |
| Deadline for parties to file case-in-chief | December 4, 2024 | |
| exhibits, exhibit identification indices, and | | |
| proposed permit terms. | | |
| Third Pre-Hearing Conference. | December 16, 2024, at 9:00 a.m. | |
| Hearing begins with policy statements. | January 16, 2025, at 9:00 a.m. | |
| Evidentiary portion of hearing begins. | January 30, 2025, at 9:00 a.m. | |

2024-2026 Proposed Geotechnical Activities Delta Plan Consistency

In compliance with the Delta Reform Act and Delta Stewardship Council regulatory process, the Department of Water Resources (DWR) posted a draft certification of consistency for the 2024-2026 Proposed Geotechnical Activities proposed action at least 10-days prior to formal submission. This draft certification only concerns certain geotechnical activities related to data collection (cone penetration

²⁰ Request from Authority staff.

tests, soil borings, and water quality sampling within soil borings). Planning and design geotechnical data collection from the 2024-2026 Proposed Geotechnical Activities will be important to inform the planning and design of the <u>Delta Conveyance Project</u>, as well as future discretionary permitting and funding decisions by DWR and other agencies.

DWR did not originally plan to submit a certification of consistency for these 2024-2026 Proposed Geotechnical Activities but is doing so now based on the direction from the Sacramento Superior Court's ruling on June 20,2024. DWR understands the 2024-2026 Proposed Geotechnical Activities to be preliminary investigations related to the Delta Conveyance Project's planning and design, which DWR understands to be separate from the Delta Conveyance Project's implementation. However, on June 20, 2024, the Sacramento Superior Court enjoined DWR "from undertaking the geotechnical work described in Chapter 3 of the Final Environmental Impact Report," which includes the 2024-2026 Proposed Geotechnical Activities, "prior to completion of the certification procedure that the DRA requires." DWR plans to submit this certification of consistency for the 2024-2026 Proposed Geotechnical Activities to comply with the order of the Superior Court of California, County of Sacramento.

U.S. Bureau of Reclamation

Reclamation Manual

Documents out for Comment

Draft Policy

• There are currently no draft Policies out for review.

Draft Directives and Standards

- HRM 11-01 Telework Program (comments due 10/13/24)
- HRM 07-03 Supervisors of Negotiated Rate Employees (XE Supervisors) (comments due 10/13/24)

Draft Facilities Instructions, Standards, and Techniques (FIST)

• There are currently no Instructions, Standards, and Techniques our for review.

Draft Reclamation Safety and Health Standards (RSHS)

• There are currently no Safety and Health Standards out for review.

Draft Reclamation Design Standards

There are currently no Design Standards out for review.

San Joaquin Valley Water Blueprint

The Water Blueprint for the San Joaquin Valley (Blueprint) is a non-profit group of stakeholders, working to better understand our shared goals for water solutions that support environmental stewardship with the needs of communities and industries throughout the San Joaquin Valley.

Blueprint's strategic priorities for 2022-2025: Advocacy, Groundwater Quality and Disadvantaged Communities, Land Use Changes & Environmental Planning, Outreach & Communications, SGMA Implementation, Water Supply Goals, Governance, Operations & Finance.

Mission Statement: "Unifying the San Joaquin Valley's voice to advance an accessible, reliable solution for a balanced water future for all.

Committees

Executive/Budget/Personnel

Blueprint contribution requests have been circulated and Board members will be following up with participants.

Education and Communications

Positive results from the joint Southern California Water Coalition and Water Blueprint Fall X2 letter, that was sent to the Governor & Secretary of the Interior. The letter highlighted that the Fall X2 Action for delta smelt during the 2024 water year creating a significant and unnecessary hardship on communities, the agricultural industry, and environmental resources in the San Joaquin Valley by reducing water-supply availability.

Bipartisan congressional letter stemming from Blueprint outreach and correspondence, sent to federal agencies related to the Ongoing Regulatory Processes for Long Term CVP and SWP Operations.

