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7 8	NORTH COAST RIVERS ALLIANCE, CALIFORNIA SPORTFISHING PROTECTION ALLIANCE, FRIENDS OF THE RIVER, and the WINNEMEM WINTU TRIBE						
9	IN THE UNITED STATES DISTRICT COURT						
	FOR THE EASTERN DISTRICT OF CALIFORNIA						
10	NORTH COAST RIVERS ALLIANCE,	Civ. No.					
11	CALIFORNIA SPORTFISHING PROTECTION ALLIANCE, FRIENDS OF THE RIVER, and the	COMPLAINT FOR DECLARATORY					
12	WINNEMEM WINTU TRIBE,	AND INJUNCTIVE RELIEF					
13	Plaintiffs,						
14	v.						
15	KENNETH SALAZAR, Secretary of the United States Department of the Interior, DONALD R.						
16	GLASER, Regional Director of the United States Bureau of Reclamation, MICHAEL JACKSON, Area						
17	Manager of the South-Central California Area Office of the United States Bureau of Reclamation, and						
18	UNITED STATES BUREAU OF RECLAMATION,						
19	Defendants.						
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21	INTRODUCTION						
22	1. Plaintiffs NORTH COAST RIVERS ALLIANCE, CALIFORNIA SPORTFISHING						
	PROTECTION ALLIANCE, FRIENDS OF THE RIVER, and the WINNEMEM WINTU TRIBE						
24	(collectively, "plaintiffs") hereby sue defendants KENNETH SALAZAR, DONALD R. GLASER,						
25	MICHAEL JACKSON, and the UNITED STATES BUREAU OF RECLAMATION (collectively,						
26	"Reclamation") and seek from this Court an order declaring invalid Reclamation's approval of 11 water						
27	service contracts, collectively called the San Luis Unit Water Service Interim Renewal Contracts 2010-						
28	2013 (hereinafter "interim contracts"), entered into under	r the Central Valley Project Improvement Act					

1 ("CVPIA"), Public Law No. 102-575, 108 Stat. 4600, Title XXXIV (1992). Specifically, plaintiffs challenge the Environmental Assessment ("EA") and Finding of No Significant Impact ("FONSI") that 3 Reclamation adopted for the interim contracts because the EA and FONSI violate the National 4 Environmental Policy Act ("NEPA"), 42 U.S.C. section 4321 et seq. The EA and FONSI assume that 5 Reclamation has no discretion to reject the interim contracts or even to reduce the quantities of water they 6 export from the Sacramento River Delta ("Delta") despite the growing environmental impact such water 7 exports are having on the Delta's increasingly imperiled salmon, steelhead, sturgeon and other fish and 8 wildlife. Because Reclamation considers continued water delivery to be the environment baseline, the EA and FONSI conclude that the interim contracts will have no effect on the environment. 10 Consequently, they fail to consider any alternatives or mitigation measures that would reduce the interim 11 contracts' impacts or even seriously examine those impacts at all. Reclamation's erroneous premise that 12 it lacked disapproval authority thus rendered its NEPA process a meaningless charade, devoid of any 13 effective environmental review of the interim contracts' adverse effects, and of alternatives and 14 mitigations that would avoid or reduce those effects.

2. Plaintiffs have not previously sought court review of these interim contracts because they had understood that Reclamation would soon complete preparation of an EIS on the long term contracts intended to replace them. That expectation was dashed when on December 12, 2011 Reclamation announced that it was commencing yet another meaningless round of toothless review of two-year interim contracts to be approved in 2012 or 2013. By releasing a draft EA for this new round of contracts that repeats the same errors and omissions of its predecessor, Reclamation has confirmed the futility of delaying court review any longer. The new contracts would authorize water deliveries beginning on March 1, 2012 or March 1, 2013 without Reclamation's consideration of any reduction, let alone elimination, of these water deliveries and their impacts. Plaintiffs will challenge the new deficient EA and FONSI upon their approval in a supplemental complaint or separate lawsuit to be consolidated by stipulation or motion with this action. Reclamation's recurring approvals of the two-year renewals based on the same erroneous premise of disapproval impotence and deficient NEPA review are "capable of repetition," yet "evading review" by the judiciary. *U.S. v. Juvenile Male*, 131 S.Ct. 2860, 2865 (2011), *quoting Weinstein v. Bradford*, 423 U.S. 147, 148–149, 96 (1975) (per curiam). Thus this action will not

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become moot after the interim contracts challenged herein expire in 2012 or 2013. Id.

