MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
12621 E. 166th Street, Cerritos, California 90703
1:30 P.M., WEDNESDAY, APRIL 7, 2004

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as “For Information” or “For Discussion” may also be the subject of an “action” taken by the Board or a Committee at the same meeting.

I. DETERMINATION OF A QUORUM
II. PLEDGE OF ALLEGIANCE
III. INVOCATION
IV. PUBLIC COMMENT
V. ADDITIONAL ITEMS TO AGENDA
   Determine the need to add items to the agenda. In order for the Board to add an item to the agenda it must make a determination that: (i) The item came to the attention of the Board after the posting of the agenda; (ii) That there is a need for immediate action to be taken by the Board. If these two tests are met, the Board may add the item in question to the agenda for consideration consistent with the provisions of the Brown Act.

VI. OPEN PUBLIC HEARING ON THE 2004-2005 PROPOSED REPLENISHMENT ASSESSMENT PER WATER CODE SECTION 60306

VII. CONSENT CALENDAR
Consent Calendar items are considered routine by the Board of Directors and will be adopted by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event the item will be removed from the Consent Calendar and considered separately immediately following action on the remaining items.

A. MINUTES OF THE REGULAR MEETING OF MARCH 17, 2004
   Staff Recommendation: That the Board approve the Minutes as submitted.
B. DIRECTORS EXPENSES

Staff Recommendation: That the Board approve the Directors Expenses as submitted.
Committee Recommendation: The Finance Committee recommends that the Board approve the Directors Expenses as submitted.

VIII. LETTER OF SUPPORT FOR LONG BEACH GROUNDWATER BANKING PROJECT EXPANSION TO INCLUDE LAKEWOOD

Staff Recommendation: That the Board direct staff to submit a letter of support to MWD for the expansion of the Long Beach Banking Program into the City of Lakewood.
Committee Recommendation: This item was not reviewed by Committee.

IX. WRD INTERNSHIP PROGRAM

Staff Recommendation: That the Board approve the WRD internship program.
Committee Recommendation: The Administrative Committee concurs with the staff recommendation.

X. REGIONAL GROUNDWATER MONITORING REPORT – WATER YEAR 2002/2003

Staff Recommendation: That the Board receive and file the 2002/2003 Regional Groundwater Monitoring Report.
Committee Recommendation: The Water Resources Committee concurs with the staff recommendation.

XI. SUMMARY OF TAC CIP RECOMMENDATIONS

Staff Recommendation: That the Board accept the recommendations associated with the individual project proposals of the CIP and direct staff to develop the CIP documents for subsequent adoption.
Committee Recommendation: The Ad Hoc WRD Strategic Plan/CIP Committee reviewed the Technical Advisory Committee recommendations and concurs with staff’s recommendation.

XII. FIVE-YEAR CAPITAL OUTLAY

Staff Recommendation: That the Board accept the 5-year capital outlay schedule and direct staff to incorporate said schedule into the District’s CIP, which will be adopted at a later date.
Committee Recommendation: The Ad Hoc WRD Strategic Plan/CIP Committee has not reviewed this draft five-year capital outlay.

XIII. LEGISLATIVE REPORT

Staff Recommendation: For information.

XIV. WRD TAC CHAIR REPORT
XV. GENERAL MANAGER’S REPORT

XVI. DISTRICT COUNSEL REPORT

XVII. DIRECTORS’ REPORTS

XVIII. WRD BOARD MEETING DATES
   A. April 14, 2004 – 10:30 a.m. – Special Board of Directors Meeting – Budget Workshop
   B. April 21, 2004 – 1:30 p.m. – Board of Directors Meeting
   C. May 3, 2004 – 10:00 a.m. – Board of Directors Meeting
   D. May 19, 2004 – 1:30 p.m. – Board of Directors Meeting

XIX. CLOSED SESSION
   A. Anticipated litigation per Government Code §54956.9 (b), Three Cases
   B. Labor Negotiations per Government Code §54957.6
      Negotiator: Arnoldo Beltran
      Bargaining Group: American Federation of State County & Municipal Employees (AFSCME)
      Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

XX. ADJOURNMENT

Agenda posted by Abigail C. Andom, Deputy Secretary, April 2, 2004. In compliance with ADA requirements, this document can be made available in alternative formats upon request.
DATE:  APRIL 7, 2004

TO:  BOARD OF DIRECTORS

FROM:  ROBB WHITAKER, GENERAL MANAGER

SUBJECT:  CONVENE PUBLIC HEARING ON THE 2004-2005 PROPOSED REPLENISHMENT ASSESSMENT PER WATER CODE SECTION 60306

SUMMARY
In compliance with Water Code Section 60306, Notice of Public Hearing was published in the Los Angeles Bulletin on March 25, 2004, for the initial draft budget review and public discussion of the assessment rate. The public hearing is set for April 7, 2004, and will continue at the WRD Board meeting on April 14, 2004.

The purpose of the Public Hearing is to determine whether and to what extent the estimated cost of (1) purchasing water for groundwater replenishment for the ensuing fiscal year and accomplishing acts reasonably necessary for replenishment, (2) removing contaminants from groundwater supplies and undertaking other groundwater quality projects, and (3) the District’s operating and administrative expenses, shall be paid for by a replenishment assessment upon groundwater producers within the Central and West Coast Groundwater Basins.

FISCAL IMPACT
For Information.

STAFF RECOMMENDATION
For Information.

COMMITTEE RECOMMENDATION
Did not go to committee.
A regular meeting of the Board of Directors of the Water Replenishment District was held on March 17, 2004 at 1:40 p.m. in the District office at 12621 E. 166th Street, Cerritos, California. President Willard H. Murray, Jr. called the meeting to order. Deputy Secretary Abigail C. Andom recorded the minutes.

I. DETERMINATION OF A QUORUM
The President declared a quorum of Directors was present, which in addition to himself included Directors Pat Acosta, Robert Goldsworthy Albert Robles, and Norm Ryan. Also participating in the meeting were General Manager Robb Whitaker, District Counsels J. Arnoldo Beltran and Edward Casey, Assistant General Manager and Chief Engineer Mario Garcia, and Chief Hydrogeologist Ted Johnson.

