

May 7, 1997

Ms. Jean Auer,
Convener
Environmental Water Caucus
P. O. Box 4711958
San Francisco, CA 94147-1958

Dear Jean:

On behalf of the agricultural and urban water caucuses, thank you for your letter of May 5, 1997. We are pleased and encouraged with the EWC's expression of ongoing interest in the ag-urban discussions. We continue to desire broader participation by the environmental community in stakeholder discussions which can help CALFED achieve success in their Bay-Delta Program.

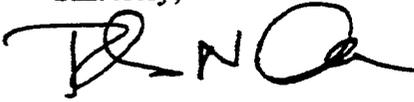
The ag-urban process is nearing conclusion of Phase I and beginning to discuss how Phase II could be structured. Participation is growing with additions of mountain county and foothill community representatives as well as in-Delta interests. At our May 5-6 meetings we discussed the interests each of the twenty-six entities represented and began to frame the key issues we believe CALFED will need to successfully address in developing a Bay-Delta solution. Representatives of the ag-urban process will be reporting our progress at both the CALFED management meeting May 13 and at the BDAC meeting May 22. Meeting notes of and attendance rosters will be forwarded to you by Steve Hall at ACWA who will also be distributing future meeting notes and other documents to all interested parties as they are produced.

The ag-urban process group will meet again May 22-23 in Sacramento beginning at 1:00 on the 22nd. At that meeting we will review draft documentation of participants interests and summary statements of key issues that we hope to focus on in Phase II. The agricultural and urban caucuses encourage participation by additional EWC members in this meeting. Additionally, as we conclude Phase I we will be pleased to reconvene with the EWC to discuss our progress and explore ways and means for EWC member participation in future discussions.

We will forward the notice and agenda for the May 22-23 meeting to you and Roberta Borgonovo when it is developed. If you or Roberta have any questions

prior to then, please contact one of us.

Sincerely,



Thomas H. Clark
Kern County Water Agency



Byron M. Buck
California Urban Water Agencies

cc. Roberta Borgonovo
Lester Snow
Steve Hall
Jim Waldo