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UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

In the Matter of:)
)
The Relicensing Application of the) Project Nos.
Merced River and Merced Falls) 2179-003 & 2467-020
Hydroelectric Projects.)
_____)

PUBLIC MEETING

MERCED COUNTY FAIRGROUNDS
SAN JOAQUIN HALL
900 MARTIN KING LUTHER JR. WAY
MERCED, CALIFORNIA

APRIL 30, 2015

6:00 P.M.

Reported by: Ramona Cota

1 A P P E A R A N C E S

2

Federal Energy Regulatory Commission

3

Matt Buhyoff, Aquatic Biologist

4

Doug Hjorth, Principle Scientist

5

Louis Berger Group, Inc.
Consultants to FERC

6

Shana Murray, Outdoor Recreation Planner

7

8 Merced Irrigation District

9 Jeff Marchini, Director

10 Scott Koehn, Director, Vice President of the Board

11 John Sweigard, General Manager

12

Elected/Public Officials

13

Assemblyman Adam Gray

14 California State Legislature, 21st Assembly District

15 Supervisor John Pedroza, Chairman
Merced County Board of Supervisors

16

The Honorable Joshua Pedrozo, Mayor Pro Tempore
City of Merced

17

18 The Honorable Rodrigo Espinoza, Mayor
City of Livingston

19

Steven Gomes, EdD, Superintendent of Schools

20 Merced County Office of Education

21 The Honorable Jim Price, Mayor
City of Atwater

22

Matthew Wainwright, District Representative

23 The Office of Representative Jim Costa, California's 16th
District

24

Supervisor Deidre Kelsey

25 Merced County Board of Supervisors

1 A P P E A R A N C E S

2

Also Present

3

Maxwell Norton, Farm Advisor

4

University of California, Cooperative Extension Merced
County

5

Jack Gallagher

6

Kole Upton, Chairman

7

Sphere of Influence Water Users Association

8

Luis De La Cruz

9

Irene De La Cruz

10

Eugene B. Gentrey

11

Alfred A. Souza

Yosemite Farm Credit

12

Colette Alvernaz

13

Breanne Ramos

14

Merced County Farm Bureau

15

Tim Goodson

Calaveras Trout Farm

16

Bob Cook

17

Mike Bettencourt

18

Richard Kilgore II

19

Le Grand Community Services District

20

Gary Lorenzo

21

Joe Sansoni

22

Gary Tessier

23

Brad Robson

24

Joe Scoto

Merced Irrigation District Advisory Committee

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1 P R O C E E D I N G S

2 6:04 p.m.

3 AQUATIC BIOLOGIST BUHYOFF: I would like to
4 welcome everyone here today, this is a great turnout. It's
5 great to see everyone.

6 We are here to talk about the Draft Environmental
7 Impact Statement meeting for the Merced River and the Merced
8 Falls Hydroelectric Projects.

9 So this is the basic agenda for tonight. I'd like
10 to just give a short presentation and talk about FERC and
11 Hydropower Licensing, our division.

12 How we got here, where we are going and then what
13 we plan to do tonight and the goals of this meeting.

14 So who are we? My name is Matt Buhyoff. I am
15 employed by the Energy Regulatory Commission as an Aquatic
16 Biologist. Shana Murray, who most of you saw at the back
17 table doing the sign-ins, she is a Cultural Resources
18 Specialist also working on the project. I have Doug Hjorth
19 manning the computer. He is contracted by us. He is with
20 the Louis Berger Group; that's an environmental consulting
21 firm.

22 Again, I didn't study in fish in school because I
23 liked talking in front of the public so if I stumble I
24 apologize.

25 The Energy Regulatory Commission is based in

1 Washington, DC. Most of us are based out of that building
2 right there. It's a pretty small agency, about 5,000 folks.

3 It has a five member panel that are appointed by
4 the President. The current Chairman is Norman Bay, the
5 fellow in the center there.

6 We do a lot of different things dealing with power
7 in the US, electric rates, natural gas, oil pipelines.

8 Obviously, we are here with the hydroelectric part of the --
9 part of the FERC.

10 The hydropower program is three tiered. I work
11 for the Licensing Division; we give out licenses. We decide
12 if licenses are warranted, and if so, what kind of
13 conditions to put in the license.

14 Once an entity has a license the License
15 Administration & Compliance crew determines if the license
16 is being followed.

17 And then we have the Dam Safety group. That's
18 essentially a lot of engineers that make sure that dams are
19 safe.

20 How did we get here today? We are here because of
21 Merced ID's Merced River Hydroelectric Project. That number
22 under the name there is the project number. It helps
23 identify all the projects we have.

24 Also PG&E's Merced Falls Hydroelectric Project
25 located immediately downstream.

1 So back in November of 2008 both of those
2 companies came to us and said that their licenses were about
3 to expire and they were looking to get new licenses. What
4 that does on our end is it triggers a notice for us to start
5 a full environmental review to determine of these projects.
6 Most licenses are 30 to 50 year term so it can be a long
7 time before projects are looked at in a comprehensive way.

8 So in 2009 I was out here; we did something called
9 scoping. That's just where we ran a public meeting. But
10 the idea is we try to get an idea of what information is out
11 there, what information needs to be gathered, what studies
12 need to be conducted. We just try to get the whole picture
13 of the project and what kind of issues are involved.

14 After that both Merced ID and PG&E conducted multi
15 years of studies, a lot of different studies, everything
16 from geological investigations to fisheries to archaeology,
17 so on and so forth.

18 After all the studies were concluded, in March of
19 2014 we issued something called an REA. All that is is it
20 says that we think we have enough information to go ahead
21 and write a DEIS. At that time what we do is request
22 agencies' recommendations in terms of conditions. So each
23 agency has a certain mission of public trust and we are
24 required by law to listen to their recommendations.

25 So we issued the draft EIS at the end of March,

1 March 31st, I believe.

2 We are there in that yellow box. We are here to
3 get comments on that DEIS, to resolve some issues.

4 And I will talk about the final steps here in a
5 minute.

6 So the Draft EIS. Essentially what it looks like.
7 I think it closed in on 700 pages. It is comprehensive and
8 it is meant to be that way. We at the Commission do all
9 that analysis. We work in multi-disciplinary teams, like I
10 said. I'm a freshwater biologist. We also have engineers,
11 archaeologists, recreation specialists, wildlife biologists.
12 We contract environmental consulting groups for some
13 specialties we don't have, in this case hydrology and some
14 other aquatic resources, to help us digest all this
15 information.

16 We are required by law to give equal consideration
17 to both developmental purposes and environmental impacts of
18 the project. That's something that is unique to FERC. We
19 call it the balancing. It is in Section 5 of this document.
20 it includes all the information where we try to balance the
21 economic and environmental impacts.

22 So in the DEIS we evaluate the applicant's
23 proposal. They will have a certain proposal that might
24 include conditions.

25 We have something called the staff alternative.

1 In the staff alternative what we do is to take all those
2 agency recommendations -- we get recommendations from NGOs,
3 environmental groups, the public and try to work it all
4 together to come up with something comprehensive.

5 We also look at something called the staff
6 alternative with mandatory conditions. I want to talk about
7 mandatory conditions really quick because that's kind of
8 important. Without going too much into the legal basis
9 because God knows I'm not a lawyer, certain agencies have
10 something called mandatory conditions. So that means, no
11 matter what we think about what the agencies are saying, we
12 have to include their conditions in the license.

13 For this project specifically the California State
14 Water Board and the Bureau of Land Management, BLM, have
15 mandatory condition authority on this project. So what we
16 might see in the EIS is we will do something -- the State
17 Water Board might have a certain condition. We will weight
18 and balance that condition and say, well, you know. Maybe
19 we think it's too expensive or something and we don't
20 recommend it. We can say that, but in the end when it comes
21 to the Order stage, that condition has to be included in the
22 license. Again, the State Water Board and BLM have that
23 authority on this project.

24 So how do you obtain a copy of the draft EIS?

25 Back at the table we have a couple of different

1 versions.

2 Number one, you can go online, if you have a
3 computer, to elibrary.ferc.gov. That's also where you can
4 see the whole public record for the project. The idea is
5 when we make decisions you should be able to -- it's like a
6 math problem, you should be able to go back and see the
7 work, see how we got there. When you go to
8 elibrary.ferc.gov, like I mentioned, that project number,
9 that's important, that's how you find your specific project.

10 We have CDs containing this whole document back at
11 the table.

12 If you want a hard copy and we are out of them for
13 some reason you can contact our Public Reference Division, I
14 have the phone number there and e-mail address. I'll leave
15 that slide for just a second in case somebody wants to copy
16 that down. Also, feel free to find me at the end of the
17 meeting if you need that information.

18 So what's next in the process?

19 All right. Well next, like I said, this is a
20 draft; and by "draft" I mean "draft." You know, we did our
21 level best to try to digest all this information. Sometimes
22 we get it right, sometimes we get it wrong, sometimes we
23 just miss the boat on things. And that's completely normal.
24 These are complex projects dealing with a lot of issues. So
25 we are here today to get comments and to find out if there

1 are areas where we missed the boat on, if there are areas we
2 need to double-check and re-look at.

3 We will gather comments here today. We have a
4 court reporter sitting here. Anything the speakers will say
5 will be put on the public record. We will listen to what
6 you have to say tonight. We will go back and look at the
7 transcripts later on.

8 We also take written comments, like I said.

9 In the end what we do is we try to respond to the
10 comments as best we can in a final Environmental Impact
11 Statement. We might make changes to this draft if it is
12 appropriate. Again, the idea is you will always be able to
13 see our work, like doing a math problem.

14 Finally there will be a licensing decision, a
15 License Order. The Commissioners review the project record
16 and then we put out an Order with the conditions in it.
17 Again, those conditions are typically based on the
18 recommendations that are in the FEIS, with one caveat; that
19 we have to include the mandatory conditioning agencies'
20 conditions. In this case there is a condition the Water
21 Board wants us to put in there, it's going in there. There
22 is a condition that the BLM wants, that's going in the
23 license as well.

24 We are planning on issuing the FEIS around late
25 October. Sometime the schedule is a little bit flexible

1 depending on how much work is involved. The license order,
2 it just really depends. Both the Merced Irrigation District
3 and PG&E in order to get the license have to have a 401
4 certificate from the Water Board, and so we can't issue a
5 license until they have that 401 certificate. In some
6 cases, getting an Order, it depends on us waiting for the
7 Water Board to finish up their work.

8 So why are we here today?

9 Today is specifically for us to listen to you. It
10 is to receive oral input and comments on our DEIS. If you
11 have had a chance to read the document, great. If you
12 didn't, no problem. This is your forum, it is your
13 opportunity to speak.

14 Like I said, if you don't really feel like
15 speaking tonight but you do want to submit comments, we
16 would like you to do so by May 29th of this year.

17 We highly encourage electronic filings. There are
18 a couple of brochures -- there is a brochure back there,
19 it's like a little pamphlet, it gives complete information
20 on how to make those electronic filings.

21 If you don't feel comfortable using a computer you
22 can just write by mail. The address for that is back there
23 as well.

24 Again I remind you. Any kind of correspondence,
25 so we know what project you're talking about, should include

1 the project numbers, 2179 for the Merced River Hydroelectric
2 Project and 2467 for Merced Falls.

3 So ground rules for tonight. We would like you to
4 sign in to speak. Those two things let's us just kind of
5 order the speaking.

6 Number two allows the court reporter to record
7 your name. Also the court reporter would ask, because like
8 my name is pretty unusual, I've heard every variation of my
9 name, Buhyoff, it's strange, so if you have a name that's
10 unusual if you would go ahead and spell your last name
11 before you talk. In fact, before you talk in general if you
12 would just give us your name it would be very helpful, and
13 affiliation if you have one.

14 I think tonight, given the number of speakers, we
15 are going to try to keep it around five minutes for talking.
16 Shana in the back is going to wave her hand at me when you
17 have about a minute left and I will try to give you a wave
18 when you have about a minute left and then I'll give you
19 another wave when we are at five minutes.

20 The purpose is to get everyone in tonight. I'm
21 willing to stay here as long as it takes. But again, the
22 idea of time limits is helping your fellow neighbor out, you
23 know, get their time in to speak.

24 And then last, it seems silly but -- like I said,
25 there's a lot of different issues, there might be a lot of

1 people on different sides of the fence. If you would show
2 respect for one another it goes a long way. I certainly
3 appreciate it. It's not an easy thing and we definitely
4 understand it.

5 I think that's it. I definitely want to get off
6 the stage, my mouth is getting really dry, and I don't want
7 to take up any of you all's time. I didn't bring a card but
8 here is my information. Again, my name is Matt Buhyoff. My
9 e-mail address is right there, my office phone number. If
10 you have any questions about the process going forward feel
11 free to call me. I can't take your comments and put them on
12 the record from my end, you will have to do that
13 electronically, but like I said, I am always happy to pick
14 up the phone and if you have any questions about how we get
15 here and where we're going and if you need any help.

16 So with that, I am going to go ahead and finish
17 talking. Are there any questions real quick before we get
18 started?

19 (No response.)

