

**MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BOULEVARD, LAKEWOOD, CALIFORNIA 90712**

9:00 A.M., FRIDAY, MARCH 4, 2011

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "For Information" or "For Discussion" may also be the subject of an "action" taken by the Board or a Committee at the same meeting.

1. DETERMINATION OF A QUORUM

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. ADDITIONAL ITEMS TO AGENDA

Determine the need to add items to the agenda. In order for the Board to add an item to the agenda it must make a determination that: (i). The item came to the attention of the Board after the posting of the agenda; (ii). That there is a need for immediate action to be taken by the Board. If these two tests are met, the Board may add the item in question to the agenda for consideration consistent with the provisions of the Brown Act.

5. PUBLIC COMMENT

6. CONSENT CALENDAR

Consent Calendar items are considered routine by the Board of Directors and will be adopted by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event the item will be removed from the Consent Calendar and considered separately immediately following action on the remaining items.

A. MINUTES OF THE MEETING OF DECEMBER 8, 2010

Staff Recommendation: Approve the minutes as submitted.

B. MINUTES OF THE SPECIAL MEETING OF JANUARY 19, 2011

Staff Recommendation: Approve the minutes as submitted.

7. RECEIVE AND FILE ENGINEERING SURVEY AND REPORT; ADOPT RESOLUTION TO SET A REPLENISHMENT ASSESSMENT IN 2011-12

Water Resources Committee Recommendation: The Water Resources Committee will review this item at its March 2, 2011 meeting. A recommendation will be provided at the Board Meeting.

8. **SB 701 (R. CALDERON): CENTRAL BASIN MUNICIPAL WATER DISTRICT: REPORT**
Staff Recommendation: For discussion and possible action.
9. **AB 954 (C. CALDERON): WATER REPLENISHMENT DISTRICTS**
Staff Recommendation: For discussion and possible action.
10. **CONSIDERATION OF CONTRACT WITH SHARON MARTINEZ**
President's Recommendation: For consideration.
11. **GENERAL MANAGER'S REPORT**
12. **DISTRICT COUNSEL'S REPORT**
13. **AB 1234 COMPLIANCE REPORTS AND DIRECTORS REPORTS**
14. **WRD BOARD MEETING DATES**
 - A. *March 25, 2011 – 9:00 a.m. – Special Board of Directors Meeting*
 - B. *April 1, 2011 – 9:00 a.m. – Board of Directors Meeting (Open public hearing on the proposed 2011-12 replenishment assessment)*
 - C. *April 15, 2011 – 9:00 a.m. – Board of Directors Meeting*
 - D. *May 6, 2011 – 9:00 a.m. – Board of Directors Meeting (Close public hearing and adopt resolution to set the replenishment assessment)*
 - E. *May 20, 2011 – 9:00 a.m. – Board of Directors Meeting*
15. **CLOSED SESSION**
 - A. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code § 54956.9(a), California Water Service Company, et al. v. City of Compton, et al., Case No. 506 806
 - B. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code § 54956.9(a) Central and West Basin Water Replenishment District v. Charles Adams; L.A.S.C. Case No. 786,656
 - C. Conference with Labor Negotiator: Clifton Albright
Employee Organization: American Federation of State, County and Municipal Employees (AFSCME)
 - D. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code §54956.9
Name of Case: City of Cerritos, City of Downey and City of Signal Hill v. Water Replenishment District of Southern California
Case No.: Los Angeles County Superior Court BS128136
 - E. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code §54956.9
Name of Case: Central Basin Municipal Water District v. Water Replenishment District of Southern California, and Does 1 through 50
Case No.: Los Angeles County Superior Court BS129817
 - F. Conference with Legal Counsel – Anticipated Litigation, Pursuant to Government Code §54956.9 (b), One Case

16. ADJOURNMENT

Agenda posted by Abigail C. Andom, Deputy Secretary, March 1, 2011. In compliance with ADA requirements, this document can be made available in alternative formats upon request.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the Board meeting, please contact Deputy Secretary Abigail Andom at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District's website, www.wrd.org.

UNAPPROVED
MINUTES

UNAPPROVED
MINUTES

**MINUTES OF DECEMBER 8, 2010
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A special meeting of the Board of Directors of the Water Replenishment District of Southern California was held on December 8, 2010 at 10:41a.m. in the District office located at 4040 Paramount Boulevard, Lakewood, California. President Sergio Calderon called the meeting to order. Deputy Secretary Abigail C. Andom recorded the minutes.

