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## Water utility targets latest Aerojet move

### A development proposal threatens supplies, ratepayers are told.

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--Fearing the loss of its water supplies, a Rancho Cordova utility is urging its 40,000 customers to protest a government deal that accommodates **Aerojet's** plans to develop office parks and light industry along Highway 50.

The Arden-Cordova Water Service on Friday mailed an "alert" calling upon ratepayers to echo its demand that environmental regulators withhold the deal until **Aerojet** General Corp. replaces the community's well water that its contamination destroyed.

The utility's managers fear the rocket builder will sell to developers the only water economically available for replenishing its supplies and replacing additional wells lost to future contamination.

**Aerojet** envisions at least 4 million square feet of office, commercial and light-industrial space on 3,200 acres bordering Highway 50, and a 3,860-acre golf course community of about 12,000 homes along Sunrise Boulevard and White Rock Road.

The water at issue is below **Aerojet's** 13,500-acre rocket manufacturing and testing complex, which is on the federal Superfund list of most polluted sites in the country.

For years, the defense contractor has been pumping and cleansing the polluted groundwater under a government-mandated cleanup program. The treated water is returned to the ground or funneled into the American River.

**Aerojet** has already approached Sacramento County water providers to sell the treated water.

Arden-Cordova officials contend they have first rights to the treated water, for direct use or exchange for American River water.

"Why should **Aerojet** be allowed to profit from the potential development of its property with this water when they haven't provided adequate replacement water for the citizens of Rancho Cordova?" said William Koska, an attorney representing the utility.

"It's not theirs to give away."

Arden-Cordova officials contend **Aerojet** has reimbursed the utility only \$4 million of the \$16 million it has spent drilling new wells and connecting water mains outside the contamination zone, and buying and treating additional water from the American River. The water company has a 2-year-old lawsuit pending against **Aerojet** and state environmental regulators to restore its water supply.

If the costs aren't passed on to **Aerojet**, the utility's notice to customers warns, "We will have no choice but to request rate hikes that will ultimately more than double your water rates."

**Aerojet** officials said they met their financial obligation to replace the tainted water and have offered "more-than-adequate" contingency water should more wells become contaminated.

"If they are going to raise rates, it will be on their own account and not because they are short of water," said Rosemary Younts, an **Aerojet** spokeswoman.

"This notice is an obvious attempt by Arden-Cordova to fool its customers into increasing the utility's profits and expanding the utility's service area," she said.

The controversy stems from a proposed change to a 1989 federal court decree governing the environmental cleanup. At **Aerojet's** request, state and federal enforcers of the cleanup recently agreed to carve out of the Superfund site the 3,200-acre strip they have deemed clear of surface contamination.

In exchange, **Aerojet** would accelerate cleanup throughout its property and would guarantee that the decontamination continues as long as necessary by posting financial assurances of \$10 million a year, capping at \$75 million.

Attorneys for **Aerojet** and the state and federal environmental protection agencies plan to present these and other changes in the cleanup decree for approval by a federal judge next month.

State water pollution regulators have scheduled two public hearings to solicit comment.

The proposal to break out 3,200 acres from Superfund designation would make it easier for the defense contractor to sell it.

But for the stigma attached to its Superfund designation, **Aerojet** officials say, its rolling oak woodland along Highway 50 would be highly marketable for residential and commercial development. It's the last undeveloped stretch in the highway corridor through Sacramento County.

The revised cleanup decree would prohibit the use of groundwater for drinking, and **Aerojet** would retain full responsibility for its cleanup.

Donald K. Saddoris, vice president of American States Water Co., which owns Arden-Cordova, said the utility has closed nine drinking water wells - about one-third of its water supply - because of contamination from **Aerojet**.

#### Public hearings

The state's Central Valley Regional Water Quality Control Board has scheduled public hearings in Rancho Cordova to receive comments on the revised **Aerojet** cleanup order:

\* 7 p.m. Tuesday, Mills Middle School.

\* 6:30 p.m. Nov. 8, 3443 Routier Road, board offices.

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