II. PLEDGE OF ALLEGIANCE
Mr. David Cobb of Global Strategem led the Pledge of Allegiance.

III. INVOCATION
Director Ryan gave the Invocation.

IV. PUBLIC COMMENT
None.

V. ADDITIONAL ITEMS TO AGENDA
President Murray asked that an additional item be added to the agenda, and explained that the request came subsequent to the posting of the agenda for this meeting. Because of its urgency for action, President Murray added the 2004 National Water Resources Association Federal Water Seminar and a request from the Association of California Water Agencies (ACWA) for nominations for California Caucus positions to the National Water Resources Association (NWRA), to the agenda.
Discussion followed and the Board agreed that these items be included as
Agenda items VIII.A and VIII.B.

VI.  CONSENT CALENDAR

A.  MINUTES OF THE REGULAR MEETING OF MARCH 3, 2004
B.  DEMANDS AND CONTRACTS
C.  FINANCIAL STATEMENTS FOR THE PERIOD ENDED JANUARY 31, 2004
D.  INVESTMENT REPORT FOR THE PERIOD ENDED JANUARY 31, 2004
E.  CONSIDERATION OF RESOLUTION NO. 04-702 – A JOINT RESOLUTION
    OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE
    CITY COUNCIL OF THE CITY OF CARSON, THE BOARD OF DIRECTORS
    OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT,
    THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8
    OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8), AND
    THE BOARD OF DIRECTORS OF THE WATER REPLACEMENT DIVISION
    DISTRICT OF SOUTHERN CALIFORNIA
    APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF
    PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF
    PETITION NO. 22-201 (220TH STREET) TO COUNTY LIGHTING
    MAINTENANCE DISTRICT 1697
F.  TRAVEL TO AMERICAN WATER WORKS ASSOCIATION, CALIFORNIA NEVADA
    SECTION, SPRING CONFERENCE, LAS VEGAS NEVADA

Upon a motion duly made by Director Robles, seconded by Director
Ryan, and unanimously approved, it was

RESOLVED:  That the Board approves the Consent Calendar of the meeting of March 17, 2004.

VII.  CONSIDERATION OF CONTRACT TO RETAIN THE SERVICES OF TRES ES,
      LLC (SEN. RICHARD POLANCO, RET.) TO WORK WITH BOARD AND
      STAFF ON DISTRICT STRATEGIC PLANNING

Director Acosta stated that this item was reviewed by the Inter-Agency Committee at a special meeting held March 8. She noted that there was a concern that the proposal did not go thru the proper procurement process and that there was no clear scope of work to be done. The Committee determined that the services of Senator Polanco will be a tremendous
asset to the WRD. She explained that Senator Polanco would be better able to represent the District’s concerns in Sacramento. Director Acosta also asked staff to give an update on comparison bids that were solicited.

Ms. Diana Delker, Manager of Administration and Human Resources, stated that three firms were contacted based on the scope of services presented to Tres Es, LLC. The three firms were Capitol Advisory, Manatt Phelps & Phillips, LLP, and Nielsen Merksamer Parrinello Mueller & Naylor, LLP. The first two firms declined to give a proposal due to possible conflicts of interest and Nielsen Merksamer stated that they will not be able to submit a proposal within the two week time provided.

Director Robles stated that he has the highest regard for Senator Polanco and his experience at the Legislature. He noted that Senator Polanco would be a valuable asset to the District but questioned some areas in the scope of work for Tres Es, LLC. Director Robles felt that the conjunctive use process was already moving forward and that relationships with the State Department of Health Services (DHS), local government, and other regulatory agencies have greatly improved. He noted that the contract does not allow for lobbying in the state and federal level.

Upon a motion duly made by Director Acosta, seconded by President Murray, and with Director Robles dissenting, it was

RESOLVED: That the Board approve a contract to retain the services of Tres Es, LLC to assist with District strategic planning, subject to approval as to form by District Counsel, for an amount not to exceed $10,000 a month.
VIII. PARTICIPATION AT THE LONG BEACH AREA CHAMBER OF COMMERCE’S BUSINESS FORECAST 2004 CONFERENCE

Director Ryan stated that this item did not go to the Inter-Agency Committee because the request from the Long Beach Area Chamber of Commerce (LBACC) did come on time for the next Board Meeting and the event will be held on April 1, 2004. He noted that this event will be a great networking opportunity for the District, in which the District would not only have a table at the luncheon but also a booth to promote WRD activities. Director Ryan stressed the fact that Long Beach is one of the WRD’s largest customers.

Director Robles inquired to staff regarding how much the District had recently spent for LBACC activities. He stated that he felt there was a disproportionate amount of money spent in LBACC activities and that it is unfair to other chambers of commerce in the District that WRD is not a member of.

Discussion followed. Staff stated that the District had contributed an estimated $3500.00 for LBACC activities to date.

Director Acosta stated that the request was brought at the last minute and felt that there will be other opportunities for participation in the future.

Upon a motion duly made by Director Ryan, seconded by President Murray and by roll call vote, it was

RESOLVED: That the Board approve participation at the Long Beach Area Chamber of Commerce’s Business Forecast 2004 Conference with a $1,000 Silver Level of sponsorship.

AYES: Directors Goldsworthy, Murray, Ryan
NOES: Directors Acosta, Robles
VIII.A. NATIONAL WATER RESOURCES ASSOCIATION 2004
FEDERAL WATER SEMINAR, WASHINGTON, D.C., MARCH 24-26, 2004

Upon a motion duly made by Director Acosta, seconded by President Murray, and unanimously approved, it was


Copies of the materials regarding this seminar were made available to the public for review.

VIII.B. ACWA REQUEST FOR NOMINATIONS FOR CALIFORNIA CAUCUS POSITIONS TO NWRA

President Murray stated that membership in the Association of California Water Agencies (ACWA) includes membership in the National Water Resources Association (NWRA), which assists in the work toward development, protection and management of water resources at the federal level. A request for nominations is being sent to all voting members of ACWA for three board positions and one alternate position to fill the California vacancies.

