

Construction Industry Coalition **On Water Quality** January 15, 2015

Hon. Randy Record Chair, Board of Directors Metropolitan Water District of Southern California P.O. Box 54153 Los Angeles CA 90054-0153

RE: CICWO Support for Cadiz Water Conservation, Recovery and Storage Project

Dear Chair Record:

Coalition Members





Building Industry Association of Southern California



Engineering Contractors' Association



Southern California Contractors Association



For 13 years, the Construction Industry Coalition on Water Quality (CICWQ) has worked tirelessly to protect the interests of property owners, builders and contractors in the areas of water quality regulations and water supply reliability. Our members are four construction and building industry trade associations in southern California: The Associated General Contractors of California, Building Industry Association of Southern California, Engineering Contractors Association, and Southern California Contractors Association, as well as the United Contractors located in San Ramon. Collectively, CICWQ members build a significant portion of the transportation, public and private infrastructure, and commercial and residential land development projects in California.

I am writing to inform you of a recent action by the CICWQ Board of Directors to support the approval and expedited construction of the Cadiz Valley Water Conservation, Recovery and Storage Project. In drought and non-drought years alike, the Cadiz Project's new supply of 50,000 acre-feet of water a year to Southern California will provide additional water supply security to the region's residents and businesses, with no significant environmental impact, as verified by the recent dismissal of CEQA litigation against the project.

From a water quality perspective, the Cadiz Project water's low TDS will help to reduce salt content in the Colorado River Aqueduct, which Dr. Rodney Smith of the water economics research firm Stratecon determined would provide benefits valued at \$240 million over the life of the Project. In all, Dr. Smith identified \$6.1 billion in economic benefits to Southern California from the Cadiz Project.

We encourage MWD to work with Cadiz to finalize the agreements and approvals necessary to bring Cadiz Project water to Southern California via the Colorado River Aqueduct, and we ask the MWD Board of Directors for its favorable consideration of the proposed agreements.

Sincerely,

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Michael W. Lewis Senior Vice-President

CC: Linda Ackerman, Vice Chair Gloria Gray, Vice Chair John W. Murray, Jr., Vice Chair Michael Touhey, Vice Chair John T. Morris, Vice Chair Judy Abdo, Director Richard O. Apodaca, Director Yvonne Arceneaux, Director Richard Atwater. Director Sylvia Ballin, Director Brett R. Barbre, Director Peter Beard, Director Steve Blois, Director Glenn A. Brown, Director Don Calkins, Director Michael Camacho, Director Donald Dear, Director Glen C. Dake, Director David D. De Jesus, Director Larry A. Dick, Director Thomas P. Evans, Director Laura Friedman, Director Daniel E. Griset, Santa Ana Phillip D. Hawkins, Director Michael Hogan, Director Paul Koretz, Director Cynthia Kurtz, Director Russell Levevre, Director Keith Lewinger, Director Suja Lowenthal, Director Larry McKinney, Director Glen D. Peterson, Director Jesus E. Quinonez, Director Fern Steiner, Director Yen C. Tu, Director Robert Wunderlich, Director Jeffery Kightlinger, General Manager Scott Slater, CEO, Cadiz, Inc.



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Hon. Terry Catlin President, Board of Directors Inland Empire Utilities Agency 6075 Kimball Avenue Chino CA 91708

RE: CICWQ Support for Cadiz Water Conservation, Recovery and Storage Project

Dear President Catlin:

For 13 years, the Construction Industry Coalition on Water Quality (CICWQ) has worked tirelessly to protect the interests of property owners, builders and contractors in the areas of water quality regulations and water supply reliability. Our members are four construction and building industry trade associations in southern California: The Associated General Contractors of California, Building Industry Association of Southern California, Engineering Contractors Association, and Southern California Contractors Association, as well as the United Contractors located in San Ramon. Collectively, CICWQ members build a significant portion of the transportation, public and private infrastructure, and commercial and residential land development projects in California.

