Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief and for Attorneys' Fees

Mandate and Complaint for Declaratory and Injunctive Relief and for Attorney's Fees ("Verified Petition") hereby allege as follows:

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#### **INTRODUCTION**

- 4 1. This is a public interest citizen suit to enforce the California Environmental Quality Act 5 ("CEQA"), Public Resources Code ("PRC') section 21000 et seq. ("CEQA"), the Delta Reform Act 6 ("DRA"), Water Code section 85000, et seq., and the Public Trust Doctrine. Petitioners bring this action 7 to challenge DWR's December 12, 2018, entry into (1) an Addendum to the Agreement Between the 8 United States of America and the Department of Water Resources of the State of California for 9 Coordinated Operation of the Central Valley Project and the State Water Project ("COA Addendum 10 Project"), and (2) an Agreement to address the Effects of the California WaterFix on Central Valley 11 Project Operations by and between the United States Bureau of Reclamation and the California 12 Department of Water Resources ("Hold Harmless Agreement" and collectively with the COA 13 Addendum Project, the "Project"). In taking these actions DWR violated CEQA, the Delta Reform Act, 14 and the Public Trust Doctrine.
  - 2. The COA Addendum Project alters the operational parameters of the State Water Project ("SWP") and Central Valley Project ("CVP"), assigning additional responsibilities to the SWP to address water quality and flow requirements that apply to the operation of the SWP and CVP.
  - 3. The Hold Harmless Agreement assigns responsibility to the SWP to mitigate, avoid, or offset impacts from the California WaterFix on any resulting reduction in CVP water supplies.
  - 4. CEQA is California's preeminent environmental law. It requires all public agencies to examine the potential adverse impacts of their actions before taking them. It is designed to protect California's extraordinary environmental resources from uninformed and needlessly destructive agency actions. CEQA requires DWR to fully examine the impacts of its actions and to carefully consider alternatives that would reduce those impacts.
  - 5. Contrary to CEQA, DWR relied upon inapplicable CEQA exemptions to avoid conducting *any* environmental review of the COA Addendum Project. Its December 14, 2018, Notice of Exemption for the COA Addendum Project cites PRC section 21169 and 14 C.C.R. (CEQA Guidelines ["Guidelines"]) § 15261(a) as the basis for its claimed exemption.

- 6. The Delta Reform Act requires agencies implementing actions that impact the Delta to be certified as consistent with the Delta Stewardship Council's Delta Plan and with the coequal goals established under the Delta Reform Act.
- 7. Contrary to the Delta Reform Act, DWR has not analyzed the consistency of the COA Addendum Project or Hold Harmless Agreement with the Delta Plan.
- 8. The Public Trust Doctrine requires agencies to mitigate impacts to public trust resources whenever feasible. Contrary to the Public Trust Doctrine, DWR has failed to mitigate impacts to public trust resources in approving the COA Addendum Project and the Hold Harmless Agreement.

#### VENUE AND JURISDICTION

- 9. This Court has jurisdiction over this proceeding pursuant to Code of Civil Procedure ("CCP") sections 526 (injunctive relief), 1060 (declaratory relief), and 1085 (traditional mandamus); PRC sections 21168 and 21168.5 (mandamus review); and article VI, section 10 of the California Constitution.
- 10. Venue is proper in this Court pursuant to CCP sections 393 (actions against public officers) and 395 (actions generally) because DWR's offices are located in Sacramento.
- 11. Pursuant to CCP section 388, petitioners are serving the California Attorney General with a copy of this verified petition and complaint. Consistent with PRC section 21167.5, petitioners timely served DWR with notice of this suit. Although not required by PRC section 21167.6.5, petitioners have also named the Bureau of Reclamation (the "Bureau") as a real party in interest and are timely serving this verified petition and complaint on the Bureau. The Bureau is neither a necessary party under Code of Civil Procedure section 389(a) nor an indispensable party under Code of Civil Procedure section 389(b).

## **PARTIES**

12. Petitioner NORTH COAST RIVERS ALLIANCE ("North Coast Rivers") is a non-profit unincorporated association with members throughout Northern California. North Coast Rivers was formed for the purpose of protecting California's rivers and their watersheds from the adverse effects of excessive water diversions, ill-planned urban development, harmful resource extraction, pollution, and other forms of environmental degradation. Its members use and enjoy California's rivers and watersheds