20 AQUATIC BIOLOGIST BUHYOFF: All right, great,
21 none. So we are just going to go ahead and kind of shut
22 down things and get the meeting to start the speakers. I'll
23 go ahead and I am going to go just down the list in order.
24 We are going to start probably with some elected or public
25 officials first and then we'll go through the list. Again,

1 if you would please say your name before you start and spell
2 your last name that would be a big help. And please, if you
3 can, let's speak into the microphone because that's how you
4 will get recorded onto the record.

5 All right, thank you.

6 So our first speaker will be Adam Gray.

7 ASSEMBLY MEMBER GRAY: Good evening. My name is
8 Adam Gray; I represent this community in the California
9 State Legislature, the 21st Assembly District, including
10 Merced and Stanislaus County.

11 First of all, I'll say welcome to Merced County
12 and thank you for being here tonight and offering an
13 opportunity for myself and for our community members to
14 register some comments on this process.

15 I came here tonight, I've drafted a letter to the
16 Secretary and I'll have my staff leave that with you for
17 distribution to the Commissioners.

18 I wanted to articulate a number of points.

19 First and foremost is our community continues to
20 struggle amidst extraordinarily severe drought conditions.
21 A community that depends on agriculture as the very backbone
22 and lifeblood of our economy, these proceedings couldn't be
23 more critical and frankly potentially more dangerous to the
24 very people sitting in this room and the great people that I
25 represent.

1 Just in these last couple of years the State
2 Legislature has moved forward with the Groundwater
3 Sustainability Act so that communities like ours can have
4 sustainable groundwater basins going forward; and at the
5 same time we have the State Water Board taking into
6 consideration increased flow proposals in the tributaries
7 that run through this district and at the same time we have
8 these proceedings.

9 We must have all of these levels of government
10 working together, forming a rational path forward.
11 Certainly as we seek to deal with some of the most impacted
12 groundwater basins in the state, you can't eliminate our
13 surface water, our best source of recharge, and expect to
14 have healthy groundwater basins. So I have grave concerns
15 as there's discussions of increased flows through this
16 process, increased flows at the Water Board, and at the same
17 time putting at our doorstep, at the doorstep of the local
18 governments, the counties, the sustainable groundwater
19 basin.

20 I am currently carrying legislation at the State
21 Legislature trying to ensure and direct the Water Board to
22 take every other action possible prior to those increased
23 flows. And I would certainly make a strong suggestion to
24 the commissioners and to the Secretary that none of those
25 seem to be first and foremost considerations in this

1 process.

2 This community is already plagued with rates of
3 poverty and challenges that are far too high. Just ten
4 years ago the Congressional Research Service sent out a
5 report pointing out that this community has the same rates
6 of poverty and other challenges that Appalachia had during
7 President Johnson's War on Poverty. We cannot afford to
8 erode our ag economy further. In fact, we need to
9 strengthen our ag economy and we need water to do that.

10 With that, thank you to all my constituents and
11 community members and neighbors who are out here this
12 evening to weigh in on a very important issue. Appreciate
13 the opportunity to make some comments on the record, and
14 again, I submitted a letter articulating my concerns. Thank
15 you.

16 (Applause.)

17 AQUATIC BIOLOGIST BUHYOFF: Thank you very much.

18 The next speaker is Mr. John Pedreiro.

19 SUPERVISOR PEDROZA: Pedroza.

20 AQUATIC BIOLOGIST BUHYOFF: Pedroza. Excuse me,
21 sir.

22 SUPERVISOR PEDROZA: Good evening. I am
23 Supervisor John Pedroza, currently Chairman of the Merced
24 County Board of Supervisors. I will submit a letter also
25 but I will read my comments.

1 This is to oppose too the flow-over proposals
2 recommended for the Merced River below the New Exchequer
3 Hydroelectric Project in the draft Environmental Impact
4 Statement.

5 Merced County is highly dependant on agriculture.
6 This requires a reliable source of water, both for direct
7 surface deliveries as well as for groundwater recharge that
8 benefits rural communities and agriculture alike. The draft
9 EIS as proposed would result in decreased delivery of water
10 to our community and decreased water storage at Lake
11 McClure. This will directly affect our community and our
12 groundwater.

13 As we have already seen in the current four-year
14 drought, our community is extremely disadvantaged, as you
15 just heard the Assemblyman say. More than a quarter of our
16 residents live below the federal poverty level. We have
17 twice the unemployment as the state average and some of the
18 lowest per capita income in the state of California.

19 The largest employer and economic driver in our
20 county is agriculture and its associated industries.
21 Production is valued at almost \$3 billion. In production
22 and process it generates more than \$7.5 billion of economic
23 activity. In our local economy's disadvantaged communities
24 such as our's, every dollar and every job is critical.
25 Without a secure water source, agricultural production will

1 suffer and too will our economy.

2 Rather than adopt these flow proposals outlined in
3 the EIS, FERC should ensure that any new flow requirements
4 cannot curtail water deliveries to our community, especially
5 in our dry water years when deliveries are already reduced.

6 Thank you very much. And like I said, I will be
7 submitting this letter on behalf of Merced County.

8 (Applause.)

9 AQUATIC BIOLOGIST BUHYOFF: Thank you.

10 Our next speaker is Mr. Josh Pedrozo.

11 MAYOR PEDROZO: Good evening. And thank you for
12 being here tonight to take into consideration our region's
13 comments. My name is Josh Pedrozo; I am the Mayor Pro
14 Tempore for the City of Merced.

15 I am a third generation resident of this
16 community. But that pales in comparison to a lot of my
17 constituents and people in this room have been here much
18 longer than myself and my family.

19 This community was established in 1889, a year
20 after Lake Yosemite was completed and began receiving water
21 from the Merced River. This city did not establish itself
22 without understanding the water supply in the region.

23 I am confident that at the time of our
24 incorporation the leaders who founded this community
25 recognized that we fluctuate between wet and dry years, but

1 also realized that through time we could put in place
2 certain systems that would serve, protect and balance our
3 most precious of natural resources in this area.

4 Now it seems you want to remove that water supply.
5 The concern that I hear from throughout the community is
6 this: FERC is releasing this document, which calls for a
7 diversion of water from our community in a fourth year of
8 drought. If they are so insensitive with the timing, how
9 much actual thoughtful consideration was truly given to our
10 community's needs in the development of the document itself?

11 As you well know, this New Exchequer Dam is not a
12 federal nor a state project. It was built by the people of
13 this community.

14 Whether here tonight or in the Final Environmental
15 Impact Statement, can you please provide this answer to our
16 city which I have not been able to provide myself: Why are
17 you taking away water that has been put to beneficial and
18 balanced use for decades? Are you concerned about the
19 impacts to a 126 year old city? A city that is continuing
20 to grow and has an otherwise bright future. The future of
21 our community should not be considered any less important
22 than any other city or region of California or the United
23 States, for that matter. There are ways to ensure
24 sustainability for our community as well as the environment.

25 Personally, I care for the environment and want to

1 ensure it is healthy for generations to come. However, a
2 water grab as egregious as this not only affects Merced
3 County agriculture, the city's business community, our
4 residents, but our natural environment as well.

5 Whether it has been declared or not, I think
6 everyone in this room tonight would agree we are in a state
7 of national emergency. Forty percent of the food produced
8 in this nation comes from this area. There is a better way
9 an a more balanced approach. We can protect our environment
10 and we can preserve this community if we are all reasonable.

11 I respectfully encourage you to reconsider the
12 flows you are suggesting and consider a direction less
13 harmful to our community. Again, thank you for being here
14 tonight.

15 (Applause.)

16 AQUATIC BIOLOGIST BUHYOFF: Thank you.

17 Mr. Rodrigo Espinoza.

18 MAYOR ESPINOZA: Thank you. My name is Rodrigo
19 Espinoza; a farmer and also the Mayor of Livingston.
20 Livingston is located along the banks of the Merced River.

21 Our community relies directly on groundwater.
22 Unfortunately, with the water levels dropping the water
23 quality in our region has exponentially deteriorated. In
24 fact, we have a number of wells that we have had to turn off
25 as the result of water quality issues. We can hardly keep

1 up with our supply-demand and it is only getting worse.

2 Recently we had reached out to Merced ID to
3 propose that Livingston receive surface water to assist our
4 community. Thus, what you are proposing is extremely
5 concerning. Taking water away from this region undermines
6 my city, my communities and my own families.

7 In addition to serving as the Mayor of Livingston
8 I also sit on the MID Advisory Committee. Water is that
9 crucial to our city's survival.

10 I urge you to reconsider the flow proposals in
11 this document which would significantly harm our city. You
12 have a tremendous amount of authority and influence, With
13 that authority should come a significant sense of
14 responsibility to find a balance in your approach to
15 management issues. Please reconsider what is in this
16 document and please consider the harm that is likely to
17 follow from its implementation as proposed. Thank you.

18 (Applause.)

19 AQUATIC BIOLOGIST BUHYOFF: Thank you.

20 Mr. Steve Gomes.

21 DR. GOMES: My name is Steve Gomes, Merced County
22 Superintendent of Schools. I am here today because as I
23 look through your proposal, I see that there isn't any
24 mention about education and the impact, the environmental
25 impact on our educational system here in the county so I am

1 here to talk -- talk to you about it.

2 We have 55,000 students in K-12 here in Merced
3 County and we have about 20,000 to 25,000 of those students
4 attend school on campuses that have their own wells. What
5 that means is -- and many of those wells are located in
6 rural areas, they're located in farming areas. Those wells
7 are recharged with surface water. So what's happening, of
8 course, and I think everybody in here knows, as we begin --
9 as the drought has decreased surface water, that means more
10 groundwater pumping. That also means less replenishing of
11 that groundwater because there is no surface water to
12 replenish it, which means that we have wells that continue
13 to sink, continue to decrease and become deeper for access.

14 Well my question is, at some point those schools
15 very soon are going to run out of water. I have got 25,000
16 students. Their parents expect them to go to school every
17 day. We want them to be in school every day. Those
18 schools, they want to drill new wells. Already, as
19 everybody also knows, it's about a two to three year wait to
20 have that kind of commercial well drilled.

21 So we have 25,000 students, so what do we do?
22 Some options are -- and this happened to me in Porterville
23 already. Some options are you bring a tank of water in.
24 The students can't drink that but you can use it for other
25 things. So it's bottled water, it's Port-A-Potties, it's a

1 mess.

2 And I think that -- I looked at this report and I
3 started to do a count. I started to do the count and I see
4 the word "fish" in here a lot. I don't see the word
5 "farmer" here, I don't see the word "student" in here, I
6 don't see the word "citizen" in here.

7 And so what I needed to tell you is that I think
8 that this dam has created an ecosystem over the last 50
9 years. We can't change the ecosystem that we have now
10 created. And I think by decreasing flows -- excuse me, by
11 increasing flows more than what has been in the past, is
12 going to change our ecosystem and that change is that we are
13 going to run out of water.

14 I would ask the committee to take a look at, as
15 they look at the environmental impact, is what the impact is
16 going to be on our educational system.

17 I'll just add one more thing while I'm talking
18 about education. It's not within my realm but UC Merced -
19 one of the reasons UC Merced, the most recent research
20 university built in the United States - is located in Merced
21 is because we have access to -- they have access to water.
22 I'm looking at Yosemite Lake and that access looks like it's
23 diminishing. We've got 6,000 students there and we are
24 going to have 10,000 students very soon. That is going to
25 be an increased amount of water supplied. I would also like

1 to see UC Merced also considered to be environmentally
2 important.

3 I think all of those things play into the amount
4 of flow from the amount of surface water that is going to be
5 applied to our county and replenish some of that groundwater
6 that we all have become dependant on and it has now become
7 our ecosystem. We have a new ecosystem; it's the one we had
8 50 years ago. G Street doesn't flood anymore.

9 So with that I thank you for coming and listening
10 to us and I appreciate my opportunity to talk about
11 education in front of this very esteemed group of people.
12 Thank you.

13 (Applause.)

14 AQUATIC BIOLOGIST BUHYOFF: Thank you.

15 Mr. Jim Price.

16 MAYOR PRICE: Thank you very much. Jim Price; I
17 am the mayor of the city of Atwater, population somewhere
18 towards the middle of 30,000 people. Anybody that knows me,
19 and I know John Pedrozo and several others know me here,
20 they know that when it comes to talking straight off of my
21 head I'm going to do it. So I'm going to say it like it is.
22 I'm not going to read from a prepared statement, I'm not
23 going to say anything that would be politically correct.

24 You guys nuts?

25 (Laughter and applause.)

1 MAYOR PRICE: My city right now, a city of 30,000,
2 we're running 13.1 to 14 percent unemployment. We just lost
3 several businesses in the area. But what is particularly
4 certain is the fact that we have three major retail projects
5 right now on the books to be built, one of which is the
6 Ferrari Ranch project up by Highway 99. I don't have the
7 numbers on how many people that is going to employ but I
8 know it is going to make one heck of a good dent in the
9 unemployment rate for the city of Atwater.

10 Unfortunately these days, our water situation just
11 kinds of gets in the way of all that. I don't want to be
12 the mayor of the first community in the Central Valley that
13 has to say that we have to stifle our economic development
14 because something as - I was going to say as simple - but as
15 critical as water.

