

**SB 1262 (Pavley) – Water supply Planning  
– CALAFCO Letter of Concern  
Dated March 22, 2016, SB 1262 as  
introduced on February 18, 2016**

**Attachment 6**

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March 22, 2016

The Honorable Fran Pavley  
California State Senate  
State Capital Room 5108  
Sacramento, CA 95814

Subject: **Concerns regarding SB 1262**

Dear Senator Pavley:

The California Association of Local Agency Formation Commissions (CALAFCO) has been following your bill, SB 1262, relating to water and land use. Over the past several months, we have had several conversations with staff from the State Water Resources Control Board (SWRCB), the Governor's Office of Planning and Research (OPR), and of the Senate Natural Resources and Water Committee (SNR&WC) on the current language. We would like to thank them for being open to talking with our membership regarding this critical piece of legislation and to hearing the concerns of the 58 Local Agency Formation Commissions (LAFCo) throughout the state pertaining to the bill.

While we support the intent of the legislation, we have concerns – some serious - about the current language and proposed processes, which were shared with SWRCB, OPR and SNR&WC staff members and are noted below for your consideration.

1. **Divestiture of LAFCo authority as a result of late timing of the water supply assessment.** The proposed process pertaining to the timing of the required water supply assessment after the LAFCo has denied the application for annexation or extension of service is out of place. We feel that the most appropriate timing of such an assessment would be prior to the LAFCo considering the application. Done early on, it can be completed and incorporated into the CEQA process. This allows all reviewing agencies to have all of the information needed to make a fully informed and proper determination. The way the legislation is currently written proposes a departure from current process and fails to provide the reviewing agencies, including LAFCo, critical information needed prior to making decisions.

As currently written, the bill is not specific that LAFCo will have that information when making their determination. Further, it appears that once the assessment is done, and should the assessment be approved by the city or county, the LAFCo's denial of the application is overridden. This strips LAFCo of its authority in the determination, and we suggest changes be made to the process that allow LAFCo to have all of the necessary information contained within the application and retain their existing determination authority.

As currently sequenced, the language appears to have proposals coming before LAFCo for action prior to the completion of a CEQA document by the lead agency. Clearly this cannot occur. Simply stated, having a water supply assessment done after the fact and after the LAFCo has denied the application does not appear to assist in meeting the intended goals of the bill.

2. **Size of a project.** Water Code Section 10912 defines a “project”, in part, to mean, “A proposed residential development of more than 500 dwelling units”. Further, Government Code Section 66473.7 defines “subdivision” as, “a proposed residential development of more than 500 dwelling units, except that for a public water system that has fewer than 5,000 service connections, “subdivision” means any proposed residential development that would account for an increase of 10 percent or more in the number of the public water system’s existing service connections.”

While we have no magic bullet number to offer in terms of what is the “right size” for a project, we believe a threshold of 500 units for projects at the zoning level (water supply assessment pursuant to SB 610) probably captures less than half of the growth, and therefore, less than half of the demand. The 500 unit threshold for subdivisions (written verification pursuant to SB 221) probably captures a very small percentage of subdivision activity. Most projects are considerably smaller. We recommend considering how much of the demand associated with new development you want to capture in the water supply assessments and written verifications and then determine a dwelling unit threshold that would likely yield the desired result.

We do feel it is best that thresholds should change.

3. **Addressing phased development.** We believe if there was a lower trigger number for a project, the concern regarding phased development and the demand for water required to adequately supply those new phases will be addressed.

CALAFCO would very much like to continue the dialogue with your staff and others regarding this legislation, as we see the benefits of the intent of the legislation. CALAFCO strongly supports legislation that promotes an integrated approach to water availability and management, and adequate water supplies and infrastructure planning for current and planned growth. We also want to ensure LAFCo has all of the necessary information contained within the project application to make a fully informed decision. We believe the tenets of these things are in this bill and with some amendments we will find common ground.

I am happy to answer any questions you may have regarding our concerns and look forward to continuing the conversation regard SB 1262.

Sincerely yours,



Pamela Miller  
Executive Director

Cc: Honorable Bob Wieckowski, California State Senate  
Members, Senate Natural Resources and Water Committee  
Dennis O'Connor, Principal Consultant, Senate Natural Resources and Water Committee  
Todd Moffitt, Consultant, Senate Republican Caucus

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# SENATE COMMITTEE ON NATURAL RESOURCES AND WATER

Senator Fran Pavley, Chair

2015 - 2016 Regular

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<b>Bill No:</b>	SB 1262	<b>Hearing Date:</b>	March 29, 2016
<b>Author:</b>	Pavley		
<b>Version:</b>	February 18, 2016		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Dennis O'Connor		

**Subject:** Water supply planning

## BACKGROUND AND EXISTING LAW

California has a number of interconnecting laws that together attempt to ensure that water supply availability is given proper consideration when making land use decisions, and increasingly vice versa.

### 1. Under California's Planning and Zoning Law:

- a. Before a city or county adopts or substantially amends a general plan, the planning agency must refer the proposed action to a number of entities, including:
  - A public water system with 3,000 or more service connections that serves water to customers within the area covered by the proposal. The public water system shall have at least 45 days to comment on the proposed plan, in accordance with subdivision (b), and to provide the planning agency with the information set forth in Section 65352.5.
  - Any groundwater sustainability agency (GSA) that has adopted a groundwater sustainability plan (GSP) under the Sustainable Groundwater Management Act (SGMA) or local agency that otherwise manages groundwater pursuant to other provisions of law or a court order, judgment, or decree within the planning area of the proposed general plan.
  - The State Water Resources Control Board (SWRCB), if it has adopted an interim plan pursuant to Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6 of the Water Code that includes territory within the planning area of the proposed general plan.
- b. Upon receipt of such a proposed action:
  - A public water system is to provide the planning agency with information relevant to determining the adequacy of existing and planned future water supplies to meet existing and planned future demands on these water supplies, including such things as:
    - The current version of its urban water management plan (UWMP).
    - The current version of its capital improvement program or plan.
    - A description of the source or sources of the total water supply currently available to the water supplier by water right or contract, taking into account historical data concerning wet, normal, and dry runoff years.
    - A description of all proposed additional sources of water supplies for the water supplier.