Upon a motion duly made by President Murray, seconded by Director Ryan, and unanimously approved, it was

RESOLVED: That the Board nominates Director Robert Goldsworthy to the California Caucus positions for the National Water Resources Association.
IX. **WRD TAC CHAIR REPORT**

Mr. Jim Glancy, Chairperson of the WRD Technical Advisory Committee (TAC), stated that he had been away on jury duty when this standing agenda item was first discussed. He noted that there will be a TAC meeting on March 24 and that he hopes to present a report to the Board at its next meeting. Mr. Glancy stated that the TAC reviewed eleven capital improvement projects and will be ready to make its recommendations on each of them. He added that some projects may have to be postponed depending on the results of an operational plan for the West Coast basin which the TAC intends to develop with staff.

X. **GENERAL MANAGER’S REPORT**

General Manager Whitaker explained that the TAC had conceived the effort of developing an operational plan for the West Coast basin not only to review District projects, but also to have a more global approach. He added that this development was very positive.

Mr. Whitaker also stated that the facilitated Conjunctive Use Working Group met March 15 and Directors Acosta and Goldsworthy of the ad hoc committee attended the meeting. Mr. Whitaker stated that the conjunctive use process is faced with a funding shortfall of about $25,000. Central and West Basin Municipal Water Districts have already contributed towards this effort in the past and WRD is being asked to contribute to meet the shortfall. He felt that this was a worthwhile investment and plans to proceed with the funding.

XI. **DISTRICT COUNSEL REPORT**

Deferred to closed session.

XII. **DIRECTORS’ REPORTS/COMMITTEE REPORTS**

Director Goldsworthy stated that the Conjunctive Use Working Group meeting facilitated by Bob Rauch went very well. He noted that District Counsel
Ed Casey and Michael Gagan were also in attendance. He asked that Director Acosta provide a more thorough report of the meeting.

Director Acosta stated that the facilitated Conjunctive Use Meeting was very well attended. She noted that it was important for the District to attend because of WRD’s critical and vital role. She explained that everyone has been working diligently and that the communication process was open and direct. Director Acosta praised the direction that the process was going and felt confident that it would continue heading the right direction. She emphasized the role the District plays and the authority it has in protecting the groundwater basin and storage rights.

Director Acosta also stated that the review of the capital improvement projects (CIP) is coming to a close and that staff is working with the TAC in order to provide recommendations on the projects. She noted that there may be a need for another workshop on the projects.

Director Ryan stated that the Finance Committee will have a special meeting on April 2 to go over the District’s 2004-05 budget. He also reminded the other Board members to submit their expenses by March 30 in order to have them in time for approval at the special Finance Committee meeting. Discussion followed on other meeting dates and the following dates were decided on:
April 14, Special Board Meeting – Budget Workshop; and
April 15, Finance Committee meeting

XIII. WRD BOARD MEETING DATES

A. April 7, 2004 – 1:30 P.M. – WRD Board of Directors Meeting
B. April 21, 2004 – 1:30 P.M. – WRD Board of Directors Meeting
C. May 5, 2004 – 1:30 P.M. – WRD Board of Directors Meeting
D. May 19, 2004 – 1:30 P.M. – WRD Board of Directors Meeting

The May 5, 2004 Board Meeting has been rescheduled to Monday, May 3, 2004, 10:00 a.m. due to the ACWA Conference.
District Counsel Beltran stated that, relative to the subsequent need items that were added to the Board agenda and Brown Act requirements, he is advising the Board to rescind the actions it made concerning Agenda Items VIII. A and VIII.B. This was due to the fact that the public was not given the opportunity for review and comment on those items.

President Murray made a motion to rescind the actions made on subsequent need items Agenda Item VIII.A. National Water Resources Association 2004 Federal Water Seminar, and Agenda Item VIII.B ACWA Request for Nominations for California Caucus Positions to NWRA. Director Ryan seconded. The motion passed unanimously.

President Murray opened the public comment period for the preceding two items. Hearing none, the public comment period was closed.

Upon a motion duly made by Director Ryan, seconded by President Murray, and unanimously approved, it was


Upon a motion duly made by Director Ryan, seconded by Director Acosta, and unanimously approved, it was

RESOLVED: That the Board nominates Director Robert Goldsworthy to the California Caucus positions for the National Water Resources Association.
XIV. CLOSED SESSION

A. Anticipated litigation per Government Code §54956.9 (b): Three Cases

B. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltrán
   Bargaining Group: American Federation of State, County and Municipal Employees (AFSCME)
   Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

The Board went into closed session. The Board reconvened in open session.

For Agenda Item XIV.A, two cases were reviewed, presentations were provided to the Board, consensus was reached, and further instructions were given to staff concerning the item.

For Agenda Item XIV.B, a report was provided to the Board, consensus was reached on certain items, and further instructions were provided concerning the remaining items for consideration.

XV. ADJOURNMENT

President Murray asked if there was any further business to come before the Board and there being none, the meeting was adjourned upon a motion by Director Robles and seconded by Director Goldsworthy.

______________________________
President

ATTEST:

______________________________
Secretary
DATE: APRIL 7, 2004
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: LETTER OF SUPPORT FOR LONG BEACH GROUNDWATER BANKING PROJECT EXPANSION TO INCLUDE LAKEWOOD

SUMMARY
In January 2002, the District executed an agreement with the Long Beach Water Department (LBWD) regarding groundwater banking in the Central Basin. This banking program involves the utilization of aquifer storage and recovery (ASR) wells to put seasonal (discounted) Metropolitan Water District (MWD) water into basin storage when it is available. The stored water could subsequently be withdrawn to offset imported water deliveries when surface supplies are less plentiful.

Earlier this year, MWD made available remaining funds from its Proposition 13 allocation for which LBWD submitted a proposal to expand its current banking program. The expanded program proposes to include well injection/extraction capacity within the neighboring city of Lakewood, which would increase the program by an additional 3,600 AF.

