

AMENDED IN ASSEMBLY AUGUST 28, 2002

AMENDED IN ASSEMBLY JULY 10, 2002

AMENDED IN ASSEMBLY JULY 2, 2002

AMENDED IN ASSEMBLY JUNE 20, 2002

**SENATE BILL**

**No. 1384**

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**Introduced by Senator Costa**

February 12, 2002

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~~An act to add Section 21100.7 to the Water Code, relating to water; An act to amend Section 56831 of the Government Code, and to amend Section 10631 of the Water Code, relating to governance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1384, as amended, Costa. ~~Water Omnibus Act of 2002 Governance.~~

~~(1) Under the Irrigation District Law, a director of a district formed pursuant to that law is generally required to be a voter, landowner of the district, and a resident within the division which the director represents.~~

~~This bill would authorize the directors of the Lakeside Water District to adopt a resolution that authorizes a person who meets only the voter and residency requirements to be a director of that district. The bill would authorize the registered voters in that district to request, in writing, that all of the directors who are elected subsequent to the receipt of the request to be required to meet the requirements of existing law. The bill would require all of the directors of that district who are elected subsequent to the receipt of the request to meet the requirements of~~

~~existing law if the directors determine that at least 25% of the registered voters have signed the request.~~

~~(2)~~

*(1) Existing law prescribes the apportionment for the net operating expenses of a local agency formation commission among the county and the cities and special districts within the county.*

*This bill would revise the method of calculating independent special district revenues in order to determine independent special districts' apportionments of the net operating expenses of a commission, and would provide that no independent special district shall be apportioned a share of more than 50% of the total independent special districts' share of the commission's operational costs without the consent of the district. The bill would provide, with respect to a district formed under the Local Health Care District Law that operates a hospital, that the district may not be apportioned any share until the fiscal year following positive net revenue, as defined, or, if the district has filed for and is operating under federal bankruptcy, until the fiscal year after its discharge from bankruptcy.*

*(2) The Urban Water Management Planning Act requires urban water suppliers to prepare and adopt urban water management plans for submission to the Department of Water Resources. The act requires those plans to include specified information, including demand factors affecting the supplier's water management planning, existing and planned sources of water available to the supplier in 5-year increments to 20 years or as far as data is available, a description of the reliability of the water supply and vulnerability to seasonal or climatic shortage, and an urban water shortage contingency analysis.*

*This bill would require urban water suppliers that rely upon a wholesale agency for a source of water, to provide the wholesale agency with water use projections from that agency for that source of water in 5-year increments to 20 years or as far as data is available. The wholesale agency would be required to provide information to the urban water supplier for inclusion in the urban water supplier's plan that identifies and quantifies, to the extent practicable, existing and planned sources of water available from the wholesale agency to the urban water supplier over the same 5-year increments, and during various water-year types.*

*(3) 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 to public agency supplies, 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 4 5 specified school districts in specified amounts for the purposes of financing domestic water system improvement projects to meet state and federal drinking water standards.

~~(3)~~

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

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. This act shall be known and may be cited as The  
2 Water Omnibus Act of 2002.

3 ~~SEC. 2. Section 21100.7 is added to the Water Code, to read:~~  
4 ~~21100.7. (a) This section applies to the Lakeside Water~~  
5 ~~District.~~

6 ~~(b) Notwithstanding Section 21100, the board of directors may~~  
7 ~~adopt a resolution that authorizes a person who meets only the~~  
8 ~~voter and residency requirements of Section 21100 to be a director~~  
9 ~~of the district.~~

10 ~~(c) Notwithstanding the adoption of a resolution pursuant to~~  
11 ~~subdivision (b), the registered voters in the district may request, in~~  
12 ~~writing, that all of the directors who are appointed or elected~~  
13 ~~subsequent to the receipt of the request be required to meet all of~~  
14 ~~the requirements of Section 21100. The request shall be submitted~~  
15 ~~to the directors.~~

16 ~~(d) If the directors determine that at least 25 percent of the~~  
17 ~~registered voters in the district have signed the request submitted~~  
18 ~~pursuant to subdivision (c), all of the directors who are appointed~~  
19 ~~or elected subsequent to the receipt of the request shall meet all of~~  
20 ~~the requirements of Section 21100.~~

21 ~~SEC. 3.~~

22 *SEC. 2. The Legislature finds and declares the following:*

23 *(a) Whereas, water is fundamental to the future growth and the*  
24 *quality of life in California.*



1 (b) Whereas, it is critical that a unified program of research,  
2 education, and policy be directed at the complex water-related  
3 issues facing the state now and into the future.