- A GSA is to provide the planning agency with a report on the anticipated effect of the proposed action on implementation of a groundwater sustainability plan, along with a GSP or alternative plan, and information regarding any adjudication of groundwater rights in the basin.
  - The SWRCB is not required to provide any information.
2. Under what are often called California's "Show Me the Water Bills" [aka SBs 610 & 221, (Ch.s 643 & 642, Stat. 2001)]:
- a. A project is defined, generally, as:
- A residential development of 500 or more units, or a project that would demand an equivalent amount of water as a 500 unit residential development.
  - If a public water system that would serve the project has fewer than 5,000 service connections, then a project means a proposed development that would account for an increase of 10 percent or more of the number of the public water system's existing service connections.
- b. A city or county, at the time that it determines that a project is subject to the California Environmental Quality Act (CEQA), must identify any water system that that may supply water for the project. (This is typically at the time of a general plan amendment.)

If the city or county is not able to identify any public water system that may supply water for the project, the city or county must prepare a water assessment after consulting with any entity serving domestic water supplies whose service area includes the project site, the local agency formation commission, and any public water system adjacent to the project site.

- c. The city or county, at the time it determines a project is subject to CEQA, must ask each and any of the public water system identified (above) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted UWMP.
- If the projected water demand was accounted for in the most recently adopted UWMP, the public water system may incorporate information from the UWMP in preparing the elements of a water supply assessment (described below).
  - If the projected water demand was not accounted for in the most recently adopted UWMP, or the public water system has no UWMP, the water supply assessment is required to include a discussion regarding whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses.
  - If the city or county must prepare the water assessment, the water supply assessment for the project must include a discussion regarding whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.

d. The water supply assessment must identify any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and describe the quantities of water received in prior years by the public water system, or the city or county, under the existing water supply entitlements, water rights, or water service contracts.

- e. If a water supply for a proposed project includes groundwater, the following additional information must be included in the water supply assessment:
- A review of any information contained in the UWMP relevant to the identified water supply for the proposed project.
  - A description of any groundwater basin or basins from which the proposed project will be supplied.

For those basins for which a court or the board has adjudicated the rights to pump groundwater, the assessment must include a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county, has the legal right to pump under the order or decree.

For basins that have not been adjudicated, the assessment must include information regarding whether DWR has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue and a detailed description by the public water system, or the city or county, of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

- A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county, for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.
  - If the city or county was unable to identify a public water service that may provide water to the project, a detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.
  - An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project.
- f. When the project proponent submits a tentative map for approval by the city or county, the city or county must include as a condition in any tentative map that includes a subdivision a requirement that a "sufficient water supply" shall be available. Proof of the availability of a sufficient water supply must be requested by the subdivision applicant or local agency, and shall be based on written verification from the applicable public water system.
- "Sufficient water supply" means the total water supplies available during normal, single-dry, and multiple-dry years within a 20-year projection that will meet the projected demand associated with the proposed subdivision, in addition to existing and planned future uses, including, but not limited to,

agricultural and industrial uses. In determining "sufficient water supply," all of the following factors shall be considered:

- The availability of water supplies over a historical record of at least 20 years.
  - The applicability of an urban water shortage contingency analysis that includes actions to be undertaken by the public water system in response to water supply shortages.
  - The reduction in water supply allocated to a specific water use sector under a water shortage emergency.
  - The amount of water that the water supplier can reasonably rely on receiving from other water supply projects, such as conjunctive use, reclaimed water, water conservation, and water transfer, including programs identified under federal, state, and local water initiatives.
  - The applicable public water system's written verification of its ability or inability to provide a sufficient water supply that will meet the projected demand associated with the proposed subdivision must be supported by substantial evidence. The substantial evidence may include, but is not limited to, any of the following:
    - The public water system's most recently adopted UWMP.
    - A water supply assessment that was completed pursuant to Part 2.10 (commencing with Section 10910) of Division 6 of the Water Code.
    - Other information relating to the sufficiency of the water supply that contains analytical information that is substantially similar to the water service reliability assessment required by the Urban Water Management Planning Act.
  - Where a water supply for a proposed subdivision includes groundwater, the public water system serving the proposed subdivision shall evaluate, based on substantial evidence, the extent to which it or the landowner has the right to extract the additional groundwater needed to supply the proposed subdivision.
3. Under CEQA, whenever a city or county determines that a project, as defined under the "Show Me the Water Bills," is subject to CEQA, it must comply with the water supply assessment requirements of the "Show Me the Water Bills," triggered by that determination.
4. Under the Sustainable Groundwater Management Act (SGMA):
- a. A GSP must take into account the most recent planning assumptions stated in local general plans of jurisdictions overlying the basin.
  - b. A GSP must include, among other things, a description of the consideration given to the applicable county and city general plans and a description of the various adopted water resources-related plans and programs within the basin and an assessment of how the groundwater sustainability plan may affect those plans.
  - c. Before initiating the development of a GSP, the GSA must make available to the public and the Department of Water Resources (DWR) a written statement describing the manner in which interested parties may participate

in the development and implementation of the groundwater sustainability plan.

Additionally, the GSA must provide the written statement to the legislative body of any city, county, or city and county located within the geographic area to be covered by the plan.

## PROPOSED LAW

This bill would:

1. Amend the requirements for a water supply assessment triggered by a city or county determination that a project is subject CEQA as follows:
  - a. Changes the procedures for when a water system is not identified by a city or county or none of the identified water systems are willing to supply the water, to the following:
    - Requires the city or county to prepare a technical report that includes all of the following:
      - The name of each public water system that has a service area boundary within five miles of any boundary of the applicant's proposed service area.
      - An analysis of the feasibility of a water system annexing, connecting, or otherwise supplying domestic water to the project.
      - An analysis of the long-term feasibility of creating a new water system to serve the project, including, but not limited to, projecting the capacity of anticipated ratepayers to sustain a water system if there is the potential that water treatment will be required in the foreseeable future.
      - A description of all actions taken by the city or county to secure a supply of domestic water from an existing public water system for the project.
      - A description of all actions taken by the project proponent to pursue a contract for managerial or operational oversight from an existing public water system.
    - If the city or county concludes, based on the technical report, that it is feasible for a water system to provide water to the project, the city or county shall submit their technical report to the local agency formation commission with jurisdiction over the project.
    - If the local agency formation commission (LAFCo) declines to approve an annexation or extension of service, the city or county shall develop a water supply assessment for the project that includes a discussion on whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, or multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.
  - b. Changes the information requirements for when a water supply for a proposed project includes groundwater from a non-adjudicated basin to the following:
    - For a basin that has not been adjudicated and is designated as high- or medium-priority under SGMA, information regarding the following:

