

EXHIBIT 17-B

INTEROFFICE MEMORANDUM

TO: DAVID A. BERGER
FROM: ARLENE TAVANI
SUBJECT: COMMITTEE ACTION AT 1/31/08 JOINT PAC/TAC MEETING
DATE: 3/4/2008
CC:

Dave: At the 1/31/08 Joint PAC/TAC meeting the main request came from Chuck Della Sala who asked that the Board consider expanding the scope of the EIR to include potable water transfers. The proposal was that the EIR could focus on potable water transfers and include a section on sub-potable water credits/transfers. In addition, Joe Russell suggested that an EIR on sub-potable water credits/transfers be funded proportionately based on the benefit that each jurisdiction would receive from sub-potable water sources. He noted that some jurisdictions would receive water from the 300 AF planned to be developed by MRWPCA, but other jurisdictions would receive no benefit. The TAC also asked how Order 95-10 and the subsequent draft Cease and Desist Order would affect opportunities to reuse water from the MRWPCA project. Would the one-to-one provision preclude any of that water from being allocated to new uses? Joe Russell also suggested that the conservation savings of 25 percent for sub-potable credits be reduced to 15 percent as it is for potable water credits.

The Chair referred the following to the TAC. (1) Preparation of EIR on Potable and Sub-Potable Water Credits; (2) Cost Sharing Plan for Payment of EIR based on Beneficial Use; (3) 15% or 25% of water credit to be set aside as permanent conservation savings; (4) Allow credit for retirement of landscaped areas; (5) Possible legal costs; (6) Indemnification by Jurisdictions; (7) Report from staff on how 1-1 exchange in 95-10 and cease and desist order will effect development of sub-potable water supplies and designation/transfer of water credits.