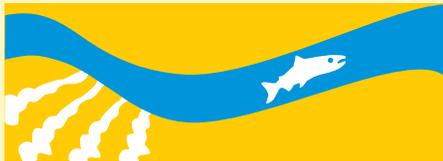
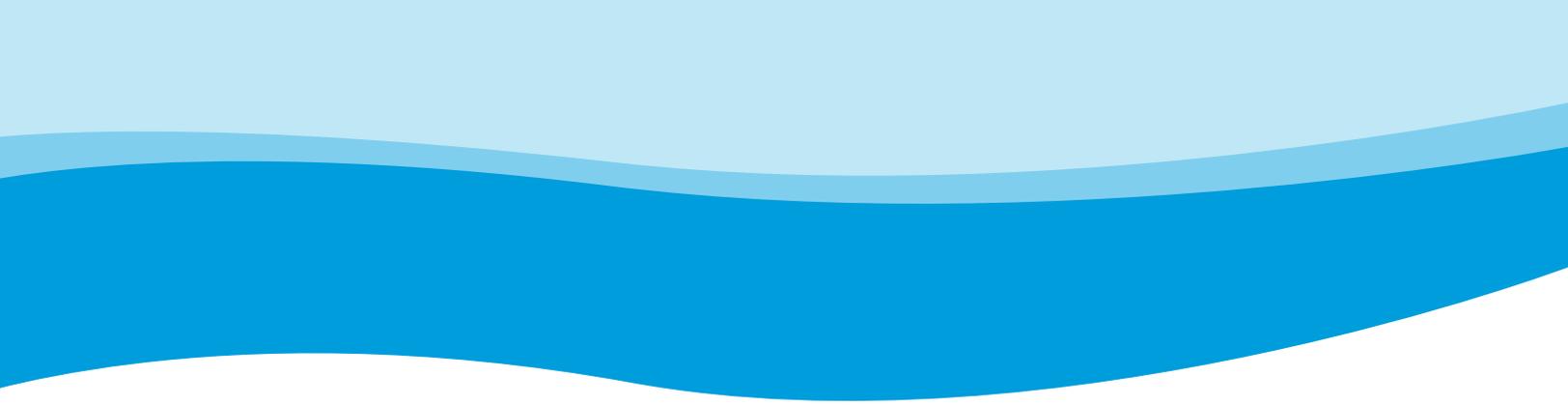


SAN JOAQUIN RIVER
RESTORATION PROGRAM



Annual Report 2008





The San Joaquin River Restoration Program is a comprehensive long-term effort to restore flows to the San Joaquin River from Friant Dam to the confluence of the Merced River and restore a self-sustaining Chinook salmon fishery in the river while reducing or avoiding adverse water supply impacts from restoration flows.



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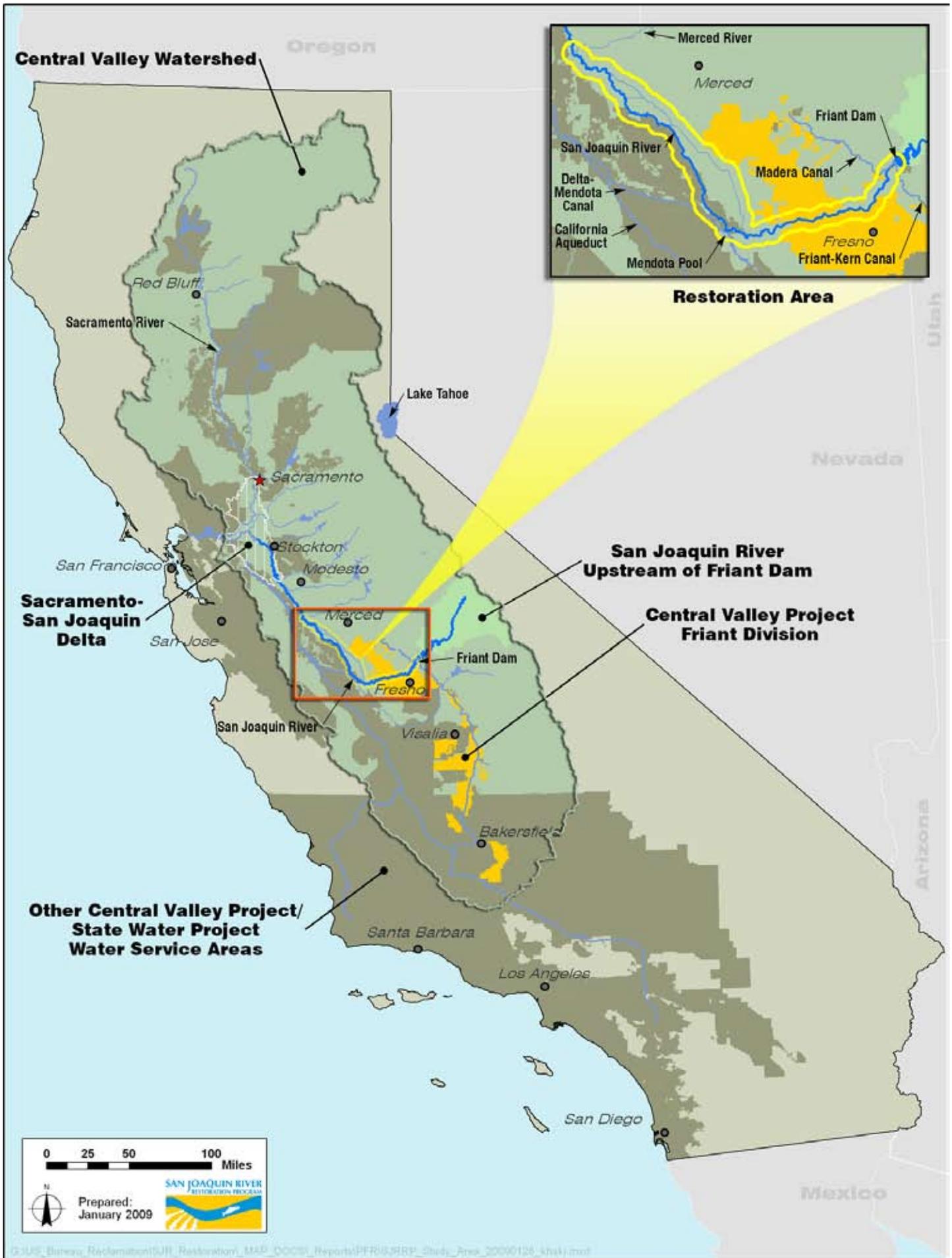