- Whether DWR has identified the basin as being subject to critical conditions of overdraft.
  - Whether the SWRCB has designated the basin as a probationary basin.
  - If a GSA has adopted a GSP or submitted an alternative plan, a copy of that plan.
  - For a basin that has not been adjudicated and is designated as low- or very-low priority pursuant SIGMA, Information regarding:
    - Whether DWR has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue; and if so,
    - A detailed description by the public water system, or the city or of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.
- c. Prohibits the following from being considered a source of water:
- Hauled water.
  - Groundwater from a basin designated by the board as a probationary basin under SGMA.
- d. Adds a requirement to the water supply assessment that if a water supply for a proposed project includes water of a quality not sufficient to meet all primary and secondary drinking water standards, the following additional information needs to also be included:
- A detailed description of the concentration of contaminants.
  - The proposed method for treating, blending, or otherwise ensuring that the water will meet drinking water quality standards.
  - The project cost to achieve drinking water quality.
  - An analysis of the affordability of water for the project's anticipated residents.
2. Amend the requirements for a determination of sufficient water supply triggered by project proponent submitting a tentative map for approval by the city or county as follows:
- a. If a proposed subdivision relies in whole or in part on groundwater, add the following to the list of factors to be considered in determining sufficient water supply:
- For a basin for which a court or the SWRCB has adjudicated the rights to pump groundwater, the order or decree adopted by the court or the SWRCB.
  - For a basin that has not been adjudicated, as follows:
    - For a basin designated as high- or medium-priority pursuant to Section 10722.4 of the Water Code, the most recently adopted or revised adopted groundwater sustainability plan.
    - For a basin designated as low- or very-low priority pursuant to Section 10722.4 of the Water Code, information as to whether the Department of Water Resources has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue.

- b. Adds to the list of items to be considered as substantial evidence in support of a determination of sufficient water supply a groundwater sustainability plan adopted under SGMA.
- c. When a water supply for a proposed subdivision includes groundwater, groundwater from a basin designated by the SWRCB as a probationary basin under SGMA cannot be considered as a water supply.

3. Make other technical amendments.

### **ARGUMENTS IN SUPPORT**

According to the author, "California has a number of interconnecting laws that together attempt to ensure that water supply availability is given proper consideration when making land use decisions, and vice versa. Among those laws are 2002's SBs 610 (Costa) and 221 (Kuehl), also known as the "show me the water bills." When we passed the Sustainable Groundwater Management Act (SGMA) in 2014, we updated some water and land use planning laws to reflect SGMA, but not the show me the water bills."

"SB 1262 (Pavley/Wieckowski), in conjunction with SB 1263 (Wieckowski/Pavley), builds on the administration's Affordable Safe Drinking Water Initiative to update the show me the water bills as follows:

- Integrates groundwater sustainability agencies and consideration of groundwater sustainability plans into water supply and land use planning.
- Prohibits use of groundwater to supply new development if the groundwater basin has been deemed out of compliance with SGMA (i.e., is "probationary")
- Prohibits the use of hauled water to comply with show me the water bills.
- Creates a process to discourage creation of new water systems when it is geographically and economically feasible to connect to an existing system."

### **ARGUMENTS IN OPPOSITION**

A coalition of building, real estate, and other business interests write, "The bill significantly expands the California Environmental Quality Act (CEQA) and complicates the Subdivision Map Act in ways that make adherence to those processes by project applicants substantially more difficult to achieve."

"In the spirit of finding workable solutions to the issues you have identified, we respectfully offer the following approaches." They then describe three suggestions which can be described as

- Shift from a project based to programmatic based water/landuse planning approach.
- Revise the proposed procedures for a "technical report" to one that more realistically encourages public water systems to provide water.
- Resolve some "circular" provisions regarding CEQA and LAFCo reviews.

They conclude: "We believe that the problems we have touched on in the introduced version of the bill are serious but can be remedied. Therefore, we must oppose the measure but we appreciate your consideration of our suggested changes and are ready to assist in seeking solutions."

**COMMENTS**

Harmonizing Water/Land Use Planning. This bill, among other things, attempts to ensure all water and land use planning laws properly reflect the changes in groundwater planning brought on by SGMA. As noted in the discussion of current planning and zoning law, (see background and existing law 1a & 1b) before a city or county adopts or substantially amends a general plan, the planning agency must refer the proposed action to a number of entities, including the SWRCB. However, unlike other notified agencies, the SWRCB is not required to provide any information to the city or county, even if the SWRCB has adopted an interim plan for the basin. (See suggested amendment).

Provisions Regarding LAFCoS Need Work. In addition to the issues regarding LAFCoS raised by business coalition, the California Association of Local Agency Formation Commissions (CALAFCo) and League of California Cities have raised concerns of their own. CALAFCo writes "The proposed process pertaining to the timing of the required water supply assessment after the LAFCo has denied the application for annexation or extension of service is out of place." The League similarly is concerned about the "additional burdensome requirements on local governments to identify and determine the capacity and feasibility of another water agency/system annexing or extending its services into the area in which the large project is located when the water supplier in the area cannot sufficiently supply water." The LAFCo issues will likely be addressed in the Governance and Finance Committee, should this committee pass this bill. (See below).

Definition of a Project. Neither this bill or SB 1263 (see below) change the definition of a project subject to the show me the water bills. However, there seems to be interest in exploring that option.

A coalition of environmental justice groups write "Unfortunately, this legislation lets stand the definition of a subdivision (500 or more connections) which effectively precludes most development from this sensible review process. We urge the authors and the committee to consider a substantial reduction in this number in order to protect new communities and ensure that the state will not have to share the burden of supporting them in future droughts."