LBWD has requested that WRD submit a letter to MWD in support of the Department’s proposal for program expansion. Staff agrees with the storage concept and recommends consideration of the proposed expansion. Due to time constraints and LBWD’s immediate need for such a letter, this item has not been reviewed by a WRD committee.

A draft letter is attached for review.

FISCAL IMPACT
None at this time.

STAFF RECOMMENDATION
That the Board direct staff to submit a letter of support to MWD for the expansion of the Long Beach Banking Program into the City of Lakewood.

COMMITTEE RECOMMENDATION
This item was not reviewed by Committee.
April __, 2004

Attn: ________________
Regional Supply Unit, WRM Group
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA  90054-0153

Subject:  Letter of Support for Long Beach Water Department’s Proposed Expansion of the Groundwater Banking Program in the Central Basin

Dear ________:

The Water Replenishment District of Southern California (WRD) serves as the groundwater manager for the Central Basin of coastal Los Angeles County. We currently have an agreement with the Long Beach Water Department (LBWD) regarding groundwater banking within the basin, and we believe that conjunctive use opportunities are key to the future management of the groundwater basins of the coastal plain.

The proposal by LBWD to expand the banking program into the city of Lakewood meets with WRD’s support and is consistent with the District’s overall management scheme. This will provide an additional 3,600 AF of stored water in the basin and help to offset imported water deliveries during dry years.

We believe that this project will accomplish MWD’s program goals, enhance critical local resources, and thereby provide greater water supply reliability for the entire Southern California region. Your favorable consideration for funding this project would be greatly appreciated.

Sincerely,

Robb Whitaker, P.E.
General Manager
DATE: APRIL 7, 2004
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: WRD INTERNSHIP PROGRAM

SUMMARY
Program Description:

The Water Replenishment District of Southern California’s Internship Program is designed to engage students of various levels in science, engineering, geology, technology and government. As a result, students develop essential skills different from those attained in academia and to facilitate the transition from being a student to a professional.

There are three levels of internships that are subject to classification based on their skills, experience and qualifications.

Each intern will be assigned to a senior staff member who will act as his or her mentor. The mentor provides guidance and ensures that the intern’s time is focused on substantive work and activities.

The assignment and number of interns utilized will be based upon the needs of the District at the time of recruitment.

Recruitment:

Recruitment will focus on District area high schools, local community colleges and graduate programs in a specific field.

FISCAL IMPACT

The pay range compares to that of other paid internship programs. This program would be particularly beneficial to the WRD in finding students to work in specialized areas, instead of relying on generalized temps.

STAFF RECOMMENDATION

That the Board approve the WRD internship program.

COMMITTEE RECOMMENDATION

The Administrative Committee concurs with the staff recommendation.
Water Replenishment District of Southern California – Internship Opportunities

General Information

Student internships are available at the Water Replenishment District of Southern California. Intern candidates will perform technical and administrative support work depending upon their qualifications. Ideal for students interested in pursuing careers in hydrogeology, engineering, or local government.

WRD protects the basins through groundwater replenishment, deterrence of sea water intrusion, and groundwater quality monitoring of contamination through assessments on water pumped from the WRD service area, and offers a progressive and challenging work environment for student interns.

Tasks Will Include:

- Data entry using Microsoft Excel, Microsoft Access, and other databases
- Filing and organization of files
- Electronic document scanning and management
- Performing well searches and analysis using GIS applications
- Preparing case closure summaries, which involves review and summary of information presented in investigation reports, groundwater monitoring reports, and corrective action plans
- Various water quality related research projects

How the Program Works

- You must be enrolled in at least 12 units during the entire internship.
- You may work a maximum of 10 hours a week for the district.
- Some full-time work is available during school breaks.
- Pay range is subject to skills, experience, and qualifications:
  - Student Trainee - $8.00 per hour and up
  - Student Intern - $10.00 per hour and up
  - Graduate Student Intern - $15.00 per hour and up

Minimum qualifications

- Currently enrolled in an undergraduate or graduate level science-related curriculum.
- Background in hydrogeology or local government relations is preferred.
- Highly motivated high-school students may also be considered for Student Trainee Positions.

Interested?

Please mail a copy of your current resume and availability to:

- E-mail: www.wrd.org
- Fax: (562) 407-1903

Water Replenishment District of Southern California
12521 E. 166th Street
Cerritos, CA 90703
DATE: APRIL 7, 2004

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER


SUMMARY
WRD Staff is in the final stages of preparation of the 2002/2003 Regional Groundwater Monitoring Report, which describes the groundwater levels, groundwater quality and replenishment water quality for the Central and West Coast Basins (CWCB) for the previous water year. Staff will present findings from the report at the board meeting.

The purpose of the Regional Groundwater Monitoring Program is to perform the basic District function of tracking groundwater levels and groundwater quality. This information is utilized to determine the health of the groundwater basins and to assist in development of concepts to optimize the use of our local groundwater resource. The major components of the staff-operated program include the following:

- Establish a network of monitoring wells throughout the District.
- Collect water levels from these wells at regular (daily) intervals using automated data loggers.
- Collect water quality samples from these wells twice per year using the Districts’ sampling vehicle.
- Collect water quality data for the different types of replenishment waters recharging the CWCB.
- Analyze the water level and water quality data to establish first hand knowledge of current basin conditions.
- Incorporate the information into WRD’s Geographic Information System (GIS) database that can be accessed by Staff, Stakeholders, and the public.
- Prepare Annual Reports on the Program findings.

FISCAL IMPACT
Staff is soliciting quotations from qualified printing services for final printing of the report in similar style and binding as the previous year. Total reproduction expenses are not expected to exceed $3,500.

STAFF RECOMMENDATION

COMMITTEE RECOMMENDATION
The Water Resources Committee concurs with the staff recommendation.
DATE: APRIL 7, 2004

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: SUMMARY OF TAC CIP RECOMMENDATIONS

SUMMARY
On September 3, 2003, the WRD Board of Directors adopted a Strategic Plan (Plan) which contains the District’s mission statement, goals and objectives. Additionally, the Plan provided a list of potential projects and programs to assist the District in meeting the specified goals and objectives.