Figure 1

Introduction



San Joaquin River at Lost Lake County Park

This is the second Annual Report prepared by the San Joaquin River Restoration Program (SJRRP) describing Program activities and accomplishments during Fiscal Year (FY) 2008 (October 2007 through September 2008) and planned activities for FY 2009. The SJRRP was established upon court acceptance of a Stipulation of Settlement among three Settling Parties in October 2006 regarding restoration of the San Joaquin River, in the Central Valley of California.

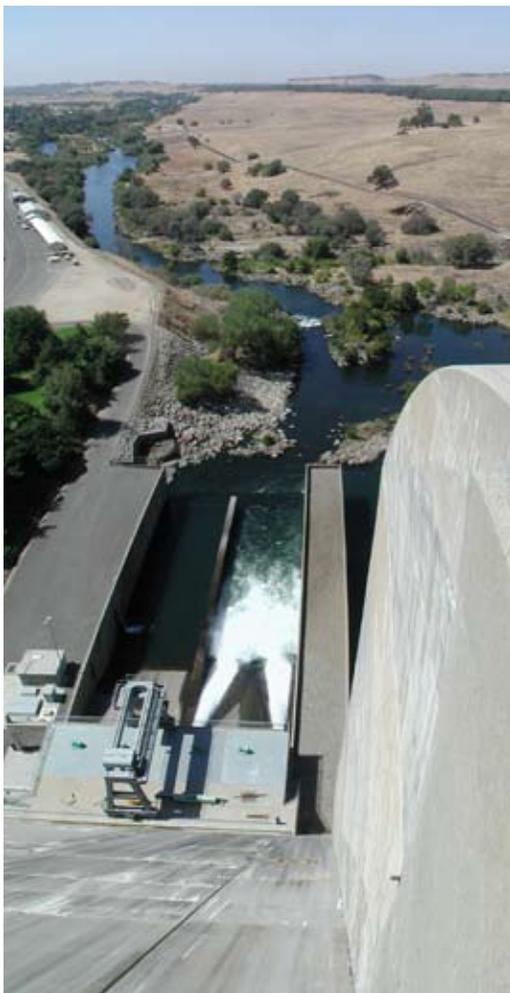
During the first year, many organizational and managerial actions were completed to form the long-term structure for the SJRRP. In the second year, significant progress was made towards supporting the development of the Program Environmental Impact Statement/Report (PEIS/R). Specific accomplishments included the following:

- Progress on the development of specific operational guidelines for releasing Restoration Flows and and the framework for a Recovered Water Account
- Progress on development of a plan to recirculate water back to the Friant Division long-term contractors
- Planning, coordinating, and implementing monitoring activities
- Development of a Fisheries Management Plan
- Completion and public release of draft Technical Memoranda
- Providing public access to Program activities through the web, quarterly Program Updates mailed to a broad distribution list, public meetings, and briefings at local forums
- Providing an on-the-ground tour from Friant Dam to the confluence of the Merced River through the Water Education Foundation specific to the SJRRP
- Substantial progress towards completion of a Fisheries Management Plan that incorporates an adaptive management approach

The Settlement

In 1988, a coalition of environmental groups, led by the Natural Resources Defense Council (NRDC), filed a lawsuit challenging the renewal of the long-term water service contracts between the United States and the Central Valley Project (CVP) Friant Division contractors. After more than 18 years of litigation of this lawsuit, known as NRDC, et al., v. Kirk Rodgers, et al., a Stipulation of Settlement (Settlement) was reached. On September 13, 2006, the Settling Parties, including NRDC, Friant Water Users Authority (FWUA), and the U.S. Departments of the Interior and Commerce, agreed on the terms and conditions of the Settlement, which was subsequently approved by the U.S. Eastern District Court of California (Court) on October 23, 2006.





San Joaquin River at Friant Dam

The Settlement establishes two primary goals:

- Restoration Goal – To restore and maintain fish populations in “good condition” in the main stem of the San Joaquin River below Friant Dam to the confluence of the Merced River, including naturally reproducing and self-sustaining populations of salmon and other fish.
- Water Management Goal – To reduce or avoid adverse water supply impacts on all of the Friant Division long-term contractors that may result from the Interim Flows and Restoration Flows provided for in the Settlement.

Settlement Implementation

The Settlement states that the Secretary of the Interior (Secretary) will implement the terms and conditions of the Settlement. Additionally, the Settling Parties agreed that implementation of the Settlement will also require participation of the State of California (State). Therefore, concurrent with the execution of the Settlement, the Settling Parties entered into a Memorandum of Understanding (MOU) with the State, by and through the California Natural Resources Agency, the Department of Water Resources (DWR), the Department of Fish and Game (DFG), and the California Environmental Protection Agency (Cal/EPA), regarding the State’s role in implementing the Settlement.

