

Senate Bill No. 609

CHAPTER 606

An act to add Sections 25210.71 and 57114.5 to the Government Code, to amend Section 116760.20 of, and to add Sections 4767.5 to, the Health and Safety Code, to add Section 13232.3 to the Public Resources Code, to amend Section 16574 of, and to add Section 16580 to, the Public Utilities Code, and to amend Sections 20527.13 and 79092 of, and to add Sections 12585.10, 24253, 31304.5, and 74570.5 to, the Water Code, relating to water, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 7, 2001. Filed with Secretary of State October 9, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 609, Costa. Water Omnibus Act of 2001.

(1) The County Service Area Law authorizes the formation of a county service area to provide, among other services, miscellaneous extended services, including water service.

This bill would authorize the board of supervisors of any county to contract with any state agency to finance any improvement relating to the provision of water service within a county service area that is established to provide that service.

(2) The County Sanitation District Act authorizes a county sanitation district to acquire, construct, operate, and maintain waterworks, conduits, reservoirs, storage sites, and other waterworks and facilities for the protection, treatment, storage, and distribution of a water supply for domestic and other uses.

This bill would authorize a county sanitation district to contract with any state agency to finance any district improvement authorized by these provisions.

(3) The existing Cortese-Knox Local Government Reorganization Act of 1985 generally provides for the formation and determination of local district boundaries.

This bill, notwithstanding prescribed provisions of that act, would set forth a procedure with respect to a proposal to dissolve the Newhall County Water District.

(4) Existing law establishes the Safe Drinking Water State Revolving Fund, administered by the State Department of Health Services, and continuously appropriates the money in the fund to that department to provide grants or revolving fund loans for the design and construction



of projects for public water systems that will enable suppliers to meet safe drinking water standards. Existing law provides that planning and preliminary engineering studies, project design, and construction costs may be funded, in the case of public agencies, by grants or a combination of grants and loans. Existing law defines “public agency” for purposes of these and other provisions relating to the fund.

This bill would revise the definition of public agency for those purposes.

(5) The Resort Improvement District Law authorizes the formation of districts to acquire, construct, maintain, and operate property, works, and facilities for various purposes related to providing extended government services for residents of recreational resorts.

This bill would authorize the Grizzly Lake Resort Improvement District, the Napa-Berryessa Resort Improvement District, and the Lake Berryessa Resort Improvement District to contract with any state agency to finance any authorized district improvement related to the provision of water for human consumption.

(6) The Public Utility District Act authorizes a district formed pursuant to its provisions to acquire, construct, own, operate, control, or use, works for supplying its inhabitants with various services, including water. Under the act, the district may borrow money and incur or assume indebtedness up to 20% of the assessed valuation of all real and personal property within the district. Under the act, that amount may be exceeded where the district finances waterworks or sewage disposal facilities by means of a revenue bond issue or a general obligation bond issue and the district pledges all or any part of revenues received from the facilities over a period of time.

This bill would authorize the district to contract with any state agency to finance any authorized district improvement that is related to the provision of water for human consumption. The bill would also authorize the district to exceed the specified amount of indebtedness where the district finances waterworks or sewage disposal facilities by contracting with a state agency to finance any authorized district improvement related to the provision of water for human consumption.

(7) Existing law, for the purposes of the Corcoran Irrigation District, provides that every owner of real property in the district, or his or her legal representative, may vote at district elections. Existing law generally requires each director on the board of the district to be a voter and a landowner in the district and a resident of the division that he or she represents, as prescribed.

This bill would provide with respect to that district that any voter or voter’s representative may be a member of the district board as long as the voter is a landowner in the division that he or she represents, unless



divisions have been abolished, and the voter resides within the boundaries of the district or the City of Corcoran. The bill would apply these requirements to board members who are elected, or appointed to fill a vacancy, on or after the effective date of this act.

(8) Existing law, with certain exceptions, requires the Department of Water Resources to submit proposed regulations to the California Water Commission for its approval. Existing law prescribes certain state funding requirements for specified flood control projects authorized by the Legislature on or after January 1, 2002, and small flood management projects for which the department makes findings on or after that date.

This bill would provide that provision relating to the adoption of regulations by the department does not apply to the adoption of regulations for the purpose of implementing those described funding requirements.

(9) The Irrigation District Law authorizes districts formed pursuant to its provisions to control, distribute, store, spread, sink, treat, purify, recapture, and salvage any water including sewage waters for the beneficial use or uses of the district or its inhabitants.

This bill would authorize the district to contract with any state agency to finance any authorized district improvement that is related to the provision of water for human consumption.

(10) The County Water District Law authorizes districts formed pursuant to its provisions to store, conserve, appropriate, and acquire water and water rights for any useful purpose.

This bill would authorize the district to contract with any state agency to finance any authorized district improvement that is related to the provision of water for human consumption.

