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NOT TO BE PUBLISHED IN THE OFFICIAL REPORTS

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT

DIVISION FIVE

CALIFORNIA WATER IMPACT NETWORK, INC. et al., Plaintiffs and Appellants, v. CASTAIC LAKE WATER AGENCY, Defendant and Respondent.	B205622 (Los Angeles County Super. Ct. No. BS106546)

APPEAL from an order of the Superior Court of Los Angeles County, Dzintra I. Janavs, Judge. Affirmed.

Law Offices of Babak Naficy and Babak Naficy for Plaintiffs and Appellants.

Hortvitz & Levy, Barry R. Levy and Felix Shafir; McCormick, Kidman & Behrens, Russell G. Behrens and David Boyer for Defendant and Respondent.

I. INTRODUCTION

Plaintiffs, California Water Impact Network and the Friends of the Santa Clara River, appeal from a judgment denying their amended mandate petition which sought to set aside the certification of an environmental impact report and approval for a 2006 Water Acquisition Project ("the project") by defendant, Castaic Lake Water Agency. The 2006 project consists of a plan by defendant to purchase a minimum of 11,000 acre feet per year of water from the Buena Vista Water Storage District ("Buena Vista district") and the Rosedale-Rio Bravo Water Storage District ("Rosedale-Rio Bravo district"). The two districts operate the Buena Vista Water Storage District/Rosedale-Rio Bravo Water Storage District Water Banking and Recovery Program ("Buena Vista/Rosedale-Rio Bravo water banking program"). The Buena Vista/Rosedale-Rio Bravo water banking program, which was subject to full environmental review in 2002, sells water to third parties such as defendant. Defendant's 2006 project also allows for the additional purchase of 9,000 acre feet per year of water that may be available from time to time depending upon hydrologic and operational conditions affecting the Buena Vista/Rosedale-Rio Bravo water banking program.

Plaintiffs argue defendant's 2006 environmental impact report does not comply with the environmental review requirements of the California Environmental Quality Act. (Pub. Resources Code,[1] § 21000 et seq.) Plaintiffs argue the 2006 environmental impact report: does not properly describe the project; does not adequately analyze the growth inducing impacts of the 2006 project; was not prepared by the proper lead agency; and calls for the acquisition of water supplies for developments that are inconsistent with and unaccounted for in the Los Angeles County General Plan. We disagree the asserted grounds provide a basis for setting aside defendant's certification of the 2006

[1] All further statutory references are to the Public Resources Code unless otherwise indicated.

environmental impact report and affirm the judgment denying the amended mandate petition.

II. FACTUAL AND PROCEDURAL MATTERS

A. The 2002 Environmental Impact Report And Buena Vista/Rosedale-Rio Bravo Water Banking Program

The Buena Vista and Rosedale-Rio Bravo districts are adjacent water districts that jointly serve approximately 92,000 acres of primarily agricultural land in southern San Joaquin Valley, west of the City of Bakersfield. The Buena Vista district, which was organized in 1924, has a gross area of approximately 49,000 acres. The Rosedale-Rio Bravo district, which was formed in 1959, has a gross area of approximately 44,000 acres of land developed primarily for irrigated agriculture and urban users. Both water districts are engaged in groundwater recharge, banking, and recovery programs. Both are member units of the Kern County Water Agency ("Kern County agency") which is a water wholesaler. The Kern County agency was created in 1961 by the Legislature to secure and supply adequate water to its local member units in Kern County. Both the districts have rights to Kern River waters. Both the Buena Vista and Rosedale-Rio Bravo districts also have rights to a water supply from the State Water Project through the Kern County agency.

Water Code section 43001 allows a water district to "sell, distribute, or otherwise dispose" of water and water rights.[2] In September 2002, the Buena Vista and Rosedale-Rio Bravo districts certified an environmental impact report which evaluated the impacts of operating their water banking and recovery program including the sale of water to third-party users such as defendant. The 2002 environmental impact report expressly

[2] Water Code section 43001 states in its entirety, "The board may sell, distribute, or otherwise dispose of water and water rights not necessary for the uses and purposes of the district."

states that third party customers such as defendant will be required to conduct appropriate environmental review as a condition of any sales. The Buena Vista/Rosedale-Rio Bravo water banking and recovery program environmental impact report was certified on October 11, 2002.