16 We have come to the point right now that our
17 groundwater recharge is nonexistent. And what is happening
18 right now at the city of Atwater, and in February I directed
19 our Public Works Director to start sticking the wells around
20 our city to see where we're at. So each month our council
21 has a month-to-month calculation of how much water we have.
22 And already in two months our water is depleting at a rate
23 that is disturbing.

24 Now one of the things that particularly disturbs
25 me is subsidence. And for those that don't know what that

1 is, that's where you have an aquifer, the aquifer is there
2 one day, the next day it's not. What happens is the dirt
3 that was on top of that aquifer meets the dirt on the bottom
4 of the aquifer, and there is no recharging that once that
5 occurs. So that's happening all over this county. And what
6 I don't want to see is it could happen in my city.

7 So the only way that we can do anything and deal
8 with it is to make sure that we have surface water, proper
9 surface water for all of our communities. For Livingston,
10 for Merced. Even small communities like Cressey, Winton,
11 all of the communities here, we all have skin in the game.
12 And for everyone here in this room I would wager that
13 there's probably 95 percent of the people that are looking
14 at you right now are all in ag. Atwater doesn't have the
15 big ag community but we sure are part of an ultimate
16 community of ag/city/everybody.

17 And it's time that everybody wake up to the fact
18 that this kind of action, this kind of depletion, further
19 depletion -- as Mr. Gomes has said, fish, are we kidding?
20 Hey, I swim. Do I qualify as fish too? One way or another
21 we are going to have to get over the fact that something
22 like a delta smelt or any kind of fish is going to take
23 second fiddle to us. It's time for the communities, it's
24 time for the county, it's time for everybody up and down
25 this valley to be rated number one and to be considered

1 before anything else when it comes to something as precious
2 as what we do not have today, and that's the water that we
3 have running down through those tributaries like the Merced
4 River. It's time to start waking up to the fact that the
5 people around here that depend on that water for their
6 livelihood.

7 I have a radio program every Saturday. And when I
8 go and I speak to the water issue, for the last two weeks --
9 and I don't know if he is here in the room today but Mark
10 Dent, if you're in this room -- he called in, he's an almond
11 farmer from out in Livingston. He's telling me that the
12 only thing that he can do right now is have a micro-drip
13 system just to keep his almond trees alive. He's not even
14 thinking about a crop. And I'll bet you there's a bunch of
15 others in this room that are thinking the same thing. So
16 what is he going to do, I asked him, at the season if we
17 look like we're just going to be the same. He says, I'm
18 done, and my neighbors around me, they're done too. That's
19 a sad commentary for sacrificing one over the other. These
20 are people, ladies and gentlemen. These are people, they're
21 human beings with real lives and they need to be considered
22 number one.

23 I hope that this will be one of those situations
24 where right decisions are going to be made and people are
25 going to be put number one for a change. Thank you.

1 (Applause.)

2 AQUATIC BIOLOGIST BUHYOFF: Thank you.

3 Next is Mr. Matt Wainwright.

4 MR. WAINWRIGHT: Good evening. For those of you
5 who don't know me my name is Matthew Wainwright, I'm
6 District Representative for Congressman Jim Costa, who
7 wanted me to share a letter here to submit in public
8 comment. We have also sent a letter and I have a copy that
9 I will be submitting on the Congressman's behalf.

10 This letter serves to once again express my strong
11 opposition to the flow proposals recommended for the Merced
12 River below the New Exchequer Hydroelectric Project in the
13 draft Environmental Impact Statement. The proposed flows
14 would have dramatically negative impacts to my constituents
15 in eastern Merced County. These harmful impacts include
16 critical losses of agriculture production, economic activity
17 and groundwater recharge.

18 The proposed draft Environmental Impact Statement
19 would decrease already depleted water storage in Lake
20 McClure and subsequently decrease deliveries to 2,200
21 growers served by Merced Irrigation District. The impact of
22 this proposal goes beyond damaging our economy and
23 agricultural production, but also significantly hinders
24 groundwater recharge through a basin that already has an
25 alarming rate of subsidence. If implemented, this draft EIS

1 would only serve to compound the suffering caused by this
2 historic drought over the last four years in Merced County.

3 It is crucial to understand that Merced County by
4 any measure faces a host of challenges. It suffers one of
5 the highest unemployment in the nation. Fully one-quarter
6 of Merced County residents live below the federal poverty
7 level. This makes agricultural production and its
8 associated industries that much more important to sustain
9 our community.

10 Agriculture generates more than \$7.5 billion of
11 economic activity in Merced County. Without our historic
12 and reliable supply of water our entire economy will suffer.

13 I strongly urge the Federal Energy Regulatory
14 Commission ensure any new flow requirements do not curtail
15 water deliveries to our community, divert water in storage
16 at Lake McClure, or reduce Merced County's resilience to
17 future droughts.

18 Sincerely, Congressman Jim Costa.

19 Thank you for your time.

20 (Applause.)

21 AQUATIC BIOLOGIST BUHYOFF: Thank you.

22 Maxwell Norton.

23 MR. NORTON: I'm Maxwell Norton, N-O-R-T-O-N. I
24 have been a farm advisor with the University of California
25 here for over 35 years. I am here to speak to you as a

1 citizen.

2 Ag generates about a quarter of all private
3 employment in this valley and that's because agriculture --
4 every job in ag could generate 2.2 additional jobs in other
5 parts of our economy. Now when you think of who is affected
6 here, we obviously think about the farmer and her family and
7 all the other people who work there. But in this valley
8 there are dozens of categories of businesses who depend on
9 selling products and supplies to farming operations. There
10 are just as many types of businesses that sell specialized
11 services to these family farms as well, harvesting,
12 irrigation design, ag engineering, ag construction
13 companies, labor contractors, veterinarians, bookkeepers,
14 online data services, ag banking, ag insurance, real estate
15 and legal.

16 The really big multiplier in our area, though, is
17 in the ag processing center. Canneries, almond haulers,
18 wineries, cheese companies, nut processors, meat processors,
19 tomato paste manufacturers, milk processing, frozen foods
20 and vegetables and fresh shipping. All of those can be
21 found right in this area.

22 We are pretty lucky that some of our output is
23 exported, because for every million dollars in ag exports,
24 27,000 jobs are created in this state. For every dollar in
25 exports, a buck and a half is generated in economic

1 activity. This is really important for California.

2 It goes without saying that the supply and cost of
3 water influences ag output and subsequent food processing
4 activities in our region. Because of our very limited, very
5 special combination climate, soils and availability of water
6 in the summertime, production of a specialty crop that is
7 lost here will not shift to other parts of the US. It will
8 shift overseas and the jobs will be created there.

9 Now my colleagues and I did a calculation of the
10 impacts of losing an acre of five representative crops in
11 our area. these are based on the economic input/output
12 study done in the adjacent county, which is very much like
13 ours. If you remove an acre of production in the following
14 crops, the impact on the regional economy is: almonds,
15 \$24,000; processing tomato, \$20,600; shipping tomatoes
16 \$23,400; sweet potatoes, \$29,000 and cling peaches, \$52,000.
17 These are the losses per acre, per year, to our regional
18 economy. That's because of those factors.

19 By almost any measure, unemployment rates,
20 malnutrition, teenage pregnancy, dropout rates, any way to
21 measure, Merced County is a poor county. On the average our
22 economy is really dependant on water. Try as we may we do
23 not have a way to replace that economic activity that
24 surface water brings to our region.

25 The federal government has a responsibility above

1 all others to consider the welfare of its citizens when
2 making these types of decisions. Thank you.

3 (Applause.)

4 AQUATIC BIOLOGIST BUHYOFF: Thank you.

5 Jack Gallagher.

6 MR. GALLAGHER: My name is Jack Gallagher, G-A-L-
7 L-A-G-H-E-R.

8 I have been a resident of this area, with the
9 exception of one year, all my life. I have lived in the
10 area where I presently reside for about 50 years. When I
11 built my house my water level was 11 feet. We had drainer
12 wells put in by the MID, numbers 79, 01, 03. They were
13 installed for the purpose of draining surface water away
14 from our area.

15 Today those wells are gone. One has collapsed,
16 the other ones burned up. They are not replaceable.

17 I have prepared a document to present to the
18 Commission and I'd like to read it to you.

19 This opportunity to express our views on the
20 proposed water flow standards under consideration comes with
21 significant concerns relative to the local aquifer, the
22 economic effects, both state and national, as well as the
23 quality of life in this locale.

24 There are considerable pressures brought to bear
25 for increasing the flow to the sea. These are not from

1 residents of this impacted area. They originate from
2 entities seemingly only concerned with their own ideological
3 agenda.

4 The drought conditions being encountered in the
5 west are not being addressed in the long-term. Increased
6 storage capacity to capture seasonal rain and snowfall is a
7 critical factor in resolving our dilemma.

8 The environmental issues appear to gain a much
9 stronger consideration than the lives and welfare of our
10 society. Look at the delta smelt and the impact it has had
11 on this year's tillage. Now you are faced with adversely
12 impacting another segment of the California agricultural
13 scene, not to mention the shrinking underground water plume
14 we live over and survive by.

15 This Commission must realize these factors when
16 deciding and setting protocols. The area was a desert
17 before humans. Humans in their risk-taking foresight built
18 the mechanism we have in place today. Without its benefit
19 the area would still be exposed to seasonal excesses of wet
20 and dry.

21 Those petitioning you for more release have failed
22 to take this into consideration, whether it be from
23 ignorance or ideological greed. Please do not succumb to
24 these short-sighted demands. We are already drawing on
25 stored capacity, not ambient flow. The dams are limited in

1 their storage capacity and our reserves are trimmed. Thank
2 you.

3 (Applause.)

4 AQUATIC BIOLOGIST BUHYOFF: Thank you.

5 Kole Upton.

6 MR. UPTON: My name is Kole Upton. I'm a farmer;
7 I live in Merced County. I live on my farm, as does my
8 daughter's family and my son's family. I am also Chairman
9 of an outfit called Sphere of Influence Water Users
10 Association. It's an outfit that was started at the request
11 of MID some 15 years ago so we could use water that was in
12 excess of MID's needs in a given year.

13 Before I go on to that I wanted to point out,
14 Matt, that you said on your statement there that 4(e) and
15 10(a) says equal consideration must be given to economic and
16 environmental consideration. And yet on page 61 of your
17 document it says "We have not identified any substantive
18 issues related to the socioeconomics associated with the
19 proposed action and therefore, socioeconomics is not
20 assessed in this EIS." As we say, this is going to have a
21 huge impact on the people and the economy in this area.

22 Now back to SOI. The reason we did that was so we
23 could bring the surface water in, sustaining the
24 underground. When you bring the water in and you put it in
25 the canals, 30 percent of it subsides and percolates back

1 into the underground. So this whole area about from
2 Bakersfield to Modesto is what is called a conjunctive use
3 area. When it's wet years the water comes in, it subsides;
4 but in drought years you have to take that water out with
5 deep wells.

6 The problem has been the last 25 years we have
7 been under attack by environmental organizations and
8 regulatory agencies, some with good intentions, some with
9 not. But the fact is, we have lost a great percentage of
10 our surface water. so now with the drought on top of that
11 we are in a situation where we are getting grossly over-
12 drafted in the aquifers and you are seeing the farmers going
13 out of business, communities running out of water and that
14 kind of thing. And we have got to address that. So
15 California has a groundwater problem now and it has got to
16 address it. It is not going to get any better, though, if
17 we keep losing surface water.

18 I noticed on page 155 of your deal that one of the
19 conservation groups would recommend a flow regime that would
20 reduce the Irrigation District - and you studied 36 years -
21 all 36 years. All 36 years. That's incredible. That means
22 guys like me on a creek would never get any surface water.
23 That would be a disaster.

24 And I want to say there is one thing that people
25 in this room have in common and that is their ancestors came

1 here with nothing. They started with nothing. I don't care
2 if they came from Portugal, from the South, from Vietnam,
3 from Mexico, they started with nothing; and we have
4 gradually built ourselves up with our families. We have
5 generations now of families here. These are mostly small
6 farmers and small community-type people and it's
7 heartbreaking to see what's happened to some of these
8 people, losing a whole heritage and a whole history for this
9 kind of thing.

10 The other thing is, is that commodities we grow
11 here can only be grown in California. You're not going to
12 get radicchio lettuce out of North Dakota, all right. And
13 there's a lot of things that we grow that nobody else can.
14 So if you get rid of the farming in this area it is going to
15 have an impact on the United States.

16 I will say that on a personal level, my dad
17 started our ranch -- he had three years of World War II and
18 came back with nothing and he started. I personally spent
19 six years in the military myself. And I've got to be honest
20 with you, I feel like I'm under attack by my own government.
21 Every time I turn around somebody is coming after me for
22 something and all we are trying to do is just be farmers and
23 just live our lives.

24 One thing I will suggest to you folks. Every
25 suggestion in this thing from the fisheries, it is it that

1 it has to be a Cadillac-type fishery. Nothing but the best
2 for those fish. Okay. Why don't you scale back, give them
3 a Volkswagen fishery or a Chevy one and we could still have
4 the water and we could still -- everybody could still get
5 along together. Thank you.

