An act to amend Section 56430 of the Government Code, to add Section 116453 to the Health and Safety Code, and to amend Section 2709 of the Public Utilities Code, add Section 71760 to the Water Code, relating to drinking water.

LEGISLATIVE COUNSEL’S DIGEST

SB 772, as amended, Emmerson. Drinking water.

The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Existing law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district.

This bill would exempt the Elsinore Valley Municipal Water District and the Eastern Municipal Water District from liability for injuries or damages arising out of the delivery of water to County Water Company of Riverside customers, as specified.

(1) Existing law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adoption
of enforcement regulations, and conducting studies and investigations to assess the quality of water in domestic water supplies.

This bill would require the department or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission.

(2) Under the Cortese Knox Hertzberg Local Government Reorganization Act of 2000, each local agency formation commission is required to develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere of influence, and requires the commission, in preparing and updating spheres of influence, to conduct a service review of the municipal services provided in the county or other area designated by the commission. Existing law authorizes the commission, in conducting the service review, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, and authorizes the commission to include a review of whether the agencies under review are in compliance with the California Safe Drinking Water Act, as specified.

This bill would require the commission to request information, as part of a service review, from identified public or private entities that provide wholesale or retail supply of drinking water, and would require the information submitted to include the identification of any retail water suppliers within or contiguous to the responding entity for the purpose of aiding the commission in creating a comprehensive review of retail water suppliers in the county. This bill would also require the commission to provide a copy of its sphere of influence review for retail private and public water suppliers to the Public Utilities Commission and the department.

(3) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law authorizes the Public Utilities Commission to require any water corporation to file with the Public Utilities Commission a statement in writing defining and describing the lands and territory to be supplied by the corporation with water.

This bill would require the commission to require the above-described statement, and would require the statement also to be filed with the
local agency formation committee for the county in which the water
corporation is located.

(4) By imposing additional duties on local officials this bill would
impose a state-mandated local program.

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, if the Commission on State Mandates
determines that the bill contains costs mandated by the state,
reimbursement for those costs shall be made pursuant to these statutory
provisions:


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

SECTION 1. The Legislature finds and declares the following:
(a) The Legislature recognizes there is an urgent need for safe
and reliable water service to be provided to the water users of the
County Water Company of Riverside, a private water company.
(b) The company is located in Riverside County, California.
Currently, the County Water Company of Riverside is unable to
provide clean and reliable water services to their water users.
(c) The County Water Company of Riverside is located adjacent
to two municipal water districts, the Eastern Municipal Water
District and the Elsinore Valley Municipal Water District, both
of which are formed pursuant to the Municipal Water District Law
of 1911 (Chapter 1 (commencing with Section 71000) of Part 1 of
Division 20 of the Water Code).
(d) It is the intent of the Legislature to provide the Eastern
Municipal Water District and the Elsinore Valley Municipal Water
District immunity from any and all claims and operational liability,
while they are using the preexisting substandard facilities of the
County Water Company of Riverside to provide water service to
the County Water Company of Riverside’s customers and
simultaneously constructing new facilities which will serve those
customers.
(e) It is the intent of the Legislature to provide the Eastern
Municipal Water District and the Elsinore Valley Municipal Water
District ongoing immunity from any and all future claims
associated with the unimproved, substandard facilities portions of the system originally constructed by the County Water Company of Riverside.

SEC. 2. Section 71760 is added to the Water Code, to read:

71760. The Elsinore Valley Municipal Water District and the Eastern Municipal Water District are hereby exempt from liability for any and all injuries or damages arising out of the delivery of water to the County Water Company of Riverside customers, as follows:

(a) Immunity from liability shall exist during the period of operation from the initiation of service by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District upon the connection of a temporary potable service pipeline on or before January 2014, until permanent replacement facilities are accepted by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District. The acceptance date of the permanent replacement facilities will be publicly noticed by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District with the concurrence of the State Department of Public Health.

(b) Immunity from liability shall extend to all future claims associated with portions of the system originally constructed by the County Water Company of Riverside, including, but not limited to, claims arising from personal injury, property damage, liability related to water quality, fire flow, and service interruptions.