The program established to implement the Settlement is the San Joaquin River Restoration Program (SJRRP), and the “Implementing Agencies” responsible for the management of the Program include the Bureau of Reclamation (Reclamation), United States Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), DWR, and DFG.

San Joaquin River Restoration Area

The geographic area for the SJRRP includes California’s Central Valley from the Sacramento-San Joaquin Delta (Delta) to the base of the Tehachapi Mountains south of Bakersfield (see Figure 1). This area includes the San Joaquin River from Friant Dam to the Delta, the Friant Division of the Central Valley Project (CVP), other water service areas potentially affected by changes in water deliveries or restoration of the San Joaquin River, and tributaries to the San Joaquin River downstream of the river restoration area. The river restoration area is 153 miles long and reaches from Friant Dam to the confluence of the Merced River. This stretch of river crosses the counties of Fresno, Madera, Merced, and Stanislaus. For the purposes of the Program, the river has been divided into five primary reaches (see Figure 2). The Program will also evaluate a section of the Eastside Bypass as a potential alternative to the river for carrying Restoration Flows.





Reaches of the San Joaquin River under evaluation include the following:

- **Reach 1** – Friant Dam to Gravelly Ford
- **Reach 2** – Gravelly Ford to Mendota Dam
- **Reach 3** – Mendota Dam to Sack Dam
- **Reach 4** – Sack Dam to the confluence of Bear Creek and the Eastside Bypass
- **Reach 5** – Eastside Bypass/Bear Creek confluence to the Merced River confluence

Figure 2



Authorization and Funding

Federal participation in the SJRRP is currently authorized under the Central Valley Project Improvement Act (CVPIA). Signed in 1992, this act included provisions for the potential restoration of the San Joaquin River and authorized planning and environmental compliance for such activities. Federal funding obligated for the SJRRP in Fiscal Year 2008 for planning and environmental compliance activities was approximately \$7 million. Federal legislation currently pending passage will formally authorize Settlement implementation and dedicate additional funding for FY 2009 and subsequent years.

The State of California has committed its support of the Settlement by entering into a Memorandum of Understanding (State MOU) with the Settling Parties that outlines a collaborative role for the State in planning, design, funding and implementation of the actions set forth in the Settlement.



Mendota Pool is a major artery for the delivery and distribution of water on the west side of the San Joaquin Valley.



2008: Progress and Accomplishments

During FY 2008, many actions took place to support the development of the PEIS/R for the SJRRP. The following section explains the structure of the SJRRP and related entities involved; summarizes the accomplishments of the four work groups for 2008; and highlights the extensive public involvement efforts throughout the last year.

Program Management Structure

The Settlement included clear commitments that the Settling Parties and downstream water and land interests (referred to as Third Parties) would be involved in the development of implementation plans by the Secretary. Court approval of the Settlement initiated a series of actions that resulted in a program approach structured to provide for effective oversight, management and transparency of the SJRRP. Key among these actions was the development of Memoranda of Understanding (MOU) with the State of California and Third Party Stakeholders.

- State of California MOU – Signed at the same time as the Settlement, this MOU recognizes that the State of California, through DFG, DWR, the Natural Resources Agency, and Cal/EPA, will play a major, collaborative role in the planning, design, funding, and implementation of the actions on the San Joaquin River called for by the Settlement.
- Third Party Stakeholders MOU – Signed in February 2007, this MOU recognizes that the Third Parties will play a collaborative role in the planning, design, implementation, and potential adaptation of the actions on the San Joaquin River called for by the Settlement and in the implementing legislation.

| THIRD PARTY MOU SIGNATORS |
|--|
| Entities along the San Joaquin River <ul style="list-style-type: none">• San Joaquin River Exchange Contractors Water Authority• Central California Irrigation District• Firebaugh Canal Water District• San Luis Canal Company• Columbia Canal Company• San Joaquin River Resource Management Coalition |
| Downstream Tributary Water Users <ul style="list-style-type: none">• Merced Irrigation District• Turlock Irrigation District• Modesto Irrigation District• San Joaquin Irrigation District• San Joaquin Tributaries Association |
| Other Central Valley Project Water Users <ul style="list-style-type: none">• Westlands Water District• San Luis and Delta-Mendota Water Authority |