Activities

Fresno State Agricultural Summit

The Blueprint participated in a panel about alliances, moderated by Tom Holyoke, a professor of political science at Fresno State. The topic of discussion was about building alliances in the water world as an alternative to all of the conflicts we have seen over the last few decades. The Blueprint was able to highlight the building of alliances between traditional water users, like farmers, and environmental groups and the government. We had positive feedback about the Blueprint during the summit including good comments from the two keynote speakers, Secretary Crowfoot and Secretary Ross.

Unified Water Plan for the San Joaquin Valley

The Water Blueprint for the San Joaquin Valley Education Fund and the California Water Institute - Research and Education Division are working together to develop a Unified Water Plan for the San Joaquin Valley. Presentations and outreach are currently focused on Merced County and Madera County after successful presentations in Tulare, Kings and Fresno Counties. This two-year project will culminate in the publication of a report to be submitted to Congress.

CVP and SWP Water Supply Restrictions Strategic Plan²¹

The Hallmark Group developed a strategic plan and an implementation approach for review and approval by the Board. The Hallmark Group Contract for Strategic Advisory Services was approved for work completed from March 1, 2024, through on August 31, 2024. That contract was set at for a monthly retainer for 6 months. Hallmark billed against that retainer through the end of July 31. After the Strategic Plan was approved by the Blueprint Board, Hallmark provided a reduced level of effort while waiting for

²¹ Request from Authority staff

direction on the Implementation Plan. On a going forward basis Hallmark, starting September 1st, will continue on a time and materials for advisory services as needed through the end of the year.

The Board continues to express the importance of outreach to the public and state and federal officials specifically related to the efficacy of proposed regulations, water supply reductions, environmental and socio-economic impacts in the SJV. The objective is protecting the operational flexibility restored by 2019 biological opinions and 2020 record of decision for coordinated operations of the Central Valley Project and State Water Project, which restored approximately 300,000 acre-feet to the average south-of-Delta delivery capability of the projects, and to expand operational flexibility for the CVP and SWP. The plan is organized into four principal topics: (1) objectives; (2) obstacles to achieving objectives; (3) means of overcoming obstacles; and (4) time frame.

Urban Water Agency Partnerships

Consistent with the MOU that was signed in May, Metropolitan Water District, Stantec and the Blueprint have a final draft scope and budget for the mutual analysis of groundwater storage and conveyance opportunities in the Central Valley. Other urban agencies, including Valley Water, have expressed an interest in joining and coordinating with the Blueprint in this investigation.

San Joaquin Valley Water Collaborative Action Program (SJVW CAP)

Background

The CAP Plenary Group adopted work groups to implement the CAP Term Sheet²², adopted on November 22, 2022. During Phase II, Work Groups are continuing to meet and discuss priorities and drafting various documents for their respective areas: Safe Drinking Water; Sustainable Water Supplies; Ecosystem Health; Land Use, Demand Reduction and Land Repurposing; Implementation.

The Plenary group met on September 24 to begin discussions around what the next phase of the CAP would entail, discussions are ongoing associated with potential work products.

²² Request from Authority staff

APPENDIX A



UPDATE

September 18, 2024

In August, the Blueprint and the Southern California Water Coalition submitted a letter to Governor Gavin Newsom and Secretary of the Interior Deb Haaland, advocating for the temporary suspension of the Fall X2 component of the Summer Fall Habitat Action for the 2024 water year. The request was based on scientific findings that showed no observable benefits for Delta smelt yet it created significant negative impacts to the Valley's water supply.