- 13. Petitioner INSTITUTE FOR FISHERIES RESOURCES ("IFR") is a non-profit, tax-exempt organization that works to protect and restore salmon and other fish populations and the communities that depend on them. IFR maintains its principal place of business in San Francisco, California. IFR both funds and manages many fish habitat protection programs and initiatives. In that capacity, IFR seeks reforms to protect fish health and habitat throughout the West Coast of the United States and has successfully advocated for dam removals, improved pesticide controls, better forestry stream protection standards, and enhanced marine and watershed conservation regulations throughout the West Coast. IFR has worked tirelessly for years to restore and enhance the Delta and its beleaguered fish and wildlife. IFR and its members will be directly and indirectly injured by DWR's Project approval and its failure to adequately protect and restore the imperiled fisheries of the Delta.
- 14. Petitioner PACIFIC COAST FEDERATION OF FISHERMEN'S ASSOCIATIONS ("PCFFA") is a nonprofit membership organization incorporated in 1976 with headquarters located in San Francisco, California. PCFFA is composed of more than 14 separate commercial fishing and vessel owners' associations situated along the West Coast of the United States. By virtue of its combined membership of approximately 750 fishermen and women, PCFFA is the single largest commercial fishing advocacy organization on the West Coast. PCFFA represents the majority of California's organized commercial salmon fishermen and has been an active advocate for the protection of Pacific salmon and their spawning, rearing and migratory habitat for more than 30 years. PCFFA and its members would be harmed by the proposed Project because it would threaten their commercial fishing livelihoods, which depend on sustainable management of the salmonid fisheries resources of the Delta and its associated ecosystems.
- 15. Petitioner SAN FRANCISCO CRAB BOAT OWNERS ASSOCIATION ("San Francisco Fishermen") is a century-old association of owners and operators of small, family owned fishing boats that catch Dungeness crab, wild California King salmon, Pacific herring, and other species that live in

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- 16. Petitioner WINNEMEM WINTU TRIBE is a Native American Tribe whose aboriginal territory encompasses the upper watersheds of the Sacramento River including the McCloud River. The Winnemem Wintu Tribe was traditionally dependent on salmon fishing for both subsistence and cultural purposes, and maintains a deep cultural, spiritual and recreational interest in the continued viability of California's salmon runs that pass through the Sacramento-San Joaquin River Delta ("Delta"). The Winnemem Wintu Tribe is a strong proponent of Delta restoration, and will be harmed by the reduced Delta fresh water flows, degradation of water quality, destruction of fish and wildlife species, and other environmental harms that implementation of the Project will allow.
- 17. Respondent and defendant CALIFORNIA DEPARTMENT OF WATER RESOURCES ("DWR") is a California public agency established by the Legislature and charged with management of the State Water Project and other water management tasks. Its certification of the FEIR on November 13, 2018, and approval of the Project on December 11, 2018, was subject to and violated the requirements of CEQA, the Delta Reform Act, and the Public Trust Doctrine. DWR is the lead agency under CEQA for environmental review of the Project.
- The true names and capacities of respondents DOES 1-20, inclusive, are unknown to petitioners who therefore sue such respondents by fictitious names pursuant to CCP section 474. Petitioners are informed and believe, and based on such information and belief allege, that the fictitiously named respondents are state or local officials or agencies who are responsible, in whole or in part, for the approval and implementation of the Project. Petitioners will, with leave of Court if necessary, amend this Verified Petition if and when the true names and capacities of said Doe respondents have been ascertained.

19. Real party in interest UNITED STATES BUREAU OF RECLAMATION ("Bureau") is a federal agency that operates the CVP. The Bureau is a signatory to the COA Addendum and Hold Harmless Agreement.

20. DWR did not identify any real parties in interest in its Notice of Exemption pursuant to PRC section 21167.6.5(a), and petitioners are not otherwise aware that any specific real parties in interest exist. However, out of an abundance of caution and without conceding that its participation is necessary, petitioners have identified the Bureau as a potential real party in interest. The true names and capacities of real parties in interest DOES 21-200, inclusive, are unknown to petitioners who therefore sue such real parties in interest by fictitious names pursuant to CCP section 474. Petitioners are informed and believe, and based on such information and belief allege, that the fictitiously named real parties in interest have a direct interest in approval of the Project. Petitioners will, with leave of Court if necessary, amend this Verified Petition if and when the true names and capacities of said Doe real parties in interest have been ascertained.

### **GENERAL ALLEGATIONS**

- 21. Petitioners have authorized their attorneys to file this lawsuit on their behalf to vindicate their substantial beneficial interest in securing DWR's compliance with the law.
- 22. Petitioners have performed any and all conditions precedent to the filing of this Verified Petition and Complaint and have exhausted any and all available administrative remedies to the extent required by law.
- 23. Petitioners have no plain, speedy, and adequate remedy in the ordinary course of law within the meaning of CCP section 1086 in that, unless this Court issues its writ of mandate setting aside DWR's improper reliance upon a CEQA exemption and approval of the Project, and ordering it to comply with the laws whose violation is alleged herein, the environmental interests of petitioners and the public that are protected by those laws will be substantially and irreparably harmed. No monetary damages or other legal remedy could adequately compensate petitioners for the harm to their beneficial interests, and to the environment, occasioned by DWR's unlawful conduct.
- 24. Petitioners are entitled to declaratory relief under CCP section 1060 because an actual controversy exists between petitioners and DWR. Petitioners contend that DWR has acted in violation

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of applicable laws and must therefore vacate and set aside its approvals. Petitioners are informed and believe that DWR disputes this contention. A judicial resolution of this controversy is therefore necessary and appropriate.

25. Petitioners are also entitled to injunctive relief under CCP section 526 because approval of the COA Addendum Project and Hold Harmless Agreement threatens irreparable environmental harm. Unless enjoined, DWR will implement these approvals despite its lack of compliance with applicable laws, causing undue and unnecessary environmental degradation. Petitioners would thereby suffer irreparable harm due to DWR's failure to take the required steps to adequately protect the environment. Injunctive relief is thus warranted under CCP section 525 et seq. and PRC section 21168.9 to prevent irreparable harm to the environment.