4 (c) Whereas, the California Water Institute, located at  
5 California State University, Fresno, is positioned to be the lead  
6 institution in this effort.

7 (d) Whereas, the institutions involved is a consortia of  
8 California State University campuses working in the areas of  
9 water quality, water quantity, and water allocation.

10 (e) Whereas, the consortium includes the following campuses  
11 and their associated water programs:

12 (1) California State University, Fresno (California Water  
13 Institute).

14 (2) California State University, San Bernardino (Water  
15 Resources Institute).

16 (3) California State University, Monterey Bay (The Watershed  
17 Institute).

18 (4) California State University, Humboldt (Institute for  
19 Forestry and Watershed Management).

20 (f) Whereas, each of these sister campuses has ongoing  
21 programs targeting key California water issues.

22 (g) Whereas, the research activities of these California State  
23 University programs are fully consistent with the mission of the  
24 California Water Institute, which is to address critical policy and  
25 research needs of agriculture, urban, and environmental water use  
26 in the State of California.

27 Therefore, the Legislature recognizes California State  
28 University and the California Water Institute consortium for their  
29 leadership and contribution in addressing California water and  
30 environmental issues.

31 SEC. 3. Section 56381 of the Government Code is amended to  
32 read:

33 56381. (a) The commission shall adopt annually, following  
34 noticed public hearings, a proposed budget by May 1 and final  
35 budget by June 15. At a minimum, the proposed and final budget  
36 shall be equal to the budget adopted for the previous fiscal year  
37 unless the commission finds that reduced staffing or program costs  
38 will nevertheless allow the commission to fulfill the purposes and  
39 programs of this chapter. The commission shall transmit its  
40 proposed and final budgets to the board of supervisors; to each



1 city; to the clerk and chair of the city selection committee, if any,  
2 established in each county pursuant to Article 11 (commencing  
3 with Section 50270) of Chapter 1 of Part 1 of Division 1; to each  
4 independent special district; and to the clerk and chair of the  
5 independent special district selection committee, if any,  
6 established pursuant to Section 56332.

7 (b) After public hearings, consideration of comments, and  
8 adoption of a final budget by the commission pursuant to  
9 subdivision (a), the auditor shall apportion the net operating  
10 expenses of a commission in the following manner:

11 (1) (A) In counties in which there is city and independent  
12 special district representation on the commission, the county,  
13 cities, and independent special districts shall each provide a  
14 one-third share of the commission's operational costs. ~~The~~

15 (B) *The cities' share shall be apportioned in proportion to each  
16 city's total revenues, as reported in the most recent edition of the  
17 Cities Annual Report published by the Controller, as a percentage  
18 of the combined city revenues within a county, or by an alternative  
19 method approved by a majority of cities representing the majority  
20 of the combined cities' populations. ~~The~~*

21 (C) *The independent special districts' share shall be  
22 apportioned ~~in a similar manner according to each district's  
23 revenues for general purpose transactions in proportion to each  
24 district's total revenues as a percentage of the combined total  
25 district revenues within a county. Except as provided in  
26 subparagraph (D), an independent special district's total revenue  
27 shall be calculated for nonenterprise activities as total revenues  
28 for general purpose transactions less revenue category aid from  
29 other governmental agencies and for enterprise activities as total  
30 operating and nonoperating revenues less revenue category other  
31 governmental agencies, as reported in the most recent edition of  
32 the "Financial Transactions Concerning Special Districts"  
33 "Special Districts Annual Report" published by the Controller, or  
34 by an alternative method approved by a majority of the agencies,  
35 representing a majority of their combined populations. For the  
36 purposes of fulfilling the requirement of this section, a  
37 multicounty independent special district shall be required to pay  
38 its apportionment in its principal county. It is the intent of the  
39 Legislature that no single district or class or type of district shall  
40 bear a disproportionate amount of the district share of costs.~~*



1 (D) (i) For purposes of apportioning costs to a health care  
2 district formed pursuant to Division 23 (commencing with Section  
3 32000) of the Health and Safety Code that operates a hospital, a  
4 health care district's share, except as provided in clauses (ii) and  
5 (iii), shall be apportioned in proportion to each district's net  
6 revenue from operations as reported in the most recent edition of  
7 the hospital financial disclosure report form published by the  
8 Office of Statewide Health Planning and Development, as a  
9 percentage of the combined independent special districts' net  
10 operating revenues within a county.

11 (ii) A health care district for which net revenue from operations  
12 is a negative number may not be apportioned any share of the  
13 commission's operational costs until the fiscal year following  
14 positive net revenue from operations, as reported in the most recent  
15 edition of the hospital financial disclosure report form published  
16 by the Office of Statewide Health Planning and Development.

