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*Photo of the State Water Project's California Aqueduct courtesy of <http://www.aquaforia.com>.*

## **Groups File Lawsuit to Block Backroom Water Deal**

by Dan Bacher

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Fishing, farming and conservation groups today filed a lawsuit seeking to block a secret backroom deal - known as the "Monterey Amendments" - signed by five water contractors along with the Department of Water Resources to undo water contracts underlying voter approved bonds four decades earlier.

This is a historic lawsuit that has the potential to change the way State Water Project water is allocated. Absent court action, contract changes that largely benefit southern San Joaquin Valley corporate irrigators at the expense of urban ratepayers will "trade away ratepayer funded projects and allow massive diversions of water from the Delta charging

only pumping costs," according to a news release from the groups.

The backroom deal was "essentially Chinatown on steroids," said Bill Jennings, chairman of the California Sportfishing Protection Alliance in Stockton.

"This was a poorly negotiated backdoor deal that put the wealthy growers of subsidized crops ahead of fisheries and the need for a sustainable and reliable supply of clean drinking water for California's cities," stated Jennings. "The Metropolitan Water District gambled it could raid the Delta for 'surplus' water. It not only lost that bet, but the Monterey Plus Amendments triggered the collapse of Delta ecosystems and our once-great salmon fisheries."

The "Monterey Amendments," signed secretly in 1995 without any public input, were successfully challenged in court. The courts ruled the contract changes, deeding of portions of the State Water Project known as the Kern Water Bank, and removal of protections for southern California ratepayers would not be valid until a new analysis of the impacts had public review and was certified as complete.

"These contract changes break promises made to bond holders and ratepayers," said Carolee Krieger, President and Executive Director of the California Water Impact Network (C-WIN). "These changes undo decades of urban ratepayer protections for the benefit of a few agribusiness corporations and real estate developments at the expense of ratepayers and bondholders."

C-WIN, the California Sportfishing Protection Alliance, the Center for Biological Diversity, and the Central Delta Water Agency and the South Delta Water Agency, agencies that deliver water to Delta-area farmers filed the suit in Sacramento Superior Court. The suit challenges the legality of the following:

- Institutionalizing the concept of "paper water" – water promised by contract that can never realistically be delivered.
- Eliminating the "urban preference," which prioritized water deliveries to municipal customers during drought. This change resulted in water shortages and higher utility rates for southern California ratepayers.
- Increasing water exports from the Sacramento-San Joaquin Delta, thus worsening water quality

- Illegally transferring state property known as the Kern Water Bank to private entities and undermining the California Water Code by masking the purpose and place of water.

The lawsuit seeks to "reinstate the urban water preference during drought in State Water Project contracts, reduce the pumping of Delta water that has resulted in the collapse of fisheries, and return the Kern Water Bank to public ownership," the groups said.

Defendants in the lawsuit include the Kern County Water Agency, Kern County Water Bank Authority, Paramount Farming Company, Roll International Corporation, Tejon Ranch Company, Westside Mutual Water Company, Alameda County Water District, the Metropolitan Water District of Southern California and a host of other water contractors.

The Kern Water Bank, owned by the California Department of Water Resources from 1988 to 1995, is now in the hands of private Kern County interests. Forty-eight percent of the bank is owned by Westside Mutual Water Company, a private water company controlled by Beverly Hills billionaire Stewart Resnick.

Resnick, the owner of the 115,000 acre Paramount Farms, is the largest tree fruit grower in the world and contributes heavily to the campaigns of Senator Dianne Feinstein, Senate President Pro Tem Darrell Steinberg and Governor Arnold Schwarzenegger ([blogs.alternet.org/danbacher/tag/stewart-resnick](http://blogs.alternet.org/danbacher/tag/stewart-resnick)).

"The State Water Project and the Kern Water Bank were developed by the state, at ratepayer expense, to benefit all of California—our cities, our farms, and our fish," said Adam Keats, lead attorney with the Center for Biological Diversity. "But with the Monterey Plus Amendments it has been hijacked by private interests who are using it for their own ends, including stockpiling water to enable destructive speculative development."

"Meanwhile the state's entire water system gets closer and closer to collapse and multiple fish species—salmon, Delta smelt, even Sacramento splittail—are brought closer to the brink of extinction so that subsidized growers can make profits off of water sales and new sprawl development can be built in the last of our wild places," Keats stated.

The same corporate agribusiness interests and southern California

water agencies that signed the backdoor deal are campaigning for the peripheral canal, a \$23 billion to \$53.8 billion government boondoggle that is likely to result in the extinction of Sacramento River chinook salmon, Central Valley steelhead, green sturgeon, Delta smelt and other fish species. The peripheral canal, also backed by corporate environmental NGOs led by the Nature Conservancy, is also likely to lead to the extinction of southern resident killer whales (orcas) that depend on healthy stocks of Sacramento River salmon to survive.

I applaud CWIN, CSPA and the Center for Biological Diversity for launching this lawsuit. The Monterey Amendments - and the water privatization and environmental destruction they have left in their wake - must be overturned. Everybody who cares about restoring our imperiled salmon and other fish populations and stopping water privatization and the theft of our public trust resources should support this lawsuit!