## LEGAL BACKGROUND

#### **CEQA**

- 26. CEQA is California's primary statutory mandate for environmental protection. It applies to all state and local agencies, and requires them to "first identify the [significant] environmental effects of projects, and then to mitigate those adverse effects through the imposition of feasible mitigation measures or through the selection of feasible alternatives." Sierra Club v. State Board of Forestry (1994) 7 Cal.4th 1215, 1233. Its most important substantive imperative requires "public agencies to deny approval of a project with significant adverse effects when feasible alternatives or feasible mitigation measures can substantially lessen such effects." Sierra Club v. Gilroy City Council (1990) 222 Cal.App.3d 30, 41.
- 27. CEQA's mandate for detailed environmental review "ensures that members of the [governmental decision-making body] will fully consider the information necessary to render decisions that intelligently take into account the environmental consequences" of their proposed action. *Mountain* Lion Foundation v. Fish and Game Commission (1997) 16 Cal.4th 105, 133; PRC §§ 21080.5(d)(2)(D), 21091(d)(2); Guidelines § 15088. The CEQA process thus "protects not only the environment but also informed self-government." Citizens of Goleta Valley v. Board of Supervisors (1990) 52 Cal.3d 553, 564.
  - 28. All California "public agencies" must comply with CEQA when they approve discretionary

projects. PRC § 21080(a). DWR is a "public agency" and a "state agency" as defined in CEQA. PRC § 21063. Therefore, DWR's discretionary approvals are subject to CEQA.

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- 29. A proposed governmental action requires environmental review under CEQA if (1) the agency is contemplating an "approval" of an action as defined by Guidelines section 15352, (2) the subject matter of the contemplated approval constitutes a "project" under PRC section 21065 and Guidelines section 15378(a), and (3) the project to be approved does not fall within a statutory exemption created by the Legislature under PRC section 21080(b) and recognized under CEQA Guidelines sections 15260-15285, or a categorical exemption in the Guidelines as promulgated by the California Resources Agency pursuant to PRC section 21084(a) and Guidelines sections 15061(b)(2), 15300-15333 and 15354.
- 30. The lead agency must prepare an environmental impact report ("EIR") if it determines that a project may have significant adverse environmental impacts. The EIR must analyze those effects and suggest feasible means, if any, of mitigating or avoiding them including alternatives that would achieve most of the basic objectives of the project without causing significant environmental effects. PRC §§ 21002, 21002.1, 21061; Guidelines §§ 15080-15096, 15120-15132, 15160-15170.
- 31. In applying these CEQA procedures, an agency may not segment a project to avoid preparing an EIR on the entirety, or whole, of the project. Guidelines § 15378(a), (c), (d). CEQA's "requirements cannot be avoided by chopping up proposed projects into bite-size pieces which, individually considered, might be found to have no significant effect on the environment or to be only ministerial." Plan for Arcadia, Inc. v. City Council of Arcadia (1974) 42 Cal. App. 3d 712, 726.

#### **The Delta Reform Act**

To address the indisputably perilous state of the Delta, in 2009 the California Legislature enacted the Delta Reform Act, declaring that "[t]he Sacramento-San Joaquin Delta watershed and California's water infrastructure are in crisis and existing Delta policies are not sustainable." Water Code § 85001(a), emphasis added. The Legislature found that "the Delta' . . . is a critically important natural resource for California and the nation. It serves Californians concurrently as both the hub of the California water system and the most valuable estuary and wetland ecosystem on the west coast of North and South America." Water Code § 85002. "Resolving the crisis requires fundamental reorganization

35. Water Code section 85023 states, "the longstanding constitutional principle of reasonable

36. In *National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419, 426, the court noted that the public trust doctrine mandates that "before state courts and agencies approve water diversions they . . . consider the effect of such diversions upon interests protected by the public trust, and attempt, so far as feasible, to avoid or minimize any harm to those interests." The *National Audubon Society* Court went on to explain:

Just as the history of this state shows that appropriation may be necessary for efficient use of water despite unavoidable harm to public trust values, it demonstrates that an appropriative water rights system administered without consideration of the public trust may cause unnecessary and unjustified harm to trust interests. As a matter of practical necessity the state may have to approve appropriations despite foreseeable harm to public trust uses. In so doing, however, the state must bear in mind its duty as trustee to consider the effect of the taking on the public trust, and to preserve, so far as consistent with the public interest, the uses protected by the trust.

*Id.*, citations omitted.