3. Plaintiffs seek speedy adjudication of this matter to halt the accelerating decline of Delta fish and wildlife that is exacerbated by the water diversions that by the interim contracts authorize, and to curtail the worsening contamination of ground and surface water resources in the Central Valley caused by the needlessly harmful irrigation practices that these contracts induce and perpetuate. Reclamation must analyze the environmentally destructive impacts of the interim contracts in a thorough and accurate environmental review that considers alternatives that would avoid or reduce such impacts.

# **JURISDICTION AND VENUE**

- 4. The Court has jurisdiction over this action under 28 U.S.C. sections 1331 (federal question), 1337 (regulation of commerce), 1346 (United States as defendant), 1361 (mandamus against an officer of the United States), 2201 (declaratory judgment), and 2202 (injunctive relief), and under the Administrative Procedure Act ("APA"), 5 U.S.C. sections 701-706 (review of final agency action) because (1) the action arises under the APA and NEPA; (2) Reclamation is an agency of the United States government and the individual defendants are sued in their official capacities as officers of the United States; (3) the action seeks a declaratory judgment voiding Reclamation's final agency approvals of the interim contracts; and (4) the action also seeks further injunctive and mandamus relief until Reclamation complies with applicable law.
- 5. Venue is proper in this judicial district pursuant to 28 U.S.C. section 1391(e)(2) because Reclamation and one or more individual defendants officially reside, one or more of plaintiffs' causes of action arose, and some of the lands and waters involved in the action are located, in this judicial district.
- 6. There exists now between the parties hereto an actual, justiciable controversy in which plaintiffs are entitled to have a declaration of their rights and of Reclamation's obligations, and further relief because of the facts and circumstances hereinafter set forth.
- 7. This Complaint is timely filed within the applicable six-year statute of limitations set forth in 28 U.S.C. section 2401(a).
  - 8. Plaintiffs have standing to assert their claims and have exhausted all applicable remedies.

# **PARTIES**

9. Plaintiff NORTH COAST RIVERS ALLIANCE ("NCRA") is a non-profit unincorporated

association with members throughout Northern California. NCRA was formed for the purpose of protecting California's rivers and watersheds from the adverse effects of excessive water diversions, ill-planned urban development, harmful resource extraction, pollution, and other forms of degradation. Its members use and enjoy California's rivers and watersheds for recreational, aesthetic, scientific study, and related non-consumptive uses. The interests of NCRA and its members have been, are being, and unless the relief requested herein is granted, will be adversely affected by Reclamation's approval of the interim contracts without proper NEPA review, and by the interim contracts' consequent, unexamined, and inadequately mitigated impacts on the environment.

- 10. Plaintiff CALIFORNIA SPORTFISHING PROTECTION ALLIANCE ("CSPA") is a non-profit corporation organized under the laws of the State of California. CSPA has thousands of members who reside and recreate throughout California. CSPA's members are citizens who, in addition to being duly licensed sport fishing anglers, are interested in the preservation and enhancement of California's public trust fishery resources and vigorous enforcement of California's environmental laws. CSPA members have been involved for decades in public education and advocacy efforts to protect and restore the public trust resources of California's rivers. CSPA members use California's rivers and the Delta for recreation, scientific study, and aesthetic enjoyment. The interests of CSPA and its members have been, are being, and unless the relief requested herein is granted, will be adversely affected by Reclamation's approval of the interim contracts without proper NEPA review, and by the interim contracts' consequent, unexamined, and inadequately mitigated impacts on the environment.
- 11. Petitioner FRIENDS OF THE RIVER was founded in 1973 and is incorporated under the non-profit laws of the State of California, with its principal place of business in Sacramento, California. Friends of the River has more than 5,000 members dedicated to the protection, preservation, and restoration of California's rivers, streams, watersheds, and aquatic ecosystems. Friends of the River has been involved in activities to protect and restore the Sacramento-San Joaquin Delta for more than 30 years. Many of Friends of the River's members recreate on California rivers and in the Delta. The interests of Friends of the River and its members have been, are being, and unless the relief requested herein is granted, will be adversely affected by Reclamation's approval of the interim contracts without proper NEPA review, and by the interim contracts' consequent, unexamined, and inadequately mitigated