(11) The Water Conservation District Law of 1931 authorizes districts formed pursuant to its provisions to cooperate and contract with one or more other districts or public corporations or agencies whenever desirable or advantageous to the district.

This bill would authorize the district to contract with any state agency to finance any authorized district improvement that is related to the provision of water for human consumption.

(12) Existing law provides that upon appropriation by the Legislature to the Department of Water Resources, \$3,000,000 in the Water and Watershed Education Subaccount of the Watershed Protection Account may be used by the department for allocation to the California State University, Fresno for purposes of establishing and furthering the purposes of the San Joaquin Valley Water Institute at that campus.

This bill would instead provide that the money may be allocated for the purposes of establishing and furthering the purposes of the California Water Institute at that campus.



(13) Under existing law, a court may impose a physical solution that allocates water among competing water users.

This bill would declare that entry into the stipulation in the City of Barstow v. Mojave Water Agency does not constitute a waiver of any water right or lawful priority to water held by any stipulating party as against any person not a party to the stipulation.

(14) The California Safe Drinking Water Bond Law of 1988 permits bond proceeds in the California Safe Drinking Water Fund to be used for a grant program with grants provided to prescribed entities, subject to specific approval of the Legislature.

This bill would make an appropriation by authorizing the Department of Water Resources to make grants from the fund to specified entities for the purposes of financing domestic water system improvement projects to meet state and federal drinking water standards.

(15) The bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known and may be cited as The Water Omnibus Act of 2001.

SEC. 1.5. Section 25210.71 is added to the Government Code, to read:

25210.71. The board of supervisors of any county may contract with any state agency to finance any improvement relating to the provision of water service, as defined in paragraph (1) of Section 25210.4a, within a county service area that is established to provide, among other services, water service. The terms of the contract shall be consistent with this chapter. Notwithstanding any other provision in this chapter, the term of the contract may extend up to 30 years.

SEC. 2. Section 57114.5 is added to the Government Code, to read:

57114.5. (a) Notwithstanding Sections 56854, 57111, and 57114, for any proposal involving the dissolution of the Newhall County Water District, the commission shall forward the change of organization or reorganization for confirmation by the voters if the commission finds that a petition requesting that the proposal be submitted to confirmation by the voters has been signed by either:

(1) At least 10 percent of the number of voters entitled to vote as a result of residing within the district.

(2) At least 10 percent of the number of landowners within the district who own at least 10 percent of the assessed value of land within the district.



(b) If a petition that meets the requirements of this section has been submitted, the commission shall approve the proposal subject to confirmation by the voters of the district.

SEC. 3. Section 4767.5 is added to the Health and Safety Code, to read:

4767.5. A district may contract with any state agency to finance any district improvement authorized by Section 4767. The terms of the contract shall be consistent with this chapter. Notwithstanding any other provision in this chapter, the term of the contract may extend up to 30 years.

SEC. 4. Section 116760.20 of the Health and Safety Code is amended to read:

116760.20. Unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) “Cost-effective project” means a project that achieves an acceptable result at the most reasonable cost.

(b) “Department” means the State Department of Health Services.

(c) “Federal Safe Drinking Water Act” or “federal act” means the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and acts amendatory thereof or supplemental thereto.

(d) “Fund” means the Safe Drinking Water State Revolving Fund created by Section 116760.30.

(e) “Funding” means a loan or grant, or both, awarded under this chapter.

(f) “Matching funds” means state money that equals that percentage of federal contributions required by the federal act to be matched with state funds.

(g) “Project” means proposed facilities for the construction, improvement, or rehabilitation of a public water system, and may include all items set forth in Section 116761 as necessary to carry out the purposes of this chapter. It also may include refinancing loans, annexation or consolidation of water systems, source water assessments, source water protection, and other activities specified under the federal act.

(h) “Public agency” means any city, county, city and county, whether general law or chartered, district, joint powers authority, or other political subdivision of the state, that owns or operates a public water system.

(i) “Public water system” or “public water supply system” means a system for the provision to the public of water for human consumption, as defined in Chapter 4 (commencing with Section 116270), as it may be amended from time to time.



(j) “Reasonable amount of growth” means an increase in growth not to exceed 10 percent of the design capacity needed, based on peak flow, to serve the water demand in existence at the time plans and specifications for the project are approved by the department, over the 20-year useful life of a project. For projects other than the construction of treatment plants including, but not limited to, storage facilities, pipes, pumps, and similar equipment, where the 10-percent allowable growth cannot be adhered to due to the sizes of equipment or materials available, the project shall be limited to the next available larger size.

(k) “Safe drinking water standards” means those standards established pursuant to Chapter 4 (commencing with Section 116270), as they may now or hereafter be amended.