CALAFCo similarly write "While we have no magic bullet number to offer in terms of what is the "right size" for a project, we believe a threshold of 500 units for projects at the zoning level (water supply assessment pursuant to SB 610) probably captures less than half of the growth, and therefore, less than half of the demand. The 500 unit threshold for subdivisions (written verification pursuant to SB 221) probably captures a very small percentage of subdivision activity. Most projects are considerably smaller. ... We do feel it is best that thresholds should change." Moreover, "We believe if there was a lower trigger number for a project, the concern regarding phased development and the demand for water required to adequately supply those new phases will be addressed."

The authors have indicated that they are willing to explore a different definition as this bill moves forward.

Related Bills:

SB 1263 (Wieckowski/Pavley), strengthens the permitting process for new public water systems to create greater environmental, public health, and financial sustainability of drinking water supplies.

Double-Referral. The Rules Committee referred this bill to both the Committee on Natural Resources and Water and to the Committee on Governance and Finance. Therefore, if this bill passes this committee, it will be referred to the Committee on Governance and Finance, which will consider the issues within their jurisdiction.

**SUGGESTED AMENDMENTS:** Note. To ensure there is sufficient time to amend and hear this bill before the policy bill deadline, the amendments should be taken in the Governance and Finance Committee.

**AMENDMENT 1**

Amend GC §106352.5 to require the SWRCB, when notified by city or county of a substantive amendment or adoption of a general plan, and when the SWRCB has adopted an interim plan for the relevant groundwater basin, to require the SWRCB provide the city or county a copy of the interim plan and other relevant information.

**SUPPORT**

Clean Water Action  
Community Water Center  
Leadership Counsel for Justice and Accountability  
Planning and Conservation League  
Sierra Club California

**OPPOSITION**

California Apartment Association  
California Association of Relators  
California Building Industry Association  
California Business Properties Association  
California Chamber of Commerce  
California Independent Petroleum Association

-- END --

**Introduced by Senators Pavley and Wieckowski**February 18, 2016

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An act to amend Section 66473.7 of the Government Code, and to amend Sections 10910 and 10911 of the Water Code, and relating to land use.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1262, as introduced, Pavley. Water supply planning.

(1) Existing law requires a city or county that determines a project, as defined, is subject to the California Environmental Quality Act to identify certain water systems that may supply water for the project and to request those public water systems to prepare and approve a specified water supply assessment. Under existing law, if no public water system is identified, the city or county is required to prepare and approve the water supply assessment. Existing law provides that if, as a result of its assessment, the public water system or city or county concludes that its water supplies are, or will be, insufficient, the public water system or city or county is required to provide its plans for acquiring additional water supplies, as prescribed.

This bill would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site. This bill would require, if a water source for a proposed project includes water of a quality not sufficient to meet certain drinking water standards, that prescribed additional information be included in a water supply assessment. This bill, if no water system is identified, would require a city or county to prepare a technical report containing prescribed information. This bill would require a city or county to submit the technical report to the local agency

formation commission with jurisdiction if the city or county concludes based on the technical report that it is feasible for a water system to provide water to the project. This bill, if the local agency formation commission declines to approve an annexation or extensive of service, would require the city or county to develop a water supply assessment for the project, as specified. By imposing new duties on cities and counties, this bill would impose a state-mandated local program.

Existing law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes the State Water Resources Control Board to designate a basin as a probationary basin if the state board makes a certain determination and to develop an interim plan for the probationary basin.

This bill would provide that hauled water or groundwater from a probationary basin are not sources of water for the purposes of a water supply assessment. This bill would, if a water supply for a proposed project includes groundwater, require certain additional information to be included in the water supply assessment.

(2) Existing law, the Subdivision Map Act, establishes a statewide regulatory framework for controlling the subdividing of land. The act generally requires a subdivider to submit, and have approved by the city, county, or city and county in which the land is situated, a tentative map for subdivisions of land, as specified. Existing law requires a city or county to deny approval of a tentative map, or parcel map for which a tentative map was not required, if it makes certain findings relating to the proposed subdivision. Existing law requires a city or county to include as a condition in any tentative map that includes a subdivision a requirement that a sufficient water supply be available. Existing law requires proof of the availability of a sufficient water supply, as prescribed, and that the written verification of a public water system's ability or inability to provide a sufficient water supply be supported by substantial evidence.

This bill would revise the definition of sufficient water supply to include additional factors relating to a proposed subdivision that relies in whole or in part on groundwater. This bill would provide that groundwater from a probationary basin is not a water supply for these purposes.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 66473.7 of the Government Code is  
2 amended to read:

3 66473.7. (a) For the purposes of this section, the following  
4 definitions apply:

5 (1) "Subdivision" means a proposed residential development  
6 of more than 500 dwelling units, except that for a public water  
7 system that has fewer than 5,000 service connections, "subdivision"  
8 means any proposed residential development that would account  
9 for an increase of 10 percent or more in the number of the public  
10 water system's existing service connections.

11 (2) "Sufficient water supply" means the total water supplies  
12 available during normal, single-dry, and multiple-dry years within  
13 a 20-year projection that will meet the projected demand associated  
14 with the proposed subdivision, in addition to existing and planned  
15 future uses, including, but not limited to, agricultural and industrial  
16 uses. In determining "sufficient water supply," all of the following  
17 factors shall be considered:

18 (A) The availability of water supplies over a historical record  
19 of at least 20 years.

20 (B) The applicability of an urban water shortage contingency  
21 analysis prepared pursuant to Section 10632 of the Water Code  
22 that includes actions to be undertaken by the public water system  
23 in response to water supply shortages.

1 (C) The reduction in water supply allocated to a specific water  
2 use sector pursuant to a resolution or ordinance adopted, or a  
3 contract entered into, by the public water system, as long as that  
4 resolution, ordinance, or contract does not conflict with Section  
5 354 of the Water Code.

6 (D) The amount of water that the water supplier can reasonably  
7 rely on receiving from other water supply projects, such as  
8 conjunctive use, reclaimed water, water conservation, and water  
9 transfer, including programs identified under federal, state, and  
10 local water initiatives such as CALFED and Colorado River  
11 tentative agreements, to the extent that these water supplies meet  
12 the criteria of subdivision (d).

