

AMENDED IN ASSEMBLY MARCH 30, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 779

Introduced by Assembly Member Fletcher

February 17, 2011

~~An act to add Chapter 10 (commencing with Section 550) to Division 1 of the Water Code, relating to water. An act to add Section 71619 to the Water Code, relating to municipal water districts.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 779, as amended, Fletcher. ~~Water transfers: public notice. Municipal water districts: oversight.~~

Existing law, the Municipal Water District Law of 1911, authorizes the formation of a municipal water district to acquire and sell water, and specifies the powers and purposes of a municipal water district.

This bill would authorize a municipal water district to establish an independent oversight committee to assist in tracking and reviewing revenues of the district to advance capital improvements, operations and maintenance of district facilities, and allocation methodologies. The bill would authorize an independent oversight committee to perform specified functions for those purposes.

~~(1) Existing law regulates the transfer of any water or water rights.~~

~~This bill would require a local public water agency to provide public notice to its customers prior to approving a transfer of water to the agency. By imposing notice requirements on local public water agencies, this bill would impose a state-mandated local program.~~

~~(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

This bill would provide that no reimbursement is required by this act for a specified reason:

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no. State-mandated local program: ~~yes~~-no.

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

1 SECTION 1. Section 71619 is added to the Water Code, to
2 read:

3 71619. A district may establish an independent oversight
4 committee to assist in tracking and reviewing revenues to advance
5 capital improvements and operations and maintenance of the
6 district’s facilities, and to review allocation methodologies. An
7 independent oversight committee shall be advisory only and may
8 do all of the following:

9 (a) Review reports from staff and any independent audit
10 organization on rate and bond proceed expenditures.

11 (b) Review independent performance audits on the district’s
12 systems.

13 (c) Provide advice on the efficiency and performance of the
14 district’s systems on a regular basis.

15 (d) Provide advice on future cost allocation models.

16 (e) Oversee savings efforts and make recommendations on how
17 to apply savings toward future capital, operations, and
18 maintenance expenditures.

19 (f) Provide advice and review of policy and proposals related
20 to budget and finance, environmental issues, technology
21 innovations, and public outreach and education efforts, as
22 requested by district staff.

23 (g) Provide an annual public report on the information
24 described in subdivisions (a) to (e), inclusive, to the board of
25 directors.

26 (h) Perform any other duties that may be delegated to the
27 committee by a resolution of the board of directors.

28 ~~SECTION 1. The Legislature finds and declares that it is~~
29 ~~necessary to enact this act to protect the public from being~~
30 ~~adversely affected by local public agencies that pay too much~~
31 ~~money for water deliveries from sources of supply that do not meet~~
32 ~~a reasonable cost-benefit standard.~~

1 ~~SEC. 2. Chapter 10 (commencing with Section 550) is added~~
2 ~~to Division 1 of the Water Code, to read:~~

3
4 ~~CHAPTER 10. PUBLIC NOTICE FOR WATER TRANSFERS~~

5
6 ~~550. A local public water agency, as defined in subdivision (f)~~
7 ~~of Section 359, shall provide public notice to its customers prior~~
8 ~~to approving a transfer of water to the agency.~~

9 ~~SEC. 3. No reimbursement is required by this act pursuant to~~
10 ~~Section 6 of Article XIII B of the California Constitution because~~
11 ~~a local agency or school district has the authority to levy service~~
12 ~~charges, fees, or assessments sufficient to pay for the program or~~
13 ~~level of service mandated by this act, within the meaning of Section~~
14 ~~17556 of the Government Code.~~