Upon adoption of this plan, the District began developing a 5-year Capital Improvement Program (CIP) which included a more thorough economic evaluation of the associated costs and benefits of potential projects and programs identified in the Plan.

As part of the CIP development process, each of the potential projects identified was introduced to the Board of Directors. The Board then determined if a proposed project was worthy of further consideration. Eleven projects identified in the Plan were forwarded to the District’s Technical Advisory Committee (TAC) for review of project feasibility and economic viability. The TAC’s review of the eleven proposals was substantially completed at the February 19, 2004 TAC meeting, at which time it was decided that District staff would provide a summary matrix of all TAC recommendations made throughout the review process. The attached table contains that summary on each of the proposals. This matrix was reviewed and discussed at the TAC meeting on March 24, 2004 and is being forwarded to the Board for review and discussion.

District staff recommendations on the project proposals are in line with those provided by the TAC and can serve as the basis for approval of the District’s CIP. Formal approval of the CIP is scheduled for a subsequent Board meeting. It should also be noted that approval of the CIP does not necessarily constitute approval of each project proposal on the list. Specific approval for each individual proposal will still be required from the Board before the projects are actually constructed.

FISCAL IMPACT
No fiscal impact at this time. The acceptance of the recommendations for the CIP proposals will define the adopted CIP, which in turn, will impact District long-term spending on capital projects.

STAFF RECOMMENDATION
That the Board accept the recommendations associated with the individual project proposals of the CIP and direct staff to develop the CIP documents for subsequent adoption.
COMMITTEE RECOMMENDATION
The Ad Hoc WRD Strategic Plan / CIP Committee reviewed the Technical Advisory Committee recommendations and concurs with staff’s recommendation.
<table>
<thead>
<tr>
<th>No.</th>
<th>Project</th>
<th>TAC Meeting</th>
<th>Recommendation</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>WRD/Caltrans I-105 Pipeline</td>
<td>Thursday, November 13, 2003</td>
<td>District staff continue development of this project and work with DHS to determine the level of additional treatment, if any, that would be required.</td>
<td>District Staff is continuing to evaluate proposals for putting water from this project to beneficial use. The next steps for this project are determining the additional level of treatment required and estimating the costs involved. The cost-benefit document for this project is currently being updated.</td>
</tr>
<tr>
<td>2</td>
<td>Rubber Dam LACDPW/WRD Joint Project</td>
<td>Thursday, November 13, 2003</td>
<td>Include the project in the District’s CIP.</td>
<td>District Staff will work with L.A. County to develop a contract for funding assistance. As part of the development of the contract, the District will ensure that additional water conserved as part of this project is within the Central Basin.</td>
</tr>
<tr>
<td>3</td>
<td>Safe Drinking Water Program</td>
<td>Tuesday, December 09, 2003</td>
<td>Support the Safe Drinking Water Program at an amount not to exceed $2 million per year, including staff time, and that the money be used to remove primary man-made contaminants. Amounts budgeted but not used should not be carried over but instead go to the General Fund.</td>
<td>The VOC removal portion of this project was unanimously supported by the TAC; however, a recommendation on the non-VOC removal portion has not been made. The District’s Groundwater Clean-up Committee is currently reviewing the policy for the non-VOC removal component of the program.</td>
</tr>
<tr>
<td>4</td>
<td>Convert Orduña Wells to Injection Wells</td>
<td>Tuesday, December 09, 2003</td>
<td>Further study needs to be done to determine impacts and benefits of this injection. Funds be allocated for a study to re-evaluate the operational objectives for the West Coast Basin. Revisit the in-lieu program.</td>
<td>Complete; no further work to be done until re-evaluation of operational objectives for West Coast Basin.</td>
</tr>
<tr>
<td>5</td>
<td>Alamitos Physical Barrier</td>
<td>Wednesday, January 28, 2004</td>
<td>Support the pilot project but not the full scale project since the economic benefit for the full scale project has been achieved through the storage program with Long Beach.</td>
<td>Complete; finish work with USBR to implement the pilot project.</td>
</tr>
<tr>
<td>6</td>
<td>Goldsworthy Desalter Horizontal Well</td>
<td>Wednesday, January 28, 2004</td>
<td>Defer until re-evaluation of WCB operation objectives.</td>
<td>Complete; no further work to be done until re-evaluation of operational objectives for West Coast Basin.</td>
</tr>
<tr>
<td>7</td>
<td>Development of ASR Wells Inland of Seawater Barrier</td>
<td>Wednesday, January 28, 2004</td>
<td>Defer until re-evaluation of WCB operation objectives.</td>
<td>Complete; no further work to be done until re-evaluation of operational objectives for West Coast Basin.</td>
</tr>
<tr>
<td>8</td>
<td>Whittier Narrows Conservation Pool</td>
<td>Wednesday, January 28, 2004</td>
<td>Proceed to elevation 205 feet and develop analysis on how to get to 205 feet and 209 feet. Use a phased approach to move forward with this project.</td>
<td>District staff will provide TAC with additional supporting information regarding using a two phased approach to reach the 209 foot conservation pool elevation.</td>
</tr>
<tr>
<td>9</td>
<td>Desalter Brine Line</td>
<td>Thursday, February 19, 2004</td>
<td>Defer until re-evaluation of WCB operation objectives.</td>
<td>Complete; no further work to be done until re-evaluation of operational objectives for West Coast Basin.</td>
</tr>
<tr>
<td>10</td>
<td>Expansion of Goldsworthy Desalter</td>
<td>Thursday, February 19, 2004</td>
<td>Defer until re-evaluation of WCB operation objectives.</td>
<td>Complete; no further work to be done until re-evaluation of operational objectives for West Coast Basin.</td>
</tr>
<tr>
<td>11</td>
<td>Increased Spreading at Dominguez Gap Spreading Grounds</td>
<td>Wednesday, March 24, 2004</td>
<td>Include in District’s CIP and go forward with installation of the infiltration trench at the West Basin of the spreading grounds. Re-evaluate cost estimates for varying improvement schemes.</td>
<td>District staff will work with L.A. County to construct infiltration trench in the westerly basins of the spreading grounds. District will evaluate effectiveness of spreading at this location once a regular source of water is delivered to the basin. Meanwhile, District staff will also follow County’s proposed design for wetlands for the easterly basins of the Dominguez Gap SG.</td>
</tr>
</tbody>
</table>

**Legend:**
- Approved
- Conditionally Approved
- Deferred
- Not Approved
DATE: APRIL 7, 2004

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: FIVE-YEAR CAPITAL OUTLAY

SUMMARY
Since November, 2003, the Technical Advisory Committee (TAC) has been reviewing and providing recommendations on eleven proposed projects identified in the District’s recent Strategic Plan. As of February, 2004, all proposals have been reviewed by the TAC, and the associated comments/recommendations have been provided.