13 (E) *If a proposed subdivision relies in whole or in part on*  
14 *groundwater, the following factors:*

15 (i) *For a basin for which a court or the State Water Resources*  
16 *Control Board has adjudicated the rights to pump groundwater,*  
17 *the order or decree adopted by the court or the State Water*  
18 *Resources Control Board.*

19 (ii) *For a basin that has not been adjudicated, as follows:*

20 (I) *For a basin designated as high- or medium-priority pursuant*  
21 *to Section 10722.4 of the Water Code, the most recently adopted*  
22 *or revised adopted groundwater sustainability plan.*

23 (II) *For a basin designated as low- or very-low priority pursuant*  
24 *to Section 10722.4 of the Water Code, information as to whether*  
25 *the Department of Water Resources has identified the basin or*  
26 *basins as overdrafted or has projected that the basin will become*  
27 *overdrafted if present management conditions continue.*

28 (3) "Public water system" means the water supplier that is, or  
29 may become as a result of servicing the subdivision included in a  
30 tentative map pursuant to subdivision (b), a public water system,  
31 as defined in Section 10912 of the Water Code, that may supply  
32 water for a subdivision.

33 (b) (1) The legislative body of a city or county or the advisory  
34 agency, to the extent that it is authorized by local ordinance to  
35 approve, conditionally approve, or disapprove the tentative map,  
36 shall include as a condition in any tentative map that includes a  
37 subdivision a requirement that a sufficient water supply shall be  
38 available. Proof of the availability of a sufficient water supply  
39 shall be requested by the subdivision applicant or local agency, at  
40 the discretion of the local agency, and shall be based on written

1 verification from the applicable public water system within 90  
2 days of a request.

3 (2) If the public water system fails to deliver the written  
4 verification as required by this section, the local agency or any  
5 other interested party may seek a writ of mandamus to compel the  
6 public water system to comply.

7 (3) If the written verification provided by the applicable public  
8 water system indicates that the public water system is unable to  
9 provide a sufficient water supply that will meet the projected  
10 demand associated with the proposed subdivision, then the local  
11 agency may make a finding, after consideration of the written  
12 verification by the applicable public water system, that additional  
13 water supplies not accounted for by the public water system are,  
14 or will be, available prior to completion of the subdivision that  
15 will satisfy the requirements of this section. This finding shall be  
16 made on the record and supported by substantial evidence.

17 (4) If the written verification is not provided by the public water  
18 system, notwithstanding the local agency or other interested party  
19 securing a writ of mandamus to compel compliance with this  
20 section, then the local agency may make a finding that sufficient  
21 water supplies are, or will be, available prior to completion of the  
22 subdivision that will satisfy the requirements of this section. This  
23 finding shall be made on the record and supported by substantial  
24 evidence.

25 (c) The applicable public water system's written verification of  
26 its ability or inability to provide a sufficient water supply that will  
27 meet the projected demand associated with the proposed  
28 subdivision as required by subdivision (b) shall be supported by  
29 substantial evidence. The substantial evidence may include, but is  
30 not limited to, any of the following:

31 (1) The public water system's most recently adopted urban water  
32 management plan adopted pursuant to Part 2.6 (commencing with  
33 Section 10610) of Division 6 of the Water Code.

34 (2) A water supply assessment that was completed pursuant to  
35 Part 2.10 (commencing with Section 10910) of Division 6 of the  
36 Water Code.

37 (3) *A groundwater sustainability plan adopted pursuant to Part*  
38 *2.74 (commencing with Section 10720) of Division 6 of the Water*  
39 *Code.*

40 ~~(3)~~

1 (4) Other information relating to the sufficiency of the water  
2 supply that contains analytical information that is substantially  
3 similar to the assessment required by Section 10635 of the Water  
4 Code.

5 (d) When the written verification pursuant to subdivision (b)  
6 relies on projected water supplies that are not currently available  
7 to the public water system, to provide a sufficient water supply to  
8 the subdivision, the written verification as to those projected water  
9 supplies shall be based on all of the following elements, to the  
10 extent each is applicable:

11 (1) Written contracts or other proof of valid rights to the  
12 identified water supply that identify the terms and conditions under  
13 which the water will be available to serve the proposed subdivision.

14 (2) Copies of a capital outlay program for financing the delivery  
15 of a sufficient water supply that has been adopted by the applicable  
16 governing body.

17 (3) Securing of applicable federal, state, and local permits for  
18 construction of necessary infrastructure associated with supplying  
19 a sufficient water supply.

20 (4) Any necessary regulatory approvals that are required in order  
21 to be able to convey or deliver a sufficient water supply to the  
22 subdivision.

23 (e) If there is no public water system, the local agency shall  
24 make a written finding of sufficient water supply based on the  
25 evidentiary requirements of subdivisions (c) and (d) and identify  
26 the mechanism for providing water to the subdivision.

27 (f) In making any findings or determinations under this section,  
28 a local agency, or designated advisory agency, may work in  
29 conjunction with the project applicant and the public water system  
30 to secure water supplies sufficient to satisfy the demands of the  
31 proposed subdivision. If the local agency secures water supplies  
32 pursuant to this subdivision, which supplies are acceptable to and  
33 approved by the governing body of the public water system as  
34 suitable for delivery to customers, it shall work in conjunction  
35 with the public water system to implement a plan to deliver that  
36 water supply to satisfy the long-term demands of the proposed  
37 subdivision.

38 (g) The written verification prepared under this section shall  
39 also include a description, to the extent that data is reasonably  
40 available based on published records maintained by federal and

1 state agencies, and public records of local agencies, of the  
2 reasonably foreseeable impacts of the proposed subdivision on the  
3 availability of water resources for agricultural and industrial uses  
4 within the public water system's service area that are not currently  
5 receiving water from the public water system but are utilizing the  
6 same sources of water. To the extent that those reasonably  
7 foreseeable impacts have previously been evaluated in a document  
8 prepared pursuant to the California Environmental Quality Act  
9 (Division 13 (commencing with Section 21000) of the Public  
10 Resources Code) or the National Environmental Policy Act (Public  
11 Law 91-190) for the proposed subdivision, the public water system  
12 may utilize that information in preparing the written verification.

13 (h) (1) Where a water supply for a proposed subdivision  
14 includes groundwater, the public water system serving the proposed  
15 subdivision shall evaluate, based on substantial evidence, the extent  
16 to which it or the landowner has the right to extract the additional  
17 groundwater needed to supply the proposed subdivision. Nothing  
18 in this subdivision is intended to modify state law with regard to  
19 groundwater rights.