impacts on the environment.

- 12. Petitioner WINNEMEM WINTU TRIBE is a Native American Tribe whose aboriginal territory includes the upper watersheds of the Central Valley Project, including the McCloud and Sacramento Rivers. Many of these lands were inundated by construction of Shasta Dam. Petitioner WINNEMEM WINTU TRIBE was traditionally dependent on salmon fishing for both subsistence and cultural purposes, and maintains an exceptional interest in the continued viability of California's salmon runs which pass through the Delta. Petitioner WINNEMEM WINTU TRIBE is a strong proponent of Delta restoration, and will be adversely affected by Reclamation's approval of the interim contracts without proper NEPA review, and by the interim contracts' consequent, unexamined, and inadequately mitigated impacts on the environment.
  - 13. Plaintiffs' injuries are fairly tracable to Reclamation's actions. These injuries are actual, concrete, and imminent and cannot be adequately remedied by money damages. Plaintiffs have no plain, speedy, or adequate remedy at law. Accordingly, plaintiffs seek injunctive, mandamus and declaratory relief from this Court to rectify Reclamation's unlawful acts.
  - 14. Defendant KENNETH SALAZAR is the Secretary of the United States Department of the Interior and in that capacity was responsible for the United States Bureau of Reclamation's approval of the interim contracts. He is sued in his official capacity.
- 15. Defendant DONALD R. GLASER is the Regional Director of the United States Bureau of Reclamation, and he participated in its approval of the interim contracts. He is being sued in his official capacity.
- 16. Defendant MICHAEL JACKSON is the Area Manager for the South-Central California
  Area Office of the United States Bureau of Reclamation, and he participated in its approval of the interim
  contracts. He is being sued in his official capacity.
- 17. Defendant UNITED STATES BUREAU OF RECLAMATION is the federal agency within the United States Department of the Interior charged with managing the Central Valley Project ("CVP"). The United States Bureau of Reclamation approved the interim contracts challenged in this litigation.

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#### **BACKGROUND**

18.	The Central Valley Project Improvement Act ("CVPIA") was enacted by Congress on
October 30, 19	992 for the express purpose of ameliorating the adverse environmental impacts that result
from Central V	Valley Project operations. CVPIA, supra, §§ 3402(a)-(b), 3406(b). In order "[t]o address
impacts of the	Central Valley Project on fish, wildlife and associated habitat," CVPIA requires
environmental	review – including the preparation of an Environmental Impact Statement ("EIS") under
NEPA – befor	e any long-term water service contract can be renewed by Reclamation. CVPIA §§
3402(a), 3404	(c)(1). Despite the fact that Congress enacted the CVPIA almost 20 years ago, Reclamation
has not yet con	mpleted its EIS for the long-term contracts. Instead, it has repeatedly issued "interim"
contract renew	vals of two years' duration, none of which have ever been examined in an EIS as mandated
by Congress fo	or the long-term contracts.