6 (Applause.)

7 AQUATIC BIOLOGIST BUHYOFF: Thank you.

8 Luis De La Cruz.

9 MR. DE LA CRUZ: My name is Luis De La Cruz, I
10 live in Planada, California. I was pretty much a farm
11 worker all through high school but luckily I got educated
12 and all that. This is my wife, Irene De La Cruz, she was
13 raised in Planada as well.

14 We want to support what MID is doing. We want to
15 tell you that the flow of water that you are proposing, we
16 don't agree with. But I want to touch on a different area.

17 I worked in the fields for many years. My parents
18 were coast-to-coast migrants. My family is fifth generation
19 American from the great state of Texas. My grandsons and my
20 sons are Californians.

21 If there's wrongs, they need to be corrected.
22 Yeah, there probably is. Our county is no exception to
23 making some bad errors in judgment as to how they work their
24 fields or how they work their development and developers
25 build their houses. But right now what's at stake:

1 You've got the community of Planada with over 40
2 percent unemployment. You've got Le Grand that's getting
3 there, you've got Los Banos, you've got a lot of the
4 unincorporated communities, which are mostly Hispanic
5 majority. Even Merced. The effects that the agricultural
6 community, by them taking a tremendous hit, is just is going
7 to devastate us even further.

8 We worked for a man named -- the Grissom Ranch.
9 He passed away. He really taught us about the importance
10 and the responsibility of a farmer.

11 Another man - and his daughter-in-law in here -
12 that we worked for is the Kelsey Ranch. It is no longer
13 there as we saw it when we worked the Kelsey Ranch. Here is
14 another one that cared about the environment, cared about
15 the work, cared about the fields.

16 The effects that the farmers had on the workers,
17 whether it be Gee Farms or whether it be the DePaoli Farms,
18 whether it be Espinoza Farms, these individuals have a
19 direct effect on those farm workers.

20 What you're asking affects us all.

21 I'm not going to tell you that wrongs were made or
22 rights were right; overall we've done pretty good. Overall
23 Merced County has come through.

24 What we need -- and believe me, being a federal
25 agency you are not always welcome in most communities

1 because we are already over-regulated by the federal
2 government as it is. But guys, we need your help. We need
3 you to understand that we, we're working on it. We might
4 not be doing everything right but please understand that
5 every decision you make does affect human being directly.
6 We appreciate that you're here right here in Merced County,
7 but please understand that it directly affects us.

8 MS. DE LA CRUZ: Just real quickly I would say,
9 sort of reiterate that. But also just to let you know that,
10 you know, the figures that have been thrown out, there are
11 real people and real lives behind those numbers. And like
12 my husband said, we worked the fields of the Central Valley
13 and it has a direct impact on everybody.

14 Especially also I want to say what Dr. Gomes
15 mentioned about education. If you have kids going to school
16 stressed because believe it or not, even though they're
17 young, they get, you know, that their families are
18 struggling.

19 So thank you again for coming and thank you for
20 letting us speak.

21 AQUATIC BIOLOGIST BUHYOFF: Okay, thank you.

22 I might have trouble with this last name a little
23 bit, Eugene B. -- Gentrey, maybe?

24 MR. GENTREY: I'll waive it, thank you.

25 AQUATIC BIOLOGIST BUHYOFF: Okay. Next is Alfred

1 A. Souza.

2 MR. SOUZA: Thank you for allowing us to present
3 what we consider to be some interesting information on
4 something of importance to the Commission. My purpose here
5 this evening is to read to you a letter, which will be sent
6 to you also, that has been signed by the Chief Executive
7 Officer of Yosemite Farm Credit, who I represent here this
8 evening.

9 I am writing this letter to inform the Federal
10 Energy Regulatory Commission of our concerns with regard to
11 possible increase in required environmental water releases
12 down the Merced River. The Yosemite Farm Credit Association
13 has \$2 billion in agricultural loans in Stanislaus, Merced,
14 Tuolumne and Mariposa Counties. We have approximately 3,825
15 loans to local family farmers who produce food and fiber
16 near the Merced, Tuolumne and Stanislaus Rivers. We have
17 serious concerns with the state or federal agencies use and
18 recommendations affecting water availability in Merced
19 County.

20 While FERC is contemplating regulations that
21 increase the levels of additional flows down the Merced
22 River into the ocean, while at the same time the State of
23 California is implementing the Sustainable Groundwater
24 Management Act of 2014. The action of reducing the
25 potential for surface water recharge will work directly

1 against a process for groundwater management. Less surface
2 water means more groundwater pumping, until that too is
3 limited by full implementation of the Sustainable
4 Groundwater Management Act. With that, in a few short years
5 agriculture as we know it will be unsustainable.

6 We understand the importance of trying to maintain
7 environmental resources. We understand also that the
8 essence of Merced County, or any of California's
9 agricultural production, is irrigated farm real estate.

10 The ability to adequately irrigate Merced County
11 farm land has made agriculture Merced County's number one
12 industry and is the county's largest employer. Production
13 agriculture employs a fifth of the county's residents. When
14 you include food processing, ag employs about a third of the
15 work force. In terms of dollars, Merced is the fifth most
16 important ag county in the state and the nation.

17 Without water an acre of Merced County, or any
18 other California agricultural land, potentially devalues by
19 75 percent. That devaluation will manifest itself in
20 reduced property tax revenue, the reduced land values for
21 lending purposes, and all other instances in which land
22 value plays a part. That devaluation will be very
23 significant, if not devastating, to Merced County.

24 We support the Merced Irrigation District that
25 provides water and power to Merced County families who farm

1 and live here. It is our belief that the continued demands
2 on surface water supplies will drastically reduce any
3 opportunity for reasonable recharge to our area's
4 groundwater and deplete the remaining small amount of water
5 available to try and sustain Merced County's economic
6 viability. Thank you.

7 (Applause.)

8 AQUATIC BIOLOGIST BUHYOFF: Thank you.

9 Deidre Kelsey.

10 SUPERVISOR KELSEY: Hello, I am Deidre Kelsey, I
11 am Merced County Supervisor for District 4. District 4
12 encompasses the entire Merced River as it runs from east to
13 west. I live in Merced Falls, which is next to the power
14 plant, next to the project. I can hear the water when it is
15 released outside of my window. I can hear the river when it
16 is running. So I live very near there.

17 Almost -- not almost. Many of the communities that
18 I represent are adjacent to the rivers. Snelling is one
19 example of where I represent that is very close to the
20 Merced River. It's about 300 people. It sits right on the
21 banks of the river, actually. The town goes right down; the
22 streets go right down to the river. And we also have a
23 nearby county park that is adjacent to the river.

24 In most instances, even though these communities
25 and these facilities are located adjacent to the river, in

1 the last couple of years their wells have gone dry. I have
2 lived out there for 37 years. I don't think the wells had
3 ever gone dry before. So there is already a dissipation of
4 groundwater in the area.

5 My concern is that it hasn't been recognized. You
6 don't know how many people have had wells go dry in the
7 county. To remove the surface water from this region would
8 be devastating, not only economically but also to the
9 community that makes up this county.

10 The agricultural community is the economic
11 backbone of Merced County. Many of the businesses are plain
12 old agricultural operations. They grow watermelons, they
13 grow sweet potatoes, they grow almonds. They also depend
14 very much on their processors, their shippers, their
15 supplies; it's an economic cluster.

16 The same way agriculture is an economic cluster in
17 this county, it is a social cluster as well. Many of the
18 communities such as Winton, which are adjacent to the city
19 of Atwater, are largely agricultural. They travel to the
20 really big communities, to the big farming areas, to work.
21 They work -- They live in Winton but then they go to Gallo
22 and they work at the winery, they go to Foster Farms in
23 Livingston to work there, they go to Hilmar Cheese and they
24 work there, and then they return back to their communities.
25 All of these communities have wells. They are small

1 communities but their wells are very important. And if we
2 don't have the ability to recharge water in our region,
3 those communities' wells will dry up as well.

4 But that is really not what I came to talk about.
5 I came to talk about the dedication that Merced County has
6 had to agriculture over the years. We don't allow auto
7 malls, we don't allow urban developments out in the county.
8 We require a very strict rezone process. If you are going
9 to go try to, you know, build an auto mall or something like
10 that in the unincorporated area, or a shopping center, we
11 prefer to see those things go to the cities because the
12 cities have the infrastructure to support it. I think
13 that's proper land use planning.

14 But what it does is that it puts our tax base on
15 the backs of agriculture. The counties rely on the taxes
16 that we collect from different farming operations. We get a
17 tax of every single wire, every single post, every single
18 fence, every piece of equipment, all the irrigation,
19 everything. We tax it. And from that tax we pay for the
20 sheriff, we pay for fire, we pay for the jails, we pay for
21 probation. We pay for all the county services, including
22 the roads, with that money. And if we lose our agricultural
23 base and our communities we won't be able to collect taxes
24 anymore.

25 You heard what our banker said just a minute ago,

1 from Yosemite Farm Credit. If we are not able to collect
2 taxes we are not able to provide services. So if your
3 environmental document hasn't looked at that I think you
4 missed a significant piece.

5 In the county of Merced, 2179 as proposed today
6 would damage our financial ability to provide basic services
7 to taxpayers. And considering that we recently have gone
8 through a very severe economic meltdown in Merced County -
9 in some places we lost 60 percent of our property taxes due
10 to the drop in residential values - the agriculture is what
11 is keeping us alive here. And if you dry that up; I don't
12 need to say anymore.

13 But I must say that the impacts as proposed cannot
14 be mitigated and neither can they be overridden. So thank
15 you very much for coming to Merced County; I appreciate it.

16 (Applause.)

17 AQUATIC BIOLOGIST BUHYOFF: Thank you.

18 Colette Alvernaz. Ms. Alvernaz, the court
19 reporter has again asked us to remind you to try to speak as
20 close as you can to the microphone so we can get everything.
21 I appreciate it.

22 MS. ALVERNAZ: My name is Colette Alvernaz, C-O-L-
23 E-T-T-E, A-L-V-E-R-N-A-Z. I am the daughter-in-law of Sweet
24 Potato Joe. He passed away last year at the age of 93.
25 There have been over 94 years of sweet potatoes grown in the

1 family. His mother was called out of the harvest for his
2 birth; he says his father never forgave her. I do not know
3 beyond 94 years how many years the Alvernaz's farmed but it
4 has been over 100 in our county. We are a small family
5 farm. We farm 100 acres of sweet potatoes.

6 We have a special needs child. Our medical bills
7 are \$20,000 to \$24,000 a year. He have insurance, but in
8 the case of our medical system, there's extra you have to
9 pay. If we can't farm, we can't take care of our severely
10 disabled child. That is the facts.

11 We are sending a child to college. We've got to
12 pay the college, we've got to pay the tuition. That are the
13 facts.

14 Our land we put into a permanent agricultural
15 easement under Central Valley Farmland Trust. It is
16 federally and state protected and it is financed with
17 federal and state funds. My husband believes strongly that
18 the whole San Joaquin Valley is so important to our nation
19 it should be declared a permanent, federally-protected
20 agricultural preserve. There is no other land like this in
21 the world. We have been blessed greatly and we need to use
22 great wisdom on how we take care of it.

23 My father-in-law told me before he passed away of
24 Turlock, where people would plant watermelons and they
25 wouldn't irrigate all year long.

1 Thirty years ago when my husband and I moved back
2 to the family farm he took me around and showed me the
3 places that used to be artesian wells that he remembered as
4 a boy growing up.

5 We have taken our water and we have sent it down
6 the river to the point that our valley now has sinkholes.
7 Our land elevation is dropping. This is a hazard to the
8 people.

9 As farmers we have gotten more and more efficient.
10 Now we use drip irrigation, or micro-sprinklers. With drip
11 irrigation we irrigate the roots. Now we are being told,
12 because we were so water efficient we are not recharging our
13 underground water basin. We need to have several
14 underground water basins recharged. They have to be in the
15 plan.

16 PG&E has recently -- I met with them today. They
17 are looking at a full replacement project. They told me
18 they had to get in early on the adjacent land where there's
19 almond trees growing because of the endangered Swainson's
20 hawk. There are many wildlife that occurs in farming. We
21 have birds; we had a raccoon up our tree just last week at
22 our house. Not to take into account the wildlife population
23 is a mistake; this is an international wildlife airway going
24 through there.

25 It costs between \$7,000 to \$8,000 to farm one

1 acre. That is cost, that is not profit. There is a lot of
2 money that is going back into the community. We had a
3 foreman that worked for us until 90 years old. Find anybody
4 else that will hire someone in their 90s. Many of these
5 farmers are older than the retirement age of 65. We
6 continually give back to our community and to our nation.
7 We work hard to provide a healthy product for people.

8 If you take away farming people are going to go
9 someplace to eat. And if the farming dries up they are
10 going to eat your fish because people are hungry.

11 (Laughter and applause.)

12 MS. ALVERNAZ: My father-in-law, Sweet Potato Joe,
13 I had a chance to interview him before he passed away, like
14 I said. He told me how we went to the MID in the '60s and
15 he spoke in support of the dam. It raised the taxes on
16 every single farmer. My family paid for that dam and they
17 didn't have a lot of money. But they thought having a
18 source of water was important for the continuation of future
19 generations. That is our dam.

