I want to welcome you all here with us today to celebrate the kickoff of the construction project to restore the capacity of the Friant-Kern Canal, one of the most important water infrastructure projects in the San Joaquin Valley.

"Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning." ~Winston Churchill, November 10, 1942. This quote seemed appropriate to me given the complexity we face in completing the actions necessary to restore this vital project. It was years into World War II when Churchill made this comment after the first major victory for the Allies in the war. Nobody knew when the end would be, but he knew with the team now fully in place, it was the end of the beginning.

It was 2017 when the Friant Water Authority first discovered the significance of the capacity constraints that we face. The ground under our feet right now is 13 feet lower than where it was when the canal was constructed nearly 70 years ago.

Fixing this problem has very unique challenges: the canal is owned by the United States; it is fully paid for, operated, and maintained by the Friant Division contractors; and it has been impacted by surrounding groundwater pumping from others (pumping which has been done legally as the State of California grapples with regulating groundwater overdraft throughout the state).

So, I think one can understand why when faced with this challenge we would ask...

**CONSTRUCTION BEGINS ON THE FRIANT-KERN CANAL**

On January 25, a cadre of federal, state, and local officials joined Friant Water Authority and the Bureau of Reclamation as they officially broke ground on the Friant-Kern Canal Middle Reach Capacity Correction Project. Standing on the Friant-Kern Canal’s embankment near Terra Bella and flanked by heavy equipment, officials ceremoniously shoveled earth along a portion of the canal where the Phase 1 of construction is taking place.

Participants and speakers included Tanya Trujillo, Assistant Secretary for the U.S. Department of the Interior; David Palumbo, Deputy Commissioner, Bureau of Reclamation; Ernest Conant, Regional Director for the Bureau of Reclamation; Congressmen Jim Costa and David Valadao; Karla Nemeth, Director of the California Department of Water Resources; State Senator Melissa Hurtado; Cliff Loeffler and Jason Phillips, Chairman and CEO of FWA, respectively.

"Today we celebrate the fact that a group of independent farmers could agree to move ahead so that the legacy of providing water to the eastern portions of the San Joaquin Valley could be preserved, even enhanced, for future generations," remarked Chairman Loeffler. Noting that farmers, by nature, are used to "looking to alternatives in solving problems and creating new ways to get things done," Loeffler said that "In that sense, the independence and determination of our directors representing the

**EVENTS AROUND THE VALLEY**

- **MARCH 14**
  - FWA Executive Committee Meeting
  - Lindsay, CA
  - [CLICK FOR INFO ▶️](#)

- **MARCH 21**
  - FWA Finance Committee Meeting
  - Lindsay, CA
  - [CLICK FOR INFO ▶️](#)

- **MARCH 24**
  - FWA Board of Directors Meeting
  - Visalia, CA
  - [CLICK FOR INFO ▶️](#)

- **MARCH 25**
  - California Water Alliance Water Forum
  - Fresno, CA
  - [CLICK FOR INFO ▶️](#)
ourselves "Where do we even begin?"

Thankfully, because of the dedication and vision of the FWA Board of Directors, the cooperation from Friant Contractors and representatives of communities throughout the Valley and our tremendous partners at the Bureau of Reclamation, what once seemed impossible has quickly and impressively come within reach.

Without the determined effort from the Bureau of Reclamation, going back to the last administration and continuing now in the new administration, this project would not be possible. The commitment of funding (over $200M) was critical and proved to be the shot in the arm that this project desperately needed at a very important time. And the consistent leadership needed to finish tasks at all levels.

Those achievements and would not have been possible without the leadership of our bipartisan congressional delegation, led by Congressman Kevin McCarthy and United States Senator Diane Feinstein, Congressman Jim Costa, and State Senator Melissa Hurtado. Kevin sends his regrets that he cannot be here in person today, but he made sure to call to wish us well and to congratulate us on the occasion.

What also is very unique about this project is how it is funded: by the Federal Government; the Friant Division contractors; the State of California; and the most unique funding partner, the groundwater sustainability agencies in the region, specifically the eastern tule GSA and the Pixley GSA. These GSAs in the Tule Subbasin came together, with a common purpose, to find a way to move forward with the implementation of SGMA by trying to avoid complete economic devastation, while recognizing that protecting the integrity of the Friant-Kern Canal is paramount to this region.