Recognizing the importance of a reliable water supply to the region, we appreciate the considerable efforts of the Inland Empire Utilities Agency and other Southern California water providers in addressing our critical water supply challenges.

We understand that IEUA may consider purchasing water from the Cadiz Valley Water Conservation, Recovery and Storage Project. The Board of Directors of CICWQ has endorsed the completion of the Cadiz Water Project, and we encourage IEUA to work with Cadiz, Inc. to reach an agreement that would expand and diversify EIUA's water supply sources.

In drought and non-drought years alike, such an abundant new source of high quality water will provide additional security to Southern California residents and businesses, with no significant environmental impact, as verified by the recent dismissal of CEQA litigation against the project. From a water quality perspective, the Cadiz water's low TDS will help to reduce salt content in the Colorado River Aqueduct, which according to Dr. Rodney Smith of the water research and economics firm Stratecon would provide benefits valued at \$240 million over the life of the Project. In all, Dr. Smith identified \$6.1 billion in economic benefits to Southern California from the Cadiz January 15, 2015 Hon. Terry Catlin Page 2

Project.

In addition to favorably considering the purchase of Cadiz Project water, we hope that IEUA will support the expedited final approvals and completion of the project.

Sincerely,

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Michael W. Lewis Senior Vice-President

CC: Michael Camacho, Vice President Steven J. Elie, Secretary/Treasurer Gene Koopman, Director Jasmin A. Hall, Director Joseph Grindstaff, General Manager Scott Slater, CEO, Cadiz, Inc.



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January 15, 2015

Honorable Larry Dick President, Board of Directors Municipal Water District of Orange County 18700 Ward Street Fountain Valley CA 92708

RE: CICWQ Support for Cadiz Water Conservation, Recovery and Storage Project

Dear President Dick:

For 13 years, the Construction Industry Coalition on Water Quality (CICWQ) has worked tirelessly to protect the interests of property owners, builders and contractors in the areas of water quality regulations and water supply reliability. Our members are four construction and building industry trade associations in southern California: The Associated General Contractors of California, Building Industry Association of Southern California, Engineering Contractors Association, and Southern California Contractors Association, as well as the United Contractors located in San Ramon. Collectively, CICWQ members build a significant portion of the transportation, public and private infrastructure, and commercial and residential land development projects in California.

Recognizing the importance of a reliable water supply to the region, we appreciate the considerable efforts of the Municipal Water District of Orange County and other Southern California water providers in addressing our critical water supply challenges.

We understand that in the near future MWDOC's Board of Directors will consider its position regarding the Cadiz Valley Water Conservation, Recovery and Storage Project. The Board of Directors of CICWQ has endorsed the completion of the Cadiz Water Project. We encourage MWDOC to do so as well, and ask that your representatives on the Municipal Water District of Southern California Board vote in support of the project's implementation.

In drought and non-drought years alike, such an abundant new source of high quality water will provide additional security to Southern California residents and businesses, with no significant environmental impact, as verified by the recent dismissal of CEQA litigation against the project. From a water quality perspective, the Cadiz water's low TDS will help to reduce salt content in the Colorado River Aqueduct, which according to Dr. Rodney Smith of the water research and economics firm Stratecon would provide benefits valued at \$240 million over the life of the Project. In all, Dr. Smith identified \$6.1 billion in economic benefits to Southern California from the Cadiz January 15, 2015 Honorable Larry Dick Page 2

Cadiz Project.

For these reasons, we urge MWDOC to support the expedited final approvals and completion of the Cadiz Water Project.

Sincerely,

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Michael W. Lewis Senior Vice-President

CC: Brett R. Barbre, Director Wayne Osborne, Director Joan C. Finnegan, Director Wayne A. Clark, Director Jeffery M. Thomas, Director Susan Hinman, Director Satoru Tamaribuchi, Director-Elect Linda Ackerman, MWD Board Representative Larry McKinney, MWD Board Representative Robert Hunter, General Manager Scott Slater, CEO, Cadiz, Inc.