Table 1



SJRRP Organizational Chart

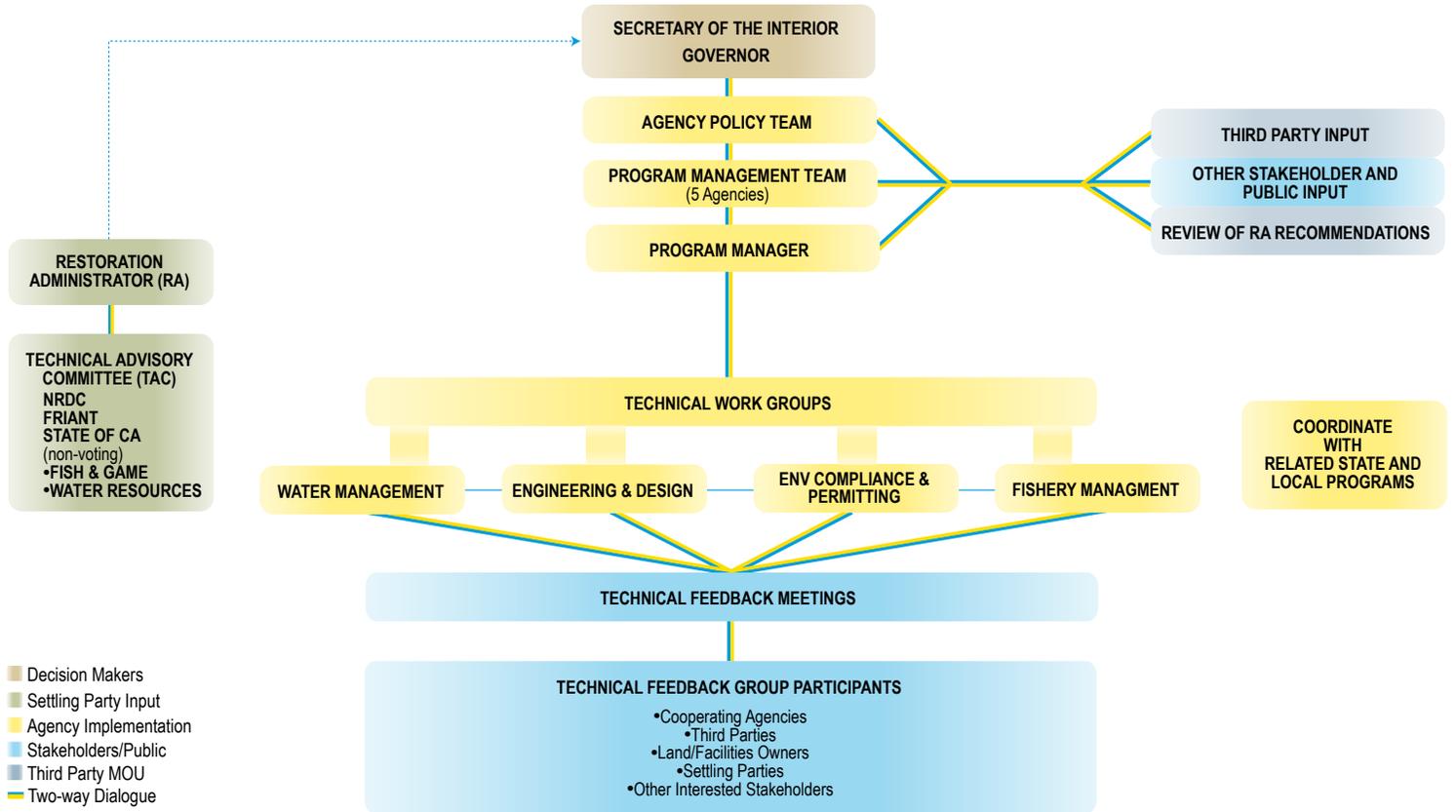


Figure 3

The Program Organizational Chart (Figure 3 above) reflects the provisions of the Settlement and subsequent MOUs.

The SJRRP organization consists of the following:

- San Joaquin River Restoration Program Team
 - The SJRRP Team is a multi-tiered group that includes staff from the Implementing Agencies. Roles and responsibilities of this group are as follows:
 - Program Management Team - Includes executives from the Implementing Agencies (Table 2, next page) and is responsible for overall direction and coordination of the SJRRP.
 - Program Manager - Provides direction and management of the Technical Work Groups (TWG) and serves as chair of the Program Management Team.





SJRRP Program Manager Jason Phillips (right) at Mendota Pool during the 2008 Water Education Foundation Tour

- Technical Work Groups - The SJRRP features four primary TWGs, each supported by various subject-matter specific subgroups, as described later in this report.

The four TWGs are:

- ◆ Engineering and Design
- ◆ Environmental Compliance and Permitting
- ◆ Water Management
- ◆ Fisheries Management

| PROGRAM MANAGEMENT TEAM |
|--|
| <p>U.S. Bureau of Reclamation (U.S. Department of the Interior) Jason Phillips SJRRP Program Manager 2800 Cottage Way, MP-170 Sacramento, CA 95825-1898 916-978-5455 jphillips@mp.usbr.gov</p> |
| <p>U.S. Fish and Wildlife Service (U.S. Department of the Interior) Dan Castleberry Fisheries Program Manager California and Nevada Operations Office 2800 Cottage Way, Suite W2606 Sacramento, CA 95825-1846 916-978-6178 dan_castleberry@fws.gov</p> |
| <p>NOAA National Marine Fisheries Service (U.S. Department of Commerce) Vacant 650 Capital Mall, Suite 8-300 Sacramento, CA 95814 916-930-3615</p> |
| <p>California Department of Water Resources Kevin Faulkenberry DWR SJRRP Program Manager 3374 East Shields Avenue Fresno, CA 93726 559-230-3300 faulkenb@water.ca.gov</p> |
| <p>California Department of Fish and Game Dean Marston, as of January 2009 Dale Mitchell (retired in December 2008) Environmental Program Manager 1234 East Shaw Avenue Fresno, CA 93710 559-243-4014 ext. 241 dmarston@dfg.ca.gov</p> |

Table 2



| RESTORATION ADMINISTRATOR AND TECHNICAL ADVISORY COMMITTEE |
|--|
| <p>Restoration Administrator Ane Deister, January 1 - December 31, 2008 Rod Meade, beginning January 2009</p> |
| <p>Technical Advisory Committee Voting Members Monty Schmidt – Senior Water Resources Scientist, Natural Resources Defense Council Bill Luce – Consulting Resources Manager, Friant Water Users Authority Scott McBain – McBain and Trush Chuck Hanson – Hanson Environmental Peter Moyle – University of California, Davis Vacant position</p> |
| <p>Non-voting Members Paula Landis - Department of Water Resources Dean Marston - Department of Fish and Game</p> |

Table 3



*Restoration Administrator
Rod Meade*

■ **Restoration Administrator and Technical Advisory Committee**

The Settlement specified the roles and responsibilities for a Restoration Administrator (RA) who is supported by a Technical Advisory Committee (TAC) (see Table 3). The SJRRP management structure integrates these resources to obtain timely input on technical issues related to the Restoration Goal.