Our funding partners are truly unique, and frankly, we’re proud of the fact that it represents a model that should be replicated across the state as other regions grapple with the same subsidence issues we are dealing with here in the Friant division.

Today is a day that should be celebrated. It’s taken many years to get here, and there’s definitely more work to do, but it sure feels like the end of the beginning.

Jason Phillips, CEO, Friant Water Authority

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### 2022 FRIANT WATER WARRIOR AWARD

Eric Limas received the “Friant Water Warrior” award at the February FWA Board of Directors meeting. This award is bestowed upon an individual who had shown exceptional tenacity in representing the water interests of the Friant Division community. Eric is the general manager of Lower Tule River and Pixley irrigation districts, Lower Tule River and Pixley GSAs, Teapot Dome Water District, Vandalia Water District, and Pioneer Water Company. Legend has it that, at one time, the majestic saber upon which warriors’ names are mounted once featured sound and light effects, but historical records on this relic are sparse and cannot confirm such lore. The award was presented by the 2021 award recipient, FWA Executive Secretary Toni Marie. Congratulations on joining this esteemed club, Eric!

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### UPDATE ON FKC CAPACITY CORRECTION PROJECT

The following is a summary of the design, permitting, and regulatory work completed by the FWA project team in recent months.

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/18/20</td>
<td>10/22/20</td>
<td>10/7/21</td>
</tr>
<tr>
<td>Final NOA / EIR Published</td>
<td>FWA Certification of EIR</td>
<td>Award Construction Contract</td>
</tr>
<tr>
<td>10/23/20</td>
<td></td>
<td>1/5/22</td>
</tr>
<tr>
<td>ROD Published</td>
<td></td>
<td>Groundbreaking</td>
</tr>
<tr>
<td>10/27/20</td>
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<tr>
<td>ROD Approval/Signature</td>
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</tr>
<tr>
<td>11/30/20</td>
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<td></td>
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<tr>
<td>Project Section 106 Complete</td>
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</table>

The following is a summary of the funding options and benchmarks that the FWA project team are pursuing to piece together a final finance plan.

<table>
<thead>
<tr>
<th>SOURCE OF FUNDS</th>
<th>AMOUNT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Reclamation SJR Restoration Program</td>
<td>$41.8 m</td>
<td>Confirmed/In-hand</td>
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<tr>
<td>Bureau of Reclamation SJR Restoration Program</td>
<td>$9 m</td>
<td>Requested</td>
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<tr>
<td>WIIN Act FY18 and FY20 Appropriations</td>
<td>$4.55 m</td>
<td>Awaiting Congressional Action</td>
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<td>WIIN Act FY21 Trump Administration funding request</td>
<td>$206 m</td>
<td>Signed by President Trump</td>
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<td>State funding - FKC share of SB559</td>
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<td>Signed by Governor Newsom</td>
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<tr>
<td>Groundwater Sustainability Agency mitigation funding</td>
<td>$125 - 225 m</td>
<td>Agreements Finalized</td>
</tr>
<tr>
<td>Friant contractor funding</td>
<td>$50 m</td>
<td>Confirmed/Committed</td>
</tr>
</tbody>
</table>

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IN THE NEWS

“Water agencies break ground on work-around for sunken canal,” The Sun-Gazette (Feb. 1, 2022)

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“Feds give Valley farmers little to cheer about with slim water allocations amid dry January,” San Joaquin Valley Sun (Feb. 24, 2022)

**CLICK TO READ MORE ►**

“Investment in all of California: Critically needed repairs to Friant-Kern Canal begin,” Visalia Times-Delta (Jan. 26, 2022)

**CLICK TO READ MORE ►**

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farms, families and towns along the eastside of the Valley deserve a hearty thank you for their sustained efforts in bringing this project to this historic point.”

Phase 1 includes 10 miles of a new concrete-lined canal from Avenue 208 to just north of Avenue 152, and parallel to the existing facility where it is most heavily damaged due to subsidence. In total, the Middle Reach Capacity Correction Project will ultimately restore carrying capacity along 33 miles of the Friant-Kern Canal at a cost of about $500 million; Phase 1 of the project is anticipated to cost $250 million and be complete by 2024.