20 (2) *Groundwater from a basin designated by the State Water  
21 Resources Control Board as a probationary basin pursuant to  
22 Chapter 11 (commencing with Section 10735) of Part 2.74 of  
23 Division 6 of the Water Code is not considered as a water supply  
24 for the purposes of this section.*

25 (i) This section shall not apply to any residential project  
26 proposed for a site that is within an urbanized area and has been  
27 previously developed for urban uses, or where the immediate  
28 contiguous properties surrounding the residential project site are,  
29 or previously have been, developed for urban uses, or housing  
30 projects that are exclusively for very low and low-income  
31 households.

32 (j) The determinations made pursuant to this section shall be  
33 consistent with the obligation of a public water system to grant a  
34 priority for the provision of available and future water resources  
35 or services to proposed housing developments that help meet the  
36 city's or county's share of the regional housing needs for lower  
37 income households, pursuant to Section 65589.7.

38 (k) The County of San Diego shall be deemed to comply with  
39 this section if the Office of Planning and Research determines that  
40 all of the following conditions have been met:

1 (1) A regional growth management strategy that provides for a  
2 comprehensive regional strategy and a coordinated economic  
3 development and growth management program has been developed  
4 pursuant to Proposition C as approved by the voters of the County  
5 of San Diego in November 1988, which required the development  
6 of a regional growth management plan and directed the  
7 establishment of a regional planning and growth management  
8 review board.

9 (2) Each public water system, as defined in Section 10912 of  
10 the Water Code, within the County of San Diego has adopted an  
11 urban water management plan pursuant to Part 2.6 (commencing  
12 with Section 10610) of the Water Code.

13 (3) The approval or conditional approval of tentative maps for  
14 subdivisions, as defined in this section, by the County of San Diego  
15 and the cities within the county requires written communications  
16 to be made by the public water system to the city or county, in a  
17 format and with content that is substantially similar to the  
18 requirements contained in this section, with regard to the  
19 availability of a sufficient water supply, or the reliance on projected  
20 water supplies to provide a sufficient water supply, for a proposed  
21 subdivision.

22 (l) Nothing in this section shall preclude the legislative body of  
23 a city or county, or the designated advisory agency, at the request  
24 of the applicant, from making the determinations required in this  
25 section earlier than required pursuant to subdivision (b).

26 (m) Nothing in this section shall be construed to create a right  
27 or entitlement to water service or any specific level of water  
28 service.

29 (n) Nothing in this section is intended to change existing law  
30 concerning a public water system's obligation to provide water  
31 service to its existing customers or to any potential future  
32 customers.

33 (o) Any action challenging the sufficiency of the public water  
34 system's written verification of a sufficient water supply shall be  
35 governed by Section 66499.37.

36 SEC. 2. Section 10910 of the Water Code is amended to read:  
37 10910. (a) Any city or county that determines that a project,  
38 as defined in Section 10912, is subject to the California  
39 Environmental Quality Act (Division 13 (commencing with Section

1 21000) of the Public Resources Code) under Section 21080 of the  
2 Public Resources Code shall comply with this part.

3 (b) The city or county, at the time that it determines whether an  
4 environmental impact report, a negative declaration, or a mitigated  
5 negative declaration is required for any project subject to the  
6 California Environmental Quality Act pursuant to Section 21080.1  
7 of the Public Resources Code, shall identify any water system  
8 *whose service area includes the project site and any water system*  
9 *adjacent to the project site* that is, or may become as a result of  
10 supplying water to the project identified pursuant to this  
11 subdivision, a public water system, as defined in Section 10912,  
12 that may supply water for the project. ~~If the city or county is not~~  
13 ~~able to identify any public water system that may supply water for~~  
14 ~~the project, the city or county shall prepare the water assessment~~  
15 ~~required by this part after consulting with any entity serving~~  
16 ~~domestic water supplies whose service area includes the project~~  
17 ~~site, the local agency formation commission, and any public water~~  
18 ~~system adjacent to the project site.~~

19 (c) (1) The city or county, at the time it makes the determination  
20 required under Section 21080.1 of the Public Resources Code,  
21 shall request each public water system identified pursuant to  
22 subdivision (b) to determine whether the projected water demand  
23 associated with a proposed project was included as part of the most  
24 recently adopted urban water management plan adopted pursuant  
25 to Part 2.6 (commencing with Section 10610).

26 (2) If the projected water demand associated with the proposed  
27 project was accounted for in the most recently adopted urban water  
28 management plan, the public water system may incorporate the  
29 requested information from the urban water management plan in  
30 preparing the elements of the assessment required to comply with  
31 subdivisions ~~(d), (e), (f), and (g)~~; *(g), and (h)*.

32 (3) If the projected water demand associated with the proposed  
33 project was not accounted for in the most recently adopted urban  
34 water management plan, or the public water system has no urban  
35 water management plan, ~~plan but the public water system is willing~~  
36 ~~to supply water~~, the water supply assessment for the project shall  
37 include a discussion with regard to whether the public water  
38 system's total projected water supplies available during normal,  
39 single dry, and multiple dry water years during a 20-year projection  
40 will meet the projected water demand associated with the proposed

1 project, in addition to the public water system's existing and  
2 planned future uses, including agricultural and manufacturing uses.

3 ~~(4) If the city or county is required to comply with this part~~  
4 ~~pursuant to subdivision (b), the water supply assessment for the~~  
5 ~~project shall include a discussion with regard to whether the total~~  
6 ~~projected water supplies, determined to be available by the city or~~  
7 ~~county for the project during normal, single dry, and multiple dry~~  
8 ~~water years during a 20-year projection, will meet the projected~~  
9 ~~water demand associated with the proposed project, in addition to~~  
10 ~~existing and planned future uses, including agricultural and~~  
11 ~~manufacturing uses.~~

12 *(d) (1) If a water system is not identified pursuant to subdivision*  
13 *(b), or none of the water systems identified pursuant to subdivision*  
14 *(b) are willing to supply the water, the city or county shall prepare*  
15 *a technical report that includes all of the following:*

16 *(A) The name of each public water system that has a service*  
17 *area boundary within five miles of any boundary of the applicant's*  
18 *proposed service area.*

19 *(B) An analysis of the feasibility of a water system identified*  
20 *pursuant to subdivision (b) annexing, connecting, or otherwise*  
21 *supplying domestic water to the project.*