- **Restoration Administrator** – The RA, selected jointly by the NRDC and FWUA, provides recommendations to the Secretary of the Interior and the Governor of California regarding specific elements of the Settlement and certain issues related to the SJRRP’s Restoration Goal and consults with the TAC.
- **Technical Advisory Committee** – The TAC features six voting members selected by and representing FWUA and NRDC. Voting members of the TAC assist and advise the RA regarding areas outlined in the Settlement, have relevant technical or scientific background or expertise in fields related to river restoration or fishery restoration, and serve for 3 years. Two non-voting members representing the State agencies serve as liaisons to the RA and TAC. The Federal agencies have three liaisons to the TAC to ensure coordination and information-sharing with the Implementing Agencies.

Recommendations in 2008 – In accordance with the Settlement, the RA submitted a report in February 2008 titled, *Recommendations on Restoring Fall-run Chinook Salmon to the Upper San Joaquin River*, with the support of the TAC. These recommendations were provided to the Fisheries Management Work Group for consideration in the development of the Fisheries Management Plan. The RA’s recommendations for Spring-run Chinook salmon were received in 2007.

■ **Third Party Stakeholders**

Third Parties are persons or entities diverting or receiving water pursuant to applicable State and Federal laws and includes CVP contractors outside of the Friant Division of the CVP and State Water Project (SWP).



2008 Program Activities

Program activities for 2008 included the release of numerous Technical Memoranda (TM) and key program documents by four Technical Work Groups and their related sub-groups. Each has contributed significantly in their areas of expertise towards the development of the Draft PEIS/R to cover SJRRP actions. These accomplishments include the following.

ENGINEERING AND DESIGN WORK GROUP

This work group is responsible for preliminary engineering and design of structures and flow channels needed to meet Restoration and Water Management goals of the Settlement. Through coordination with other TWGs, the Engineering and Design Work Group is estimating the costs of structures and flow channels for inclusion in the Draft PEIS/R.

Geologic Work Plans Summary

In support of the Engineering and Design Work Group, work plans were prepared for geologic surveys in Reaches 2B and 4B including the proposed Mendota Pool Bypass. Subsurface information on soils and groundwater is needed to initiate site-specific planning and engineering studies of river channel and structural modifications or new feature construction necessary to convey Restoration Flows in these reaches.

The SJRRP Team proposed a phased approach to accomplish geologic surveys, generally consisting of an Appraisal Phase, an Alternatives Analysis and Evaluation Phase, and a Design and Construction Phase. The phased approach is consistent with standard engineering geologic practices commonly applied to exploratory drilling activities by Reclamation and DWR. Work will be performed in compliance with all pertinent Federal and State regulations and standards, and is modeled after the geologic survey approach applied by DWR as part of the California FloodSAFE Initiative. Adopting this phased approach provides the SJRRP Team consistent protocols for all work done in support of the geologic surveys.

During initial landowner meetings for Reaches 2B and 4B, held in May and June 2008, SJRRP Team members provided landowners with the Draft Appraisal Phase geologic survey plans. Landowners also received maps indicating tentative boring locations and access requirements, for discussion and feedback purposes.



Geologists conduct sediment surveys as part of data-gathering efforts





Red Sesbania, pictured at Sycamore Island, is one of five non-native plants surveyed by the Program in 2008

ENVIRONMENTAL COMPLIANCE AND PERMITTING WORK GROUP

This TWG plans and coordinates efforts to implement elements of the Settlement in relation to environmental studies, permits, alternative formulation, and other requirements necessary for actions needed to meet the Restoration and Water Management goals.

Ultimately responsible for completion of the Final PEIS/R, this group accomplished the following actions towards its goal:

- Completed and distributed the Final Initial Program Alternatives Report, June 2008
- Completed and distributed for public comment the Draft Stream Gages Environmental Assessment/Initial Study; the final EA/IS is anticipated in February 2009
- Completed internal review of several sections of the Draft PEIS/R
- Conducted field surveys to gather data pertaining to the most invasive riparian plant species in the Restoration Area
- Compiled survey observations into a draft Geographic Information System (GIS) layer that is included in the vegetation growth model for the PEIS/R
- Conducted a field-intensive site visit and developed a geomorphological-vegetation analyses report to assist in scoping future site-specific studies





Mendota Dam

WATER MANAGEMENT WORK GROUP

Working in collaboration with all TWGs, the Water Management Work Group addresses water operations for accomplishing the Restoration and Water Management goals. In 2008, this group's areas of focus included working on a plan to recirculate water back to Friant Division contractors, developing Restoration Flow Guidelines, and creating a Recovered Water Account. Included within this workgroup is a Monitoring Subgroup and a Modeling Subgroup.

Accomplishments in 2008:

Recirculation

- Completed opportunity assessments for Settlement paragraph 16(a) that calls for "a plan for recirculation, recapture, reuse, exchange, or transfer of the Interim Flows and Restoration Flows...."

Recovered Water Account

- Provided certainty on the pricing of wet-year supplies (\$10.00 per acre-foot) for Friant Division long-term contractors to promote opportunities for groundwater banking, up to the reduction in water deliveries as recorded in the Recovered Water Account.

Restoration Flow Guidelines

- Established a common understanding of the ecological justification for each flow rate and frequency based on testimony and previous studies to determine where smoothing can occur without impacting Settlement goals.
- Developed a real-time allocation walk-through tool to simulate the impacts of decision making on Restoration Flows and water supply.