The 2002 Buena Vista/Rosedale-Rio Bravo water banking environmental impact report states that approximately 25 percent of groundwater banking would be accomplished using existing accounts in the Buena Vista district. An additional 75 percent of water banking will be accomplished by using accounts to be developed primarily through recharge of Buena Vista Kern River high flow water within the Rosedale-Rio Bravo district. Defendant's 2006 environmental impact report defines "groundwater recharge" as follows, "Refers to the addition to the water within the earth that occurs naturally from infiltration of rainfall and from water flowing over the earth materials that allow water to infiltrate below the land surface." According to the 2002 Buena Vista/Rosedale-Rio Bravo water banking program environmental impact report, recovery from the groundwater banking accounts will be accomplished by: using direct and in-lieu methods; via groundwater pumping; and exchanges of State Water Project supplies. The Buena Vista and Rosedale-Rio Bravo districts were to jointly recover the groundwater. The groundwater was to be recovered by means of accounts to be developed through recharge within the Rosedale-Rio Bravo district. More than 80,000 acre feet of Buena Vista Kern River wet year water were to be captured and recharged within the Rosedale-Rio Bravo district service area in a given year. The recharged waters were to be included in the groundwater bank account. Also, the account would include groundwater which had been previously recharged within the Kern River area by the Buena Vista district. The Buena Vista district committed to the program 150,000 acre feet of previously recharged exportable groundwater which it currently stored. It was estimated that more than 20,000 acre feet of banked water could be recovered or withdrawn from the groundwater bank account in order to supply water demands created by the Buena Vista/Rosedale-Rio Bravo water banking program. The water recovered under the Buena Vista/Rosedale-Rio Bravo water banking program could be delivered to

third-party buyers such as defendant. The primary method of recovery or delivery would be through an "in-lieu" exchange of State Water Project Table A supplies. (Table A, an attachment to long-term water contracts, will be fully discussed later in this opinion.) When the Table A supplies were insufficient for an "in-lieu" exchange, the banked groundwater will be pumped into the California Aqueduct of the State Water Project for delivery to a buyer such as defendant. The 2002 Buena Vista/Rosedale-Rio Bravo water banking program "in-lieu" exchange process was approved by the Department of Water Resources prior to its implementation. The Department of Water Resources monitors all exchanges and deliveries.

B. The 2006 Project

The California Department of Water Resources is responsible for overall water planning for the State of California. Defendant is located in Los Angeles and Ventura Counties and was created by the Legislature in 1962. (Stats.1962, 1st Ex. Sess., ch. 28, p. 208, § 1. Amended by Stats.1970, ch. 443, p. 873, § 1; Wat. Code App. § 103-1.) Defendant is 1 of 29 State Water Project Contractors who enter into agreements with the Department of Water Resources. The 29 contractors have long-term water supply contracts for water service from the State Water Project. The 29 contractors obtain deliveries from the Department of Water Resources in accordance with the long-term contracts. The acre feet of water that may be delivered under an individual contractor's agreement with the Department of Water Resources is set forth in an attachment to the long-term contract. The attachment which sets forth the acre feet of water is referred to as Table A. The Table A attachment establishes the total amount of State Water Project that a contractor may request and potentially receive each year under the terms of the long-term water supply contract. In exchange, the contractors pay the Department of Water Resources any fees and costs related to the operation and maintenance of the State Water Project. The yearly fees are calculated by reference to the Table A amount. The Department of Water Resources is not always able to deliver the quantity of requested

water because of certain factors such as hydrologic conditions, current reservoir storage, and total water contractor requests.

Defendant's service area is approximately 195 square miles (124,800 acres) in incorporated and unincorporated areas in, or adjacent to, the Santa Clarita Valley. Defendant's purpose, at its formation, was to contract through the Department of Water Resources to acquire and distribute State Water Project water to four local purveyors. Defendant's purpose was subsequently expanded by legislation to: acquisition of water from the Department of Water Resources; distribution of water wholesale; water reclamation; retail water sale; and exercise of other related powers. Defendant has a fundamental duty to plan for and procure a reliable water supply. (Cal. Wat. Code-App. § 103-15.) Defendant principally obtains its water supply from the State Water Project.

In February 1984, the Los Angeles County Board of Supervisors adopted the Santa Clarita Valley Areawide General Plan. The 1984 general plan projected that 165,000 residents would inhabit defendant's area by the year 2000. In August 1987, the Los Angeles County Department of Regional Planning prepared a draft amendment to the 1984 general plan forecasting that the population would be 210,000 rather than 165,000 by the year 2000. The 1987 document forecast a population of 270,000 by 2010 in defendant's area. To address water supply and demand forecasts, defendant completed the Capital Program and Water Plan in 1988. The 1988 Capital Program involves a long-term plan for financing purchases, construction, and improvements to meet future needs. The 1988 plan is currently being implemented. In 2003, defendant issued a Water Supply Reliability Plan for the Santa Clarita Valley. The purpose of the 2003 plan is to develop a protocol to evaluate the technical, environmental, and economic issues surrounding a water supply reliability project. The goal is to have in the future only the most effective and cost-efficient projects.

The California Urban Water Planning Act (Wat. Code, § 10631 et seq.) requires contractors, such as defendant, to assess water supply reliability that compares total projected usage with the expected supply over a 20-year period in 5-year increments. (Wat. Code, § 10621, subd. (a), 10631, subd. (a); see *Friends of Santa Clara River v.*

Castaic Lake Water Agency (2004) 123 Cal.App.4th 1, 8.) In accordance with statutory requirements, defendant adopted the 2005 Urban Water Management Plan. However, defendant's 2005 Urban Water Management Plan exceeds the minimum 20-year period and covers a 25-year period. Defendant's 2005 Urban Water Management Plan built upon its 2000 Urban Water Management Plan, as amended. Defendant evaluated the long-term water needs within its service area and compared these requirements against existing potential water supplies. The United States Census indicates defendant's service area had a population of approximately 190,000 with 63,000 households. Defendant projects a population growth from 249,343 in 2005 to 428,209 in 2030. The 2005 Urban Water Management Plant was identified as a potential source to meet future demands for water.