(l) “Supplier” means any persons, partnership, corporation, association, public agency, or other entity that owns or operates a public water system.

SEC. 5. Section 13232.3 is added to the Public Resources Code, to read:

13232.3. The Grizzly Lake Resort Improvement District, the Napa-Berryessa Resort Improvement District, and the Lake Berryessa Resort Improvement District may contract with any state agency to finance any district improvement authorized by this division that is related to the provision of water for human consumption. The terms of the contract shall be consistent with this division. Notwithstanding any other provision in this division, the term of the contract may extend up to 30 years.

SEC. 6. Section 16574 of the Public Utilities Code is amended to read:

16574. The board of directors or other officers of the district may not incur any debt or liability, either by issuing bonds or otherwise, in excess of the express provisions of this division. Any debt or liability incurred in excess of those express provisions is absolutely void, excepting that the debt limitations may be exceeded where the district finances waterworks or sewage disposal facilities by means of a revenue bond issue, or by means of a general obligation bond issue, or by means provided by Section 16580 and makes provision to pledge, as additional security for the general obligation or indebtedness, all or any part of revenues received from the facilities over a period not to exceed 40 years, in which event the limitation of indebtedness set forth in Section 16573 of this code may not be applicable to the bonds or indebtedness so secured or so additionally secured by the revenue.

SEC. 7. Section 16580 is added to the Public Utilities Code, to read:

16580. A district may contract with any state agency to finance any district improvement authorized by Section 16461 that is related to the



provision of water for human consumption. The terms of the contract shall be consistent with this chapter. Notwithstanding any other provision in this chapter, the term of the contract may extend up to 30 years.

SEC. 8. Section 12585.10 is added to the Water Code, to read:

12585.10. Section 161 does not apply to the adoption or revision of regulations, guidelines, or criteria to implement Section 12582.7 and 12585.7.

SEC. 9. Section 20527.13 of the Water Code is amended to read:

20527.13. (a) (1) This section only applies to the Corcoran Irrigation District. As used in this section, “district” means the Corcoran Irrigation District.

(2) Notwithstanding Section 20527 or any other provision of law, in the district, every owner of real property within the district, but no others, may vote at district elections. Owners need not be residents of the district in order to qualify as voters.

(b) The last equalized district assessment roll is conclusive evidence of ownership of the real property.

(c) (1) If land is owned in joint tenancy, tenancy in common, or any other multiple ownership, the owners of the land shall designate, in writing, which one of the owners is deemed the owner of the land for purposes of qualifying as a voter.

(2) The designation shall be made upon a form provided by the district, and shall be filed with the district at least 40 days prior to the election and shall remain in effect until amended or revoked. No amendment or revocation may occur within the period of 39 days prior to any election.

(d) The district shall provide a list of eligible voters pursuant to Section 10525 of the Elections Code at least 35 days prior to an election, which list shall provide for the limitation of one vote for each owner as specified in this section.

(e) The legal representative of a corporation or estate owning real property may vote on behalf of the corporation or estate.

(f) (1) Every voter, or his or her legal representative, may vote at any district election either in person or by a person appointed as his or her proxy, but may cast only one vote.

(2) Proxies shall be appointed pursuant to Section 35005.

(g) (1) Notwithstanding Section 21100 or any other provision of law, any voter or a voter’s legal representative, as defined in this section, may be a member of the board of the district as long as the voter is a landowner within the division that the voter represents, unless the divisions have been abolished, as provided in Section 21550, and the voter resides within the boundaries of the district or the City of Corcoran.



(2) The requirements of this subdivision apply to any board member who is elected, or appointed to fill a vacancy, on or after the effective date of the act adding this subdivision.

(h) (1) As used in this section, “legal representative” means an official of a corporation owning real property or a guardian, conservator, executor, or administrator of the estate of the holder of title to real property who is all of the following:

(A) Appointed under the laws of this state.

(B) Entitled to the possession of the estate’s real property.

(C) Authorized by the appointing court to exercise the particular right, privilege, or immunity which the legal representative seeks to exercise.

(2) Before a legal representative votes at a district election, the legal representative shall present to the precinct board a certified copy of his or her authority which shall be kept and filed with the returns of the election.

(i) (1) This section shall be operative as long as the district does not provide water, drainage services, electricity, flood control services, or sewage disposal services for domestic purposes for residents of the district.

(2) (A) This section shall become inoperative if the district commences to provide any of the services described in paragraph (1).

(B) The district shall notify the Secretary of State 30 days prior to commencing to provide any of the services described in paragraph (1). The notice required by this subparagraph shall state that it is being made pursuant to this subdivision.

SEC. 10. Section 24253 is added to the Water Code, to read:

24253. A district may contract with any state agency to finance any district improvement authorized by this division that is related to the provision of water for human consumption. The terms of the contract shall be consistent with this division. Notwithstanding any other provision in this division, the term of the contract may extend up to 30 years.