Arroyo Canal



- Developed a method to transform the stair-step annual water allocation to a smoothed line and minimize abrupt changes in water supply.
- Made progress on finalizing the procedures for communications and information flow into the flow guidelines document that will be incorporated into the Friant Operating Guidelines.

The plans for recirculation, Recovered Water Account, and Restoration Flow Guidelines will be incorporated into the Program-level alternatives for evaluation in the Draft and Final PEIS/R.

The Monitoring Subgroup

The Monitoring Subgroup met monthly during 2008 to plan, coordinate and implement monitoring activities required by the Settlement. Accomplishments for 2008 include the following:

- Completed work plans for retrofitting and constructing stream gages
- Completed several draft Technical Memoranda (TM) available for review:
 - Procedures for the Measurement, Monitoring, and Reporting of Restoration Flows Draft TM
 - Monitoring Plans for Physical Parameters Draft TM
- Completed Draft Work Plans for Groundwater Monitoring Well Installation
- Partnered with the San Joaquin River Parkway and Conservation Trust to install two monitoring wells at the Jensen River Ranch site to monitor groundwater conditions in Reach 1A
- Engaged U.S. Geological Survey (USGS) and DWR in planning an operation and quality assurance oversight program for the stream gaging and sediment monitoring program
- Conducted preliminary streambed sediment sampling and analysis



The Hills Ferry Barrier is installed every fall to prevent Merced River salmon from straying up into the San Joaquin River



Modeling Subgroup

Several models assist with decision making through estimating performance and impacts resulting from different actions. These models provide a numerical representation of how the system might respond to alternate actions. The Program is employing several system operations models to evaluate the State and Federal water project operations along with several different models to estimate water quality, physical processes, potential flood damage, and potential economic impacts.

SJRRP MODELING FRAMEWORK

The performance of the CVP and SWP systems use the system operations models:

- CalSim Current Conditions to evaluate system wide effects
- CalSim Climate Change to assess different hydrologic regimes
- Regional Assessments to determine potential changes in ground water tables

Water quality models to simulate the constituents associated with flow include:

- Delta Simulation Model version 2 (DSM2) to model changes in Delta hydrodynamics and water quality
- CE QUAL W2 Millerton Lake Temperature Model to predict changes in reservoir water temperatures
- SJR5Q San Joaquin River Temperature Model to profile temperature impacts in the river from Friant Dam to the Delta

Physical process models capture changes to river conditions and the resulting impacts on the Restoration Area:

- HEC RAS Steady State to compute water surface elevations and water depths
- MODFLOW to estimate seepage losses and third party impacts
- SRH 1D sedimentation and river hydraulic mobile boundary transport model to map channel change and geomorphic effects
- SRH 1DV to simulate recruitment, growth, and mortality of vegetation related to physical modifications, management practices, and operations
- SRH 2D to provide a two dimensional picture of surface flows
- HEC RAS Unsteady State to check the hydraulic timing and routing of storm flows and associate flood impacts
- Flood Damage Assessment (FDA) model to estimate changes in flood damages resulting from different alternatives

Economics models simulate changes to the regional and local business practices and the potential impact on the economy:

- Central Valley Production Model (CVPM) to project agricultural economic changes
- IMPLAN – to evaluate regional economic changes



Madera Canal deliveries





Members of the Fisheries Management Work Group receive a briefing from Reggie Hill (left) at the Chowchilla Bifurcation Structure

FISHERIES MANAGEMENT WORK GROUP

The Fisheries Management Work Group is responsible for planning and coordination efforts to implement sections in the Settlement related to meeting the Restoration Goal. All work completed during 2008 supports the development of a Fisheries Management Plan (FMP) that incorporates an adaptive management approach.

Specific accomplishments on the Fisheries Management Plan for 2008 include:

- Completion of draft documents that form the basis of the integrated FMP including temporal occurrence and environmental requirements tables used to identify habitat suitability and physical requirements of the various Chinook salmon life stages, and conceptual models of spring-run and fall-run Chinook salmon that identify the group's conceptual understanding of the factors expected to limit the Chinook salmon population in the San Joaquin River.
- Selection of a quantitative modeling tool (Ecosystem Diagnosis and Treatment) to assist with the development of the FMP, and initial work in constructing the model.
- Collaboration between a public Technical Feedback group and the Fisheries Management Work Group to gather comments, and receive feedback from technical experts regarding the FMP.
- Preparation of a full internal draft of the FMP, including formulation of an adaptive management approach to direct and guide management of the fisheries program.



Technical Memoranda

Numerous TMs and key program documents are being developed prior to the scheduled release of the SJRRP Draft PEIS/R in 2009. As they become available, these documents are posted on the SJRRP web site (www.restoresjr.net) in order to facilitate early coordination with the Settling Parties, Third Parties, other stakeholders, and interested members of the public regarding initial concepts and approaches under consideration. While the SJRRP Team does not request formal comments on the TMs, to the extent possible, the Team considers all comments received in refining the concepts and approaches in the TMs during preparation of the Draft PEIS/R. The TMs and documents released in 2008 are as follows:

- Alternatives Formulation Strategy
- Conceptual Models of Stressors and Limiting Factors for San Joaquin River Chinook Salmon
- Draft Background Report on Friant Operations
- Initial Program Alternatives Report
- Monitoring Plan for Physical Parameters
- Operation Guidelines for Implementing Restoration Flows
- Quantitative Fisheries Model Selection Recommendation Process
- Temperature Model Selection
- Temperature Model Sensitivity Analyses
- Water Operations Existing and Future Without-Project Conditions