On January 31, 2006, pursuant to section 21092, subdivision (a) defendant issued a notice of preparation of the draft environmental impact report for the 2006 project. The 2006 project consists of the contractual right to annually purchase water from the Buena Vista/Rosedale-Rio Bravo water banking program in the amount of 11,000 acre feet through the year 2035. Defendant further has the right to extend the contract with the Buena Vista and Rosedale-Rio Bravo districts subject to compliance with applicable law. The 2006 project environmental impact report states the 11,000 acre feet of water per year purchase from the Buena Vista/Rosedale-Rio Bravo water banking program "is to be used primarily for annexations" to defendant's service area. But until "any such annexations are likely approved," the supply would be available to meet existing demands. Defendant also has the right to purchase an additional 9,000 acre feet in any given year from the Buena Vista/Rosedale-Rio Bravo water banking program. The Buena Vista/Rosedale-Rio Bravo water banking program delivers water to customers such as defendant in two ways. The first way is the so-called "in lieu" exchange. Under the in lieu exchange method, the Buena Vista and Rosedale-Rio Bravo districts, rather than use their banked groundwater, transfers water to which they have rights under their contracts with the State Water Project. The groundwater could be sold to local customers or it can remain in the ground. In other words, in lieu of pumping groundwater, the

Buena Vista and Rosedale-Rio Bravo districts could ship other water to which they have rights to customers such as defendant. Hence, the terminology in lieu exchange describes this first method of delivering water to defendant under the 2006 project. The second way to deliver the contracted for water is to pump it out of the ground in the Buena Vista and Rosedale-Rio Bravo districts and deliver it via the California Aqueduct to defendant. The principal method of recovery and delivery would be from State Water Project water delivered to the Buena Vista and Rosedale-Rio Bravo districts for recharging or irrigation purposes. Resort to groundwater pumping would occur only in years when the State Water Project undergoes shortages—1 to 5 years in every 35-year period. Under either delivery system, all deliveries were required to comply with State Water Project standards.

Defendant determined its projected demands required supplemental water sources beyond the amounts specified in Table A attached to its long-term water contract with the Department of Water Resources. In addition, banking was needed to improve water supply especially in drought years. In some years, the full amount of contracted water due from the State Water Project may not be available for delivery to its long-term contractors due to: hydrology; the amount of water in storage; the operational constraints and environmental regulations; the amounts of water requested by other contractors; climatic conditions; and other factors. The 2006 environmental impact report states the project consists of an action by defendant to augment its supply to meet the demands of its service area. Further, the 2006 environmental impact report states defendant desired to augment its water supply to meet future demands in the event its service area is enlarged by reason of annexation; or transfer of water from the Buena Vista/Rosedale-Rio Bravo water banking program. Defendant's purchase of water from the Buena Vista/Rosedale-Rio Bravo water banking program guaranteed a firm water supply which is not subject to the variations in the State Water Project supply. The 2006 project is also identified in defendant's 2005 Urban Water Management Program as a source to meet projected demand in the Santa Clarita Valley.

The 2006 environmental impact report indicates that there were no significant direct impacts from the project. The 2006 environmental impact report states that less significant impacts included increased electrical power demand and air emissions from moving water to defendant's service area. This impact removed obstacles to growth in defendant's service area. As a result, defendant identified population growth or development as potential indirect impacts. However, defendant notes that its responsibility is to provide water in the service area and not to approve locations of any new development. To the extent that there were visual or aesthetic effects caused by water purchase programs, the 2006 environmental impact report states that such impact could be mitigated by the county and city agencies approving such developments in the project-specific environmental review process. The 2006 environmental impact report identifies three alternatives to the project: reduced water supply; purchase of desalinated water; and no project. The 2006 environmental impact report concludes the project was the environmentally superior alternative. This is because, under the reduced water supply and no project alternatives, defendant would be required to obtain additional water supplies to meet the projected needs of the service area. The 2006 environmental impact report notes that the desalination project could actually cause more direct impacts to the environment than the project. This is because the construction and operation of new desalination facilities would be required. These activities would have significant impacts on: air quality; aesthetic and visual resources; agricultural resources; biological resources; marine resources; geology and soils; hydrology and water quality; land use and planning; noise levels; and recreation.

The 2006 environmental impact report identifies five possible annexation sites within the service area. The 2006 environmental impact report states that whether the sites were actually annexed was not within the defendant's authority but that water availability was a factor in the annexation process. The potential annexations would result in a 4,375 acre feet of water per year increase in demand for water. The 2006 environmental impact report states that 11,000 acre feet of water per year of water would

be able to serve between approximately 11,340 and 11,830 households, which translates into approximately 36,290 and 37,850 persons.