1. DETERMINATION OF A QUORUM

President Calderon declared that a quorum of Directors was present, which in addition to himself included Directors Lillian Kawasaki, Rob Katherman, Willard H. Murray, Jr., and Albert Robles.

2. PLEDGE OF ALLEGIANCE

Upper San Gabriel Valley Municipal Water District Director Ed Chavez led the Pledge of Allegiance.

3. INVOCATION

President Calderon gave the Invocation.

4. ADDITIONAL ITEMS TO AGENDA

None.

5. PUBLIC COMMENT

General Manager Robb Whitaker stated that he would like to acknowledge the services of Hoover Ng, WRD Water Quality Program Manager. Mr. Whitaker noted that Mr. Ng retired from the District after 12 years of service where he kept the District informed of new water quality standards and regulations.

Director Kawasaki thanked Mr. Ng for his service and noted his years at the Los Angeles Department of Water and Power prior to the WRD. She

commented that his knowledge of the industry added to the credibility of the District.

Director Katherman congratulated Mr. Ng on his retirement stating that he was a pleasure to work with.

Director Robles congratulated Mr. Ng and recognized his many contributions to the Title 22 program as well as his numerous technical presentations at the various ACWA and WaterReuse conferences.

President Calderon thanked Mr. Ng for his many years of service.

Hoover Ng thanked the Board and stated that it is gratifying to be part of an agency such as WRD. He noted that he is enjoying his retirement and the opportunity to spend more time with his family, although he misses the work and the staff.

6. CONSENT CALENDAR

- A. MINUTES OF THE MEETING OF AUGUST 20, 2010**
- B. MINUTES OF THE MEETING OF SEPTEMBER 17, 2010**
- C. AWARD OF CONTRACT FOR GROUNDWATER MODELING SERVICES RELATED TO RECYCLED WATER PERMIT COMPLIANCE AT THE ALAMITOS AND DOMINGUEZ GAP SEAWATER BARRIERS**
- D. TIME EXTENSION FOR PROFESSIONAL AGREEMENT WITH WORLEYPARSONS FOR ASSISTANCE WITH CONTAMINATED SITE INVESTIGATION AND EXPEDITED CLEANUP**
- E. CONTRACT AMENDMENT FOR GEOTRANS FOR WELL PROFILING SERVICES**
- F. CONTRACT AMENDMENT FOR DMJ CONSULTING**
- G. FEDERAL ADVOCACY SUPPORT SERVICES**
- H. STATE ADVOCACY SUPPORT SERVICES**
- I. LOCAL ADVOCACY SUPPORT SERVICES**
- J. RENEWAL OF WATERWISE CONSULTANT CONTRACT**

- K. **EVENT SPONSORSHIPS AND COMMUNITY GRANTS UPDATE**
- L. **CONSIDERATION OF RESOLUTION NO. 10-893 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA RECITING THE FACT OF THE GENERAL ELECTION HELD ON NOVEMBER 2, 2010, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW**

Upon a motion duly made by Director Robles, seconded by President Calderon, and unanimously approved, it was

RESOLVED: That the Board approves the Consent Calendar of December 8, 2010, as submitted.

7. GENERAL COUNSEL SERVICES

Director Robles stated that, as chair of the Ad Hoc Legal Selection Committee, he would like to provide a brief report to the Board. Director Robles stated that at the last Board meeting, the Board took action to direct the Ad Hoc Legal Selection Committee to talk to Ed Casey of Alston and Bird about serving as the District's Interim Counsel. He stated that he also distributed the previous request for proposal (RFP) for general counsel services to the Board members for their comments and approval of issuance at a future Board meeting.

Director Robles stated that the Ad Hoc Legal Selection Committee met with Mr. Casey who informed the Committee that his firm specializes in water law, but does not have expertise on municipal law and the Brown Act. Director Robles explained that the Ad Hoc Legal Selection Committee would like to recommend that the Board retain the services of Alston and Bird in the expanded role of special counsel to handle the issues of water supply, water quality, CEQA, etc., and also retain the services of Leal and Trejo as Interim District Counsel to handle the municipal law aspects for the District.

Director Kawasaki stated that she appreciates that the RFP will be going out soon but asked if the motion should be amended to include the actual issuance of the RFP.