- In response to the water agencies and public input, and assessing the latest scientific studies and monitoring data, Reclamation and DWR, in coordination with fisheries agencies are modifying the Fall X2 action for the 2024 water year by implementing it in September and not implementing it in October. They are extending the Suisun Marsh Salinity Control Gate action into September in attempt to provide similar habitat benefits of the full X2 action implementation with a lower water cost.
- We are very supportive of this change, and it is an example of adaptive management that was clearly identified and evaluated in the 2019 Biological Opinions.
- This decision has the potential to conserve 400 TAF, depending on October's hydrology and tidal action, that will result in increased reservoir storage and potential increased SOD exports compared to prior forecasts.

The mission of the Water Blueprint for the San Joaquin Valley is to advocate for sustainable, reliable water solutions that address the critical water needs of the San Joaquin Valley's agricultural sector, communities, and ecosystems. The Blueprint focuses on developing comprehensive policies and infrastructure to ensure long-term water availability, balancing the requirements of farming, economic growth, and environmental protection.



September 9, 2024

Karl Stock Regional Director California-Great Basin Regional Office Federal Office Building 2800 Cottage Way, MP-100 Sacramento CA 95825-1898

Dear Mr. Karl Stock,

We are writing to urge that you direct the Bureau of Reclamation ("Reclamation") to modify the Proposed Action described in the Draft Environmental Impact Statement for Long-Term Operations of the Central Valley Project and State Water Project ("Draft EIS"), to eliminate "voluntary" actions that reduce available water supplies, when Reclamation releases the Final EIS. Stated succinctly, nothing in the Draft EIS suggests that additional operational modifications are required to ensure Reclamation complies with its obligations under the Endangered Species Act, and the negative socio-economic impacts resulting from the Proposed Action in the Preferred Alternative strongly argue against its adoption in its current form.

The Water Blueprint for the San Joaquin Valley is a coalition of community leaders, businesses, water agencies, local governments, and agriculture representatives working together to advance common-sense water solutions for the region. Our mission is to serve as the united voice championing water resource policies and projects to maximize accessible, affordable, and reliable water supplies for sustainable and productive farms and ranches, healthy communities, and thriving ecosystems in the San Joaquin Valley. The other signatories represented in this letter share in the Blueprint's mission to educate and advocate for those most impacted by the implications of the regulations that govern operations of the Central Valley Project and State Water Project.

Reclamation states that it prepared the Draft EIS "for the 2021 Endangered Species Act Reinitiation of Section 7 Consultation on the Long-Term Operation of the Central Valley Project (CVP) and State Water Project (SWP)." Draft EIS, 0-1. In turn, this Endangered Species Act Reinitiation of Section 7 Consultation was initiated (1) to comply with President Joe Biden's executive order directing the Department of Interior to review all existing regulations, orders, guidance documents, policies, and any other similar agency actions (agency actions) promulgated, issued, or adopted between January 20, 2017, and January 20, 2021; and (2) to voluntarily reconcile CVP operating criteria, as appropriate, with operational requirements of the SWP under the California Endangered Species Act. Draft EIS, 0-2.

However, nowhere in the Draft EIS is there a statement that operations of the CVP and SWP under the No Action Alternative¹ are likely to jeopardize the continued existence of any endangered species or

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¹ The Draft EIS describes the No Action Alternative as "continued operation of the CVP and the SWP as described in the 2020 Record of Decision and subject to the 2019 Biological Opinions. [The California Department of Water



threatened species or result in the destruction or adverse modification of designated critical habitat. Nor could Reclamation reach such a conclusion. In 2019, when the biological opinions on which the No Action Alternative is based were issued, then Regional Director of NOAA Fisheries Barry Thom and then and current Regional Director of the Fish and Wildlife Service Paul Souza described the diligent work of Reclamation to protect listed species and expressed the conclusion that operations of the CVP and SWP as then proposed would not jeopardize the continued existence of listed species or cause adverse modification of listed habitat. Both Directors Thom and Souza also emphasized that the 2019 Biological Opinions were based on the best scientific data available and what had been learned since prior biological opinions had been issued in 2008 and 2009.