Pursuant to section 21092, subdivisions (a) and (b)(i) and California Code of Regulations, title 14, section 15087, subdivision (c)(2),[3] the public was provided with the opportunity to comment on the draft 2006 environmental report. Among the issues raised during the comment period was whether the 2006 environmental impact report adequately disclosed whether the project was being pursued under the so-called Monterey Amendment to State Water Project long-term contracts. In the 1990's, disagreements arose between contractors and others with the Department of Water Resources concerning the distribution of State Water Project supplies. State Water Project contractors and the Department of Water Resources negotiated a settlement which provided for an overhaul of long term water contracts and a new approach to managing State Water Project supplies. The dispute arose under article 18 of the long-term contracts. The principles developed as part of the 1994 settlement are known as the "Monterey Agreement." The 1994 "Monterey Agreement" amended water contracts and those changes are known as the "Monterey Amendment." The Monterey Amendment was approved in 1995 and went into effect in August 1996. (See *Friends of Santa Clara River v. Castaic Lake Water Agency* (2002) 95 Cal.App.4th 1373, 1375; *Planning & Conservation League v. Department of Water Resources* (2000) 83 Cal.App.4th 892, 897-902.) One principle of the Monterey Amendment called for the transfer of about 130,000 acre feet of water per year from agriculture to urban users. (*Friends of the Santa Clara River v. Castaic Lake Water Agency*, *supra*, 95 Cal.App.4th at pp. 1376-1377; *Planning & Conservation League v. Department of Water Resources*, *supra*, 83 Cal.App.4th at pp. 901-902.)

The comments to the 2006 draft environmental impact report state: it did not fully disclose whether the transfers were permanent; a permanent transfer implicated the

[3] All future reference to the Guidelines are to the provisions of California Code of Regulations, title 14.

Monterey Amendment; and the project was the "functional equivalent" of a permanent transfer of water requiring the Department of Water Resources prepare an environmental impact report as the lead agency under the standards set forth in *Planning & Conservation League v. Department of Water Resources*, *supra*, 83 Cal.App.4 at page 920. Defendant responded to the comments by noting the water purchased from the Buena Vista Rosedale-Rio Bravo districts under the 2006 project did not involve the State Water Project Table A supplies. According to defendant, the Monterey Agreement applied to two types of water transfers—permanent transfers of Table A amounts and annual transfers of allocated Table A supplies. Defendant further stated that the Monterey Agreement did not address transfers of non-State Water Project supplies. Citing section 2.4 of the draft environmental impact report, defendant explained no purchase of water subject to Table A had occurred. Instead, defendant pointed out: the Table A supplies for it, as well as Buena Vista and Rosedale-Rio Bravo districts, would remain the same under the 2006 project; the purchased water originated from local and other supplies that will be recharged and banked in groundwater basins; and the supplies included Kern River wet year water and other acquired waters. Defendant also noted that all of the information about the program water supplies was set forth in the 2002 Buena Vista/Rosedale-Rio Bravo water banking environmental impact report.

Defendant denied that there was a functional equivalent of a permanent transfer of Table A waters subject to the Monterey Agreement. Defendant stated the State Water Project Table A supplies attributed to the long-term contract with the Department of Water Recovery constitute but one mechanism for the purchased water to be delivered to defendant through an in-lieu exchange. Thus, defendant argued the Department of Water Resources did not have to be the lead agency. The only role of the Department of Water Resources in the project is to approve the change in place of use and point of delivery of exchange water delivered from to another State Water Project long-term contractor and for the direct delivery of groundwater into the California Aqueduct.

Defendant's Board of Directors adopted Resolution No. 2492 on October 25, 2006, certifying the final 2006 environmental impact report for the project and adopting:

findings; a mitigation monitoring and reporting program; and a statement of overriding considerations. Resolution No. 2492 approved the project. The board determined: the 2006 project's benefits outweighed any significant and unavoidable environmental impacts; substantially all of the 2006 project's indirect impacts consist of growth inducement which is outside of its jurisdiction and control; the 2006 project will bring substantial benefits to the defendant's service area by improving the its ability to meet the present and projected water demands; and the 2006 project will bring substantial benefit to defendant's service area by preparing for projected growth.

C. The Amended Mandate Petition And Its Denial

On November 26, 2006, plaintiffs filed their mandate petition. The first amended petition alleged that plaintiffs are non-profit organizations. Plaintiffs sought to set aside the certification of the 2006 environmental impact report for the project and a declaration defendant's actions were unlawful. The amended petition further alleged: the 2006 environmental impact report fails to clearly identify and describe the likely source of water that will be acquired by defendant because it does not accurately describe the "in-lieu" method; the method employed by the 2006 project is really a transfer of State Water Project Table A water; the 2006 environmental impact report fails to forecast the project's potential impacts on marine life including some sensitive species which would be caused by additional winter pumping; defendant was not the proper lead agency to conduct environmental review of the 2006 project; and the 2006 environmental impact report fails to properly evaluate the use of State Water Project facilities to deliver the exchange of water to the service area which must be done by the Department of Water Resources. Plaintiffs requested issuance of alternative and peremptory writs of mandate commanding defendant to set aside, invalidate, and void the certification of the 2006 environmental impact report. Plaintiffs also requested declaratory and injunctive relief. The trial court denied the first amended petition after briefing and a hearing. Judgment

was entered on all of plaintiffs' causes of action in favor of defendant. This timely appeal followed.