20 The Merced River would be dry in a drought. It's
21 only because farmers have been excellent water managers that
22 we have the dam and water in the river right now. We are
23 the ones that protected the river. We are the ones that
24 have cared for the water. And we have been excellent
25 stewards.

1 I am also -- I think the people that are making
2 the decisions, the Commission should have been here. They
3 should have been able to come and see the picture of my
4 family that they will have. They should be here seeing this
5 crowd of people pleading for their water. I think it is
6 inexcusable that they could not show up to a meeting if we
7 all sacrificed from our time. I had to find child care for
8 my severely special needs child to come here. What have
9 they given up? Thank you.

10 (Applause.)

11 AQUATIC BIOLOGIST BUHYOFF: Thank you.

12 Breanne Ramos.

13 MS. RAMOS: Good evening. My name is Breanne
14 Ramos and I represent the Merced County Farm Bureau. We are
15 a 98 year old organization representing farmers, ranchers
16 and dairy families from throughout the county.

17 The relicensing of the Exchequer Dam is a closely-
18 watched endeavor by our board, simply because a large group
19 of members are reliant on the Merced River for service water
20 allocations. In fact, and many people do not realize, the
21 actual water district was formed with support of the Farm
22 Bureau and the dam entirely funded by growers in the
23 district. That said, the connection to project runs deep,
24 generations deep.

25 This year, with the unprecedented drought, growers

1 are experiencing a surface water allocation of zero for the
2 first time ever. Although expected, living this reality is
3 much more concerning than any of us would have expected.

4 We ask if this proposal moves forward as is, does
5 the EIS take into account the grave possibility that a zero
6 surface water allocation will become a consistent reality,
7 even during wet years? This sobering question only furthers
8 our concern about our struggling communities because we can
9 begin to see and feel the impacts of the current drought and
10 zero allocation.

11 Per NEPA standards, the EIS is required to
12 evaluate economic impacts of a proposal on its community.
13 How does this proposal plan to mitigate the significant and
14 unavoidable impacts to our community? Running from the
15 issue will not help this devastating scenario on the east
16 side of our county; leaving the water in our basin and sub-
17 basin will. It is very unlikely that we will be able to
18 achieve the state's sustainable groundwater management
19 program mandates, resulting in our punishment and fines.

20 MID must be commended for their efforts to
21 collaborate with agencies and environmental groups to better
22 understand the economic balance in our system. They have
23 also worked hard to stay within the confines of flow
24 standards, at times even asked to hold back water to ensure
25 resources during the peak spawning season are available.

1 Please do not allow their investment, research and
2 new conservation efforts of our agricultural community and
3 citizens to be in vain. Farm Bureau plans to submit
4 official comments by the May 29th deadline. We also
5 respectfully request these comments be submitted into the
6 official record.

7 (Applause.)

8 AQUATIC BIOLOGIST BUHYOFF: Thank you.

9 Tim Goodson.

10 MR. GOODSON: Tim Goodson, G-O-O-D-S-O-N. I owned
11 and operated Calaveras Trout Farm on the Merced River until
12 this year; it's dry.

13 With your water releases that you have proposed
14 during a normal wet year, the second year we'll be back in
15 drought conditions. It is water -- My operation consists --
16 depends on the temperature of the water. With these high-
17 flow releases that are proposed to happen, with that being
18 the case, we will be in drought conditions. The river is
19 going to be in the 80s or 90 degrees so there will be no
20 fish. And again, every two years. It would happen every
21 two years. So what is the real reason for the releases,
22 because it's not to protect the fish. Thank you.

23 (Applause.)

24 AQUATIC BIOLOGIST BUHYOFF: Thank you.

25 Bob Cook.

1 (Declined away from a microphone.)

2 AQUATIC BIOLOGIST BUHYOFF: Okay.

3 I'm sorry, I can't read the last name but it's

4 Mike --

5 MR. BETTENCOURT: Bettencourt?

6 AQUATIC BIOLOGIST BUHYOFF: Yes. Thank you, sir.

7 MR. BETTENCOURT: Mike Bettencourt. I live and
8 farm. I live on the Merced River. I've been here for 68
9 years. My family has been there for over 80 years farming
10 along the river.

11 Every year is different; it's never the same. If
12 you take and start regulating what's going to happen on the
13 river -- the farmers are already regulated out of business
14 now by pesticides, chemicals and everything else out there.
15 We pay fees for everything that they decide to put a
16 regulation on.

17 MID does a pretty good job of trying to keep the
18 river going from what water is there. Some years, maybe
19 once every other decade, we get flooded out, okay. But then
20 about every one and a half decades we've got a drought.
21 Three quarters of the time I've been there there has been a
22 w fight over water, the amount of water we have.

23 So my question is, if every year is different and
24 they want to regulate and mandate the flow of the river, how
25 do you regulate and mandate something that changes every

1 year and you never know what it's going to be like? Thank
2 you.

3 (Applause.)

4 AQUATIC BIOLOGIST BUHYOFF: Thank you.

5 Richard Kilgore II.

6 MR. KILGORE: I'm Richard Kilgore II, the Public
7 works Superintendent for Le Grand Community Services
8 District.

9 Our district uses groundwater. That's how we get
10 the potable water for our customers. We sit right in the
11 southeastern edge of the basin, against the foothills.

12 You're in this drought. Without surface water
13 deliveries, the Merced MID is the last remedy in Le Grand.
14 We lost all of our wells. We've had to drop the bowls on
15 some of our wells. I mean, on one well I had to go down 100
16 feet.

17 As you can imagine, our small community has been
18 really watching what's going on with the MID and supply.
19 Any harm to MID's surface supply will directly affect the
20 community's groundwater. Being on the edge of the basin
21 near the Sierra foothills, our groundwater depths are
22 already twice that of the average of the basin.

23 Any more loss of surface water will result in
24 decreased storage. Make no mistake, this impact will be
25 extremely severe in the sense of the already-stressed

1 groundwater today. In the most simple terms, we feel our
2 community is going to run out of water as a direct result of
3 the river releases you are suggesting. You cannot just
4 ignore the impact your proposal will have on the region.
5 Human lives, health, are at stake. Le Grand can't shrink
6 suddenly, nor can it secure any other source of water if the
7 Merced River and the groundwater are both in peril.

8 I urge you to please take into consideration the
9 realities we face. Work with MID. Work with the suggested
10 river releases provided by MID to you. These are still
11 larger than the existing releases; but they would not dry up
12 or communities, only secure our water. Thank you.

13 (Applause.)

14 AQUATIC BIOLOGIST BUHYOFF: Thank you,
15 Gary Lorenzo.

16 MR. LORENZO: Good evening. Gary Lorenzo, Merced
17 County Farmer.

18 We propose -- your request to increase river flows
19 which takes water away from our communities. As a
20 community, we are dependent on the water that you are asking
21 for. With several years of drought we are in a survival
22 mode. We are doing everything within our means to deal with
23 this crisis. This drought started affecting the farmers a
24 few years ago and is now affecting everyone, including the
25 broader community.

1 Your proposal will mean a widespread loss of jobs
2 and revenue for our communities. We have already suffered
3 to a great degree and our ongoing ability to continue to
4 support the local population is at risk. This is not just
5 about taking some water from the farmers. Look at the
6 effect of lost water on some of our surrounding communities
7 such as Firebaugh, Mendota, Huron, Stratford and others on
8 the west side. They were once bright, little communities.
9 But when the water was taken away these communities suffered
10 and are at risk of not being able to survive.

11 The overall loss of jobs and economic opportunity
12 is incredible, the devastation absolute. We do not want to
13 become the next community on the list. Water is like blood
14 in our veins. Our communities are completely dependent upon
15 it; we need it to survive. When you continue to take it
16 away without regard for human life as priority, it's a
17 personal attack on all of us. It's like having an
18 untreatable disease eating away at our health and well-
19 being.

20 We think this increase that you are asking us to
21 accept needs to be proven to us. The science behind this is
22 more theory than proven fact; and the result of your actions
23 on communities such as ours will be disastrous. Is it
24 morally and ethically justifiable to continue to take the
25 water, putting human welfare at risk? Doing so will

1 certainly result in destroying a way of life and our
2 children's future.

3 We need to work this out with multi-pronged
4 strategies including more storage in wet years, followed by
5 increasing surface facility capacity and additional
6 underground recharge to our aquifers. The current situation
7 is unacceptable and sure to create ongoing environmental and
8 economical problems for all concerned. Thank you.

9 (Applause.)

10 AQUATIC BIOLOGIST BUHYOFF: Thank you.

11 Joe Sansoni.

12 MR. J. SANSONI: My name is Joe Sansoni, S-A-N-S-
13 O-N-I, a local farmer.

14 I wanted to ensure that you and the Commission
15 understand that these dams are not high-mountain dams that
16 were built by a private utility to make electricity for
17 profit. These were local water supply projects first and
18 foremost.

19 This lake represents and sustains the bread and
20 butter of our community. It was built on the backs of our
21 families six generations ago to sustain our community. I
22 represent the third generation of my family and I am
23 currently raising a fourth generation. I would like to have
24 the opportunity to leave something tangible and good for
25 when I'm gone someday.

1 These dams have not been expanded since the early
2 1900s. What the Commission is proposing is literally
3 collapsing the community, dismantling the basis of our
4 economy and destroying our sustainability.

5 Scheming to rob Merced water is getting more
6 sophisticated. Merced built the dams at local expense with
7 no external financial help and remains burdened with the
8 maintenance of these facilities. Further, MID is
9 responsible for the tens of millions of dollars in
10 improvements required by the new FERC license. Yet that
11 same license dictates that the water leave the area and
12 that's truly killing two birds with one stone. The locals
13 pay for the project, store the water at their expense and
14 then forced to give it up with no compensation.

15 (Applause.)

16 MR. J. SANSONI: In addition, one of the most
17 glaring and ironic byproducts of these new licensing
18 regulations is that its policies will certainly contribute
19 to even further and more prolonged reliance on groundwater
20 pumping, which is in direct contradiction to and in fact,
21 undermines the efforts of the various state and local
22 agencies who are currently working tirelessly to create
23 solutions that will reduce the demand on our shrinking
24 aquifers.

25 When L.A. leaders took control of Owens Valley's

1 water they paid secretly and overtly to purchase properties
2 before attaching their tentacles to them. Although the
3 money was unwelcome after the intentions of L.A. authorities
4 became clear, there was still some minimal compensation.
5 Please let's not repeat the well-known mistakes of the past.
6 The Owens-ization of Merced will be a loss to the nation and
7 would likely not be remedied for hundreds of years, if ever.

8 Please take a close look at the true impact of
9 your proposed flows, especially for low water years, and
10 make responsible adjustments to maintain the resource
11 reliability in Merced and throughout the Valley. Thank you
12 for your time.

13 (Applause.)

14 AQUATIC BIOLOGIST BUHYOFF: Thank you.

15 Gary Tessier.

16 MR. TESSIER: My name is Gary Tessier, Merced
17 County farmer.

18 There was a farmer yesterday, looking at his
19 withering crops. When he went to bed that night he prayed:
20 "Dear God, don't let my crops die, please send us some more
21 rain." To his surprise, God answered him. God said, "If
22 you look at the Merced Sun Star you'll see I've sent you
23 season-to-date 7.10 inches, but you let it all flow down the
24 river to the sea instead of saving it and using it."

25 (Applause.)

1 MR. TESSIER: "I thought I made man smarter than
2 the rest of earth's creatures."

3 The farmer said: "You did, Lord. But then you
4 made bureaucrats and regulators."

5 (Applause.)

6 MR. TESSIER: Now I have a question for you
7 regulators to answer to these people now. If the license
8 for this is mostly about electric generation, and this dam
9 was built without state or federal money, what gives you the
10 right to take our water at all?

11 (Applause.)

12 AQUATIC BIOLOGIST BUHYOFF: Thank you.

13 Brad Robson.

14 MR. TESSIER: How about an answer? What gives you
15 the right? Give us an answer to that.

16 MR. ROBSON: It's tough to follow that guy.

17 MR. TESSIER: They have no answer.

18 MR. ROBSON: My name is Brad Robson --

19 MR. TESSIER: They're taking the water illegally.

20 MR. ROBSON: My name is Brad Robson, I farm out in
21 Le Grand, R-O-B-S-O-N. We have been out there since 1971.

22 Some of these people are truly amazing in this
23 community. Let me see. Just some quick points.

24 First of all, we actually have the smallest lake
25 and the biggest customer base of the three rivers, the

1 Stanislaus, Tuolumne and Merced. So there's already some
2 serious constraints in terms of supply and demand.

3 MID service is about 125,000 acres. There's
4 500,000 acres in the basin irrigating, all right. So we
5 really need to be --

6 You know, I totally support that Groundwater
7 Sustainability Act. I like the local collaboration factors
8 of it and I think it is the only chance. We have to be
9 very, very efficient with water now for all of us to make
10 it, okay.