22 *(C) An analysis of the long-term feasibility of creating a new*  
23 *water system to serve the project, including, but not limited to,*  
24 *projecting the capacity of anticipated ratepayers to sustain a water*  
25 *system if there is the potential that water treatment will be required*  
26 *in the foreseeable future.*

27 *(D) A description of all actions taken by the city or county to*  
28 *secure a supply of domestic water from an existing public water*  
29 *system for the project.*

30 *(E) A description of all actions taken by the project proponent*  
31 *to pursue a contract for managerial or operational oversight from*  
32 *an existing public water system.*

33 *(2) If the city or county concludes, based on the technical report*  
34 *prepared pursuant to paragraph (1), that it is feasible for a water*  
35 *system identified pursuant to subdivision (b) to provide water to*  
36 *the project, the city or county shall submit their technical report*  
37 *to the local agency formation commission with jurisdiction over*  
38 *the project.*

39 *(3) If the local agency formation commission declines to approve*  
40 *an annexation or extension of service, the city or county shall*

1 *develop a water supply assessment for the project that includes a*  
2 *discussion on whether the total projected water supplies,*  
3 *determined to be available by the city or county for the project*  
4 *during normal, single dry, or multiple dry water years during a*  
5 *20-year projection, will meet the projected water demand*  
6 *associated with the proposed project, in addition to existing and*  
7 *planned future uses, including agricultural and manufacturing*  
8 *uses.*

9 ~~(d)~~

10 (e) (1) The assessment required by this section shall include  
11 an identification of any existing water supply entitlements, water  
12 rights, or water service contracts relevant to the identified water  
13 supply for the proposed project, and a description of the quantities  
14 of water received in prior years by the public water system, or the  
15 city or county if either is required to comply with this part pursuant  
16 to subdivision ~~(b)~~, (d), under the existing water supply entitlements,  
17 water rights, or water service contracts.

18 (2) An identification of existing water supply entitlements, water  
19 rights, or water service contracts held by the public water system,  
20 or the city or county if either is required to comply with this part  
21 pursuant to subdivision ~~(b)~~, (d), shall be demonstrated by providing  
22 information related to all of the following:

23 (A) Written contracts or other proof of entitlement to an  
24 identified water supply.

25 (B) Copies of a capital outlay program for financing the delivery  
26 of a water supply that has been adopted by the public water system.

27 (C) Federal, state, and local permits for construction of necessary  
28 infrastructure associated with delivering the water supply.

29 (D) Any necessary regulatory approvals that are required in  
30 order to be able to convey or deliver the water supply.

31 ~~(e)~~

32 (f) If no water has been received in prior years by the public  
33 water system, or the city or county if either is required to comply  
34 with this part pursuant to subdivision ~~(b)~~, (d), under the existing  
35 water supply entitlements, water rights, or water service contracts,  
36 the public water system, or the city or county if either is required  
37 to comply with this part pursuant to subdivision ~~(b)~~, (d), shall also  
38 include in its water supply assessment pursuant to subdivision (c),  
39 an identification of the other public water systems or water service  
40 contractholders that receive a water supply or have existing water

1 supply entitlements, water rights, or water service contracts, to the  
2 same source of water as the public water system, or the city or  
3 county if either is required to comply with this part pursuant to  
4 subdivision ~~(b)~~, (d), has identified as a source of water supply  
5 within its water supply assessments.

6 ~~(f)~~

7 (g) If a water supply for a proposed project includes  
8 groundwater, the following additional information shall be included  
9 in the water supply assessment:

10 (1) A review of any information contained in the urban water  
11 management plan relevant to the identified water supply for the  
12 proposed project.

13 (2) (A) A description of any groundwater basin or basins from  
14 which the proposed project will be supplied. ~~For~~

15 (B) ~~For~~ those basins for which a court or the board has  
16 adjudicated the rights to pump groundwater, a copy of the order  
17 or decree adopted by the court or the board and a description of  
18 the amount of groundwater the public water system, or the city or  
19 county if either is required to comply with this part pursuant to  
20 subdivision ~~(b)~~, (d), has the legal right to pump under the order or  
21 decree. ~~For basins that have not been adjudicated, information as  
22 to whether the department has identified the basin or basins as  
23 overdrafted or has projected that the basin will become overdrafted  
24 if present management conditions continue, in the most current  
25 bulletin of the department that characterizes the condition of the  
26 groundwater basin, and a detailed description by the public water  
27 system, or the city or county if either is required to comply with  
28 this part pursuant to subdivision (b), of the efforts being undertaken  
29 in the basin or basins to eliminate the long-term overdraft  
30 condition.~~

31 (C) *For a basin that has not been adjudicated that is a basin  
32 designated as high- or medium-priority pursuant to Section  
33 10722.4, information regarding the following:*

34 (i) *Whether the department has identified the basin as being  
35 subject to critical conditions of overdraft pursuant to Section  
36 12924.*

37 (ii) *Whether the board has designated the basin as a  
38 probationary basin pursuant to Chapter 11 (commencing with  
39 Section 10735) of Part 2.74.*

1 (iii) If a groundwater sustainability agency has adopted a  
2 groundwater sustainability plan or submitted an alternative plan,  
3 a copy of that plan.

4 (D) For a basin that has not been adjudicated that is a basin  
5 designated as low- or very-low priority pursuant to Section  
6 10722.4, information as to whether the department has identified  
7 the basin or basins as overdrafted or has projected that the basin  
8 will become overdrafted if present management conditions  
9 continue, in the most current bulletin of the department that  
10 characterizes the condition of the groundwater basin, and a  
11 detailed description by the public water system, or the city or  
12 county if either is required to comply with this part pursuant to  
13 subdivision (d), of the efforts being undertaken in the basin or  
14 basins to eliminate the long-term overdraft condition.

15 (3) A detailed description and analysis of the amount and  
16 location of groundwater pumped by the public water system, or  
17 the city or county if either is required to comply with this part  
18 pursuant to subdivision-~~(b)~~; (d), for the past five years from any  
19 groundwater basin from which the proposed project will be  
20 supplied. The description and analysis shall be based on  
21 information that is reasonably available, including, but not limited  
22 to, historic use records.