III. DISCUSSION

A. Standard of Review

Our Supreme Court in *Citizens of Goleta Valley* v. *Board of Supervisors* (1990) 52 Cal.3d 553, 563-564, summarized the purposes of the California Environmental Quality Act: "As we recently observed in *Laurel Heights Improvement Assn.* v. *Regents of University of California* (1988) 47 Cal.3d 376, (*Laurel Heights*): 'The foremost principle under [the California Environmental Quality Act] is that the Legislature intended the act "to be interpreted in such manner as to afford the fullest possible protection to the environment within the reasonable scope of the statutory language."' [Citation.] [¶] The EIR has been aptly described as the 'heart of CEQA.' (Guidelines, § 15003, subd. (a); *Laurel Heights, supra,* 47 Cal.3d at p. 392; *County of Inyo* v. *Yorty* (1973) 32 Cal.App.3d 795, 810.) Its purpose is to inform the public and its responsible officials of the environmental consequences of their decisions *before* they are made. Thus, the EIR 'protects not only the environment but also informed self-government.' (*Laurel Heights, supra,* 47 Cal.3d at p. 392.) [Fn. omitted.]"

Whether defendant's certification of the 2006 environmental impact report complies with the relevant provisions of law is reviewed for a prejudicial abuse of discretion. (§ 21168.5; *In re Bay-Delta Programmatic Environmental Impact Report Coordinated Proceedings* (2008) 43 Cal.4th 1143, 1161; *Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (2007) 40 Cal.4th 412, 435; *Citizens of Goleta Valley* v. *Board of Supervisors, supra,* 52 Cal.3d at pp. 563-564.) Section 21168.5 states, ". . . Abuse of discretion is established if the agency has not proceeded in a manner required by law or if the determination or decision is not supported by substantial evidence." In deciding whether a prejudicial abuse of discretion has occurred

our Supreme Court has stated: "As a result of this standard, 'The court does not pass upon the correctness of the EIR's environmental conclusions, but only upon its sufficiency as an informative document.' [Citation.] [¶] . . . [¶] A court may not set aside an agency's approval of an EIR on the ground that an opposite conclusion would have been equally or more reasonable. [Citation.] A court's task is not to weigh conflicting evidence and determine who has the better argument when the dispute is whether adverse effects have been mitigated or could be better mitigated. We have neither the resources nor scientific expertise to engage in such analysis, even if the statutorily prescribed standard of review permitted us to do so. Our limited function is consistent with the principle that 'The purpose of CEQA is not to generate paper, but to compel government at all levels to make decisions with environmental consequences in mind. . . . ' [Citation.]" (*Laurel Heights Improvement Assn. v. Regents of University of California, supra,* 47 Cal.3d at pp. 392-393; see also *Western States Petroleum Assn. v. Superior Court* (1995) 9 Cal.4th 559, 573-574; *Citizens of Goleta Valley v. Board of Supervisors, supra,* 52 Cal.3d at p. 564.) We review defendant's actions de novo determining whether the administrative record demonstrates any legal error and it contains substantial evidence to support the factual determinations. (*Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova, supra,* 40 Cal.4th at p. 427; *Citizens of Goleta Valley* v. *Board of Supervisors, supra,* 52 Cal.3d at pp. 563-564.)

B. Compliance With The California Environmental Quality Act

1. The environmental impact report adequately describes the project.

There is no merit to plaintiff's argument the 2006 project environmental impact report fails to include an adequate and consistent description of the water source. The absence of information from an environmental impact report does not establish a

violation of Guidelines, section 15124,[4] the controlling provision, as a matter of law. (*Berkeley Keep Jets Over the Bay Committee v. Board of Port Comrs.* (2001) 91 Cal.App.4th 1344, 1355; *Al Larson Boat Shop, Inc. v. Board of Harbor Commissioners* (1993) 18 Cal.App.4th 729, 749.) Rather, judicial review under the prejudicial abuse of discretion standard set forth in section 21168.5 focuses on the sufficiency of the environmental impact report as an informative document. (*Laurel Heights Improvement Assn. v. Regents of University of California, supra,* 47 Cal.3d at p. 392; accord *Vineyard Area Citizens for Responsible Growth v. City of Rancho Cordova, supra,* 40 Cal.4th at p. 445; *Western States Petroleum Assn. v. Superior Court, supra,* 9 Cal.4th at pp. 573-574.) A prejudicial abuse of discretion occurs when the failure to include information in the environmental impact report prevents informed decisions and public participation, which thwarts the goals of the evaluative process. (*Anderson First Coalition v. City of*