- 37. "Public trust easements are traditionally defined in terms of navigation, commerce and fisheries. They have been held to include the right to fish, hunt, bathe, swim, to use for boating and general recreation purposes the navigable waters of the state, and to use the bottom of the navigable waters for anchoring, standing, or other purposes." *Marks v. Whitney* (1971) 6 Cal.3d 251, 259. For nearly 50 years it has been settled law in California that public trust values also "encompass[] . . . the preservation of those lands in their natural state, so that they may serve as ecological units for scientific study, as open space, and as environments which provide food and habitat for birds and marine life, and which favorably affect the scenery and climate of the area."
- 38. Although compliance with CEQA "may assist an agency in complying with its duties under the public trust doctrine . . . . [,] CEQA review of a project does not necessarily or automatically satisfy the agency's affirmative duties to take the trust into account and protect public trust uses whenever feasible." *San Francisco Baykeeper Inc. v. State Lands Com.* (2018) 29 Cal.App.5th 562, 571. "[A] public trust use is not any use that may confer a public benefit, but rather a use that facilitates public access, public enjoyment, or public use of trust land." *Id.* at 570.

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#### FACTUAL BACKGROUND

- 39. "[T]he Sacramento-San Joaquin River Delta is a natural resource of statewide, national, and international significance, containing irreplaceable resources." PRC § 29701. The Delta is the largest and most productive estuarine system on the West Coast of North and South America, but its future is in peril. It is the State of California's avowed policy "to recognize, preserve, and protect those resources of the delta for the use and enjoyment of current and future generations." *Id*.
- 40. In July 1985 DWR and the Bureau circulated a Draft Joint Environmental Impact Statement and Environmental Impact Report for the Coordinated Operation Agreement ("COA Draft EIS/R"). That environmental review examined a proposed action, with a sharing formula that allocated to the CVP 75 percent – and to the SWP 25 percent – of the responsibility for meeting in-basin uses from stored water releases. Under the proposed action, the CVP was assigned 55 percent – and the SWP 45 percent – of the responsibility for capturing "excess flow." COA Draft EIS/R, p. S-2. The COA Draft EIS/R discussed the proposed action, the no action alternative, potential modifications to the agreement - including changed sharing formulas and additional explicit environmental protections, and no coordination at all.
- 41. In comments on the COA Draft EIS/R, the National Marine Fisheries Service ("NMFS") highlighted the detrimental impacts that the proposed action would have on salmon spawning and rearing in the upper Sacramento River. NMFS also raised the concern that State Water Resources Control Board's Delta water quality standards contained in Decision 1485 ("D-1485") were not adequately protective for fish under the proposed action because it could increase entrainment and loss of juvenile salmon without providing sufficient positive downstream flow to transport outmigrant salmon past pumps and through the Delta.
- 42. In April 1986 DWR and the Bureau issued a Final Joint Environmental Impact Statement and Environmental Impact Report for the Proposed Agreement between the United States of America and the Department of Water Resources of the State of California for Coordinated Operation of the Central Valley Project and State Water Project ("COA Final EIS/R").
- 43. In November 1986, DWR and the Bureau entered into the COA. The COA, as adopted, incorporated water quality standards for the Sacramento-San Joaquin Delta that were extracted from

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102-575, 108 Stat. 4600 ("CVPIA"), to reduce the adverse environmental impacts of CVP operations. CVPIA §§ 3402(a)-(b), 3406(b). In order "[t]o address impacts of the Central Valley Project on fish, wildlife and associated habitat," the CVPIA requires the Bureau to undertake environmental review before any long-term water service contract can be renewed by the Bureau. CVPIA §§ 3402(a), 3404(c)(1). The CVPIA altered the parameters of CVP operations. 45. After the 1986 COA, the State Water Resources Control Board has revised and updated water quality objectives and standards, and set flow requirements that differ from those included in the

44. In 1992 Congress enacted the Central Valley Project Improvement Act, Public Law No.

- The Delta's imminent ecologic collapse is well-recognized and indisputable. It has two principal causes. First, an unsustainable proportion of the Delta's freshwater flows has been diverted for decades by the Central Valley Project ("CVP") and the California (or "State") Water Project ("SWP"). Second, for too long, agricultural diverters have discharged subsurface drainage and surface run-off contaminated with salt, selenium, and other toxic substances into groundwater and the rivers that are tributary to the Delta. This one-two punch of diminished freshwater flows and increased temperature, salinity, herbicides, pesticides, and heavy metals has pushed the Delta to the brink of ecologic collapse.
- 47. Due to excessive diversions of water for consumptive use, many species of fish endemic to the Delta have already gone extinct, including the Sacramento perch, formerly one of the most abundant fishes of the Delta, which disappeared in the 1970s. Just 12 indigenous species remain, and these are in grave danger. Since the SWP and CVP began operation, the Sacramento River winter and spring run Chinook salmon, Central Valley steelhead, North American green sturgeon and Delta smelt have been driven perilously close to extirpation.
- 48. Winter run Chinook salmon were declared threatened under the federal Endangered Species Act ("ESA") in 1990 (55 Fed.Reg. 46515), and then due to continuing population declines, declared endangered in 2005 (70 Fed.Reg. 37160). Their critical habitat in the Sacramento River and its tributaries was designated in 1993. 58 Fed.Reg. 33212. Spring run Chinook salmon were declared threatened, and their critical habitat designated under the ESA in 2005. 70 Fed.Reg. 37160, 52488.