- 19. These short-term, interim contracts are authorized by the CVPIA to bridge the gaps between expiration of previous long-term contracts for delivery of CVP water negotiated by Reclamation and the completion of environmental review for, and finalization of, the new long-term contracts. The informed approval or disapproval of these short-term contracts is within the discretion of Reclamation. CVPIA § 3404(c)(1). Specifically, the CVPIA states:
  - (c) Renewal of Existing Long-Term Contracts. Notwithstanding the provisions of the Act of July 2, 1956 (70 Stat. 483), the Secretary *shall*, upon request, renew any existing long-term repayment or water service contract for the delivery of water from the Central Valley Project for a period of 25 years and *may renew such contracts for successive periods* of up to 25 years each.
    - (1) No such renewals shall be authorized until appropriate environmental review, including the preparation of the environmental impact statement required in section 3409 of this title, has been completed. Contracts which expire prior to the completion of the environmental impact statement required by section 3409 *may be renewed for an interim period* not to exceed three years in length, and for successive interim periods of not more than two years in length, until the environmental impact statement required by section 3409 has been finally completed, at which time such interim renewal contracts shall be eligible for long-term renewal as provided above. . . .

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CVPIA § 3404(c)(1) (emphasis added). Thus, under the CVPIA's plain language, Reclamation lacks discretion to disapprove the initial long-term contract renewals, but retains full discretion to disapprove interim contracts, which "*may* be renewed for an interim period," and successive long-term contracts which Reclamation similarly "may renew." *Id.* (emphasis added).

- 20. Since passage of the CVPIA in 1992, 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 extinction. Winter run Chinook salmon were initially listed as a federally threatened species 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 listed as threatened, and their critical habitat designated, in 2005. 70 Fed. Reg. 37160, 52488. Central Valley steelhead were listed as threatened in 2000 (65 Fed. Reg. 52084) and their critical habitat was designated in 2005 (70 Fed. Reg. 52488). The Southern Distinct Population Segment ("DPS") of North American green sturgeon was listed at threatened in 2006 (71 Fed. Reg. 17757) and its critical habitat was designated in 2008 (73 Fed. Reg. 52084). Delta smelt were listed as endangered in 1993 (58 Fed. Reg. 12854) and their critical habitat was designated in 1994 (59 Fed. Reg. 65256). Seventeen species of fish indigenous to the Delta have already gone extinct; just 12 indigenous species remain. Habitat for the Sacramento River winter and spring run Chinook salmon, Central Valley steelhead, Southern DPS of the green sturgeon, and the Delta smelt has suffered progressively worsening degradation over the last several decades from excessive Delta water exports by the CVP and the State Water Project ("SWP"). Those exports decrease freshwater flows, and increase salinity and the concentration of herbicides, pesticides and toxic agricultural runoff, in the Delta.
- 21. On June 4, 2009 pursuant to its consultation duties under section 7 of the Endangered Species Act ("ESA"), 16 U.S.C. section 1536, the National Marine Fisheries Service ("NMFS") informed Reclamation that:

Based on the best available scientific and commercial information, NMFS' final [Biological] Opinion concludes that the CVP/SWP operations are *likely to jeopardize* the continued existence of Federally listed:

1	Endangered Sacramento River winter-run Chinook salmon (Oncorhynchus)			
2	tshawytscha),			
3	• Threatened Central Valley spring-run Chinook salmon (O. tshawytscha),			
4	• Threatened Central Valley steelhead (O. mykiss),			
5	Threatened Southern Distinct Population Segment (DPS) of North American			
6	green sturgeon (Acipenser medirostris), and			
7	• Southern Resident killer whales ( <i>Orcinus orca</i> ) [who feed on the salmon].			
8	NMFS also concludes that the proposed action is likely to destroy or adversely modify the			
9	designated critical habitats of			
10	Central Valley spring-run Chinook salmon,			
11	Central Valley spring-run Chinook salmon, and			
12	Central Valley steelhead, and			
13	proposed critical habitat for the Southern DPS of North American green			
14	sturgeon.			
15	NMFS letter to defendant Donald R. Glaser transmitting final Biological Opinion on CVP/SWP			
16	operations dated June 4, 2009, at pages 1-2 (emphasis added).			
17	22. The Sacramento River winter and spring run Chinook salmon, Central Valley steelhead,			
18	Southern DPS of the green sturgeon and Delta smelt are all indicator species for the health of the Bay-			
19	Delta ecosystem and for the other special status fish species that inhabit this fragile estuary. These			
20	species are put at further risk by Reclamation's continuing failure to conduct a serious environmental			
21	impact analysis for the CVP's short-term water contracts. Among the other special status Delta species			
22	impacted by this lack of analysis are the Sacramento splittail, Longfin smelt, and White sturgeon.			
23	23. On or about February 27, 2010, Reclamation issued a FONSI and EA addressing the "San			
24	Luis Unit Water Service Interim Renewal Contracts 2010-2013." Based on that FONSI and EA,			
25	Reclamation approved 11 interim renewal contracts, including contracts with Westlands Water District			
26	("WWD"), the City of Tracy, the City of Huron, the City of Coalinga, the City of Avenal, and the			
27	California Department of Fish and Game ("CDFG"). Water delivery pursuant to Reclamation's contracts			
28	with WWD and the City of Tracy commenced on March 1, 2010. Water delivery for its contracts with			