The next step in the development of the CIP is to assign estimated costs to each proposal and provide a preliminary time frame for potential implementation. The attached spreadsheet contains an estimated draft five-year capital outlay for nine of the eleven projects reviewed by the TAC; the Alamitos Physical Barrier and the Goldsworthy Desalter Horizontal Well have not been included because they are not likely to remain feasible candidates.

Also included in the draft five-year capital outlay is an estimated $5 million for the purchase and refurbishment of an existing building to serve as the District office. This purchase is currently under consideration by the Board.

The estimated five-year outlay is for planning purposes only. The feasibility of projects scheduled in later years may be dependent on future analyses and, therefore, project construction is less certain.

FISCAL IMPACT
The fiscal impact is outlined in the attached table. Acceptance of the 5-year capital outlay will define the District’s CIP and the corresponding financial requirements for capital projects. How these expenses will be met (i.e. “pay-go”, debt financing, etc.) will be determined by the Board through the budgeting process.

STAFF RECOMMENDATION
That the Board accept the 5-year capital outlay schedule and direct staff to incorporate said schedule into the District’s CIP, which will be adopted at a later date.

COMMITTEE RECOMMENDATION
The Ad Hoc WRD Strategic Plan / CIP Committee has not reviewed this draft five-year capital outlay.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>FY04/05</th>
<th>FY05/06</th>
<th>FY06/07</th>
<th>FY07/08</th>
<th>FY08/09</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASR Wells Inland of Seawater Barrier ¹</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$1,375,000</td>
</tr>
<tr>
<td>Caltrans Pipeline ²</td>
<td>$ 120,000</td>
<td>$ 1,950,000</td>
<td>$ 2,000,000</td>
<td>$ 2,500,000</td>
<td>-</td>
<td>$6,570,000</td>
</tr>
<tr>
<td>Convert Orduña Wells to Injection Wells</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$100,000</td>
</tr>
<tr>
<td>Goldsworthy Desalter Expansion ³</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Increased Spreading at Dominguez Gap Spreading Grounds</td>
<td>$ 60,300</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$60,300</td>
</tr>
<tr>
<td>Leo J. Vander Lans Water Treatment Facility Expansion ⁴</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Safe Drinking Water Program</td>
<td>$ 2,000,000</td>
<td>$ 2,000,000</td>
<td>$ 2,000,000</td>
<td>$ 2,000,000</td>
<td>$ 2,000,000</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>San Gabriel River Rubber Dams</td>
<td>$</td>
<td>-</td>
<td>$ 1,140,000</td>
<td>-</td>
<td>-</td>
<td>$1,140,000</td>
</tr>
<tr>
<td>Whittier Narrows Conservation Pool</td>
<td>$ 120,000</td>
<td>$ 120,000</td>
<td>$ 100,000</td>
<td>$ 3,211,000</td>
<td>-</td>
<td>$3,551,000</td>
</tr>
<tr>
<td>WRD Building</td>
<td>$ 4,250,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$4,250,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 6,550,300</td>
<td>$ 5,210,000</td>
<td>$ 4,200,000</td>
<td>$ 7,711,000</td>
<td>$ 7,375,000</td>
<td>$31,046,300</td>
</tr>
</tbody>
</table>

Notes
(1) Funds shown in FY08/09 are for the construction of one ASR well in the West Coast Basin.
(2) Project total is $14,570,000; this total includes $8 million funding contribution from Caltrans.
(3) Multi-year project; funds shown in FY08/09 are 50% of the total project cost of $4 million.
(4) Multi-year project; funds shown in FY08/09 are necessary to preserve USBR, Title XVI funds.
DATE: APRIL 7, 2004
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: LEGISLATIVE REPORT

SUMMARY

Legislative Calendar
April 1 – Spring Recess begins upon adjournment.
April 12 – Legislature reconvenes upon Spring Recess.
April 23 – Last day for Policy Committees to hear and report to Fiscal Committees fiscal bills introduced in their house.

Update
Staff will provide a verbal update on federal and state matters. In particular, staff will provide updates on two bills, AB 2528 – Public water systems (Lowenthal) and SB 1279 – Special districts (Ortiz).

AB 2528 (Lowenthal)
This bill would replace the term “action level” with the terms “notification level” and “response level.” It would also require the operator of wholesale or retail public water systems, as defined, to provide notice relating to contamination of any drinking water source, as defined, that exceeds the maximum containment level, a response level, or a notification level, as defined.

SB 1279 (Ortiz)
This bill would require annual audits of special districts to be performed in accordance with General Accounting Office standards for financial and compliance audits and would impose various other requirements on these audits. The bill would require the Controller to review the audits under specified procedures. This bill also criminalizes violations of conflicts of interest and incompatible activities provisions by making them a misdemeanor. It requires annual legal and ethical orientation sessions that governing board members would be required to attend. It establishes whistle-blower protections and limits director compensations to $100 per day for no more than 6 meetings or days per month. It sets the travel and per diem expenses to that authorized for state employees and restricts retirement benefits to directors who take office on or after January 1, 2005. These directors are allowed to participate in life insurance and health and welfare benefits on a self-pay basis.
FISCAL IMPACT
None.