Mr. Casey stated that the provisions of each of contracts will expressly say that the term would end when the new District Counsel is selected pursuant to the RFP process.

Upon a motion duly made by Director Robles, seconded by President Calderon, and by roll call vote, it was

RESOLVED: That the Board retains Alston and Bird under a new expanded scope of services as special counsel and retains the law firm of Leal Trejo as Interim District Counsel.

AYES: Directors Calderon, Katherman, Kawasaki, Murray, Robles
NOES: None
ABSENT: None

8. GENERAL MANAGER'S REPORT

General Manager Robb Whitaker referred the Board to his written report.

9. DISTRICT COUNSEL REPORT

Deferred to closed session.

10. AB 1234 COMPLIANCE REPORTS AND DIRECTORS' REPORTS

Director Murray stated that he attended the funeral of Joe Cerrell of Cerrell and Associates.

Director Robles wished everyone happy holidays and a happy new year. He commented that almost every staff has been with the District for

several years which reflects well on the agency. He thanked everyone for their service and hard work.

Director Kawasaki wished everyone happy holidays.

Director Katherman wished everyone happy holidays and happy new year. He stated that he attended the swearing-in ceremony of the state legislators in Sacramento, the ACWA Fall Conference, and had a meeting with the new general manager of Upper San Gabriel Valley Municipal Water District Shane Chapman. He also thanked staff for their hard work.

President Calderon stated that he also attended the swearing-in ceremony of the state legislators in Sacramento and wished everyone happy holidays.

11. WRD BOARD MEETING DATES

- A. January 21, 2011 – 9:00 a.m. – Board of Directors Meeting
- B. February 18, 2011 – 9:00 a.m. – Board of Directors Meeting
- C. March 18, 2011 – 9:00 a.m. – Board of Directors Meeting
- D. April 15, 2011 – 9:00 a.m. – Board of Directors Meeting

12. CLOSED SESSION

- A. Conference with Legal Counsel – Existing litigation, pursuant to Government Code §54956.9(a), California Water Service Company, et al. v. City of Compton, et al., Case No. 506 806
- B. Conference with Legal Counsel – Existing litigation, pursuant to Government Code §54956.9(a), Central and West Basin Water Replenishment District v. Charles Adams; L.A.S.C. Case No. 786, 656
- C. Conference with Labor Negotiator: Clifton Albright
Employee Organization: American Federation of State County & Municipal Employees (AFSCME)
- D. Conference with Legal Counsel – Pending Litigation
Pursuant to Government Code §54956.9
Name of Case: City of Cerritos, City of Downey and City of Signal Hill v. Water Replenishment District of Southern California
Case No.: Los Angeles County Superior Court BS128136

- E. Conference with Legal Counsel – Anticipated Litigation, Pursuant to Government Code §54956.9 (b), Three Cases

The Board went into closed session. The Board reconvened in open session.

Special Counsel Ed Casey reported that there were no reportable actions taken.

13. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned at 12:25 p.m., in memory of Joe Cerrell, and upon a motion duly made by Director Murray and seconded by Director Katherman.

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary

UNAPPROVED
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**MINUTES OF JANUARY 19, 2011
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A special meeting of the Board of Directors of the Water Replenishment District of Southern California was held on January 19, 2011 at 9:00 a.m. in the District office located at 4040 Paramount Boulevard, Lakewood, California. President Sergio Calderon called the meeting to order. Government Affairs Manager Adeline Yoong recorded the minutes.

1. DETERMINATION OF A QUORUM

President Calderon declared that a quorum of Directors was present, which in addition to himself included Directors Lillian Kawasaki, Rob Katherman, Willard H. Murray, Jr., and Albert Robles.

2. PLEDGE OF ALLEGIANCE

President Calderon led the pledge of allegiance.

3. INVOCATION

President Calderon gave the Invocation.

4. PUBLIC COMMENT

None.

5. LEGISLATIVE BRIEFING

WRD federal advocate Jacob Johnson provided a federal update. WRD state advocate Bob Reeb provided a state update.

6. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned.