(c) Immunity from liability shall extend to all claims by the County Water Company of Riverside’s customers arising prior to the Elsinore Valley Municipal Water District’s and the Eastern Municipal Water District’s ownership and operation of the system.

SECTION 1. The Legislature finds and declares all of the following:

(a) Californians are dependent on public and private entities to deliver clean and safe drinking water. Public and private water companies provide an essential public service.

(b) While the state’s goal is to ensure clean and safe drinking water, some public water systems suffer poor water quality that fails to meet safe drinking water standards.

(c) Private corporations and persons that, own, operate, control, or manage a system for production, generation, transmission, or furnishing of water, other than mutual water companies, are public
utilities—subject to the jurisdiction of the Public Utilities Commission. These regulated utilities are required to provide the Public Utilities Commission with a statement describing the territory served by the utility:

(d) Mutual water companies are required to submit to the local agency formation commission for its county a map depicting the approximate boundaries of the territory served by the mutual water company.

(e) Public agency water suppliers are required to submit to the local agency formation commission a description of their boundaries and service areas.

(f) The State Department of Public Health, as part of its regulatory oversight of public water systems and state small water systems, collects information from each system, including its address and telephone number.

(g) The Legislature has identified a need to have greater coordination between the local agency formation commissions, the Public Utilities Commission, and the State Department of Public Health in identifying public water systems and state small water systems for purposes of planning, assuring regulatory oversight by the appropriate entity, and compliance with regulatory requirements. Accordingly, this legislation is designed to require that a local agency formation commission, the State Department of Public Health, and the Public Utilities Commission share with each other the identity and other appropriate information of public water systems and state small water systems within their jurisdiction.

SEC. 2. Section 56430 of the Government Code is amended to read:

56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

(1) Growth and population projections for the affected area.
The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

Financial ability of agencies to provide services.

Status of, and opportunities for, shared facilities.

Accountability for community service needs, including governmental structure and operational efficiencies.

Any other matter related to effective or efficient service delivery, as required by commission policy.

In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. The commission may assess various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.

In conducting a service review, the commission may include a review of whether the agencies under review, including any public water system as defined in Section 116275, are in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12 of Division 104 of the Health and Safety Code). A public water system may satisfy any request for information as to compliance with that act by submission of the consumer confidence or water quality report prepared by the public water system as provided by Section 116470 of the Health and Safety Code.

The commission shall request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code. The information submitted shall
include the identification of any retail water supplier within or
contiguous to the responding entity for the purpose of aiding the
commission in creating a comprehensive review of retail water
suppliers in the county.
(c) The commission shall conduct a service review before, or
in conjunction with, but no later than the time it is considering an
action to establish a sphere of influence in accordance with Section
56425 or 56426.5 or to update a sphere of influence pursuant to
Section 56425:
(f) The commission shall provide a copy of its sphere of
influence review for retail private and public water suppliers to
the Public Utilities Commission and the State Department of Public
Health.
SEC. 3. Section 116453 is added to the Health and Safety Code
to read:
116453. The department or the local health agency, where
applicable, annually shall provide the following:
(a) The address and telephone number for each public water
system and state small water system to the Public Utilities
Commission.
(b) The address and telephone number for each public water
system and state small water system in a county to the local agency
formation commission for that county.
SEC. 4. Section 2709 of the Public Utilities Code is amended
to read:
2709. (a) The commission shall require any water corporation
to file with the commission a statement in writing defining and
describing the lands and territory to be supplied by the corporation
with water.
(b) A water corporation shall also file the statement described
in subdivision (a) with a local agency formation commission
formed pursuant to Division 3 (commencing with Section 56000)
of Title 5 for the county in which the water corporation is located.
SEC. 5. If the Commission on State Mandates determines that
this act contains costs mandated by the state, reimbursement to
local agencies and school districts for those costs shall be made
pursuant to Part 7 (commencing with Section 17500) of Division
4 of Title 2 of the Government Code.