- 24. In its EA for the interim contracts, Reclamation ignored the CVPIA language granting it discretion to disapprove the interim contracts and claimed that it lacked any discretion to reject the contracts or even to reduce deliveries. Based on this faulty premise, the EA analyzes only two alternatives, the Proposed Action and the No Action Alternative, both of which continue water diversions and deliveries *in the same amounts*. Because the EA considers continued water delivery to be the environmental baseline, it concludes that the signing of the interim contracts will have no effect on the environment. Similarly, the EA concludes without substantive analysis that the interim contracts will not violate any other federal environmental laws on the grounds that Reclamation lacks discretion to disapprove them, or to reduce deliveries of water if they are approved.
- 25. The EA improperly limits its Study Area for the interim contracts to their delivery or service areas. By doing so, Reclamation ignored the interim contracts' principal environmental impacts, including their impacts on the CVP's source watersheds including the American, Trinity, and Sacramento rivers and their imperiled fish and wildlife, and on the Delta itself.

# LEGAL BACKGROUND

- 26. NEPA requires the preparation of an EIS if a proposed major federal action has the potential to significantly affect the quality of the human environment. 42 U.S.C. § 4332. Even if a project's risks of environmental harm are uncertain, if they are potentially significant, an EIS is required. *City of Davis v. Coleman*, 521 F.2d 661, 676 (9th Cir. 1975).
- 27. However, a proper finding by an agency that a proposed action will produce no significant impact on the environment relieves the agency of its duty to prepare an EIS. 40 C.F.R. §1501.4(e). But an agency cannot simply issue a conclusory statement claiming the absence of significant impacts. Instead, the agency must support each finding of "no significant impact" with a "concise public document," known as an environmental assessment, or EA. 40 C.F.R. § 1501.4(a)-(b), 1508.9. The EA must "[b]riefly provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact." 40 C.F.R. § 1508.9(a)(1)

1 2 3 4 5 Reclamation failed to do so here. FIRST CLAIM FOR RELIEF 6 7 8 (Against All Defendants) 9 28. 10 29. 11 12 13 14 15 30. 16 17 18 19 20

(emphasis added). Although an EA need not be as thorough as an EIS, the agency must still conduct a "comprehensive assessment of the expected effects of a proposed action" to determine if that action is significant. Foundation on Economic Trends v. Weinberger, 610 F.Supp. 829, 837 (D.C.D.C. 1985) (quoting Lower Alloways Creek Tp. v. Public Service Elec., 687 F.2d 732, 740 (3rd Cir. 1982)).

