

Chronology of the State Water Project, Its Monterey Contract Amendments and the Kern Water Bank (1929-2010)

1929-1934	First lengthy statewide drought resulting in runoff that was less than 60 percent of average conditions.
1931	State engineer Edward Hyatt submits first official State Water Plan to the Legislature
1956	California Department of Water Resources (DWR) created during special legislative session from a bill authored by Assembly Member Caspar Weinberger.
1959	Burns-Porter Act authorizing the State Water Project signed by Governor Pat Brown.
1960	<ul style="list-style-type: none"> • January: State issues "contracting principles" to govern water service contracts of the State Water Project. • November 4: Metropolitan Water District signs first State Water Project contract. Over the next several years, 28 additional water districts, mostly in the San Joaquin Valley and southern California, would sign similar contracts. • November 8: California voters narrowly pass Proposition 1, the bond initiative to fund Burns-Porter Act State Water Project facilities. Margin of victory was 174,000 votes out of 5.8 million votes cast; the bonds won overwhelmingly in southern California and desert counties.
1962	State Water Project begins deliveries to districts in Santa Clara and Alameda Counties.
1968	State Water Project begins deliveries to contractors along the California Aqueduct, including Kern County Water Agency and Castaic Lake Water Agency.
1970	California Water Plan update stated, "In the San Joaquin Valley, ground water storage can be used to provide regulation of surplus water imported from Northern California during wet years for later local and possible export use during subsequent drier periods, thus complementing off-stream surface reservoir storage....Such an operation could enable the deferral for a subsequent water supply facility."
1972	State Water Project begins deliveries to Metropolitan Water District of Southern California, and other smaller desert region water agencies.
1974	California Water Plan update states: "...[T]he Department and the Kern County Water Agency are conducting a cooperative investigation...to determine means of managing the [San Joaquin Valley] basin to make the best use of supplemental water obtained through the facilities of the California Aqueduct."
1976-1977	Worst drought in state history leaves California with less than 40 percent of average historical runoff.
1987	California Water Plan update stated, "The Department of Water Resources proposes to establish a ground water project in Kern County that would permit SWP water to be recharged stored, and extracted....Known as the Kern Water Bank, the project will serve two important functions. First, it will be operated in conjunction with State Water Project facilities and local facilities to increase SWP dependable supplies. Second, its facilities will also be used by local agencies to increase the amount of local that can be captured and stored....The initial phase of the Kern Water Bank is expected to increase the dependable supply of the State Water Project by about 140,000 acre-feet....The greater ability to make local exchanges of water, along with elimination of pumping to irrigate property acquired for the project will reduce regional overdraft.
1987-1992	Longest drought in modern California history leaves state with just 56 percent of average Sacramento Valley runoff and 47 percent of average San Joaquin Valley runoff.
1988	DWR acquires 20,000 of the Kern Fan Element west of Bakersfield to form the Kern Water Bank. Combined with seven other water bank properties in Kern County, the state reported that these lands and facilities could store up to 3.0 million acre-feet and deliver about 400,000 acre-feet in dry and critical years, including to State Water Project contractors. The water bank was still undergoing feasibility studies.
1991	With runoff at 43 percent of average in 1991, State Water Project deliveries to Kern County Water Agency plunged from 1.15 million acre-feet (MAF) in 1989 to 42,087 acre-feet in 1991. For Metropolitan Water District, state deliveries fell from 1.4 MAF in 1990 to 0.4 MAF in 1991.
1991-1993	Agricultural lenders unwilling to extend credit to growers in Kern County because of low reliability of state supplies during drought, threatening agricultural water districts with defaulting on water payments to the state. In turn, the problem threatens the rating of the State Water Project's bonds.
1993	With another dry year looming in 1994, Metropolitan Water District directors defer paying their annual share of SWP costs to the state, in protest over the system's high cost and unreliable water supply.