Steve Chedester briefs the WEF tour at the Sand Slough Control Structure



Public Outreach and Involvement

Public involvement and outreach opportunities guided by the SJRRP's Public Involvement Plan (PIP) were integrated into the SJRRP in 2008. These public involvement and outreach activities have enabled the Program to successfully involve stakeholders and incorporate public and stakeholder input into the development of major SJRRP documents. These PIP activities seek to create an open and transparent process through which the general public, stakeholders, affected Third Parties, and other interested parties can track and participate in Program activities, including the formulation of alternatives. PIP activities conducted in 2008 include:

- Preparing for and hosting Technical Feedback Meetings with subject-matter experts, Settling Parties, affected stakeholders, and the general public in order to obtain information or viewpoints from individual attendees; provide updates on the status of Work Group work products; keep the Technical Feedback Group up-to-date with the current status of the Program; gather feedback on Program documents; and to discuss potential opportunities and constraints that may arise. The format of obtaining and disseminating information through the Technical Feedback Group meetings is intended to be flexible to address the issues and documents at hand and to accommodate the needs of the Program, Settling Parties, stakeholders and the general public.
- Maintaining a publicly accessible, SJRRP-specific web site that offers timely information and updates, a document repository that includes TMs, a calendar of events, and contact information.
- Making available TMs and other milestone SJRRP documents to the public on the Program web site.
- Developing and distributing of a wide variety of SJRRP information, including quarterly Program Updates, news releases, fact sheets, and brochures to keep the public informed.





Congressional field representatives (left to right) DeeDee D'Adamo (Cong. Cardoza), Vince Roos (Cong. Costa), and Kimberly Kaufmann (Cong. Radanovich) on the WEF tour

Water Education Foundation San Joaquin River Restoration Tour

Beginning in Fresno, and spanning the San Joaquin River from Friant Dam to the confluence of the Merced River, 46 participants attended the first Water Education Foundation (WEF) tour exclusively highlighting the projects and challenges related to restoring the San Joaquin River. Held November 12 and 13, the tour provided diverse perspectives from several resource speakers. The tour stopped at numerous key locations on the San Joaquin River. Some of the sites visited included Friant Dam, a fish hatchery, gravel mining pits, the Chowchilla Bifurcation Structure, Mendota Pool, Sand Slough Control Structure, Hills Ferry Barrier, and Robinson Ranch on the Merced River.



For a slide show of the tour, visit www.restoresjr.net/news/index.html.

Landowner Coordination and Outreach

Established in 2007, the Landowner Coordinator's lead functions are to serve as a technical resource and liaison for program staff and landowners for the conduct of all field activities necessary for the successful implementation of the SJRRP. By creating this position, the program is dedicated to informing potentially affected property owners of field activities on their land.





Milburn Unit Overlook - a former quarry pit from gravel mining operations

Landowner Coordination activities for 2008 included the following:

- Temporary Entry Permits – Since the SJRRP’s initiation, the Program has worked in collaboration with the San Joaquin River Resource Management Coalition (RMC) and the San Joaquin River Exchange Contractors Water Authority (Exchange Contractors) in the development of a Temporary Entry Permit (TEP). The goal of the TEP is to provide SJRRP representatives access to lands to conduct pre-construction surveys and other field activities. Through a series of meetings with landowners, RMC representatives, and Exchange Contractors the scope of the TEP was tailored for geologic surveys in selected river reaches. Completion of this TEP was tabled in July when participants conditioned adoption of the document on passage of the San Joaquin River Restoration Settlement Act (Act). Collaboration activities resumed in December after the Exchange Contractors issued a letter in support of the Act’s passage. A version revised by the RMC and Exchange Contractors is anticipated in the first quarter 2009.
- Reach-Specific Landowner Meetings – In addition to attending monthly RMC meetings, the SJRRP conducted meetings specifically tailored for property owners in Reach 2B and 4B. Held in May and June in Firebaugh and Los Banos, the meetings engaged landowners in planning the geologic investigations. These landowner meetings are planned to resume in early 2009.
- Eastside Bypass Consultation – In October and December, the SJRRP facilitated multi-agency meetings related to potential effects of Interim Flows in the Eastside Bypass downstream from the Sand Slough Control Structure in 2009 and 2010. Attendees included staff of the Exchange Contractors, Lower San Joaquin Levee District, Central Valley Flood Protection Board, U.S. Army Corps of Engineers, DWR, and Reclamation. These meetings will contribute to completion of an Environmental Assessment to be prepared by Reclamation.



Eastside Bypass



2009 Program Activities

The proposed actions in the Settlement outline how the Implementing Agencies will achieve the Restoration and Water Management goals. As part of the Settlement, the Settling Parties developed a detailed timeline for developing and implementing SJRRP actions.

This section provides an overview of activities planned for 2009.

Schedule and Milestones

The following information highlights upcoming significant SJRRP milestones in three stages.

Stage 1

Stage 1 focuses on program-level planning and environmental review, including formulating and evaluating reasonable alternatives for accomplishing the Restoration and Water Management goals with a focus on system-wide aspects of implementation. Stage 1 has been initiated and includes the development of a PEIS/R and the identification of significant data needs that will be completed during Stage 2.

- Perform initial coordination with landowners in Reaches 2B and 4B to review program and receive input regarding site conditions and final boring locations.
- Complete geologic surveys work plans for the Appraisal and Alternatives Analysis and Evaluation Phases for Reaches 2A, 3, 4A and the Eastside and Mariposa bypasses.
- Perform drilling for reaches 2B and 4B and the Eastside and Mariposa bypasses; mobilize drill rig and cone penetration test (CPT) rig.
- Conduct close-out site walk with landowner to finish this phase of drilling, as needed.