11 A couple of things about my farm. I am an
12 environmentalist; I'm a fisherman. I'm an organic pistachio
13 grower. We are completely, vertically integrated. I employ
14 35 people, including three ex-gang members, okay. I have
15 been very, very fortunate these last two years, I have
16 managed to get a good crop, a big price and I have paid a
17 lot of taxes. Okay.

18 And then some of the other things. Let me see.
19 We do have a couple of other constraints that haven't been
20 mentioned. We have some serious clay layer issues. So if
21 you don't have -- we need help on the recharge side. We've
22 got clay layers. The only way we're going to survive in
23 Le Grand is to get the surface water because there is no
24 recharge, the water just slides along, okay, that's a
25 problem. That's about it. Thank you.

1 (Applause.)

2 AQUATIC BIOLOGIST BUHYOFF: Thank you.

3 Joe Scoto.

4 MR. J. SCOTO: Good evening. My name is Joe
5 Scoto, S-C-O-T-O. I am co-chair of the Merced Irrigation
6 District Advisory Committee and a third generation Merced
7 County farmer.

8 We came to Merced in 1963, planted our roots, and
9 along with other growers in the area, joined hands with the
10 existing communities to build the New Exchequer and McSwain
11 reservoirs.

12 This marks the first year in our family's and
13 MID's history that no surface water will be provided from
14 the Merced River.

15 Now, based on FERC's DEIS, my family farming
16 operation and my son's future are both at risk of being
17 swept out by a well-intended but misdirected approach to
18 protecting fish. FERC is proposing that we dump significant
19 amounts of water during the summer for a fish that doesn't
20 exist on the Merced River.

21 We are proud of the work MID has done both for
22 agriculture and the environment. Nobody wants to see the
23 environment protected like a farmer. We know the
24 consequences to our industry when rivers are in peril; and
25 the Merced River is not in peril, it is being managed very

1 well.

2 Taking away this historic surface water supply
3 will require those like myself with no other source of
4 income to turn to groundwater. This is a finite source and
5 shrinking. Pumping groundwater increases costs, reduces the
6 quality of our crops, harms our financial stability and
7 depletes the same groundwater used by our cities. This in
8 turn directly impacts MID's financial as well as Merced
9 County's tax base.

10 This year in our fourth year of drought, without
11 surface water supplied by MID. I personally have fallowed
12 40 percent of my acreage, yet I am still paying property
13 taxes, standby fees, insurance and land tax on 100 percent
14 of my acreage.

15 To my understanding, the recommended flows for the
16 river will result in less surface water availability and
17 therefore we would face severe shortages more frequently.
18 Under your proposals, two subsequent dry years after a wet
19 year would put us in the same, exact same position we are in
20 today. Just to remind you, we will receive no water from
21 Lake McClure this year. And by the way, we know from
22 historic records that dry years generally happen in pairs.

23 Please reconsider what you are proposing. Our
24 irrigation district has always done the right thing for the
25 community and the environment. MID has made reasonable

1 proposals for the management of the river that balance both
2 the needs of the environment while not breaking the
3 district's back.

4 If our farming operation is at risk, frankly, a
5 portion of the nation's food supply is at risk. I and my
6 family are proud of what we do, grow your food, feeding you,
7 it's what feeds my family.

8 Again, please reconsider what you are doing.
9 There is no need to take away our family's livelihood, our
10 community's sustainability and a portion of our nation's
11 food supply. A better balance can be struck. Thank you.

12 (Applause.)

13 AQUATIC BIOLOGIST BUHYOFF: Thank you.

14 John Seasholtz.

15 MR. SEASHOLTZ: I am John Seasholtz, S-E-A-S-H-O-
16 L-T-Z. I have been a farmer in Merced County for 40 years
17 on my family -- a family operation that grows crops and
18 markets crops throughout the United States.

19 I agree with all of the truths. Every word has
20 been truth presented to you today. I think the message that
21 has to be taken back to FERC and the appointed Commission is
22 they have a number of alternatives, we saw it on your first
23 slide, and the last alternative, "no changes."

24 Now is not the change, now is not the time to have
25 changes. Now is the time to try to figure out what is going

1 to happen to the entire infrastructure of water and
2 environmental in California and virtually the west. That is
3 the message that the appointed people should have as
4 stewards for the people, not just for wildlife or for
5 consumers of fish. The people.

6 Take the message back. Have the courage to say, a
7 50 year review of the license, no change. Thank you.

8 (Applause.)

9 AQUATIC BIOLOGIST BUHYOFF: Thank you.

10 Bob Giampaoli.

11 MR. GIAMPAOLI: Bob Giampaoli, our office sent a
12 letter out here, G-I-A-M-P-A-O-L-I. I'm a farmer in the
13 Merced Irrigation District, also current president of the
14 Merced County Farm Bureau.

15 Farming was established in this region in the
16 middle 1800s. It began generally with small farms and
17 remains mostly that way today; the average farm size in the
18 Merced Irrigation District only being about 40 acres.

19 We are not like other parts of the state. We
20 still live within our means. Other areas of the Valley
21 where surface water was introduced 100 years later, they
22 farm thousands of acres, dependant upon imported surface
23 water. Because we cannot rely on others, to bring water
24 from the outside, we practice conjunctive use of surface and
25 ground water and the Merced River still is teeming with fish

1 and wildlife.

2 The world outside the Merced Irrigation District
3 over the years, however, changed for the worse, causing
4 stress on the fishery and our groundwater supply. With
5 FERC's proposal, it seems Merced's law-abiding resource-
6 conscious citizens that you have here tonight will pay the
7 price for the faults of others.

8 We are simply too small. We are not the mega-
9 corporate farming usually you hear about in the news.
10 Following 30 to 50 percent of a small 40 acre farm is not
11 feasible and will cause collapses that are unwarranted for a
12 community this size.

13 As it has been said, the Central Valley is
14 contributing 40 percent of the nation's food supply. Any
15 loss to the agriculture supply is a loss to the nation's
16 security and our nation's cultural heritage. I would hate
17 to believe that you would want to be dependant on a food
18 supply that is not US-based to feed our children.

19 The footprint of the Merced Irrigation District
20 did not -- did not increase in size since the early 1900s,
21 but we have sustained ourselves without federal or state
22 help. We did not ask for your help before and we have
23 managed it in a sustainable manner for decades.

24 What you propose raises an end to that
25 longstanding tradition. The new water releases you propose

1 will have a devastating impact on the agriculture and the
2 family farms. Please reconsider developing a reasonable and
3 balanced approach to the river flows to benefit the
4 environment and allow our community to continue its way of
5 life.

6 I believe the Merced Irrigation District also
7 presented such a proposal, which increases flows for the
8 existing requirements. Our community and our irrigation
9 district have stepped forward with an offer of a balanced
10 and reasonable approach to river management. It is time for
11 you to step forward and do the same. Thank you.

12 (Applause.)

13 AQUATIC BIOLOGIST BUHYOFF: Thank you.

14 Frenchy - I'll try to pronounce it - Meissonnier?

15 MR. MEISSONNIER: My name is Frenchy, F-R-E-N-C-H-
16 Y, Meissonnier, M-E-I-S, S as in Sam, O-N-N-I-E-R. And I am
17 not a public speaker; I'm a farmer. I'm a third generation
18 rice farmer in Merced. My grandfather and his brother came
19 here from France and bought the property in Merced in 1897.

20 Last year was the first time in 117 years that
21 nothing was grown on my property. This year will be only
22 the second time in 118 years that nothing will be grown.
23 This is, of course, because of the drought.

24 As farmers we know that we are at the mercy of
25 Mother Nature and she can be fickle at times. But what you

1 propose is a drought created by man. There is no scientific
2 evidence that more water down the river will be beneficial
3 to the environment. There is, however, evidence that less
4 water for farmers will be detrimental.

5 I don't have a problem with the fish population.
6 I want my grandchildren to be able to fish in the Merced
7 River as I did as a child. In the last 118 years, that I'm
8 aware of, we have done a good job of taking care of the
9 environment. Farmers and fish have had some hard times, but
10 we are still both here and doing as good as we can with what
11 Mother Nature gives us.

12 Me and every farmer in this room hire people to
13 work for us. These people cash their checks and spend their
14 money right here to support this community. They pay state
15 taxes to support the state; they pay federal taxes to
16 support the nation. Fish don't pay taxes.

17 (Laughter and applause.)

18 MR. MEISSONNIER: The crops grown here with water
19 from the Merced Irrigation District feeds the world. It is
20 not exaggeration. I could give you examples of hundreds of
21 products that are grown here and shipped worldwide. I will
22 not do this because I am sure you are aware of that fact.

23 Every man, woman and child, no matter what their
24 social status or how much money they have, still eat three
25 times a day. You hate being dependant on foreign oil, try

1 being dependant on water too.

2 (Applause.)

3 MR. MEISSONNIER: Please, do not take away our
4 ability to feed the nation.

5 (Applause.)

6 AQUATIC BIOLOGIST BUHYOFF: Thank you.

7 Rod Cosyns.

8 (No response.)

9 AQUATIC BIOLOGIST BUHYOFF: Did I pronounce that
10 last name wrong? C-O-S-Y-N-S.

11 (No response.)

12 AQUATIC BIOLOGIST BUHYOFF: Okay, let's move on.
13 Phillip May.

14 MR. MAY: Good evening. My name is Phillip May.
15 I am here on behalf of the Merced County Association of
16 Realtors, which is an organization of 500 members.

17 We are opposed to the proposed flows.

18 And just to summarize. I am going to be
19 submitting several letters but just to summarize my letter:

20 Agriculture is the dominant force driving our
21 economy and a sustainable groundwater supply obviously is
22 critical to our community's health and well-being.

23 We do oppose this because this flow rate is
24 detrimental to the river and it will affect our economy and
25 our property values. Thank you.

1 (Applause.)

2 AQUATIC BIOLOGIST BUHYOFF: Thank you.

3 Loren Scoto.

4 MR. L. SCOTO: Hello. My name is Loren Scoto.

5 You heard my father speak; and you have heard countless
6 others tonight with the same drive and work ethic who are
7 concerned about our situation here in Merced County.

8 I thought it would be beneficial for you to listen
9 to another voice tonight and that is the voice of the next
10 generation. We are oftentimes pushed to the wayside and
11 overlooked when it comes to vast decisions that will affect
12 the community and the state. All I ask is today, please,
13 listen to my words carefully.

14 I am a fourth generation farmer who, like my
15 family, have stepped into the role with my face to the
16 rising sun, hoping to carry on our livelihood.

17 I do not call myself a cynic, but the outcome of
18 things for people my age and in my position are looking
19 pretty ominous. We are not a large corporation. We are not
20 a conglomerate. We are a family farm that has survived due
21 to hard work and a passion for what we do, and what we do is
22 farm. Scoto Brothers Farming has changed with the times and
23 we will change again when we need to. We're adaptive; we
24 pride ourselves on this. However, some things cannot be
25 ignored or overlooked. Some things simply drive the nail

1 into the coffin, so to speak.

2 My generation is more aware than ever of the
3 effects the human race has on our earth. We click on the
4 Internet using our brand new iPhone-6es and get an instant
5 stream of information right before our eyes. I know that
6 there are things that we humans do that simply are not
7 sustainable. I assume you all agree with me on that and I
8 will not be denying this.

9 As a bit of a realist and a bit of an idealist,
10 you and I and the community need to come together and draw a
11 line in the sand. This battle between the environment and
12 the agriculture needs to stop and we need to find middle
13 ground on which all parties agree. Because in my opinion,
14 this fight is the definition of unsustainable. And as an
15 example I'd like to bring up a point - and Adam Gray was too
16 nice to not bring it up - but recently Adam Gray's Assembly
17 Bill 1242 passed through both committees. And this bill
18 basically brought up considerations for Central Valley
19 groundwater basins before making decisions by the State
20 Water Board. Within less than 24 hours he was kicked off
21 the Board -- or kicked off the Natural Resources Board in
22 less than 24 hours. Who has that kind of power? Pardon the
23 pun but, that seems kind of fishy to me.

24 (Laughter.)

25 MR. L. SCOTO: Agriculture in our community is the

1 life force. Agriculture is been the number one employer
2 overall in Merced County with 96 percent or more of that
3 producing land being irrigated. If we have water, that is.
4 However, fallowed acres and drought years have left us
5 hobbled greatly. On top of this detriment you are asking us
6 to increase flows and to cut back even more on dry years. I
7 can equate that to kicking us when we're down.

8 (Applause.)

9 MR. L. SCOTO: We are already pumping wells dry
10 here. We are frankly left with no other choice.
11 Nonetheless, you have a choice. It is why I'm standing here
12 now. MID has made proposals to you that strike a balance.
13 I agree with balance; I like balance. Balance is key to
14 survival and that is just what agriculture here is trying to
15 do. Please, for the sake of my generation and future
16 generations to come and for the community as a whole, take
17 what I have said to heart.

18 I urge you to accept MID's offer. After all, if
19 there is no balance there is only chaos. And to lighten
20 things up I want to ask you guys a question. "What did the
21 salmon say when he ran into a wall?" "Dam."

22 (Laughter and applause.)

23 AQUATIC BIOLOGIST BUHYOFF: Thank you.

24 Alan Sano.

25 MR. SANO: Hi, I'm Alan Sano, S-A-N-O, second

1 generation farmer in Merced/Fresno County.