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1994	<ul style="list-style-type: none"> • June to August: California Research Bureau reports to the Legislature on State Water Project financing issues and recommends options for changing the system. • December 1: After negotiating for several months in secret at a resort in the Monterey Peninsula, the Department of Water Resources, Kern County Water Agency, Metropolitan Water District, Tulare Lake Basin Water Storage District, Solano County Water Agency, Coachella Valley Water District, and Central Coast Water Authority execute the Monterey Agreement. Central Coast Water Authority was the only entity present that was not a state water contractor (and still is not).
1995	<ul style="list-style-type: none"> • January: Carolee Krieger of Santa Barbara, who was monitoring the agency's activities, learns that the Central Coast Water Authority would prepare an program environmental impact report on the Monterey Agreement's implementation at a meeting in Buellton, Santa Barbara County. She contacts every environmentalist she knows for help. • June: 11 environmental organizations to review the report and submit comments on the environmental report. This report was subsequently sued by Planning and Conservation League, the Citizens' Planning Association of Santa Barbara County, and Plumas County Flood Control and Water Conservation District, on grounds that the report was inadequate, that the Monterey Agreement was invalid, and that the author of the report should have been the Department of Water Resources, not the Central Coast Water Authority. • October: Kern Water Bank Authority formed in Kern County to operate the Kern Water Bank. • December 13: Department of Water Resources executes an Agreement to give the groundwater-rich Kern Fan Element lands (formerly agricultural lands owned by oil company Tenneco Corporation) to Kern County Water Agency. The water agency agrees to give up 45,000 acre-feet from its contract "entitlement."
1996	<ul style="list-style-type: none"> • August 9: DWR deeds over the Kern Water Bank lands to the Kern County Water Agency. The same day, the Kern County Water Agency deeds over the Kern Water Banks to the Kern Water Bank Authority, a joint powers authority comprised of Dudley Ridge Water District, Kern County Water Agency, Semitropic Water Storage District, Tejon-Castaic Water District, Westside Mutual Water Company (a private entity owned by Paramount Farming Corporation), and Wheeler Ridge-Maricopa Water Storage District.
1997-1998	<p>With heavy runoff from a strong El Niño climate event, Kern County Water Agency begins using the Kern Water Bank (through its member agency the Kern Water Bank Authority) as it brokers water trades among agricultural water agencies using SWP and Central Valley Project water, including Westlands Water District and many others, and arranging both storage in Semitropic Water Storage District and Kern Water Bank Authority's underground aquifers for later delivery. One trade in 1998 involves Westside Mutual Water Company selling 20,000 acre-feet in a complex exchange of water that also involved Harris Ranch, Tulare Lake Basin Water Storage District, and Westlands Water District, according to a DWR report in 2001.</p>
2000	<p>Plaintiffs prevail in <i>Planning and Conservation League v. Department of Water Resources (PCL v. DWR)</i>, where the Third District Appellate Court ruled unanimously that the Department had to be the lead agency on the environmental report, the report had to be redone, and the transfer of the Kern Fan Element (water bank property) was invalidated.</p>
2003	<p>May 5: the parties eventually settled <i>PCL v. DWR</i>, agreeing to retain the basic principles of the Monterey Agreement, but with the Department paying out \$5.5 million and promising to prepare a "Monterey Plus" environmental impact report that would evaluate the Monterey amendment principles fully. Language about contract "entitlements" to water were replaced by reference to "Table A Amounts" with notes stating that amounts shown in the contracts may not be fully delivered. DWR also agreed to prepare biennial reports on State Water Project supply reliability. Under this "Monterey Plus" agreement, the the Department and its water contractors could operate the State Water Project according to the Monterey Amendments and new amendments pending completion of the new EIR and termination of the litigation.</p>
2007	<p>October: The Department of Water Resources issues the draft environmental impact report on the Monterey Plus agreement (that is, the SWP contract amendments "plus" requirements of the subsequent settlement agreement). The Department receives thousands of pages of comments from dozens of commenters by January 2008.</p>
2007-2009	<p>Three-year drought leaves state with about 70 percent of its average historical runoff. In 2008 Governor Arnold Schwarzenegger declares a drought emergency as a pretext for exempting a water transfer program from environmental review under the California Environmental Quality Act (CEQA). California Water Impact Network, California Sportfishing Protection Alliance, and Butte Environmental Council challenge the state's water transfer exemption in court and emerge victorious in March 2010.</p>
2010	<p>February to May: DWR issues a final "Monterey Plus" environmental report in April and waits three months before it publishes its final notice authorizing the document.</p> <p>June 3: California Water Impact Network, California Sportfishing Protection Alliance, Center for Biological Diversity, Central Delta Water Agency, and South Delta Water Agency challenge the Monterey Plus agreement and the adequacy of its environmental report.</p>

