## EXHIBIT 14-A



## Politicos ponder return of Senate Bill 149

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THE SENATE bill written to put city and county officials in charge of the Monterey Peninsula Water Management District — then revised to force progress on a water project instead — died last year. But SB 149 may soon be resurrected with new goals.

James Jack, chief of staff for the bill's author, Republican Bruce McPherson, said the senator is working with the MPWMD board to determine just how much water the Peninsula needs.

"We don't have any details. We're looking toward a collaborative process to make sure the goals we set are realistic, but also to set some urgency in terms of meeting those goals," said Jack.

First introduced early last spring, SB 149 passed in the Senate in its original form, which would have replaced the water board's directly elected members with one county supervisor and the mayors or city council members from six Peninsula cities. It also would have removed the current requirement that new water projects be put before the voters. Democratic Assemblyman John Laird opposed the bill, and the water board hired a Sacramento lobbyist to fight it.

In the Assembly Local Government Committee last July, Sacramento Democrat Darrell Steinberg proposed rewriting the bill to retain the board makeup and instead demand an EIR be conducted on a 10,730-acre-foot water supply project within three years. The size of that no-growth project would be just enough to make up for Cal-Am's illegal pumping from the Carmel River. The provision to do away with voter approval of projects remained.

The revised SB 149 never made it out of its next Assembly committee — appropriations — but as a two-year bill, it can be revised and continue through the legislative approval process in 2004.

"We're back to the drawing board again this year, but I think the dynamic has changed enough that if we have the board on our side, they won't be using taxpayer money to hire a lobbyist to fight it and we will get something workable," Jack said.

While talk of pursuing the legislation is "really preliminary," he said McPherson raised the topic with newly elected water board directors Larry Foy and Michelle Knight after they were sworn in last December.

"We're planning sometime in early February to meet with board members to start crafting what goals we want to put in place, what we think is feasible," Jack said. "We'll sit down and really talk about the nuts and bolts of what this legislation is going to look like."

## Number crunching needed

Although Foy said he's spoken with McPherson and Laird about the possible reemergence of SB 149, the cities and the county must first determine just how much water they require for homes on lots of record, remodels, businesses and other projects, in addition to curing the state-imposed Carmel River deficit.

"We want to get that finalized into an absolute number so we can see if that's a number that needs to get into the bill, or what we need to go forward, or if it even needs to go forward," Foy said.

At a workshop planned for Monday afternoon, the board will discuss development of a standard formula the jurisdictions would use to calculate those needs, though Foy said it might be the end of March before any solid numbers develop.

"Hopefully we will be able to bring everybody together on what that number will be," he said.

While he and Knight have pledged their support for Cal-Am's plans to build a desalination plant outside the district in Moss Landing, and Foy said he could support the bill, which "would put the power of developing a project back with a district board, rather than having to go back to the electorate to do everything you need to do."

And with the board on board, Jack said the bill would have a better chance of continuing through the Legislature rather than being returned to committees it has already passed.

"The more support a bill has and the more consensus there is, the less likely it will have to go back to a policy committee," he said. "If it's still pretty contentious, the opponents will raise objections and say it needs another hearing."

The water board is set to meet in the MPWMD conference room, 5 Harris Court, Bldg. G, at Ryan Ranch from 2 to 4 p.m. Feb. 2. Topics scheduled for discussion include fiscal goals for the upcoming year, permitting processes, water credits, calculation of jurisdictions' future needs, rules governing water distribution systems, and the scope and authority of the board, committees, the chair and the general manager. For more information, call 658-5600.