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[4] Guidelines, section 15124 states: "The description of the project shall contain the following information but should not supply extensive detail beyond that needed for evaluation and review of the environmental impact. [¶] (a) The precise location and boundaries of the proposed project shall be shown on a detailed map, preferably topographic. The location of the project shall also appear on a regional map. [¶] (b) A statement of the objectives sought by the proposed project. A clearly written statement of objectives will help the lead agency develop a reasonable range of alternatives to evaluate in the EIR and will aid the decision makers in preparing findings or a statement of overriding considerations, if necessary. The statement of objectives should include the underlying purpose of the project. [¶] (c) A general description of the project's technical, economic, and environmental characteristics, considering the principal engineering proposals if any and supporting public service facilities. [¶] (d) A statement briefly describing the intended uses of the EIR. [¶] (1) This statement shall include, to the extent that the information is known to the lead agency, [¶] (A) A list of the agencies that are expected to use the EIR in their decision-making, and [¶] (B) A list of permits and other approvals required to implement the project. [¶] (C) A list of related environmental review and consultation requirements required by federal, state, or local laws, regulations, or policies. To the fullest extent possible, the lead agency should integrate CEQA review with these related environmental review and consultation requirements. [¶] (2) If a public agency must make more than one decision on a project, all its decisions subject to CEQA should be listed, preferably in the order in which they will occur. On request, the Office of Planning and Research will provide assistance in identifying state permits for a project."

Anderson (2005) 130 Cal.App.4th 1173, 1178; *Galante Vineyards v. Monterey Peninsula Water Management Dist.* (1997) 60 Cal.App.4th 1109, 1117.) Guidelines section 15151 provides: "An EIR should be prepared with a sufficient degree of analysis to provide decisionmakers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. . . . The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure." (See *Anderson First Coalition v. City of Anderson, supra,* 130 Cal.App.4th at p. 1178; *Berkeley Keep Jets Over the Bay Committee v. Board of Port Comrs., supra,* 91 Cal.App.4th at p. 1355; *Rio Vista Farm Bureau Center v. County of Solana* (1992) 5 Cal.App.4th 351, 368.)

Plaintiffs argue the 2006 environmental impact report omits or mischaracterizes information about the sources for the water supply. To the extent plaintiffs are criticizing the ambiguity of the Buena Vista/Rosedale-Rio Bravo water banking program, they cannot raise that contention. The 2002 environmental impact report is conclusively presumed valid and it is not subject to challenge in this action. (§ 21167.2; *Laurel Heights Improvement Assn. v. Regents of University of California* (1993) 6 Cal.4th 1112, 1130.) Thus, plaintiffs cannot challenge the Buena Vista/Rosedale-Rio Bravo water banking and recovery program under the guise of litigating the 2006 environmental impact report. This action must be limited to whether the 2006 environmental impact report sufficiently informs the decisionmakers and the public about impacts from the project. Plaintiffs may not litigate the impact of the Buena Vista/Rosedale Rio Bravo water banking program. The aforementioned conclusive 2002 environmental impact report repeatedly states that the primary method of delivery will be through "in-lieu" exchange of State Water Project supplies. The 2002 environmental impact report sets forth: the environmental effects of operating the program which included the sale of water to third-parties; discussions of delivery through banked underground water; and analysis of delivery through "in-lieu" exchange of Table A supplies. The 2002 program

environmental impact report fully disclosed that the primary method of delivery would be "in-lieu" exchange but that in some years the delivery might vary depending upon State Water Project supplies.

In any event, the 2006 environmental impact report adequately describes the project. The 2006 environmental report: identifies the sources of the water that will be delivered; describes the growth related effects of the purchase in defendants' service area; and identifies the effects of additional water pumping. The 2006 environmental impact report explains that the primary source of water provided by the Buena Vista/Rosedale-Rio water banking program will be water provided to them by the State Water Project. There is no merit to plaintiffs' contention the discussion in that regard is incomplete or misleading.

Furthermore, we disagree with plaintiffs the "in-lieu" exchange delivery amounts to a permanent transfer of Table A water or the functional equivalent thereof. Before proceeding to a discussion of the merits of plaintiffs' environmental analysis, it bears emphasis that the Buena Vista and Rosedale-Rio Bravo Districts have the statutory authority to sell their water and water rights pursuant to Water Code section 43001. (See fn. 2, *infra*.) At oral argument, plaintiffs' counsel admitted there is no statutory bar to the sale of water rights by the Buena Vista and Rosedale-Rio Bravo Districts. Rather, as fleshed out at oral argument, plaintiffs argue that the proposed transfer of waters violate attachment C to the Monterey Agreement which are Department of Water Resources guidelines for review of proposed permanent transfers of Table A waters. The attachment C guidelines are in furtherance of the state policy favoring voluntary water transfers which includes a preference for use of water for non-irrigation purposes; i.e., for the sustenance of human beings, household conveniences, and the care of livestock. (Wat. Code, § 106; *Prather v. Hoberg* (1944) 24 Cal.2d 549, 562.) Further, paragraph 3 of attachment C states, "These guidelines are not intended to change or augment existing law."