For these reasons, a decision by Reclamation to modify Project operations consistent with the Proposed Action would represent a policy choice to voluntarily dedicate more CVP water to the protection, restoration, and enhancement of listed species. This begs the question, when is enough, enough? Since the early 1990s, when native fish species were first listed and the Central Valley Project Improvement Act, Pub. Law 102-575, was enacted, the CVP has dedicated and managed millions of acre-feet to the protection, restoration, and enhancement of fish and wildlife through the implementation of various statutory and regulatory modifications to project operations. As a result of these policy changes, the average delivery capability of the CVP has been reduced from a point in the early 1990s when the average allocation to south-of-Delta CVP irrigation contractors was 92% to a point today when the average allocation to these contractors is approximately 50%.

And these reduced surface water supplies have had significant negative impacts on human health and the environment in the San Joaquin Valley. The Draft EIS acknowledges that reduced surface water deliveries from the CVP under Alternatives 2, 3, and 4 "are anticipated to result in changes in Valley fever related to changes in irrigated agricultural land, methylmercury production and resultant changes in bioaccumulation in fish for human consumption, and public exposure to cyanotoxins due to an increase in CHABs." Draft EIS, 21-5.² Alternatives 2, 3, and 4 are also expected to result in changes to groundwater pumping, groundwater-surface water interaction, groundwater elevation, land subsidence, and groundwater quality. Draft EIS, 6-19.

These negative impacts resulting from Alternatives 2, 3, and 4 simply cannot be justified in light of the negligible, if any, benefits that will be provided to listed species through implementation of the alternatives. For instance, Alternative 2 and 3 are expected to have negligible benefits for Delta smelt, and Alternative 4 could have adverse effects for that species. Draft EIS, 12-53,54. Even for species like winter run Chinook salmon, Alternative 2, the preferred alternative, could have only "minimal" benefits.

Resources] would also operate the SWP consistent with the California Department of Fish and Wildlife's 2020 Incidental Take Permit for the SWP." Draft EIS, 03.

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² To avoid an increase in the incidence of Valley Fever, Reclamation proposes that water agencies implement Mitigation Measure AG-1, Diversify Water Portfolios. Draft EIS, 21-3. But the Draft EIS does not evaluate whether this mitigation measure is realistic or feasible, nor does it explain where water agencies would obtain the funding and alternative water supplies to implement this mitigation measure.



Draft EIS, 12-28. Alternatives 3 and 4 could, in fact, have adverse effects. Draft EIS, 12-28,29. In light of these negligible species benefits how can reduced surface water supplies, with the negative impacts noted above, be justified? From a scientific or biological perspective, the answer is reduced surface water supplies cannot be justified.

The Draft EIS acknowledges that the economy of the San Joaquin Valley is dependent on irrigated agriculture, and that action alternatives evaluated in the Draft EIS are likely to adversely affect that economy. Draft EIS, 14-6, 9. These impacts include reduced agricultural production, increased water supply costs, and reduced employment. But behind these statistics are people, people who live in the San Joaquin Valley and who work in irrigated agriculture and industries that support irrigated agriculture. Indeed, the Draft EIS states: "Changes in agricultural water availability resulting in changes to irrigated acreage and gross revenue in the agriculture sector have the potential to disproportionately affect minority and/or low-income populations since agricultural jobs are disproportionately held by minority and low-income individuals." Draft EIS, 17-5.

The question presented here is whether Reclamation should "voluntarily" dedicate more CVP water to the protection, restoration, and enhancement of listed species? This is purely a policy question. Given the negligible benefits to listed species and the negative impacts to human health and the environment, the clear answer to that question is "no." Reclamation should modify the Proposed Action to eliminate "voluntary" actions that reduce available water supplies, when Reclamation releases the Final EIS.

Thank you for your consideration of these comments.