- 49. The SWP, as originally envisioned, would have included additional dams and diversions that would have destroyed the free-flowing rivers of California's North Coast and removed additional essential spawning and rearing habitat for salmon and steelhead. The unbuilt portion of the SWP was expected to provide between five and 10 million acre feet of water each year to the SWP system. Thus, DWR's SWP existing contracts contemplate delivery of much more water than can be delivered in all but the wettest of water years.
- 50. In addition to harming many fish species in the Delta, the excessive use of Delta water exports to irrigate contaminated soils in the San Joaquin Valley pollutes ground and surface waters that flow into the Delta. Irrigation leaches pollutants from the toxic soils underlying many of the areas irrigated with Delta water. The subsurface drainage and surface run off from these contaminated soils contain pollutants including selenium, arsenic, boron, mercury, uranium, chromium, molybdenum and sodium chlorides and sulfates. The resulting pollution of the Delta and its San Joaquin Valley tributaries threatens the Delta's water quality and the fish and wildlife dependent on them.
- 51. In June 2009, NMFS issued a Biological Opinion ("2009 NMFS BiOp") that warned Reclamation that

the long-term operations of the CVP and SWP are likely to jeopardize the continued existence of Sacramento River winter-run Chinook Salmon, Central Valley spring-run Chinook salmon, Central Valley steelhead, Southern DPS of North American green sturgeon, and Southern Resident Killer whales. The long-term operations of the CVP and SWP are likely to destroy or adversely modify critical habitat for Sacramento River winter-run Chinook salmon, Central Valley spring-run Chinook salmon, and Central Valley steelhead.

- NMFS also warned that the "long-term operations of the CVP and SWP are likely to destroy or adversely modify proposed critical habitat for the Southern DPS of North American green sturgeon." *Id.*
- 52. The U.S. Fish and Wildlife Service ("FWS") found in its December 2008 Biological Opinion ("2008 FWS BiOp") that "the coordinated operations of the CVP and SWP, as proposed, are

- 53. The 2009 NMFS BiOp makes clear that as much as 60 percent of the natural historical inflow to Central Valley watersheds and the Delta has been diverted for human uses. Depleted flows have contributed to higher temperatures, lower dissolved oxygen . . . levels, and decreased recruitment of gravel and large woody debris."
- 54. NMFS has found that "[w]ater withdrawals, for agricultural and municipal purposes, have reduced river flows and increased temperatures during the critical summer months, and in some cases, have been of a sufficient magnitude to reverse flows in the lower San Joaquin River. . . Direct relationships exist between water temperature, water flow, and juvenile salmonid survival."
- 55. In 2017 DWR approved the WaterFix Project, which is intended to divert massive amounts of water through three intakes and into two tunnels, where the water would bypass the Delta and arrive near the pumps south of the Delta for delivery to water users. While both DWR and the Bureau studied the WaterFix, only DWR has approved it. DWR and the Bureau have applied to the State Water Resources Control Board for a change in point of diversion for their water rights in order to implement the WaterFix. SWP contractors have signaled their interest in funding portions of the WaterFix; however, most CVP contractors have not voted to participate in it. The WaterFix has been marketed as a way for water users to receive increased and more reliable water deliveries; however, its reductions in freshwater flows in the Delta, the Sacramento River, and their associated sloughs would adversely modify designated critical habitat for at least five endangered and threatened species: the Sacramento River winter-run Chinook salmon, the Central Valley spring-run Chinook Salmon, Central Valley steelhead, the southern distinct population segment of North American green sturgeon, and the Delta smelt, among other impacts.
- 56. DWR's certification of the WaterFix Final Environmental Impact Report and approval of the WaterFix has been challenged by almost twenty separate CEQA petitions, including by petitioners, which have been coordinated with DWR's validation case, among others. These matters are pending in Sacramento Superior Court, Judicial Council Coordinated Proceeding number 4942.
- 57. In preparation of its entry into the COA Addendum, the Bureau prepared an Environmental Assessment ("COA Addendum EA"). The Bureau consulted with DWR in preparing the COA

- 59. The COA Addendum EA does not address the cumulative impacts of the COA Addendum
- 60. Petitioners are informed and believe that the COA Addendum Project will negatively impact SWP carryover storage during multiple critical water years, and that this negative impact will preclude the release of necessary cool water flows to protect fish survival, including that of listed species.
- 61. The COA Addendum Project will "adjust current SWP operations to modify pumping operations, as well as [SWP] storage withdrawls to meet in-basin uses pursuant to revised calculations based on water year types." COA Addendum Project Notice of Exemption, Attachment, p. 1.
- 62. The COA Addendum Project would alter DWR's and the Bureau's "responsibility for making available storage withdrawals to meet Sacramento Valley inbasin use of storage." COA Addendum, p. 2. Under the COA Addendum Project this responsibility is allocated between the Bureau and DWR as follows:
- In wet and above normal years, the Bureau's share of responsibility is 80 percent and a. DWR's responsibility is 20 percent.
- h. In below normal years, the responsibility remains as stated in the 1986 COA, with the Bureau responsible for 75 percent and DWR responsible for 25 percent.
- In dry years, DWR's responsibility for making available storage withdrawals will increase to 35 percent and the Bureau's responsibility will decrease to 65 percent.
  - In critical years, DWR's responsibility will increase to 40 percent and the Bureau's d.