17 (iii) A health care district that has filed and is operating under  
18 public entity bankruptcy pursuant to federal bankruptcy law, shall  
19 not be apportioned any share of the commission's operational  
20 costs until the fiscal year following its discharge from bankruptcy.

21 (E) Notwithstanding the requirements of subparagraph (C), the  
22 independent special districts' share may be apportioned by an  
23 alternative method approved by a majority of the districts,  
24 representing a majority of the combined populations. However, in  
25 no event shall an individual district's apportionment exceed the  
26 amount that would be calculated pursuant to subparagraphs (C)  
27 and (D), or in excess of 50 percent of the total independent special  
28 districts' share, without the consent of that district.

29 (F) Notwithstanding the requirements of subparagraph (C), no  
30 independent special district shall be apportioned a share of more  
31 than 50 percent of the total independent special districts' share of  
32 the commission's operational costs, without the consent of the  
33 district as otherwise provided in this section. In those counties in  
34 which a district's share is limited to 50 percent of the total  
35 independent special districts' share of the commission's  
36 operational costs, the share of the remaining districts shall be  
37 increased on a proportional basis so that the total amount for all  
38 districts equals the share apportioned by the auditor to  
39 independent special districts.



1 (2) In counties in which there is no independent special district  
2 representation on the commission, the county and its cities shall  
3 each provide a one-half share of the commission's operational  
4 costs. The cities' share shall be apportioned in the manner  
5 described in paragraph (1).

6 (3) In counties in which there are no cities, the county and its  
7 special districts shall each provide a one-half share of the  
8 commission's operational costs. The independent special districts'  
9 share shall be apportioned in the manner described for cities'  
10 apportionment in paragraph (1). If there is no independent special  
11 district representation on the commission, the county shall pay all  
12 of the commission's operational costs.

13 (4) Instead of determining apportionment pursuant to  
14 paragraph (1), (2), or (3), any alternative method of apportionment  
15 of the net operating expenses of the commission may be used if  
16 approved by a majority vote of each of the following: the board of  
17 supervisors; a majority of the cities representing a majority of the  
18 total population of cities in the county; and the independent special  
19 districts representing a majority of the combined total population  
20 of independent special districts in the county. *However, in no event*  
21 *shall an individual district's apportionment exceed the amount*  
22 *that would be calculated pursuant to subparagraphs (C) and (D)*  
23 *of paragraph (1), or in excess of 50 percent of the total independent*  
24 *special districts' share, without the consent of that district.*

25 (c) After apportioning the costs as required in subdivision (b),  
26 the auditor shall request payment from the board of supervisors  
27 and from each city and each independent special district no later  
28 than July 1 of each year for the amount that entity owes and the  
29 actual administrative costs incurred by the auditor in apportioning  
30 costs and requesting payment from each entity. If the county, a city,  
31 or an independent special district does not remit its required  
32 payment within 60 days, the commission may determine an  
33 appropriate method of collecting the required payment, including  
34 a request to the auditor to collect an equivalent amount from the  
35 property tax, or any fee or eligible revenue owed to the county,  
36 city, or district. The auditor shall provide written notice to the  
37 county, city, or district prior to appropriating a share of the  
38 property tax or other revenue to the commission for the payment  
39 due the commission pursuant to this section. Any expenses  
40 incurred by the commission or the auditor in collecting late



1 payments or successfully challenging nonpayment shall be added  
2 to the payment owed to the commission. Between the beginning  
3 of the fiscal year and the time the auditor receives payment from  
4 each affected city and district, the board of supervisors shall  
5 transmit funds to the commission sufficient to cover the first two  
6 months of the commission's operating expenses as specified by the  
7 commission. When the city and district payments are received by  
8 the commission, the county's portion of the commission's annual  
9 operating expenses shall be credited with funds already received  
10 from the county. If, at the end of the fiscal year, the commission  
11 has funds in excess of what it needs, the commission may retain  
12 those funds and calculate them into the following fiscal year's  
13 budget. If, during the fiscal year, the commission is without  
14 adequate funds to operate, the board of supervisors may loan the  
15 commission funds and recover those funds in the commission's  
16 budget for the following fiscal year.

17 *SEC. 4. Section 10631 of the Water Code is amended to read:*

18 10631. A plan shall be adopted in accordance with this  
19 chapter and shall do all of the following:

20 (a) Describe the service area of the supplier, including current  
21 and projected population, climate, and other demographic factors  
22 affecting the supplier's water management planning. The  
23 projected population estimates shall be based upon data from the  
24 state, regional, or local service agency population projections  
25 within the service area of the urban water supplier and shall be in  
26 five-year increments to 20 years or as far as data is available.

