To: ■ Office of Planning and Research
For U.S. Mail: P.O. Box 3044 CA 95812-3044
Street Address: 1400 Tenth St. Sacramento,

From: (Public Agency) California Dept. of Water Resources

Address: California Department of Water Resources
State Water Project Analysis Office

Sacramento, CA
Contact: Nancy Quan
Phone: 916-653-0190

☐ County Clerk
County of: _____
Address: _____

Lead Agency (if different from above):
_____
Address: _____
Contact: _____
Phone: _____

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21052 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2003011118

Project Title: Monterey Amendment to the State Water Project Contracts (Including Kern Water Bank Transfer) and Associated Actions as Part of a Settlement Agreement (Monterey Plus).

Project Location (include county): See attached project description.

Project Description: See attached project description.

This is to advise that the California Department of Water Resources decided to carry out the above described project on September 20, 2016

■ Lead Agency or ☐ Responsible Agency

_ and has made the following determinations regarding the above described project:

1. The project [■ will ☐ will not] have a significant effect on the environment.
2. ■ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.

   ☐ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [■ were ☐ were not] incorporated as part of the project.
4. A mitigation reporting or monitoring plan [■ was ☐ was not] adopted for this project.
5. A statement of Overriding Considerations [■ was ☐ was not] adopted for this project.
6. Findings [■ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the final Revised EIR with comments and responses and record of project approval is available to the General Public at: See attached list of locations.

Signature (Public Agency) Craig J. Tromble Title: Acting Chief, SWPAO

Date 9/22/2016

Governor's Office of Planning & Research
SEP 22 2016
STATE CLEARINGHOUSE

Notice of Determination

Date received for filing at OPR:

Project Description: As identified in the Department's May 5, 2010 Notice of Determination, the Monterey Plus proposed project is to continue operation under the existing Monterey Amendment to the State Water Project long-term water supply contracts (including the Kern Water Bank transfer) and the existing Settlement Agreement entered in PCL v. DWR (including the Attachment A amendments to the State Water Project long-term water supply contracts) in accordance with the terms of those documents as previously executed by the Department and other parties to those documents.

The Department revised the project description and revised the 2010 Monterey Plus EIR in response to an order from the Sacramento County Superior Court. Within the recently certified Monterey Plus Revised EIR, DWR changed the project description of the Kern Fan Element property transfer to be: "Transfer of property known as the "Kern Fan Element property" in Kern County *and its development and continued use and operation as a locally owned and operated groundwater banking and recovery project.*"

The Department made no revisions to the other elements of the Monterey amendment or to the Settlement Agreement, and no changes have been made relating to them in the Monterey Plus Revised EIR.

The primary elements of the Monterey Amendment are:

- Altered water allocation procedures. Shortages and surpluses are shared among contractors in proportion to their Table A amounts. During shortages, agricultural contractors would no longer be subject to cuts in supply before municipal contractors;
- Permanent transfers of Table A amount. Agricultural contractors agree to transfer 130,000 acre-feet (AF) of Table A amount to municipal contractors and 45,000 AF of Table A amount would be permanently retired;
- Transfer of ownership of approximately 20,000 acres of land in Kern County known as the Kern Fan Element (KFE) from the Department to Kern County Water Agency (KCWA) and its development and continued use and operation as a locally owned and operated groundwater banking and recovery project;
- Facilitation of several water supply management practices including storage of State Water Project (SWP) water outside contractors' service areas, borrowing of water by contractors from Castaic Lake and Lake Perris, and establishment of a turnback pool to promote transfers of SWP water from contractors with excess allocated Table A amounts to contractors with a need for water; and
- Restructuring of rates for financing the SWP and using its facilities, including the establishment of a trust fund to help agricultural contractors meet their SWP financial obligations during water shortages.

The primary elements of the Settlement Agreement are:

- Better information on SWP reliability by substituting "Table A amount" for "entitlement" in the SWP contracts and by implementing new procedures for disclosure of SWP delivery reliability;
- More public review of major SWP actions by issuing guidelines for review of permanent transfers of Table A amounts, and issuing principles for public participation in negotiations for project-wide long-term water supply contract amendments and Table A transfers;
- Table A transfers completed prior to the Settlement Agreement would remain inplace;

- Assurance regarding the KFE transfer including confirmation of title to KFE Lands; placement of restrictions on the use of KFE Lands; and an independent study of some Kern Water Bank (KWB) operations;
- Establishment of a watershed forum and funding for Plumas County Flood Control and Water Conservation District (Plumas County) to pursue watershed restoration, and amendment of Plumas County's SWP contract with respect to allocation to SWP water;
- Providing specified amounts of funding to the plaintiffs for multiple purposes.

Project Location: The proposed project is primarily an administrative action and does not have a specific physical location. However, the effects of the administrative action could be felt over large areas of the state. For the purposes of the assessment of impacts, the project area consists of SWP facilities, the Sacramento-San Joaquin Delta, rivers tributary to the Delta, the SWP service area, the SWP contractor service areas and any other areas that could be influenced by the proposed project. Site-specific portions of the project include watershed areas of Plumas County, the Lake Davis area of Plumas County, Castaic Lake and Lake Perris, and the Kern Fan area of Kern County.

Copies of the final Revised EIR with comments and responses and record of project approval are available to the general public and are available for review by request from the Department or on the Department's website at http://www.water.ca.gov/environmentalservices/monterey_plus.cfm.