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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

9-10

June 22, 1998

To: Board of Directors (Committee on Communications and Legislation--
Information)

From: *FOR:* General Manager

Subject: Assembly Bill AB 1476 (Sweeney-Hayward) - Water Supply Reliability
Assessments

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

AB 1476 (Sweeney-Hayward) would require that water reliability assessments, provided by the applicable public water supplier, become part of the LAFCO decisionmaking process for boundary changes and proposed spheres of influence. AB 1476, which is being sponsored by East Bay Municipal Water District (EBMUD), is modeled after a bill passed in 1995 (SB 901-Costa), which required that water reliability assessments become part of the process for approving general plans, and be included for evaluation in environmental impact reports for major developments projects, defined in part as developments with more than 500 dwelling units. AB 1476 supporters include the California LAFCOs, the California Farm Bureau, and the Sierra Club. The bill's supporters believe that the current law allows many smaller development projects, with a significant cumulative effect on water supplies, to be approved without any water reliability assessments. Those opposed to AB 1476 include the California Building Industry Association, California State Association of Counties, the State Water Contractors, California League of Cities, California Business Properties Association, and the California Chamber of Commerce. Those opposed to the bill feel that the LAFCOs are not the appropriate organizations to make the water supply reliability assessments, and fear that, at this time, the new requirements may interfere with the ongoing CAL-FED process.

DETAILED REPORT

AB 1476 (Sweeney-Hayward) would require that water reliability assessments become part of the decisionmaking process of local agency formation commissions (LAFCOs) concerning proposed changes in the organization and reorganization of local agencies, and for proposed changes to spheres of influence. It would require public water systems to assess, and communicate to LAFCO, whether its total projected water supplies during normal, single-dry, and multiple-dry years, as set forth in urban water management plans, will meet projected water demand in the territory proposed to be included in the agency's sphere of influence, or associated with a proposed annexation. The assessments would have to be submitted to the LAFCO no later than

30 days after the request for the assessment was received, or else it is assumed the agency has no information to submit. If the assessment concludes that water supplies are, or will be, insufficient, the local agency must submit to LAFCO its plans for acquiring additional water supplies. Any environmental documents for the adoption or amendment of a sphere of influence or boundary change would have to include a discussion of the water supply assessment.

AB 1476 is modeled after a bill passed in 1995, Senate Bill (SB) 901 (Costa) (Chapter 881, Statutes of 1995), which requires that local officials identify the public water systems that may provide water service to a new development. When a city or county needs an environmental impact report (EIR) for a major development project, the EIR must include a water supply assessment by the affected public water supply system. Major development projects are defined to include a proposed residential development of more than 500 dwelling units, or a proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space. If the lead agency determines that water supplies will be insufficient, the lead agency must include that determination in its findings of overriding considerations for the project.

SB 901 initially was very controversial, but ended up gaining the support of farmers, builders, businesses, and water agencies. In a letter to Governor Pete Wilson in September 1995, twelve stakeholder organizations, including Metropolitan and EBMUD, requested that he sign SB 901, because it would resolve the water and land use issues addressed in the bill, and enable the organizations to focus on seeking solutions to California's long-term water supply needs, including the CAL-FED process to implement the provisions of the Bay-Delta accord, promotion of water conservation, and facility development. The letter stated that the signatories were committed to allowing time for the new planning processes in SB 901 to be implemented, and pledged that they would not pursue new legislation to alter SB 901 unless they become aware of unintended results or unforeseen circumstances necessitated amendments.

The current measure, AB 1476, is being sponsored by EBMUD, to extend the water supply reliability assessment process set forth in SB 901 into LAFCO's required analysis of boundary changes and spheres of influence. AB 1476 supporters include the California LAFCOs, the California Farm Bureau, and the Sierra Club. Due to the fact that SB 901 only applies to major development projects, the bill's supporters feel that many development projects, with a significant cumulative impact on water supplies, are being processed without any water supply reliability assessment. They believe that this bill would ensure that comprehensive water reliability assessments will be conducted for these development projects while they are in the approval process, and before they proceed to construction. Those opposed to AB 1476 include the California Building Industry Association, California State Association of Counties, the State Water Contractors, California League of Cities, California Business Properties Association, and the California Chamber of Commerce. Those opposed to the bill feel that the LAFCOs are not the appropriate organizations to make the water supply reliability assessments because they are not directly involved in land use planning, and fear that, at this time, the new requirements may interfere with the CAL-FED process.