SEC. 11. Section 31304.5 is added to the Water Code, to read:

31304.5. A district may contract with any state agency to finance any district improvement authorized by this division that is related to the provision of water for human consumption. The terms of the contract shall be consistent with this division. Notwithstanding any other provision in this division, the term of the contract may extend up to 30 years.

SEC. 12. Section 74570.5 is added to the Water Code, to read:

74570.5. A district may contract with any state agency to finance any district improvement authorized by this division that is related to the



provision of water for human consumption. The terms of the contract shall be consistent with this division. Notwithstanding any other provision in this division, the term of the contract may extend up to 30 years.

SEC. 13. Section 79092 of the Water Code is amended to read:

79092. Three million dollars (\$3,000,000) in the subaccount, upon appropriation by the Legislature to the department, may be used by the department for allocation to California State University, Fresno for the purposes of establishing and furthering the purposes of the California Water Institute at that campus.

SEC. 14. The Legislature finds and declares all of the following:

(a) The Mojave River Basin encompasses approximately 3,600 square miles and suffers from a prolonged and continuing water overdraft.

(b) A stipulation among most of the Mojave River Basin water producers was presented to the trial court in *City of Barstow v. Mojave Water Agency* in settlement of water rights claims among the parties to that lawsuit.

(c) The California Supreme Court has published a decision in the case of *City of Barstow v. Mojave Water Agency* (2000) 23 Cal. 4th 1224.

(d) An issue has arisen as to whether the parties to the stipulation having water rights, by executing the stipulation, waived those water rights in the Mojave River Basin as to persons who were not parties to the stipulation.

(e) It is necessary to restate existing law.

SEC. 15. Entry into the stipulation in the *City of Barstow v. Mojave Water Agency* does not constitute a waiver of any water right or lawful priority to water held by any stipulating party as against any person not a party to the stipulation.

SEC. 16. (a) Pursuant to Sections 14011 and 14012 of the Water Code, the Department of Water Resources may make grants from the California Safe Drinking Water Fund in accordance with the California Safe Drinking Water Bond Law of 1988 (Chapter 16 (commencing with Section 14000) of Division 7 of the Water Code) to the following entities for the purpose of financing domestic water system improvement projects to meet state and federal drinking water standards:

(1) City of Crescent City in Del Norte County for up to four hundred thousand dollars (\$400,000).

(2) City of Crescent City (Roosevelt System) in Del Norte County for up to one hundred thousand dollars (\$100,000).

(3) Weaver Union School in Merced County for up to seventy-five thousand dollars (\$75,000).



(4) Bradley Union School in Monterey County for up to one hundred ten thousand dollars (\$110,000).

(5) Captain Cooper School in Monterey County for up to two hundred forty thousand dollars (\$240,000).

(6) San Antonio Elementary School in Monterey County for up to forty thousand dollars (\$40,000).

(7) Sanger Unified School District in Fresno County for up to two hundred thousand dollars (\$200,000).

(8) Westside School in Fresno County for up to two hundred thousand dollars (\$200,000).

(9) Oasis School in Riverside County for up to one hundred twenty-five thousand dollars (\$125,000).

(10) Latrobe Elementary School District in El Dorado County for up to one hundred twenty-five thousand dollars (\$125,000).

(11) Mulberry Union School District in Imperial County for up to seventy-five thousand dollars (\$75,000).

(12) La Honda Elementary School in San Mateo County for up to forty thousand dollars (\$40,000).

(13) South Fork School Water System in Kern County for up to three hundred forty-five thousand dollars (\$345,000).

(14) Spring Valley School in San Luis Obispo County for up to four hundred thousand dollars (\$400,000).

(15) Delta View School in Kings County for up to two hundred twenty-five thousand dollars (\$225,000).

(16) Honeydew Elementary School in Humboldt County for up to twenty thousand dollars (\$20,000).

(17) Mountain Union School District in Shasta County for up to thirty thousand dollars (\$30,000).

(18) Wilson Elementary School in Sonoma County for up to sixty-five thousand dollars (\$65,000).

(19) Fort Ross School District in Sonoma County for up to sixty-five thousand dollars (\$65,000).

(20) Pajaro/Sunny Mesa Community Services District II in Monterey County for up to four hundred thousand dollars (\$400,000).

(b) The Department of Water Resources shall determine eligibility for, and the amount of, any grant authorized in subdivision (a) in accordance with the California Safe Drinking Water Bond Law of 1988 (Chapter 16 (commencing with Section 14000) of Division 7 of the Water Code), and may make those grants in accordance with that bond law.

SEC. 17. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of



Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to remedy critical water quality and supply problems, and to make other modifications to the Water Code, as soon as possible, thereby protecting the public health and safety, it is necessary that this act take effect immediately.