23 (4) A detailed description and analysis of the amount and  
24 location of groundwater that is projected to be pumped by the  
25 public water system, or the city or county if either is required to  
26 comply with this part pursuant to subdivision-~~(b)~~; (d), from any  
27 basin from which the proposed project will be supplied. The  
28 description and analysis shall be based on information that is  
29 reasonably available, including, but not limited to, historic use  
30 records.

31 (5) An analysis of the sufficiency of the groundwater from the  
32 basin or basins from which the proposed project will be supplied  
33 to meet the projected water demand associated with the proposed  
34 project. A water supply assessment shall not be required to include  
35 the information required by this paragraph if the public water  
36 system determines, as part of the review required by paragraph  
37 (1), that the sufficiency of groundwater necessary to meet the initial  
38 and projected water demand associated with the project was  
39 addressed in the description and analysis required by paragraph  
40 (4) of subdivision (b) of Section 10631.

1 ~~(g)~~

2 *(h)* (1) Subject to paragraph (2), the governing body of each  
3 public water system shall submit the assessment to the city or  
4 county not later than 90 days from the date on which the request  
5 was received. The governing body of each public water system,  
6 or the city or county if either is required to comply with this act  
7 pursuant to subdivision ~~(b)~~; *(d)*, shall approve the assessment  
8 prepared pursuant to this section at a regular or special meeting.

9 (2) Prior to the expiration of the 90-day period, if the public  
10 water system intends to request an extension of time to prepare  
11 and adopt the assessment, the public water system shall meet with  
12 the city or county to request an extension of time, which shall not  
13 exceed 30 days, to prepare and adopt the assessment.

14 (3) If the public water system fails to request an extension of  
15 time, or fails to submit the assessment notwithstanding the  
16 extension of time granted pursuant to paragraph (2), the city or  
17 county may seek a writ of mandamus to compel the governing  
18 body of the public water system to comply with the requirements  
19 of this part relating to the submission of the water supply  
20 assessment.

21 ~~(h)~~

22 *(i)* Notwithstanding any other provision of this part, if a project  
23 has been the subject of a water supply assessment that complies  
24 with the requirements of this part, no additional water supply  
25 assessment shall be required for subsequent projects that were part  
26 of a larger project for which a water supply assessment was  
27 completed and that has complied with the requirements of this part  
28 and for which the public water system, or the city or county if  
29 either is required to comply with this part pursuant to subdivision  
30 ~~(b)~~; *(d)*, has concluded that its water supplies are sufficient to meet  
31 the projected water demand associated with the proposed project,  
32 in addition to the existing and planned future uses, including, but  
33 not limited to, agricultural and industrial uses, unless one or more  
34 of the following changes occurs:

35 (1) Changes in the project that result in a substantial increase  
36 in water demand for the project.

37 (2) Changes in the circumstances or conditions substantially  
38 affecting the ability of the public water system, or the city or county  
39 if either is required to comply with this part pursuant to subdivision  
40 ~~(b)~~; *(d)*, to provide a sufficient supply of water for the project.

1 (3) Significant new information becomes available ~~which~~ *that*  
2 was not known and could not have been known at the time when  
3 the assessment was prepared.

4 (j) *For the purposes of this section, the following are not*  
5 *considered as a source of water:*

6 (1) *Hauled water.*

7 (2) *Groundwater from a basin designated by the board as a*  
8 *probationary basin pursuant to Chapter 11 (commencing with*  
9 *Section 10735) of Part 2.74.*

10 (k) *If a water supply for a proposed project includes water of*  
11 *a quality not sufficient to meet all primary and secondary drinking*  
12 *water standards, the following additional information shall be*  
13 *included in the water supply assessment:*

14 (1) *A detailed description of the concentration of contaminants.*

15 (2) *The proposed method for treating, blending, or otherwise*  
16 *ensuring that the water will meet drinking water quality standards.*

17 (3) *The project cost to achieve drinking water quality.*

18 (4) *An analysis of the affordability of water for the project's*  
19 *anticipated residents.*

20 SEC. 3. Section 10911 of the Water Code is amended to read:

21 10911. (a) If, as a result of its assessment, the public water  
22 system concludes that its water supplies are, or will be, insufficient,  
23 the public water system shall provide to the city or county its plans  
24 for acquiring additional water supplies, setting forth the measures  
25 that are being undertaken to acquire and develop those water  
26 supplies. If the city or county, if either is required to comply with  
27 this part pursuant to subdivision ~~(b)~~, (d) of Section 10910,  
28 concludes as a result of its assessment, that water supplies are, or  
29 will be, insufficient, the city or county shall include in its water  
30 supply assessment its plans for acquiring additional water supplies,  
31 setting forth the measures that are being undertaken to acquire and  
32 develop those water supplies. Those plans may include, but are  
33 not limited to, information concerning all of the following:

34 (1) The estimated total costs, and the proposed method of  
35 financing the costs, associated with acquiring the additional water  
36 supplies.

37 (2) All federal, state, and local permits, approvals, or  
38 entitlements that are anticipated to be required in order to acquire  
39 and develop the additional water supplies.

1 (3) Based on the considerations set forth in paragraphs (1) and  
2 (2), the estimated timeframes within which the public water system,  
3 or the city or county if either is required to comply with this part  
4 pursuant to subdivision ~~(b)~~, (d) of Section 10910, expects to be  
5 able to acquire additional water supplies.

6 (b) The city or county shall include the water supply assessment  
7 provided pursuant to Section 10910, and any information provided  
8 pursuant to subdivision (a), in any environmental document  
9 prepared for the project pursuant to Division 13 (commencing with  
10 Section 21000) of the Public Resources Code.

11 (c) The city or county may include in any environmental  
12 document an evaluation of any information included in that  
13 environmental document provided pursuant to subdivision (b).  
14 The city or county shall determine, based on the entire record,  
15 whether projected water supplies will be sufficient to satisfy the  
16 demands of the project, in addition to existing and planned future  
17 uses. If the city or county determines that water supplies will not  
18 be sufficient, the city or county shall include that determination  
19 in its findings for the project.

20 SEC. 4. If the Commission on State Mandates determines that  
21 this act contains costs mandated by the state, reimbursement to  
22 local agencies and school districts for those costs shall be made  
23 pursuant to Part 7 (commencing with Section 17500) of Division  
24 4 of Title 2 of the Government Code.