2 For the past 13, 14 years everybody has been
3 trying to develop different ways on saving water, drip
4 irrigation, micro-sprinkler, and it's just, you know, to
5 survive. All these issues with the conservation of fish,
6 the delta smelt, salmon, it's affecting the whole state.

7 People, a lot of people don't realize that
8 agriculture is the number one revenue of California. These
9 people in the big cities just think they go to the stores
10 and get groceries and that's all taken care of. They don't
11 realize that agriculture in the Central Valley of
12 California, how important it is.

13 I'd just like to let people know about all these
14 issues on as farmers, what we have to do just for the water.
15 It's the most important part of the whole nation. Thanks.

16 (Applause.)

17 AQUATIC BIOLOGIST BUHYOFF: Thank you.

18 Chuck Day.

19 MR. DAY: I live in Don Pedro and I am involved in
20 the community services there and MID provides our water.
21 Our water storage right now is a muddy hole about 30 feet
22 deep that we are pumping out of at great costs, electrical
23 costs and cleanup costs.

24 I'm happy you had this meeting here but I think
25 you're ten years late. Jerry Brown ignored the problem.

1 Pat Brown built the system but that was a half a century ago
2 and the state has changed. More people makes more -- in the
3 agricultural areas too. And I would make one real remark:
4 Work together. All of us are outsiders. We don't have any
5 political strength because we don't have a population. So I
6 would suggest hat we all get together for the common plan to
7 fight this idiotic proposal.

8 (Applause.)

9 MR. DAY: We are in a position where all of you
10 paid for the system and you are still paying for it. I'm a
11 Johnny-come-lately, I'm an old solidier. I live at Don Pedro
12 with 4,000 people who are stuck there because our property
13 is worth very little. We can't water the lawn, we can't
14 wash off the car, we can't do anything. So I would suggest
15 that whatever plan you come together, maybe an all-inclusive
16 plan that everybody can agree with because that is the only
17 way you have a chance of getting any success here.

18 One last remark. When you go home tonight, look
19 at the last two lines of the Fifth Amendment; and you might
20 also look at the Twenty-Seventh Amendment and you will see
21 what is happening now. Thank you.

22 (Applause.)

23 AQUATIC BIOLOGIST BUHYOFF: Thank you.

24 John Mitchell.

25 MR. MITCHELL: John Mitchell, M-I-T-C-H-E-L-L.

1 I'm a fifth generation farmer in Livingston. My
2 grandfather, I don't know what he did to earn it but he got
3 1,300 acres on the Merced River between Hampton Park and
4 Livingston. He started farming 20, 30 years before there
5 was a Livingston.

6 The best days of my life, we would work all day
7 long on my grandfather's ranch. We'd go down in the evening
8 and kayak and fish and have wienie roasts. Last summer the
9 Merced River got to be about 10 feet wide at Hampton Park.
10 I don't think there was enough water flowing that we could
11 have irrigated my dad's 70 acres a few miles from the river.
12 When I was a kid I think we used to use - 15 sec/feet was
13 the delivery we had.

14 From what I'm seeing, the mandated minimum flow
15 that a lot of this justifiable anger is about would maybe
16 irrigate two or three farms. So if we just shut off all the
17 water for all the valley farms and then use all that water
18 that we are not sending down for the delta smelt, how long
19 is that going to last?

20 I think we have to, as one of the gentlemen just
21 said, realize that we should have had this discussion
22 probably about a year before the MID was developed. That
23 was my grandfather's generation that would have had it.

24 You know, the basic fact is these harmful issues
25 that were put into the invitation to this meeting, less

1 water storage at Lake McClure. There is no water to store.
2 Now that's not going to happen every year but we need to
3 prepare for that. So I'd like to hear people talk about
4 groundwater banks.

5 Actually the state of California developed a
6 groundwater bank. It was called the Kern Water Bank
7 southwest of Bakersfield and it was close to three-quarters
8 of a million acre/feet were in that, in that bank.

9 And then in 1994 there was a meeting in Monterey
10 between probably some revolving door-type regulators. I
11 hate revolving door-regulators. We see what they do with
12 our ag bill every year and bank regulation. They regulate
13 and then they get hired at huge salaries by the people that
14 they vested while they were in office.

15 So in 1994 in this meeting a group of Westland
16 Water District people and irrigation districts down in that
17 part of the state met with a bunch of bureaucrats. And this
18 little group of water agencies and corporate farms were
19 given by the bureaucrats the term "water bank" that the
20 taxpayer had put \$72 million into creating.

21 Within a few years the majority owner of that
22 group, of the Kern Water Bank, his name is Stewart Resnick,
23 took charge of the whole thing. And he has been selling
24 water and selling paper water based on the water bank that
25 he built. So yeah, water banks are really important.

1 But as farmers we've got to understand that most
2 of the regulation, we're hostile to it because -- we should
3 see that our enemy is not the delta smelt and the salmon and
4 that 45 sec/feet flowing down the river. Our enemy is the
5 fact that we have not regulated in a sustainable way the
6 water resources of this state. It's the only state in the
7 west that hasn't, and that's because Harry Chandler, the
8 owner of the LA Times, owns all the media there and all up
9 and down the Valley. It has only been in the last year-and-
10 a-half that I have really seen any coverage of the drought.

11 You know, we've got to wake up. We are going to
12 have to go to the government. Who here is from DC? Who
13 here is going back to DC? Is there someone?

14 AQUATIC BIOLOGIST BUHYOFF: (Raised hand.)

15 MR. MITCHELL: Yeah, okay. Well what you can do
16 is go back to DC and remind them that for years and years
17 and years the ag bill that the US government puts out, the
18 new one every four years, most of the support money goes to
19 Manhattan, it goes to Wall Street, it goes to Pacific
20 Heights in San Francisco. That's where it goes, it goes to
21 huge corporate farms. And now they are out here trying to
22 buy the water and steal it before it can come down the
23 aquifer to where I am pumping.

24 And that's our enemy. It's not the delta smelt
25 and it's not the environmentalists. Someone said,

1 environmentalists and farmers need to get together. If you
2 are good stewards of the land. And if you are near the
3 river you would hate to see anything harmful happen to that
4 river because you have to love your river. And that's about
5 all I have to say, thank you.

6 (Applause.)

7 AQUATIC BIOLOGIST BUHYOFF: Thank you.

8 Joe Mitchell.

9 (No response.)

10 AQUATIC BIOLOGIST BUHYOFF: Joe Mitchell?

11 Ezio Sansoni.

12 MR. E. SANSONI: Good evening. My name is Ezio
13 Sansoni, E-Z-I-O, Sansoni, S-A-N-S-O-N-I.

14 I am going to take a little different tack tonight
15 and I am going to address something that has to do with the
16 national security.

17 It has been noted throughout mankind's history
18 that an army travels on its stomach. Our near history, for
19 example, World War I and World War II, further confirms
20 that. Moreover, we saw during World War II especially, that
21 when the armies and population of the Axis powers ran out of
22 food the armies ground to a halt and their populations
23 starved.

24 The Allied armies however, fed from the cornucopia
25 of the United States, not only traveled on a full stomach to

1 win the wars, but also turned around and saved the
2 vanquished populations with the abundance of food we were
3 able to provide to the various rebuilding plans put in place
4 by a generous and compassionate nation. Much of the food
5 was grown right here in the Central Valley of California.
6 Indeed, a large portion came from the very den and storage
7 area and the growers of the MID system.

8 Two incontrovertible truths emerged. One, that a
9 nation and a nation's army travel on its stomach. And two,
10 that a nation that cannot feed itself will be doomed.

11 The conclusion here: Help us to sustain the
12 primary functions and focus of New Exchequer Dam and Lake
13 McClure to keep our nation strong and help feed our people
14 and the world. Thank you.

15 (Applause.)

16 AQUATIC BIOLOGIST BUHYOFF: Thank you.

17 Josh Anderson.

18 (No response.)

19 AQUATIC BIOLOGIST BUHYOFF: Josh Anderson?

20 Herbert Munoz?

21 (No response.)

22 AQUATIC BIOLOGIST BUHYOFF: Frank Connor?

23 (No response.)

24 AQUATIC BIOLOGIST BUHYOFF: Linda Von Merveldt.

25 MS. VAN MERVELDT: Good evening. I'm late to

1 speak and many of the points that I would like to have seen
2 made have been made very articulately by the speakers that
3 came before me and I really don't have a lot different to
4 add. I don't want to weary you by saying the same comments,
5 statements and arguments that have been made before.

6 I would like to discuss a little bit about my
7 situation, what I see specifically. I was raised in
8 Snelling, which is about 17 miles north of here. And in my
9 youth all of the surrounding area except for small,
10 irrigated portions of their properties that were in MID,
11 were dry rangeland, and that was it. There were patches of
12 green here and there that were irrigated with surface water
13 from the projects that our fathers and grandfathers built.

14 Then more recently, even within the last five
15 years, California has gone literally nuts. And I think we
16 are all aware of that. Anyone around here, all we have to
17 do is take a drive in any direction from Merced and you will
18 see hundreds and even thousands of acres with almonds
19 planted. Now, that acreage is on what was once dry
20 rangeland. So where is the water coming from? That is not
21 rocket science to imagine. It's coming -- it's being pulled
22 up from our underground aquifers. It's an over-drafting of
23 our underground water.

24 Of course, as more almond acreage goes into
25 planting -- I think within the last five years almond

1 acreage has increased by 20 percent and it is expanding
2 every single year. These people that are putting these vast
3 acreages in are, in some cases, simply hedge funds who are
4 serving large, corporate entities that have the money to
5 plant literally hundreds of acres of almonds. They are
6 irrigating them from deep wells.

7 They wouldn't dream of depending on MID with this
8 unreliable water supply. They are looking into the future
9 just like we are and they are rather cynically looking at
10 government and regulatory encroachments and regulations that
11 are further impeding MID's ability to deliver surface water.
12 So we are damned if we do and damned if we don't.

13 The situation here with the diminishment of
14 surface water supplied by MID, you have more and more
15 groundwater being pumped. Of course, that just adds to the
16 rapidity of the decline of this community. It's truly
17 scary. And then even next week we are going to have a
18 couple of researchers discussing into the future what we're
19 looking at. Not the usual pattern of somewhere there's some
20 dry years but with reasonable certainty they are predicting
21 an 80 percent chance of a mega-drought in California, in the
22 west, sometime this century. Meaning a 25 year run drought.

23 So there are a lot of very frightening things to
24 consider looking into the future and I do hope that this
25 regulatory agency looks beyond just the pain of this little

1 microcosm, this little community that doesn't have much
2 political clout, but looks to the fact that there are
3 multiple aspects to the situation. And it is not going to
4 be resolved by just looking at what we think should be, we
5 have to look at some inconvenient truths to come up with a
6 plan that mitigates the damage here. Thank you very much.

7 (Applause.)

8 AQUATIC BIOLOGIST BUHYOFF: Thank you.

9 Okay. Actually, that concludes the list of
10 speakers I have. MID would like to come up and speak here.

11 Before that begins I want to thank you all from
12 the bottom of my heart from coming out and allowing your
13 community to share their stories and suggestions. It is our
14 pledge to absolutely bring your message back with us and
15 again I really appreciate it.

16 First, Jeff from MID would like to speak.

17 MR. MARCHINI: I would like thank you for coming
18 to Merced and listening to members of our community share
19 the passion for the surface water; the importance of the New
20 Exchequer Dam.

21 My name is Jeff Marchini, M-A-R-C-H-I-N-I. I am
22 currently serving as Director of the Merced Irrigation
23 District. I live in the small community of Le Grand in
24 eastern Merced County; you heard a little bit about that
25 tonight. Le Grand is where I have spent my entire life.

1 I'm a third generation specialty crop farmer who has farmed
2 with my father, Joe, and sons Marc, Nic and daughter,
3 Francesca.

4 I have been actively involved in my community for
5 the past 30 years, serving as a trustee for the Le Grand
6 Union High School, Past President of the Merced County Farm
7 Bureau and volunteer fireman for Merced County. Last
8 November I was elected to the Merced Irrigation Board of
9 Directors for District 1. I ran on a platform of protecting
10 the interests of what our forefathers worked so hard to
11 create, the construction of Exchequer Dam and Merced
12 Irrigation District; one of the first places of irrigated
13 agriculture in the west.

14 Our forefathers saw the benefits of a stable water
15 supply and what it meant to our communities and realized the
16 need for an even larger storage reservoir and thus the
17 construction of the New Exchequer and a million acre/foot
18 reservoir in Lake McClure. Its value to our region and
19 communities is priceless.

20 Since being sworn in this past December I have
21 been appointed to the finance committee. There are many
22 long, involved meetings with staff discussing the potential
23 effects of another dry winter for the fourth consecutive
24 year of drought conditions and the realization of a zero
25 water allocation to our growers. This has put a tremendous

1 pressure on MID reserves and adjusts its bond rating and has
2 had many more questions for the Board and its staff.

3 As we move through this growing season, what does
4 the future hold for our district, our farmers, our
5 community, our region? With the continuation of the drought
6 and the uncertainty of loss of surface water by the
7 relicensing of Exchequer and the State Water Board or
8 increased uninhibited flows.