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responsible for 40 percent – during excess water conditions.

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15 65. Despite ongoing actions by the State Water Resources Control Board to update the water 16 quality standards applicable to the Delta, the COA Addendum Project would apply only the Delta 17 standards established in the 1995 Water Quality Control Plan for the San Francisco Bay/Sacramento-San 18 Joaquin Delta Estuary. Those standards are obsolete and insufficient to protect listed species and other

The COA Addendum Project allocates export capacity between the Bureau and DWR

"[d]uring periods when exports are constrained by non-discretionary requirements imposed on the [CVP]

and the [SWP] South Delta exports" with the Bureau responsible for 65 percent – and DWR responsible

for 35 percent – during balanced water conditions, and the Bureau responsible for 60 percent – and DWR

will transport up to 195,000 acre-feet of [CVP] water through the California Aqueduct Reaches 1, 2A, and 2B no later than November 30 of each year by direct diversion or by rediversion of stored [CVP] water at times those diversion do not adversely affect the [SWP] purposes or do not conflict with [SWP] contract provisions. [DWR] will provide

available capacity at the Harvey O. Banks Pumping Plan ("Banks") to the [CVP] to divert or redivert 195,000 acre-feet when the diversion capacity at the south Delta intake to Clifton court Forebay is in excess of 7,180 cubic feet per second during July 1 through

September 30, except when the diversion capacity at the south Delta intake to Clifton Court Forebay in excess of 7,180 cubic feet per second shall be shared equally by [DWR]

The COA Addendum Project includes a commitment that DWR:

66. Although the Bureau prepared the COA Addendum EA, and DWR and the Bureau jointly prepared the COA Final EIS/R, DWR did not prepare and circulate any new environmental analysis of the Project for public comment before approval. Instead, on December 12, 2018, DWR Director Karla Nemeth entered into the COA Addendum with the Bureau. At the same time she approved the Hold Harmless Agreement.

The Hold Harmless Agreement establishes that DWR is responsible for mitigating, avoiding, or offsetting impacts from the WaterFix on CVP water supplies resulting from operation of the WaterFix or from restrictions imposed on the CVP "through permits or other regulatory approvals issued for [WaterFix] operations for the mitigation or avoidance of biological impacts attributable directly to

and the [Bureau].

public trust resources and uses.

68. Petitioners are informed and believe that DWR has not examined the combined or

- 3 4 cumulative impact of the Hold Harmless Agreement and the COA Addendum Project on the 5 environment. Each allocates additional responsibility to DWR for providing flows and storage necessary 6 to satisfy regulatory standards. As the SWP's storage capacity is finite, petitioners are informed and 7 believe that these shifts in responsibility will alter the SWP's ability to meet the existing regulatory 8 standards for protection of fish and wildlife and water quality during droughts.
  - 69. DWR's Notice of Exemption was received by the Governor's Office of Planning and Research on December 14, 2018.

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#### FIRST CAUSE OF ACTION

#### (Violation of CEQA)

## (Alleged by All Petitioners Against All Respondents)

- 70. The paragraphs set forth above and below are realleged and incorporated herein by reference.
- Petitioners bring this First Cause of Action pursuant to PRC sections 21168 and 21168.5, on the grounds that DWR committed a prejudicial abuse of discretion, by failing to proceed in the manner required by law, in approving the COA Addendum Project and Hold Harmless Agreement without first conducting the required CEQA review of the environmental impacts of the same.
- 72. CEQA requires public agencies to conduct environmental review prior to the time the agency approves any project that may have a significant impact on the environment. Pub. Res. Code §§ 21002.1, 21061, 21100, 21151; Guidelines § 15004(a). Under CEQA, the term "Project' means an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and which is . . . [a]n activity directly undertaken by any public agency. PRC § 21065. "[P]roject" means the "whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." Guidelines § 15378(a). The term "project" refers to the "activity which is being approved and which may be subject to several discretionary approvals by government

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agencies" and not the government approvals themselves. *Id.* § 15378(c).

- 73. "Approval" of a project, for purposes of CEQA, means a decision by the agency "which commits the agency to a definite course of action in regard to a project intended to be carried out by any person." Id. § 15352(a).
- 74. DWR's consideration and approval of the COA Addendum Project and Hold Harmless Agreement constitute project approvals "which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment" within the meaning of CEQA. PRC § 21065. Accordingly, DWR was required to comply with CEQA before taking any action to approve them.
- 75. After determining that an activity qualifies as a "project" under CEQA, the agency must determine whether there is an applicable CEQA exemption. DWR claims that CEQA exemptions allow it to avoid environmental review: an exemption under PRC section 21169, which applies to projects approved before CEQA, and Guidelines section 15261 (which exempts certain pre-1970 projects). These exemptions are inapplicable.
- 76. PRC section 21169 applies only to projects "undertaken, carried out or approved on or before the effective date of this section," not projects approved in 2018.
- 77. Guidelines section 15261, the ongoing projects exemption, states that "if a project being carried out by a public agency was approved prior to November 23, 1970," the project is exempt unless either (1) a "substantial portion" of the initially allocated funds for the project have not yet been spent, and it is "still feasible to modify the project to mitigate" its potential environmental impacts "or to choose feasible alternatives to the project," or (2) "a public agency proposes to modify the project in such a way that the project might have a new significant effect on the environment." DWR claims this exemption applies and that "neither exception to the exemption for ongoing projects" applies because "SWP operations have been ongoing for several decades and a substantial amount of money has been spent to carry out these operations." DWR December 14 Notice of Exemption, Attachment, p. 1.
- 35. The ongoing projects exemption is inapplicable to the COA Addendum Project and the Hold Harmless Agreement for the following reasons, among others:
  - First, the "project" being approved here is the future allocation of responsibility for