In any event, as discussed above, all information concerning the environmental impacts from the two delivery methods was discussed and analyzed in the *conclusive*

2002 environmental impact report. Nevertheless, there is no merit to the contention that there is a permanent transfer of Table A amounts. Both the Buena Vista and Rosedale-Rio Bravo districts have contractual rights with the State Water Project which allow them to receive a maximum amount of water supply in a given year. The water supply from the State Water Project varies depending on the conditions such as: hydrologic conditions; current reservoir storage; and total water contractor requests. However, the actual amount of water delivered under the 2006 project is not contingent upon Table A supplies distributed by the State Water Project to the Buena Vista and Rosedale-Rio Bravo districts. It is undisputed that the Table A supplies can vary yearly. Rather, under the program, defendant has a contractual right to receive 11,000 acre feet of water per year regardless of whether the Buena Vista and Rosedale-Rio Bravo districts receive Table A supplies. Thus, use of Table A water is neither the actual nor the functional equivalent of a permanent transfer because it may not occur. The "in-lieu" exchange is simply one method to meet the contractual obligation to deliver 11,000 acre feet of water to defendant. It is not a permanent transfer of Table A supplies. And even if the project were such a transfer, it is sufficiently described along with its effects in the 2006 environmental impact report. The 2006 environmental impact report expressly states that the water purchased would come from two sources. The first source is the Buena Vista and Rosedale-Rio Bravo Districts State Water Project waters. The second source is the banked groundwater whose rights are owned by Buena Vista and Rosedale-Rio Bravo Districts. In an unusually dry year, groundwater supplies may be the sole source of waters sold to third parties such as defendant. And the 2006 environmental impact report states that 2006 project does not involve the purchase of Table A amounts. Contrary to plaintiffs' counsel's assertion at oral argument, the 2006 environmental impact report does not mask the source of the waters.

2. The 2006 environmental impact report adequately reviewed growth inducing impacts.

Plaintiffs contend that the 2006 environmental impact report fails to adequately review the growth inducing impacts generated by the purchase of the water. We disagree. In *Muzzy Ranch Co. v. Solano County Airport Land Use Com.* (2007) 41 Cal.4th 372, 388-389, our Supreme Court articulated an agency's responsibility to analyze growth inducing impacts as follows: "Under CEQA, a public agency is not always 'required to make a *detailed* analysis of the impacts of a project on [future] housing and growth.' [Citation.] 'Nothing in the [CEQA] Guidelines, or in the cases, requires more than a general analysis of projected growth. The detail required in any particular case necessarily depends on a multitude of factors, including, but not limited to, the nature of the project, the directness or indirectness of the contemplated impact and the ability to forecast the actual effects the project will have on the physical environment.' [Citation.] [¶] 'In addition, it is relevant, although by no means determinative, that future effects will themselves require analysis under CEQA.' [Citation.] And '[t]hat the effects will be felt outside of the project area . . . is one of the factors that determines the amount of detail required in any discussion. Less detail, for example, would be required where those effects are more indirect than effects felt within the project area, or where it [would] be difficult to predict them with any accuracy.' [Citations].) Most significantly, the CEQA Guidelines provide for streamlined review of projects that are consistent with existing general plans and zoning. [Citation.] When approving a project that is consistent with a community plan, general plan, or zoning ordinance for which an environmental impact report already has been certified, a public agency need examine only those environmental effects that are peculiar to the project and were not analyzed or were insufficiently analyzed in the prior environmental impact report. [Citation.]" (See also *Napa Citizens for Honest Government v. Napa County Bd. of Supervisors* (2001) 91 Cal.App.4th 342, 369.)

The 2006 environmental impact report complies with the statutorily imposed informational requirements. Chapter 4.0 of the 2006 environmental impact report discusses growth inducing impacts and potential indirect impacts on resources from growth. Furthermore, there is no evidence the additional water will induce any growth that is unaccounted for in the general plan of the area. Rather, chapter 5.0 of the 2006 environmental impact report contains a discussion of the project's consistency with general and regional plans. The 2006 environmental impact report assumes that the entire 11,000 acre feet of water per year would be for new growth. The project also assumes that approximately 37,850 people would be served by the water supply from the project. The growth potential was within the general plan forecasts of 270,000 by 2010 and 428,209 by 2030 for the Santa Clarita Valley. Moreover, the 2006 project is a part of a process to meet defendant's obligation to provide water to its service area in accordance with projected population increases. Thus, the 2006 environmental impact report contains a detailed analysis of growth inducing impacts. The 2006 project is also consistent with existent general and community plans projecting growth increases in the service area. The 2006 environmental impact report adequately discusses growth related issues. (*Muzzy Ranch Co. v. Solano County Airport Land Use Com., supra*, 41 Cal.4th at pp. 388-389; *Napa Citizens for Honest Government v. Napa County Bd. of Supervisors, supra*, 91 Cal.App.4th at p. 369; see also Guidelines, § 15126.2, subd. (d); *Sierra Club v. West Side Irrigation Dist.* (2005) 128 Cal.App.4th 690, 702-703.)

Finally, we disagree with plaintiffs that there was something amiss in the 2006 environmental impact report because defendant included five proposed annexation sites in the discussion. Plaintiffs interpret defendant's inclusion of the five potential sites identified in chapter 3.0 as evidence of a plan to grow the area. Because of the pending applications, defendant was required to include the sites in the environmental impact report. (Guidelines, § 15125; *Muzzy Ranch Co. v. Solano County Airport Land Use Com., supra*, 41 Cal.4th at pp. 387-388 [§ 21060.5 obligates an defendant to consider environmental impact of project outside the project area when it will have effect on geographically distant area].)