9 My farm is a conjunctive use farm. We rely on
10 both surface water from MID and supplement with groundwater
11 in the spring and fall seasons. With the reduction in
12 surface water supplies we are relying heavily on groundwater
13 pumping.

14 All aquifers are currently in an overdraft
15 condition. Some wells have dropped as much as 50 percent in
16 water levels. The thought of another dry year and a
17 reduction of surface water in the future will have
18 devastating effects to our family farms and communities
19 throughout the Central Valley. Farmers/ranchers have
20 suffered the brunt of the drought-related losses to date.
21 Surface water and its recharging of aquifers can't be
22 understated and overlooked by yourselves in the process.

23 I often in my daily life speak to people about the
24 uniqueness of California agriculture. We are one of the few
25 Mediterranean climates necessary to produce a bountiful

1 array of crops to provide people throughout the world with
2 nutritious, healthy foods. I know you have heard roughly
3 half the nation's fruits, nuts and vegetables come from
4 California. But it is also true that 25 percent of that
5 comes from the Central Valley of California, right here.

6 The water that farmers use is eventually consumed
7 by people throughout the US and the world on a daily basis.
8 The Central Valley has well-established structure to support
9 its farm production through manufacturing, food processing
10 and other essential services along the supply chain. All in
11 our region have an interest in protecting our conjunctive
12 water supply system.

13 Agriculture will be asked to do more in the future
14 as populations continue to grow. The demand for food and
15 what California producers grow, water is key to production
16 agriculture. I welcome you to visit our farms and engage in
17 our communities to see the effects the lack of surface water
18 has had on them.

19 MID has been a good steward of water resources and
20 FERC licensing has been granted by the regulatory agency for
21 the past 50 years.

22 We have heard the word "sustainability" used
23 tonight. It has many different meanings. To me, water is
24 the key to sustainable agriculture, to our continued way of
25 life, and to reduce any amount of water through the process

1 is unacceptable.

2 I see a plan for fish in the draft EIS. I ask
3 you, where is the plan to feed the American people? I ask
4 you where the plan is for agriculture? Thank you.

5 (Applause.)

6 AQUATIC BIOLOGIST BUHYOFF: Thank you.

7 Next is Scott.

8 MR. KOEHN: Good evening. My name is Scott Koehn,
9 K-O-E-H-N. I'm a local rancher as well as an elected
10 Director to the Board of Directors of Merced Irrigation
11 District, currently serving as Vice President of the Board.
12 I also chair the Finance and Administration.

13 So as Director we wear many hats; I think Director
14 Marchini touched on this. We have many responsibilities to
15 oversee things for both short and long-term interests in the
16 good of the District. And more broadly than that, how the
17 District impacts the community. In fact, that's the reason
18 why I chose to run for Director. I think past directors,
19 current directors, they volunteered the information that
20 this isn't always the most rewarding job in the world. I
21 ran because I knew that MID shepherded not only the District
22 but the farmers - agriculture is our most valuable resource
23 - but the communities. Without water this community does
24 not exist, it's as simple as that.

25 Agriculture is a term that gets used a lot, right?

1 It's simple. It's how we refer to the industry that fuels
2 the economy. It's easy to say that agriculture uses so much
3 water or this much water. It's the production of food and
4 fiber. It's the production of food and fiber for not only
5 this community, not only this state, not only this country,
6 but the world. And so the decisions and proposals you're
7 making, the conditions that you're issuing in the draft,
8 have a direct impact on the food and fiber supply on a very
9 macro sense.

10 And I think that's what the Commission is charged
11 with is to balance things from a macro sense. So with that
12 I will ask that the Commission considers our comments back
13 to you - and I know staff will be providing several of them
14 back to you - as we challenge your proposals, your draft
15 conditions, your flow conditions.

16 Specifically there is something that we are very
17 concerned with. We feel that you have vastly understated
18 water supply impacts on the District. So from a financial
19 standpoint, limiting our water revenue source impacts the
20 District tremendously. The cost of this licensing just thus
21 far has cost the District \$30 million. Payments on that
22 will be coming due very soon, next year, and that's tough to
23 do when you don't have your primary resource to sell. And
24 the conditions of the license, which costs a lot to obtain,
25 limit that for the period of the license.

1 The fact that -- I think it's very, very tough.
2 The fact that following a wet year, which would be very
3 beneficial to the reservoir, just two dry years following
4 that puts us in the exact same position that we are in
5 today, which is of a historic and catastrophic drought. And
6 as many have said today, it has forced us as directors, left
7 us with little choice to allocate zero surface water.

8 The groundwater recharge benefit was taken away.
9 We have heard the groundwater -- And actually I am proud of
10 the community for speaking of this. I think imminently and
11 currently the obvious thing is we have no surface water.
12 The impact on our groundwater aquifer cannot be overstated
13 by having no surface water flowing through the MID system.
14 I think you will John talk in specific numbers as to what we
15 could do.

16 Your proposal impacts severely the annual
17 reservoir carryover storage. In fact, it effectively
18 reduces storage. No, you're not lowering the dam but you're
19 requiring much greater releases from the dam at times when
20 we can't afford it. That essentially negates or largely
21 decreases the benefits of a reservoir in the first place.

22 Sixty years ago the District, members of the
23 District agreed to pay for locally a way to mitigate the
24 risks associated with the annual hydrology variances. From
25 an irrigation standpoint, to be able to better manage those

1 things locally but also from a flood control standpoint.

2 So I think it needs to be recognized that the
3 river will be dry. With your proposals in this year that
4 would be a dry river. And I think we don't need to state
5 the obvious that fish don't do real well in a dry
6 environment.

7 More specifically, not only flow, because I think
8 flow is an easy thing to toss around. There's more
9 specifics that need to be considered. This will have a
10 direct impact, as the gentleman who operates the Calaveras
11 Trout Farm alluded to from the full water -- and how it is
12 impacting the fish population.

13 And we ask you -- that through our comments that
14 we will provide specific to further understanding of
15 mitigation and financial costs. The time lines for
16 mitigation measures are front-loaded and financially
17 imposing. We are making a first payment on relicensing
18 process and drought with almost zero hydro revenue and no
19 surface water to sell. In summary, that is simply -- that
20 is not a sustainable or a viable model to keep the District
21 afloat.

22 I am going to close. John is going to have --
23 John Sweigard is going to have much more to say; much more
24 specific and much more educated than I am on this.

25 I want to say this: So for many years now MID has

1 been a very good steward of the reservoir and thus the
2 river. And we ask that you consider our comments in the
3 context that we wish to keep more of the control of taking
4 care of the reservoir, taking care of our District, taking
5 care of our community and the river at the local level. MID
6 has the local and functional knowledge of how to operate
7 that reservoir for the benefit of all of us. Thank you.

8 (Applause.)

9 AQUATIC BIOLOGIST BUHYOFF: Thank you.

10 John Sweigard.

11 MR. SWEIGARD: John Sweigard, I am the General
12 Manager for Merced Irrigation District.

13 I want to thank you for coming out. You've got a
14 tough job, just as all of us do, dealing with this proposal.
15 I want to congratulate you on actually getting that draft
16 out. I know you have to deal with a lot of state and
17 federal agencies, you have to deal with us, you have to deal
18 with non-governmental organizations. It's a difficult task.

19 That said, I'm glad it's a draft. I think you've
20 heard a lot of good comments here from the people that are
21 going to be affected on the ground. You've heard from our
22 county officials, you've heard from two board members and
23 now you are going to hear from me a little bit as the
24 general manager of the District.

25 You know, running Merced Irrigation District isn't

1 just a job for me, it's not just a career. My family is
2 from here, these people are all my friends, my grandfather
3 actually gave up land that's underneath New Exchequer right
4 now, so I'm invested in seeing that Merced Irrigation
5 District succeeds.

6 And we are reasonable. We are a reasonable
7 irrigation district. We have done a lot of creative things
8 working with all the other farmers on the Merced River, all
9 the state and federal agencies, to ensure that -- we realize
10 it's 2015 and the world is changing and fish are part of the
11 equation, the environment is part of the equation. And we
12 are just asking that when we submit our written comments
13 that you guys really understand the thoughtful process that
14 we put into it. The \$30 million that we've spent, a lot of
15 that money, as you know, has gone into studies to back up
16 the proposal that we put forth.

17 The proposal that you guys have put forth is only
18 part of the equation. I have an outstanding major concern
19 with the State Water Resources Control Board, which as you
20 know, Matt, has Clean Water Act authority to issue the 401
21 water quality certification for the project and mandatory
22 conditioning authority. We want to ensure that you guys
23 understand that there are limits to that authority that they
24 have. It is only supposed to be related to water quality as
25 it relates to the hydro project.

1 If you go to the State Water Board's website,
2 their plan is right out there in front. They talk about
3 their basin plan amendment process that is going on right
4 now where they want to take unimpaired flow February through
5 June out of this reservoir. And if they don't get it
6 through that process they state right on their website they
7 are going to use the 401 to get the water they want into the
8 delta. And I just ask that you guys keep that in
9 consideration and understand the authority that they have.
10 The basin plan is supposed to entail a whole basin, not just
11 one project, and I think you know that.

12 So, Matt, as I'm looking through the proposal, you
13 know, I have to look at the water effects, the financial
14 effects. If what is in the proposal is actually going to do
15 what it purports to do. And we have a lot of concerns
16 there. We see financial cost alone, not to mention the
17 water impacts. The water impacts in the dry years, in
18 consecutive dry years, this is going to devastate the
19 District and it is going to devastate our community. We
20 have to work collaboratively with you guys before we get to
21 this final and figure out a way that we can look at this
22 thing a little bit differently.

23 We know we are not going to probably get the same
24 license conditions we had before. But we believe there is a
25 better and adaptive way than just putting water in a river

1 based on some schedule, based on some date. There are
2 different things, different reserves.

3 One thing that is important to understand is that
4 we as the local folks, we understand the Merced River. I
5 would suggest that Merced Irrigation District understands
6 the Merced River better than anybody. I can tell you from
7 managing the District for the last over five years and being
8 a ditch tender 20 years ago as I worked my way through
9 college, we're the ones that make the phone calls to the
10 fishery agencies and tell them what we're seeing. We're the
11 ones that run the models on temperature and flow and work
12 with the hatchery to understand what's happening on the
13 river. And I hope you take that into consideration. The
14 fishery of the Merced River is our laboratory and we
15 understand the laboratory very well.

16 I can give you an example of how we understand the
17 river and how agencies don't necessarily always understand
18 the river. Last year in the fall we had a license condition
19 that was just inserted in our license to release 12,500
20 acre/feet of water every October. Just do it. We were very
21 concerned about that. We ran models, we called the
22 California Department of Fish and Wildlife and we told them,
23 if you release that water in October that big flush of
24 water, at the temperatures we have today, you're going to
25 devastate the fishery on the Merced River. They didn't

1 listen to us, they went ahead and did it anyway.

2 And Timmy Goodson who got up here earlier, he
3 probably could have gone into a lot more detail, it
4 devastated his entire trout farm. For no reason, there was
5 no reason for that having to occur. So you can imagine that
6 killed an entire fish farm that's managed every single day
7 with delicate hands. What happened to the salmon on the
8 Merced River when that flush occurred? I can guarantee you
9 I know what happened. And these are the types of things
10 that we understand. And we hope you guys will continue to
11 listen to us through this process between draft and final
12 and take those things into account.

13 I know people are probably, you know, getting
14 tired here and I am just going to highlight a couple of
15 things that we are pretty concerned about.

16 The multiple dry year operations, they're going to
17 empty that reservoir. If the proposal that's was -- that's
18 put in right now, not to mention what the State Board may
19 want to do, that reservoir would have been empty last year
20 and it would be empty this year too. So that by itself kind
21 of shows you that there are some things that you need to
22 consider differently.

23 The mitigation measures are very expensive and
24 they are very front-loaded. If we were to implement the
25 license conditions that are in there now, not to mention

1 that we don't have the same water base to pay for these
2 costs and less hydro production, the water price in the
3 District would have to go up 700 percent pre-drought pricing
4 immediately. And I think you heard from these locals here
5 with 40 acre farms, it would have an absolutely huge impact.

6 So again I just ask you guys to carefully consider
7 our comments when we put them in. Look at our background
8 information that supports what we are asking you to do. Be
9 very cognizant of what the State Water Board may be trying
10 to do that is outside of their authority, outside related to
11 the relicensing, outside of the water quality concerns. And
12 understand that we're reasonable and we're willing to think
13 outside the box. We always have. We have always done water
14 transfer programs, fishery programs, worked collaboratively.

15 But if this proposal is implemented and the State
16 Water Board gets some of the things that they want, all of
17 the things that they want, you are going to destroy our
18 ability to be collaborative. We are going to just have to
19 go by the book. We are going to have to do exactly what the
20 license says and there is not going to be anything else that
21 we can do; everything will be out of our control.

22 Fishery issues don't just happen on the Merced
23 River. I can tell you personally. I'm an avid fisherman.
24 I fish every year above the reservoir, in the reservoir and
25 below the reservoir. There is nothing wrong with the trout