meeting water quality standards. Neither COA Addendum Project, nor the 1986 COA, were "approved prior to November 23, 1970." Guidelines § 15261(a). Indeed, DWR prepared the COA EIS/R when these allocation decisions were last made. Therefore the ongoing projects exemption does not apply.

- b. Second, even assuming *arguendo* that the "project" is the physical conveyance system of the SWP, substantial portions of the SWP were completed *after* November 23, 1970 and even after the 1986 COA EIS/R, including the Barker Slough Pumping Plant, and expansion of the Banks Pumping Plant.
- c. Third, the exemption is inapplicable because "a substantial portion of the public funds allocated for the project have not been spent" and because the Project may be modified to mitigate its impacts. *Id.* § 15261(a)(1). Since the future water storage and delivery can been modified to avoid adverse impacts, and alternatives to those deliveries can readily be formulated to minimize environmental harm, the ongoing projects exemption does not apply. *Id.*
- d. Fourth, the exemption is inapplicable because DWR's COA Addendum Project and the Hold Harmless Agreement "might have a new significant effect on the environment." Guidelines § 15261(a)(2). Indeed, the Project will modify water temperatures and carryover storage capacity, risking detrimental impacts to fish and wildlife in critical water years, and more so in multiple critical year droughts.
- 78. Even assuming that DWR's claimed categorical exemption applied, CEQA Guidelines section 15300.2(c) provides that exemptions are inapplicable "where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances." By reallocating responsibility for meeting inbasin uses and export capacity, the COA Addendum Project and the Hold Harmless Agreement alter reservoir elevations, reservoir releases, and water supply deliveries both north and south of the Delta. Unusual circumstances exist here because the Project modifies the available cool water storage, and river temperatures necessary for the survival of threatened and endangered fish.
- 79. CEQA Guidelines section 15300.2(b) provides that categorical exemptions are inapplicable "when the cumulative impact of successive projects of the same type in the same place, over time, is significant." This exception also applies, as the COA Addendum Project and the Hold Harmless

- 80. In invoking the foregoing CEQA exemptions, DWR abused its discretion under CEQA. If there is a reasonable possibility that the action being approved may cause a significant effect on the environment, directly or indirectly, the approval must comply with CEQA. The COA Addendum Project and Hold Harmless Agreement threaten a number of "reasonably foreseeable indirect physical change[s] in the environment" and thus CEQA review was required before their approval.
- 81. Assuming *arguendo* that the whole of the project is the COA and not DWR's separate approvals of the COA Addendum Project and Hold Harmless Agreement, then DWR's use of these exemptions is equally flawed. Under PRC section 21166(a), (b), and (c), DWR is required to prepare a subsequent or supplemental environmental impact report because "substantial changes are proposed in the project which will require major revisions of the environmental impact report," "substantial changes [have] ocurr[ed] with respect to the circumstances under which the project is being undertaken which will require major revisions of the environmental report," and "new information, which was not known and could not have been known at the time the environmental impact report was certified as complete [has become] available." These changes include additions to the SWP, the listing of many Delta-dependent species under the Endangered Species Act, and the COA Addendum Project's and Hold Harmless Agreement's alterations to the COA. These changes require a subsequent or supplemental environmental impact report. DWR's failure to prepare either violates CEQA.

## **SECOND CAUSE OF ACTION**

(Violation of the 2009 Delta Reform Act)

#### (Alleged by All Petitioners Against All Respondents)

- 82. The paragraphs set forth above and below are realleged and incorporated herein by reference.
  - 83. The Delta Reform Act, Water Code sections 85000 et seq., was passed by the Legislature in

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- "to provide for the sustainable management of the Sacramento-San Joaquin Delta ecosystem, to provide for a more reliable water supply for the state, to protect and enhance the quality of water supply from the Delta, and to establish a governance structure that will direct efforts across state agencies to develop a 7 legally enforceable Delta Plan." Id. § 85001(c). 8
  - 84. The Delta Reform Act requires any state agency "that proposes to undertake a covered action" to "prepare a written certification of consistency with detailed findings as to whether the covered action is consistent with the Delta Plan" and submit that written finding to the Delta Stewardship Council. Water Code § 85225.
  - 85. The Delta Reform Act defines "[c]overed action" as "a plan, program or project" as defined by PRC section 21065 that:
    - (1) Will occur, in whole or in part, within the boundaries of the Delta or Suisun Marsh.
    - (2) Will be carried out, approved, or funded by the state or a local public agency.
    - (3) Is covered by one or more provisions of the Delta Plan.
    - (4) Will have a significant impact on achievement of one or both of the coequal goals or the implementation of government-sponsored flood control programs to reduce risks to people, property, and state interests in the Delta.
  - Water Code § 85057.5(a).
  - 86. The COA Addendum Project and the Hold Harmless Agreement are both projects pursuant to PRC section 21065, as each is "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment" directly undertaken by DWR. PRC §§ 21065, 21065(a).
  - 87. While the Delta Reform Act states that "[r]outine maintenance and operation of the State Water Project" is not a covered action, the COA Addendum Project and Hold Harmless Agreement do not qualify for that exemption because they are neither routine maintenance nor routine operation of the SWP. Water Code § 85057.5(b).