STAFF RECOMMENDATION
For information.
# WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
## STATE LEGISLATIVE UPDATE
Updated April 1, 2004 *(new information is italicized)*

<table>
<thead>
<tr>
<th>Bill No./Author</th>
<th>Title/Content</th>
<th>Status</th>
<th>Position</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 83 Corbett</td>
<td><strong>Bottled water.</strong> Transfers regulations and licensure of bottled water from the Sherman Food, Drug and Cosmetic Law to the California Safe Drinking Water Law. Requires bottled water licensees to comply with provisions similar to those imposed on public water systems regarding emergency notification plans, consumer confidence reports, and annual inspections. Also requires the labeling on bottled water sold at retail or wholesale in a plastic beverage container to include specified information. Creates the Safe Bottled and Vended Water Account.</td>
<td>Int. 01/06/03 Location: Sen Approps Status: Re-referred to Sen Approps (01/12/04)</td>
<td>Staff Rec: Support ACWA: Support CMUA: Support WRD Board: Support (04/02/03)</td>
<td>Comments: Supported by NRDC, East Bay MUD, and Clean Water Action. Would require bottled water companies, like Coca Cola and Pepsi who market their own branded water, to comply with more stringent requirements listed in Consumer Confidence Reports.</td>
</tr>
<tr>
<td>AB 107 Corbett</td>
<td><strong>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.</strong> Appropriates Water Security funds from Prop 50 to DHS for grants to local agencies. Requires DHS to develop guidelines for awarding grants in consultation with the Office of Emergency Services, the state Office of Homeland Security, and public water agencies. Prevents DHS from awarding grants to reimburse projects costs incurred prior to the adoption of the criteria and from awarding grants to supplant funding for the routine responsibilities or obligations of any state, local, or regional drinking water system. Establishes preferences for grant awards to projects that produce the greatest regional public benefit for the least cost, projects that help to achieve regional equity in the distribution of grant funds, and eligible projects that are consistent with any regionally based water resources management plan that has been planned through a public process. Requires the completion of a security vulnerability assessment and the completion of an emergency response plan that incorporates the results of the security vulnerability assessment.</td>
<td>Int. 01/10/03 Location: Sen Agriculture and Water Status: Amended on 03/17/03, 04/21/03, 06/02/03, 06/24/03; Hearing cancelled by author (07/01/03)</td>
<td>Staff Rec: Watch ACWA: Oppose unless amended CMUA: Watch</td>
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<tr>
<td>AB 1522 Parra</td>
<td><strong>Water rights: permits.</strong> Expands the authority of the Regional Water Quality Control Board’s executive officers to include the ability to issue National Pollutant Discharge Elimination Systems (NPDES) permits without regional board action, and makes technical corrections to and deletes obsolete provisions of the Water Code.</td>
<td>Int. 02/21/03 Location: Sen. Ag &amp; Water Resources Status: Amended on 04/22/03; Passed Asm Water, Parks &amp; Wildlife (04/24/03); Passed Asm Approps (05/15/03); Passed Asm Floor</td>
<td>Staff Rec: Oppose ACWA: Oppose</td>
<td>ACWA’s Comments: Existing law provides that state laws that address the loss of water rights by nonuse, abandonment, prescription, and lack of diligence shall not apply to water rights appurtenant to, or for use on, any trust land under certain conditions.</td>
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<tr>
<td>Bill Number</td>
<td>Sponsor</td>
<td>Description</td>
<td></td>
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<tr>
<td>AB 2279</td>
<td>Dymally</td>
<td>Water replenishment Irrigation districts. Authorizes the establishment of a reserve fund for an amount up to 6 months of the adopted budget. Eliminates the requirement need to be a landowner to be a board member of an Irrigation District.</td>
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<tr>
<td>AB 2528</td>
<td>Lowenthal</td>
<td>Public water systems. This bill would replace the term “action level” with the terms “notification level” and “response level.” It would also require the operator of wholesale or retail public water systems, as defined, to provide notice relating to contamination of any drinking water source, as defined, that exceeds the maximum containment level, a response level, or a notification level, as defined.</td>
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<tr>
<td>SB 117</td>
<td>Machado</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: Colorado River Quantification Settlement Agreement. Establishes the Colorado River Quantification Settlement Agreement Account and transfers $200 million from an unspecified fund into the account for the purposes of facilitating the QSA transfers.</td>
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<tr>
<td>SB 318</td>
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<td>Urban water suppliers: desalinated water. Requires a</td>
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</tbody>
</table>

Comments: The WRD has requested that language on the District for this bill be removed.

Comments: ACWA opposes the section of the bill that would expand the notification requirement to include surface source water. The Association contends that much of the information regarding source water quality is already contained in the annual Consumer Confidence Report (CCR) provided to customers. It is also concerned that notifying local agency governing bodies about untreated surface water quality could undermine public confidence in drinking water when the water can be treated downstream and made safe to drink.