27 (b) Identify and quantify, to the extent practicable, the existing  
28 and planned sources of water available to the supplier over the  
29 same five-year increments described in subdivision (a). If  
30 groundwater is identified as an existing or planned source of water  
31 available to the supplier, all of the following information shall be  
32 included in the plan:

33 (1) A copy of any groundwater management plan adopted by  
34 the urban water supplier, including plans adopted pursuant to Part  
35 2.75 (commencing with Section 10750), or any other specific  
36 authorization for groundwater management.

37 (2) A description of any groundwater basin or basins from  
38 which the urban water supplier pumps groundwater. For those  
39 basins for which a court or the board has adjudicated the rights to  
40 pump groundwater, a copy of the order or decree adopted by the



1 court or the board and a description of the amount of groundwater  
2 the urban water supplier has the legal right to pump under the order  
3 or decree. For basins that have not been adjudicated, information  
4 as to whether the department has identified the basin or basins as  
5 overdrafted or has projected that the basin will become  
6 overdrafted if present management conditions continue, in the  
7 most current official departmental bulletin that characterizes the  
8 condition of the groundwater basin, and a detailed description of  
9 the efforts being undertaken by the urban water supplier to  
10 eliminate the long-term overdraft condition.

11 (3) A detailed description and analysis of the location, amount,  
12 and sufficiency of groundwater pumped by the urban water  
13 supplier for the past five years. The description and analysis shall  
14 be based on information that is reasonably available, including,  
15 but not limited to, historic use records.

16 (4) A detailed description and analysis of the amount and  
17 location of groundwater that is projected to be pumped by the  
18 urban water supplier. The description and analysis shall be based  
19 on information that is reasonably available, including, but not  
20 limited to, historic use records.

21 (c) Describe the reliability of the water supply and  
22 vulnerability to seasonal or climatic shortage, to the extent  
23 practicable, and provide data for each of the following:

- 24 (1) An average water year.
- 25 (2) A single dry water year.
- 26 (3) Multiple dry water years.

27 For any water source that may not be available at a consistent  
28 level of use, given specific legal, environmental, water quality, or  
29 climatic factors, describe plans to supplement or replace that  
30 source with alternative sources or water demand management  
31 measures, to the extent practicable.

32 (d) Describe the opportunities for exchanges or transfers of  
33 water on a short-term or long-term basis.

34 (e) (1) Quantify, to the extent records are available, past and  
35 current water use, over the same five-year increments described in  
36 subdivision (a), and projected water use, identifying the uses  
37 among water use sectors including, but not necessarily limited to,  
38 all of the following uses:

- 39 (A) Single-family residential.
- 40 (B) Multifamily.



- 1 (C) Commercial.
- 2 (D) Industrial.
- 3 (E) Institutional and governmental.
- 4 (F) Landscape.
- 5 (G) Sales to other agencies.
- 6 (H) Saline water intrusion barriers, groundwater recharge, or
- 7 conjunctive use, or any combination thereof.
- 8 (I) Agricultural.
- 9 (2) The water use projections shall be in the same five-year
- 10 increments described in subdivision (a).
- 11 (f) Provide a description of the supplier's water demand
- 12 management measures. This description shall include all of the
- 13 following:
- 14 (1) A description of each water demand management measure
- 15 that is currently being implemented, or scheduled for
- 16 implementation, including the steps necessary to implement any
- 17 proposed measures, including, but not limited to, all of the
- 18 following:
- 19 (A) Water survey programs for single-family residential and
- 20 multifamily residential customers.
- 21 (B) Residential plumbing retrofit.
- 22 (C) System water audits, leak detection, and repair.
- 23 (D) Metering with commodity rates for all new connections
- 24 and retrofit of existing connections.
- 25 (E) Large landscape conservation programs and incentives.
- 26 (F) High-efficiency washing machine rebate programs.
- 27 (G) Public information programs.
- 28 (H) School education programs.
- 29 (I) Conservation programs for commercial, industrial, and
- 30 institutional accounts.
- 31 (J) Wholesale agency programs.
- 32 (K) Conservation pricing.
- 33 (L) Water conservation coordinator.
- 34 (M) Water waste prohibition.
- 35 (N) Residential ultra-low-flush toilet replacement programs.
- 36 (2) A schedule of implementation for all water demand
- 37 management measures proposed or described in the plan.
- 38 (3) A description of the methods, if any, that the supplier will
- 39 use to evaluate the effectiveness of water demand management
- 40 measures implemented or described under the plan.