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## (Violation of the Public Trust Doctrine)

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#### (Alleged by All Petitioners Against All Respondents)

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The paragraphs set forth above and below are realleged and incorporated herein by

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reference.

Water Code section 85023 states, "the longstanding constitutional principle of reasonable 92. use and the Public Trust Doctrine shall be the foundation of state water management policy and are

particularly important and applicable to the Delta."

93. In *National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419, 426, the court noted that the public trust doctrine mandates that "before state courts and agencies approve water diversions they . . . consider the effect of such diversions upon interests protected by the public trust, and attempt, so far as feasible, to avoid or minimize any harm to those interests." The *National Audubon Society* Court went on to explain:

Just as the history of this state shows that appropriation may be necessary for efficient use of water despite unavoidable harm to public trust values, it demonstrates that an appropriative water rights system administered without consideration of the public trust may cause unnecessary and unjustified harm to trust interests. As a matter of practical necessity the state may have to approve appropriations despite foreseeable harm to public trust uses. In so doing, however, the state must bear in mind its duty as trustee to consider the effect of the taking on the public trust, and to preserve, so far as consistent with the public interest, the uses protected by the trust.

*Id.*, citations omitted.

- 94. "Public trust easements are traditionally defined in terms of navigation, commerce and fisheries. They have been held to include the right to fish, hunt, bathe, swim, to use for boating and general recreation purposes the navigable waters of the state, and to use the bottom of the navigable waters for anchoring, standing, or other purposes." *Marks v. Whitney* (1971) 6 Cal.3d 251, 259. For nearly 50 years it has been settled law in California that public trust values also "encompass[] . . . the preservation of those lands in their natural state, so that they may serve as ecological units for scientific study, as open space, and as environments which provide food and habitat for birds and marine life, and which favorably affect the scenery and climate of the area."
- 95. The COA Addendum Project and Hold Harmless Agreement will adversely affect numerous public trust resources, including flows and habitat necessary for fish, wildlife, and recreation.
- 96. Feasible alternatives exist that would mitigate or avoid these significant impacts, including, but not limited to an alternative that incorporates additional goals for preservation of public trust resources. Such alternatives would reduce diversions, have beneficial effects on fish and wildlife, and

101. DWR's actions in approving the COA Addendum Project and Hold Harmless Agreement

without complying with the procedures required by CCP sections 1085 and 1094.5 exceeded DWR's

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jurisdiction and constitute a prejudicial abuse of discretion, and therefore are invalid and must be set aside.

#### **PRAYER FOR RELIEF**

WHEREFORE, petitioners pray for relief as follows:

- For interlocutory and permanent injunctive relief restraining DWR from taking any action to carry out the COA Addendum Project and Hold Harmless Agreement pending, and following, the hearing of this matter;
- For a peremptory writ of mandate directing DWR to set aside and vacate its approval of the COA Addendum Project, Hold Harmless Agreement, and Notice of Exemption thereon;
- For declaratory relief declaring the COA Addendum Project and Hold Harmless Agreement, their approval, and DWR's determination that they are exempt from CEQA to be unlawful;
- For a peremptory writ of mandate directing DWR to suspend all activity implementing the COA Addendum Project and Hold Harmless Agreement that could result in any change or alteration in the physical environment until it has taken all actions necessary to bring its approval of the COA Addendum Project and Hold Harmless Agreement into compliance with CEQA, the Delta Reform Act, the Public Trust Doctrine and the Code of Civil Procedure;
  - 5. For attorneys' fees under Code of Civil Procedure section 1021.5;
  - 6. For costs incurred in this action; and
  - 7. For such other equitable or legal relief as the Court may deem just and proper.

Dated: January 16, 2019

Respectfully submitted,

OFFICES OF STEPHA

By:

Attorney for Plaintiffs and Petitioners

C. VØLKER

North Coast Rivers Alliance, et al.

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#### **VERIFICATION**

I, Stephan C. Volker, am the attorney for petitioners/plaintiffs in this action. I make this verification on behalf of the petitioners/plaintiffs because such parties and their representatives are absent from the county in which my office is located. I have read the foregoing Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief and Attorneys' Fees and know its contents. The facts therein alleged are true and correct to the best of my knowledge and belief, and are based on documents within the public records underlying the approvals herein challenged.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed in Berkeley, California on January 16, 2019.

STEPHANC VOLKER