Very truly yours,

Sincerely,

Eddie Ocampo, Chair

Water Blueprint for the San Joaquin Valley



Deanna Jackson

Deanna Jackson, Executive Director Tri-County Water Authority

Dave Puglia, President & CEO Western Growers Association

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Emily Rooney, President Agricultural Council of California

Lynne Mysude

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Lynne McBride, Executive Director California Dairy Campaign

Cornell Kasbergen, Boad Chairman Milk Producers Council

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Priscilla Rodriguez, Assistant Vice President Western Agricultural Processors Association California Cotton Ginners and Growers Association

Breanne Vandenberg, Executive Director Merced County Farm Bureau

Pete Kappelman, Senior Vice President Land O'Lakes Inc.

Christina Beckstead, Executive Director Madera County Farm Bureau

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Mike Wade, Executive Director California Farm Water Coalition

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Robert Verloop, Executive Director/CEO California Walnut Commission



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Manuel Cunha Jr., Nisei Farmers League

Will Scott, In

Will Scott Jr.

African American Farmers of California

Darrin Monteiro

SVP, Sustainability and Member Relations

California Dairies, Inc.

Renee Pinel, President/CEO Western Plant Health Association

Daniel Hartwig, President

California Fresh Fruit Association

Anti Mutamar

Kirti Mutatkar, President/CEO United Ag

Zachary Fraser, President & CEO

American Pistachio Growers

Jack Rice

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Madera Ag Water Association

Rachel Glauser

Delta View Water Association

Tricia Stever Blattler, Executive Director

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Tulare County Farm Bureau















































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Congress of the United States

Washington, DC 20515

September 13, 2024

Mr. Karl Stock Regional Director U.S. Bureau of Reclamation California-Great Basin Region 2800 Cottage Way Sacramento, CA 95825 Ms. Jennifer Quan Regional Administrator NOAA Fisheries West Coast Region 1201 Northeast Lloyd Boulevard, Suite 1100 Portland, OR 97232

Mr. Paul Souza Regional Director U.S. Fish and Wildlife Service Pacific Southwest Region 2800 Cottage Way, Suite W-2606 Sacramento, CA 95825

Dear Director Stock, Director Souza, and Administrator Quan:

As we continue our combined efforts to build a more sustainable and durable future to resolve California's long-standing water challenges, we write to express concerns that this progress will be threatened by components of the Bureau of Reclamation's (Reclamation) draft Environmental Impact Statement (EIS) for the Long-Term Operations (LTO) of the Central Valley Project (CVP) and State Water Project (SWP). This also includes the associated draft Biological Opinions from the U.S. Fish & Wildlife Service (FWS) and National Marine Fisheries Service (NMFS). We believe that the proposed approach prioritizes species recovery efforts beyond those required by federal law and fails to strike the appropriate balance between operational flexibility for the CVP and SWP and species protection efforts. Ultimately, we are concerned that the proposed operations may undermine the more than \$3 billion in funding brought to California water projects through the Bipartisan Infrastructure Law and Inflation Reduction Act.

The CVP and SWP were authorized and constructed for multiple purposes, including delivering water for consumptive uses, such as irrigation and drinking water. This is noted in the 2009 Delta Reform Act, which established "coequal goals" of securing a reliable water supply for California and protecting, restoring, and enhancing the Sacramento-San Joaquin River Delta ecosystem. Proposals to modify the operations of the CVP and SWP should appropriately balance the multiple purposes for which the water projects were authorized by Congress and be consistent with Congressional intent.

To this end, the 1992 Central Valley Project Improvement Act (CVPIA) specifically created equal priority for irrigation use and fish and wildlife mitigation, protection, and restoration use of CVP water. When CVPIA was enacted, 800,000 acre-feet of agricultural water supply was reallocated for environmental use, with a statutory requirement for Reclamation to develop a

plan to restore the supplies lost by agricultural contractors. Unfortunately, to date, that plan has not been developed nor implemented.