3. Defendant is the correct lead agency.

Plaintiffs assert that defendant's imprecise discussion is an attempt to mask what is the "functional equivalent" of a permanent transfer of surplus Table A supplies belonging to the Buena Vista and Rosedale-Rio Bravo districts. Relying on *Planning & Conservation League v. Department of Water Resources*, *supra*, 83 Cal.App.4th at pages 903-907, plaintiffs argue the proper lead agency should have been the Department of Water Resources. The *Planning & Conservation League* decision held the Department of Water Resources was the proper lead agency for conducting environmental review of the Monterey Agreement. (*Ibid*.; see *Santa Clarita Organization for Planning the Environment v. County of Los Angeles* (2007) 157 Cal.App.4th 149, 153.) The *Planning & Conservation League* decision had statewide implications and involved a number of urban and agricultural contractors. The issues also involved rights under the long-term water supply contracts which governed the entire State of California.

In this case, defendant is the correct lead agency. Section 21067 defines a lead agency, '"Lead agency' means the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment." Defendant argues it is the proper lead agency because: it is the lead proponent of the water acquisition plan; a substantial portion of the 2006 project occurs within its geographic area; and it alone decides whether to accept any water. We agree. Defendant has the principal responsibility for approving and carrying out a project to acquire a water supply for its service area. (§§ 21005, 21080, subd. (c), 21165; Guidelines, §§ 15051-15053.) The 2006 project also affects defendant's duties and obligations to provide water to its service area. In addition, the 2006 project occurs within defendant's jurisdiction. The transfer of water applies to only three agencies, albeit that the transfer will take place within State Water Project facilities. The three agencies are the primary ones affected by the 2006 project. Thus, defendant was the proper lead agency. In any event, plaintiffs conceded in the trial court in their reply brief, and at hearing on the petition that its lead agency analysis rests on the conclusion the

2006 project is in effect a Table A transfer. We have concluded no disguised permanent nor functional equivalent transfer of Table A water has occurred. As a result, the Department of Water Resources was not required to be the lead agency such that it should have prepared the environmental impact report. (*Eller Media Co. v. Community Redevelopment Agency* (2003) 108 Cal.App.4th 25, 46; *Friends of Cuyamaca Valley v. Lake Cuyamaca Recreation & Park Dist*. (1994) 28 Cal.App.4th 419, 426-428; *City of Sacramento v. State Water Resources Control Bd*. (1992) 2 Cal.App.4th 960, 970-973; *City of Redding v. Shasta County Local Agency Formation Com.* (1989) 209 Cal.App.3d 1169, 1173-1177.)

4. The project does not impermissively rely on a draft of general plan.

Relying on *County of Amador v. El Dorado County Water Agency* (1999) 76 Cal.App.4th 931, 941-951, plaintiffs argue the 2006 project improperly appropriated water supplies for development that had not already been included in the Los Angeles County General Plan. In *County of Amador*, the environmental impact report was based on population projections contained in a draft general plan prepared by El Dorado County. (*Id*. at pp. 941, 947.) The *County of Amador* opinion concluded, "We hold only that, in this case, an [environmental impact report] predicated on a draft general plan is fundamentally flawed and cannot pass CEQA muster." (*Id.* at p. 951.)

The *County of Amador* decision is not controlling. Here, there is no draft general plan at issue. In other words, defendant did not predicate the project on a draft general plan which has been judicially determined to be inadequate. Rather, the water planning in this case for the project was based on projections from a number of sources including: the United States Census; defendant's 2005 Urban Water Management Plan; and the existing Santa Clarita Valley Area Plan of the County of Los Angeles General Plan. The existing Los Angeles County General Plan had projections of a population growth of 270,000 by the year 2010. The 2005 Urban Water Management Plan predicted the future need for water to meet the demand for population growth that had been projected by Los

Angeles County and the City of Santa Clarita. Defendant has a duty to plan for long term needs in the service area. The California Urban Water Planning Act (Wat. Code, § 10631 et seq.) requires water contractors, such as defendant, to assess water supply reliability that compares total projected water use with the expected water supply over a 20-year period in 5-year increments. (See *Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova*, *supra*, 40 Cal.4th at pp. 434-435; *Friends of Santa Clara River v. Castaic Lake Water Agency, supra,* 123 Cal.App.4th at p. 8.) The proposed water purchase from the Buena Vista and Rosedale-Rio Bravo districts is one of several measures taken by defendant in order to meet the forecasts of population growth contained in county, city, and federal documents. The *County of Amador* opinion does not require reversal.

IV. DISPOSITION

The judgment is affirmed. Defendant, Castaic Lake Water Agency, is to recover its costs on appeal from plaintiffs, California Water Impact Network and Friends of the Santa Clara River.

NOT TO BE PUBLISHED IN THE OFFICIAL REPORTS

TURNER, P. J.

We concur:

MOSK, J. KRIEGLER, J.