1 (4) An estimate, if available, of existing conservation savings  
2 on water use within the supplier’s service area, and the effect of the  
3 savings on the supplier’s ability to further reduce demand.

4 (g) An evaluation of each water demand management measure  
5 listed in paragraph (1) of subdivision (f) that is not currently being  
6 implemented or scheduled for implementation. In the course of the  
7 evaluation, first consideration shall be given to water demand  
8 management measures, or combination of measures, that offer  
9 lower incremental costs than expanded or additional water  
10 supplies. This evaluation shall do all of the following:

11 (1) Take into account economic and noneconomic factors,  
12 including environmental, social, health, customer impact, and  
13 technological factors.

14 (2) Include a cost-benefit analysis, identifying total benefits  
15 and total costs.

16 (3) Include a description of funding available to implement any  
17 planned water supply project that would provide water at a higher  
18 unit cost.

19 (4) Include a description of the water supplier’s legal authority  
20 to implement the measure and efforts to work with other relevant  
21 agencies to ensure the implementation of the measure and to share  
22 the cost of implementation.

23 (h) Include a description of all water supply projects and water  
24 supply programs that may be undertaken by the urban water  
25 supplier to meet the total projected water use as established  
26 pursuant to subdivision (a) of Section 10635. The urban water  
27 supplier shall include a detailed description of expected future  
28 projects and programs, other than the demand management  
29 programs identified pursuant to paragraph (1) of subdivision (f),  
30 that the urban water supplier may implement to increase the  
31 amount of the water supply available to the urban water supplier  
32 in average, single-dry, and multiple-dry water years. The  
33 description shall identify specific projects and include a  
34 description of the increase in water supply that is expected to be  
35 available from each project. The description shall include an  
36 estimate with regard to the implementation timeline for each  
37 project or program.

38 (i) Urban water suppliers that are members of the California  
39 Urban Water Conservation Council and submit annual reports to  
40 that council in accordance with the “Memorandum of



1 Understanding Regarding Urban Water Conservation in  
2 California,” dated September 1991, may submit the annual reports  
3 identifying water demand management measures currently being  
4 implemented, or scheduled for implementation, to satisfy the  
5 requirements of subdivisions (f) and (g).

6 *(j) Urban water suppliers that rely upon a wholesale agency for*  
7 *a source of water, shall provide the wholesale agency with water*  
8 *use projections from that agency for that source of water in*  
9 *five-year increments to 20 years or as far as data is available. The*  
10 *wholesale agency shall provide information to the urban water*  
11 *supplier for inclusion in the urban water supplier’s plan that*  
12 *identifies and quantifies, to the extent practicable, the existing and*  
13 *planned sources of water as required by subdivision (b), available*  
14 *from the wholesale agency to the urban water supplier over the*  
15 *same five-year increments, and during various water-year types in*  
16 *accordance with subdivision (c). An urban water supplier may rely*  
17 *upon water supply information provided by the wholesale agency*  
18 *in fulfilling the plan informational requirements of subdivisions*  
19 *(b) and (c).*

20 SEC. 5. (a) Pursuant to Sections 14011 and 14012 of the  
21 Water Code, the Department of Water Resources may make grants  
22 from the California Safe Drinking Water Fund in accordance with  
23 the California Safe Drinking Water Bond Law of 1988 (Chapter  
24 16 (commencing with Section 14000) of Division 7 of the Water  
25 Code) to the following entities in the following accounts for the  
26 purpose of financing domestic water system improvement projects  
27 to meet state and federal drinking water standards:

28 (1) The Weaver Union School District in Merced County in the  
29 amount of sixty-five thousand dollars (\$65,000).

30 (2) The La Honda Elementary School District in San Mateo  
31 County in the amount of three hundred sixty thousand dollars  
32 (\$360,000).

33 (3) The Spring Valley School District in Butte County in the  
34 amount of four hundred thousand dollars (\$400,000).

35 (4) The Mountain Union School District in Shasta County in  
36 the amount of three hundred seventy thousand dollars (\$370,000).

37 (5) *The Delta View Joint Union Elementary School District in*  
38 *Kings County in the amount of forty-five thousand dollars*  
39 *(\$45,000).*



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

7 ~~SEC. 4.—~~

8 *SEC. 6.* This act is an urgency statute necessary for the  
9 immediate preservation of the public peace, health, or safety  
10 within the meaning of Article IV of the Constitution and shall go  
11 into immediate effect. The facts constituting the necessity are:

12 In order to remedy critical water *and special district funding*  
13 problems, thereby protecting the public health and safety, it is  
14 necessary that this act take effect immediately.