With this history in mind, we are concerned the preferred operations (Alternative 2b) evaluated in the Draft EIS are structured to protect native fish species without providing an adequate balance to the impacts on the delivery capability of either the CVP or SWP. The preferred alternative ignores the equal statutory priority of water use for consumptive purposes and the contractual obligations to optimize deliveries and guard against conditions of shortage. In addition, at least some of these actions are not supported by best available science developed over the last decade and are not anticipated to have observable effects on species survival, yet they result in significant water supply reductions.

Moreover, the proposed operations include actions to balance CVP operations with SWP operations that would assist coordinated operations to benefit the SWP's compliance with the California Endangered Species Act (CESA), yet this state law does not apply to operations of the Central Valley Project. We have concerns that the application of CESA to CVP operations leave the proposal vulnerable to litigation and further operational uncertainty.

In addition, we understand that the proposed operations of the Trinity Division of the CVP are under Endangered Species Act consultation and are likely to modified. This is particularly troublesome because the Trinity River Division has historically been a significant source of cold water for the protection of salmon in the Sacramento River. We reiterate concerns that segmentation of the Trinity Division may require the agencies to conduct an additional reconsultation and lead to inconsistent requirements across the CVP.

We thank the agencies for their engagement throughout this process, including extending the public comment periods for the FWS draft BiOp and the opportunity for supplemental comments on the NMFS BiOp. As this process continues, we urge the agencies to provide complete draft Biological Opinions for public water agency review and comment, with adequate time for technical, legal, and policy review. Public and system expert input on full and complete documentation is critically important to develop comprehensive policy that is based upon the best available science and is legally durable.

As the agencies finalize the proposed operations and the associated biological opinions, we urge the agencies to address the above-stated concerns in a Final EIS that balances the needs of all stakeholders and equally balances multiple project purposes.

Thank you for your prompt attention this matter.

Sincerely,

Jim Costa

Member of Congress

John Garamendi Member of Congress

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David G. Valadao

Vince Fong

Member of Congress

Member of Congress

John S. Duarte

Member of Congress



Plenary Group Meeting Agenda

Tuesday, September 24, 2024 | 3:00-5:00

Meeting Link:

 $\underline{https://fresnostate.zoom.us/j/84901603839?pwd=IG8NyrKB3zsFAfbaFt09XwXUztaivI.1}$

Meeting ID: 849 0160 3839 Passcode: 449729

| Time | Item | Description |
|------|------|--|
| 3:00 | 1 | Call to Order - Sarah a. Review Agenda - Sarah b. Updates – Sarah |
| 3:15 | 2 | Multibenefit Land Repurposing Program Update – Anna Schiller |
| 3:35 | 3 | CAP Phase 3 – Jim a. Survey Results b. Draft Focus – Attachment A |
| 4:05 | 4 | Breakout Groups – All Discussion Question: What issues will you work on and why? |
| 4:30 | 5 | Sierra San Joaquin Jobs (S2J2) – Ashley Swearengen |
| 5:00 | 6 | Adjourn – Ann |

Attachment A - CAP Phase 3 Focus

Draft

9/20/24

The CAP is at a pivotal point where the next phase of work needs to be defined, and its membership may change based on the next focus of work.

The CAP has made significant strides over the last year and a half. The collaboration has resulted in several policy statements and recommendations for increased funding in a state bond initiative and changes to state programs. These actions have advanced necessary changes to help achieve sustainable land and water management in the Valley. The hard work and dedication of the CAP members have been instrumental in these achievements.

One major accomplishment was developing water investment recommendations for a four-county area as part of the Sierra San Joaquin Jobs (S2J2) Initiative. The caucuses supported the investment estimates for safe drinking water, water supply, ecosystem restoration, land repurposing, and demand reduction. The investments totaled \$37.5 Billion, which does not include some investments that could not yet be quantified —the S2J2 work built on many of the past efforts by the CAP. The recommendations for the first time included the costs for operation, maintenance, and organizational capacity. Members of each caucus developed the recommendations, and each of the five had significant discussions to reach a consensus.