Stage 2

Stage 2 commences in October 2009 with the release of Interim Flows, and will conclude in December 2013. During Stage 2, an Interim Flows program will be implemented to collect relevant data concerning flows, temperatures, fish needs, seepage losses, recirculation, recapture, and reuse. Stage 2 also includes reintroduction of spring-run and fall-run Chinook salmon and implementation of all Phase 1 channel improvements.

Stage 3

Primary activities in Stage 3 include the release of full Restoration Flows from Friant Dam, continued implementation of the FMP, implementation of Phase 2 actions, and the operation and maintenance of project facilities. The full Restoration Flows shall commence no later than January 1, 2014. Stage 3 will conclude once all activities called for in the Settlement are completed; however, operations and maintenance of facilities and structures will continue indefinitely.



Dale Mitchell briefs at the Department of Fish and Game fish hatchery at the town of Friant



Significant Milestones Timeline

STAGE 1

| PRE-FLOW PROGRAM PLANNING | DATE |
|---|----------------|
| Initial Program Alternatives Report | June 2008 |
| Program Alternatives Report | February 2009 |
| Fisheries Management Plan | March 2009 |
| Draft Program Environmental Impact Statement/Report | June 2009 |
| Final Program Environmental Impact Statement/Report | September 2009 |
| Record of Decision/Notice of Determination | October 2009 |

STAGE 2

| INTERIM FLOWS, PROJECT CONSTRUCTION, AND SALMON REINTRODUCTION | DATE |
|---|---------------|
| Initiate Interim Flows and Monitoring Program | October 2009 |
| Reintroduce Chinook salmon | December 2012 |
| Complete all Phase 1 priority construction activities | December 2013 |
| Complete Final Interim Flow Study Report | June 2014 |

STAGE 3

| FULL RESTORATION FLOWS AND CONTINUED OPERATION | DATE |
|---|-------------|
| Restoration Flow Release Schedules | Annual |
| Restoration Goal Progress Reports | Annual |
| Recovered Water Account Progress Reports | Annual |
| Restoration Flow Monitoring Reports | Annual |





Department of Fish and Game staff briefing at the Hills Ferry Barrier

Public Outreach and Involvement

The SJRRP Team will maintain and build upon the various outreach and coordination activities of 2008. Additional planned activities include weekly coordination meetings with the RA, additional monthly Technical Feedback meetings incorporating other relevant SJRRP topics, and several public meetings to announce the availability of the Draft and Final PEIS/R documents.

Program Costs and Funding

During Settlement negotiations, several estimates were prepared for implementing the actions described in Paragraph 11 of the Settlement. These estimates ranged between \$250 million and \$800 million. Early in Stage 1, a more comprehensive assessment of the actions necessary and related costs will be completed by the Implementing Agencies.

Once authorized, the Settlement establishes the San Joaquin River Restoration Fund. Approximately \$17 million per year of payments from the CVP Friant Division would be deposited into the Fund to be available only to implement the provisions of the Settlement.

Funding by the State also supports the Settlement. In November 2006, State propositions 84 and 1E were passed by California voters and should provide about \$200 million of State bond funds for projects that will directly contribute to restoration efforts.

Funding for the SJRRP during FY 2008 and FY 2009 is provided by the Federal government and the State of California, as summarized in Table 4. These funds are used to support SJRRP management, and studies for preparation of the PEIS/R.



Annual Budget

| SOURCE | FISCAL YEAR 2008 | FISCAL YEAR 2009 |
|---|---------------------|-------------------------------------|
| Federal Funds | | |
| U.S. Department of the Interior, Bureau of Reclamation | | \$20,300,000 ³ |
| Central Valley Project Improvement Act ¹ | \$7,200,000 | |
| San Joaquin River Restoration Fund ² | 0 | 0 |
| National Marine Fisheries Service | | |
| Protected Resources – Salmon | | 0 |
| Federal Sub-total | \$7,200,000 | \$20,300,000³ |
| State Funds⁴ | | |
| California Department of Water Resources | | |
| Proposition 1E | \$2,250,000 | To be determined |
| Proposition 84 | \$4,250,000 | To be determined |
| California Department of Fish and Game | | |
| Proposition 1E | \$2,120,000 | To be determined |
| Proposition 84 | \$1,200,000 | To be determined |
| State Sub-total | \$10,000,000 | To be determined⁵ |
| Total | \$17,000,000 | \$20,300,000 |

¹ Includes funding for FWS and NMFS participation.

² This fund would be approved under the San Joaquin River Restoration Act, currently Title X, Subtitle A, Part I of Senate Bill 22.

³ Current amount in the President's budget assuming passage of the SJRR Act; actual amount will be identified when the Federal budget or the SJRR Act passes.

⁴ State Fiscal Year is from July 1 - June 30; Federal Fiscal Year is from October 1 - September 30.

⁵ State amount for 2009 to be determined after resolution of State budget deliberations.

Table 4

Status of Federal Legislation

Authorizing legislation to fully implement the San Joaquin River Restoration Program, known as the San Joaquin River Restoration Settlement Act, passed the full Senate on January 15 and will go to the House of Representatives for a vote before being submitted to the President for signature. The legislation was reintroduced as part of the Omnibus Public Land Management Act, Senate Bill 22, by Senator Jiff Bingaman (New Mexico) on January 7, 2009. Revised in late 2008 to include further water management and landowner protections, the Act is supported by the Settling Parties and Third Parties.

While authorization is still pending at the time of this 2008 Annual Report, the Department of the Interior is proceeding with environmental review based on current authorities and funding, although timely passage of Congressional legislation will be critical to implementing provisions in the Settlement and maintaining the SJRRP schedule.



SAN JOAQUIN RIVER
RESTORATION PROGRAM

