

December 14, 1997

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As you know, I was only able to attend a small portion of the November 21 meeting on transfers. On November 24 I sent you and the co-chairs the comments I would have offered in the meeting.

The packet for the December 17 meeting did not include my comments and does not address the concerns I expressed. These included (a) the disconnect between land use policy and a water transfer policy which permits the transfer of water that is appurtenant to dedicated agricultural land and is essential to the purpose of the dedication and (b) the much greater potential for social and third party impacts when water is transferred from agriculture to another purpose of use as compared with transfers within a purpose of use, and (c) the need to determine whether water is "available" for sale because it is in excess of the seller's needs, or because it is in excess of the water needed in the entire Central Valley for required Delta outflow, for the current level of in-valley consumptive use, and for the current level of exports.

I request that my memo and these concerns be discussed at the December 17 meeting.

I believe the basic concept of a "clearinghouse" deserves serious consideration, but it must be structured to be sensitive to these concerns.