The next phase of the CAP is not just a continuation of the process to date but a call to action. It needs to build on past accomplishments in a manner that encourages renewed commitments from existing members and engages new members. The Steering Committee needs to develop recommendations, action, and the process for the next phase of the CAP in consultation with the caucuses. CAP members' active participation is crucial for this endeavor's success.

Following the Plenary Group survey results, the Steering Committee has revised its recommendations for the third phase of the CAP and requests feedback by October 4th.

Advancing programmatic and policy improvements

This is an area the CAP has focused on in the past. Based on the survey results, the issues are listed in Attachment A. The CAP staff will work with the caucuses and members committed to providing leadership to define each issue and develop a work plan.

Projects

The CAP's support for projects can increase the potential for funding, accelerate implementation, and reduce costs. CAP members expressed strong interest in supporting specific projects that advance the Term Sheet outcomes. There is particular interest in identifying projects that provide multiple benefits and demonstrate the potential of the CAP's diverse coalition. The staff will work with members to identify a small set of initial projects for the CAP consideration. This will determine the issues and values the caucuses must address to gain support. This work element will include a project prioritization tool that existing and new funding sources can use. The work on the prioritization tool is one of the deliverables for the funding to the CAP from the Bureau of Reclamation.

Synthesis of Investments

To be more compelling, the S2J2 investment recommendations need to be synthesized into an integrated strategy based on the anticipated availability of water and both green (i.e., recharge basins, floodplains, etc.) and gray infrastructure. This will require a more in-depth understanding of what is currently contemplated in the GSPs and watershed plans, as well as the availability and ability to move water in the subbasins to advance the outcomes of the Term Sheet. Staff will work on the CAP members who are committed to providing leadership on this task to develop a work plan.

Process Steps to Create Phase 3

- 1. The Steering Committee revises Phase 3 focus based on survey results.
- 2. The caucuses and other Plenary Group members provide feedback and recommend any additional issues consideration and potential new organizations (September 9-October 4)
- 3. Steering Committee meeting finalizes Phase 3 based on caucus feedback (early October)
- 4. CAP members decide whether to participate in the next phase, and caucuses solicit new members.
- 5. Fall Plenary Group meeting to kick off Phase 3

Attachment A – Policy and Programmatic Issues

Drinking Water

- 1. State Water Resources Control Board Community Drinking funding agreements Accelerate and streamline.
- 2. Consolidating community drinking water systems: Streamline, accelerate, and build local support.
- 3. Groundwater monitoring for recharge and safe drinking water Develop recommendations for a more robust groundwater monitoring system.

Supply Augmentation

- 4. State Board Recommend appropriative rights process explore changes to improve the State Board approval process
- 5. Drought preparedness Support local governments and GSAs to better plan for droughts.
- 6. Increase supply for sustainable agriculture Primarily by managing in-valley and through-delta flood flows for use and aquifer replenishment.

Habitat Restoration

- 7. Habitat Restoration Improve the funding and permit process for habitat restoration projects
- 8. Safe Harbor Agreements gain support from the US Fish and Wildlife Service and the California Department of Fish and Wildlife for developing a programmatic approach to Safe Harbor agreements that can provide assurances to landowners to participate in habitat restoration

Land Transition

- 9. LandFlex Improve the program outcomes and increase funding
- 10. Multibenefit Land Repurposing Program Support improvements and additional funding based on the pilot program's successes and challenges.

Funding

11. Funding – expand existing and create new funding structures to achieve the financial magnitude of the need.

Flood Risk

12. Flood Risk Reduction— Actions to reduce flood risk where there are multiple benefits for sustainable land and water management.

Building Relationships and Enhancing Trust

- 13. Dedicating time during quarterly meetings to better understand other members' water interests and concerns.
- 14. Doing direct outreach to CAP members in other caucuses to discuss interests in specific topics.