(Violation of the National Environmental Policy Act – Inadequate EA)

- The paragraphs set forth above are realleged and incorporated herein by reference.
- Reclamation based its EA and FONSI for the interim contracts on the false premise that in renewing the interim contracts it had no discretion to reduce or eliminate water deliveries. The plain language of the CVPIA – with which Reclamation attempts to support this false premise – demonstrates to the contrary that Reclamation's approval of the interim contracts is discretionary and therefore a full review of the environmental impacts of the interim contract renewals is required by NEPA.
- Reclamation's claimed lack of discretion to disapprove the interim contracts or reduce their deliveries caused it to ignore and trivialize the interim contracts' environmental impacts and alternatives that would avoid or reduce these impacts, rendering its EA an empty exercise. The EA's principal defects include the following errors and omissions, among others:
  - The EA fails to identify and analyze the interim contracts' principal environmental impacts because it assumes incorrectly that Reclamation's continued delivery of water in the same quantities is the baseline or background against which to measure the interim contracts' impacts. Consequently, the EA failed to compare the environmental impacts of Reclamation's proposal to divert and deliver massive quantities of water with the reduced impacts of halting or reducing those diversions and deliveries.
  - b. The EA fails to consider a reasonable range of alternatives. It considers only two alternatives, the Proposed Action and the No Action Alternative. The No Action Alternative, however, is the *same project* as the Proposed Action with only one small pricing difference. Under both so-called "alternatives," Reclamation would continue to

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- deliver water in the same amounts to the contractors. The No Action Alternative failed to consider *non-renewal* of the contracts, contrary to the expressly discretionary terms of the CVPIA. Alternatives proposing a reduced quantity of water deliveries were likewise improperly eliminated from consideration.
- c. The EA ignores the environmental impacts of the interim contracts' water deliveries on the source watersheds including the American, Trinity, and Sacramento Rivers and their imperiled fish and wildlife, and on the Delta itself. It unlawfully excludes these directly impacted natural resources from the EA's unduly narrow Study Area, which is improperly restricted solely to the service areas of the San Luis Unit contractors.
- d. The EA failed to consider the effects of diverting and delivering massive quantities of water, versus halting or reducing those deliveries, on Reclamation's compliance with other environmental laws such as the Endangered Species Act (16 U.S.C. section 1531 et seq.), the Clean Water Act (33 U.S.C. section 1251 et seq.) and the Migratory Bird Treaty Act (16 U.S.C. section 703 et seq.).
- 31. Reclamation's failure to prepare a legally adequate EA and FONSI for the interim contracts is arbitrary and capricious, a failure to proceed in the manner required by law, not supported by substantial evidence, and thus in violation of NEPA and the APA.

#### SECOND CLAIM FOR RELIEF

(Violation of National Environmental Policy Act – Failure to Prepare an EIS)

(Against All Defendants)

- 32. Plaintiffs incorporate by reference all preceding paragraphs.
- 33. Approval of each of the interim contracts is a major federal action that may significantly affect the quality of the human environment. Therefore, Reclamation should have prepared an EIS for them. Because it failed to do so, Reclamation's approval of the interim contracts is arbitrary and capricious, a failure to proceed in the manner required by law, not supported by substantial evidence, and thus in violation of NEPA and the APA.

# PRAYER FOR RELIEF

34. As relief for the above violations of law, plaintiffs respectfully request the following:

1		1.	A declaration that de	fendants acted contrary to law by issuing a FONSI for the
2			interim contract rene	wals based on an EA that is legally inadequate and without
3			preparing the EIS tha	at is required.
4		2.	An order requiring de	efendants to withdraw their FONSI for the interim contract
5			renewals until such t	ime as defendants have complied with NEPA and the APA.
6		3.	An injunction agains	t further water deliveries pursuant to the interim contracts until
7			defendants have com	aplied with NEPA and the APA.
8		4.	An award of costs and reasonable attorney's fees and expenses incurred in the	
9			litigation of this action	on under the Equal Access to Justice Act, 28 U.S.C. section
10			2412, and any other a	applicable fee recovery law or doctrine.
11		5.	Any other relief that	this Court deems just and proper.
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13	Dated: Decer	nber	30, 2011	Respectfully submitted,
14				/s/ STEPHAN C. VOLKER STEPHAN C. VOLKER
15				Attorney for Plaintiffs NORTH COAST RIVERS ALLIANCE, CALIFORNIA SPORTFISHING PROTECTION
16				ALLIANCE, FRIENDS OF THE RIVER, and the WINNEMEM WINTU TRIBE
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