Comments: Under current law,
<table>
<thead>
<tr>
<th>Bill</th>
<th>Sponsor</th>
<th>Description</th>
<th>Location</th>
<th>Staff Rec.</th>
<th>ACWA</th>
<th>CMUA</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpert</td>
<td>plan to describe the opportunities for development of desalinated water, including but not limited to ocean water, brackish water, and groundwater, as a long-term supply.</td>
<td>Placed on Asm inactive file (09/08/03)</td>
<td>Watch</td>
<td>Watch</td>
<td>every urban water supplier must prepare and adopt an urban water management plan and update that plan at least once every 5 years. This bill would add desalination as a required element of the plan. Opponents argue that desalination should not be added until the Desalination Task Force submits its recommendations due by July 1, 2004.</td>
<td></td>
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<tr>
<td>SB 543 Machado</td>
<td>Water rights: groundwater cleanup operations. With certain exceptions, this bill prohibits the water produced from a groundwater cleanup operation from being used by the operator of a groundwater cleanup operation or from being transferred, assigned, or conveyed to a third party for use, until a replacement water supply has been provided to every public water system injured by the contamination. Provides that no right shall vest in the operator of a groundwater cleanup operation solely by virtue of its extraction, treatment, and discharge of water from that operation. Exempts discharges from groundwater cleanup operation that is under 25 acre-feet in the counties of Riverside, San Bernardino, Los Angeles, and Ventura or under 50 gallons per minute in an other county, if the discharge is not for recharge.</td>
<td>Int. 02/21/03 Location: Asm Environmental Safety and Toxic Materials Amended on 03/28/03, 04/21/03, 05/22/03, 06/26/03, 07/24/03, 08/18/03, 08/25/03, 09/12/03; Passed Sen (06/02/03)</td>
<td>Watch</td>
<td>Oppose unless Amended</td>
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<tr>
<td>SB 909 Machado</td>
<td>Public water systems: mutual water companies. Allows grants of state bond funds to be made to public water utilities and mutual water companies.</td>
<td>Int. 02/21/03 Location: Asm Water, Parks &amp; Wildlife Amended by author (06/23/03); Hearing cancelled at author’s request (07/01/03)</td>
<td>Oppose</td>
<td>Oppose</td>
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<td>SB 922 Soto</td>
<td>Cleanup or abatement orders: contaminated drinking water supplies. Clarifies existing law by explicitly authorizing the State Water Resources Control Board or a regional board to require the provision of, or payment for, uninterrupted replacement water service, which may include</td>
<td>Int. 02/21/03 Location: Asm Water, Parks and Wildlife Amended on 05/06/03, 06/02/03</td>
<td>Watch</td>
<td>Watch</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>ACWA:</td>
<td>CMUA: Support</td>
<td></td>
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<tr>
<td>Bill Number</td>
<td>Author</td>
<td>Description</td>
<td>Text</td>
<td>Status</td>
<td>Staff Rec</td>
<td>Comments</td>
<td></td>
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<tr>
<td>SB 1000</td>
<td>Aanestad</td>
<td><strong>Beneficial use: extension of time.</strong> Declares the nonuse of water as a result of conservation as good cause to extend the period specified in a permit for application of appropriated water to beneficial use. Requires the state board to extend the time for application of the water to beneficial use.</td>
<td>Int. 02/21/03&lt;br&gt;Status: Bill dropped (02/02/04)</td>
<td>Staff Rec: Watch&lt;br&gt;CMUA: Support</td>
<td><strong>Comments:</strong> This bill extends the time period for application of appropriated water to beneficial use as a result of conservation.</td>
<td></td>
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</tr>
<tr>
<td>SB 1165</td>
<td>Local Govt.</td>
<td><strong>Local Government Omnibus Act of 2004.</strong> This bill contains provisions applying to a variety of non-controversial local governance issues.</td>
<td>Int. 02/02/04&lt;br&gt;Location: Assembly Desk&lt;br&gt;Status: Amended (03/18/04); Passed by Sen Local Govt (03/24/04), Passed by Senate (03/30/04)</td>
<td>Staff Rec: Support&lt;br&gt;ACWA: Support</td>
<td><strong>Comments:</strong> This is an annual bill that allows the Committee to address several non-controversial measures at one time. Specifically, this bill contains a provision authorizing the general manager or other district representative of water replenishment districts to sign contracts and documents valued between $10,000 and $25,000 if approved by the board and upon resolution granting signature authority for a specific expenditure. It also allows the replenishment district’s general manager or other district representative to approve and sign all contracts and documents valued at less than $10,000, and not more than $10,000 on a cumulative basis in a one-year period.</td>
<td></td>
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</tr>
<tr>
<td>SB 1251</td>
<td>Morrow</td>
<td><strong>State Water Project.</strong> This bill would state the intent of the Legislature to set conditions for bodies of water that are directly connected to, and affected by, the State Water Resources Development System.</td>
<td>Int. 02/12/04&lt;br&gt;Location: Sen Rules</td>
<td>Staff Rec: Watch&lt;br&gt;ACWA: Watch</td>
<td><strong>Comments:</strong> This is a spot bill.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SB 1272</td>
<td>Ortiz</td>
<td><strong>Special districts.</strong> This bill would require annual audits of special districts to be performed in accordance with General Accounting Office standards for financial and compliance audits and would impose various other requirements on</td>
<td>Int. 02/18/04&lt;br&gt;Location: Sen Local Govt&lt;br&gt;Status: Amended by</td>
<td>Staff Rec: Watch&lt;br&gt;ACWA: Support if Amended</td>
<td><strong>Comments:</strong> This is the special district reform legislation.</td>
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</tbody>
</table>
these audits. The bill would require the Controller to review the audits under specified procedures. This bill also criminalizes violations of conflicts of interest and incompatible activities provisions by making them a misdemeanor. It requires annual legal and ethical orientation sessions that governing board members would be required to attend. It establishes whistle-blower protections and limits director compensations to $100 per day for no more than 6 meetings or days per month. It sets the travel and per diem expenses to that authorized for state employees and restricts retirement benefits to directors who take office on or after January 1, 2005. These directors are allowed to participate in life insurance and health and welfare benefits on a self-pay basis.

| SB 1374 Machado | **Water transfers: third-party impacts.** This bill would require that the State Water Resources Control Board also consider third-party impacts in its consideration of a water transfer petition. With regard to that determination, the bill would prohibit the board from approving the petition unless it finds that the petitioners have met prescribed conditions relating to potential third-party impacts. The bill would require the board to accept and consider evidence that the proposed transfer neither avoids nor mitigates all likely significant negative third-party impacts. The bill would authorize the board to develop and adopt an abbreviated process to approve long-term transfers that it determines are least likely to negatively affect third parties. | author (03/23/04); Hearing on 04/21/04 | **Staff Rec:** Watch ACWA: Support/Amend | **Comments:** The bill takes the California Environmental Quality Act (CEQA) model for identifying, evaluating and mitigation potential significant effects on the environment and would apply it to the analysis of the potential third-party impacts that could result from a long-term water transfer. ACWA believes that the bill potentially opens a Pandora’s box by creating a new litigation tool to be used against water transfers. |