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary



MEMORANDUM

ITEM NO. 7

<i>Prepared by:</i>	Ted Johnson
<i>Reviewed by:</i>	Jason Weeks
<i>Approved by:</i>	Robb Whitaker

DATE: MARCH 4, 2011

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RECEIVE AND FILE ENGINEERING SURVEY AND REPORT; ADOPT RESOLUTION TO SET A REPLENISHMENT ASSESSMENT IN 2010-11

SUMMARY

On January 21, 2011, the Board of Directors adopted Resolution No. 11-895 ordering the preparation of the annual Engineering Survey and Report (ESR). This report determines, among other things, the replenishment water needs and costs of the District for the ensuing water year October 1, 2011 – September 30, 2012 (water year 11-12).

This information, combined with the upcoming fiscal year 11-12 proposed budget, provides the Board with the necessary information to determine the Replenishment Assessment (RA) for the ensuing fiscal year which extends from July 1, 2011 through June 30, 2012 (fiscal year 11-12). The current schedule for the ESR and RA is as follows:

Date	Item	Board action
01/21/11	Order preparation of ESR	Adopt Resolution to order preparation of ESR
03/04/11	Complete the ESR	Receive and File ESR. Adopt Resolution giving notice of plan to adopt a RA for fiscal year 11-12
04/01/11	Open Public Hearing	Conduct public hearing on ESR and RA
05/06/11	Close Public Hearing	Close public hearing on ESR and RA
05/06/11	Set the RA	Adopt RA for fiscal year 11-12

Staff is finalizing the ESR and will present it to the Board. A summary of the preliminary findings is presented below:

- Total groundwater production in the previous water year 09-10 was 241,329 acre-feet. In the current year 10-11 it is estimated that production will equal 241,000 acre-feet. For the ensuing year 11-12, total production is estimated at 243,000 acre-feet.
- In water year 09-10 a total of 27,000 acre-feet were added to storage and groundwater levels rose on average 5 feet in the Montebello Forebay and 1 foot or less over the rest of the District. In the past 10 years, groundwater in storage has declined by 114,400 acre-feet, including the gain observed in 09-10. Groundwater quantities remain below Optimum Quantities.

- The accumulated overdraft at the end of water year 09-10 was 726,300 acre-feet. The basins are 114,300 acre-feet below the optimum quantity established by the Board in 2006. There will be an annual overdraft in the ensuing year estimated at 97,800 acre-feet which should be made up by WRD purchasing replenishment water.
- In water year 09-10, the District purchased 26,286 acre-feet of untreated Tier 1 water for spreading and 50,970 acre-feet of recycled water and received an additional 4,761 acre-feet of incidental recycled water from the Pomona Plant and 35,398 acre-feet of local water from river base flow and storm water capture. For the seawater barriers, the District purchased 17,752 acre-feet of treated Tier 1 water and 11,432 acre-feet of recycled water.
- For the ensuing water year 11-12, the District intends to purchase for spreading at least 21,000 acre-feet of untreated Tier 1 water (since the discounted replenishment water remains unavailable from MWD) and 50,000 acre-feet of recycled water. In addition, another 3,500 acre-feet of untreated Tier 1 water may be available for purchase for spreading to help make-up for the imported water that was unable to be purchased in prior years. For the seawater barrier wells, the District intends to purchase 16,800 acre-feet of imported water and 14,800 acre-feet of recycled water. In addition, the District intends to budget for 10,303 acre-feet of In-Lieu water as it has done previously. The total amount of water the District intends to purchase is 112,903 acre-feet to help reduce the Annual Overdraft and protect the basins for use as a future groundwater supply.
- The price for these water sources has not yet been determined by the suppliers to WRD. However, it is anticipated that there will be an approximate 7% increase in MWD's rates based on their 2-year budget adopted last year. The surcharges that the MWD-member agencies will apply to the MWD water before selling it to WRD is not yet known. These member agencies will be adopting their rates over the next month or two, and WRD will update its water cost estimate to reflect these surcharges. Based on known and assumed information, the District estimates that the cost of replenishment water will be approximately \$42,156,000 in the ensuing year.
- Important replenishment and water quality projects and programs are being pursued to ensure the current and future reliability of the two groundwater basins. One of the main initiatives is the District's Water Independence Now (WIN) program, which seeks to offset and eliminate the use of imported water for replenishment and instead utilize more storm water and recycled water, or other sources. The rising cost and uncertain reliability of imported water has forced the District to pursue alternative sources for replenishment to help manage the basins in the most cost-effective manner available. These projects and programs are discussed in detail in the ESR.

Upon the Board's acceptance of the ESR, under Water Code Section 60305 the Board must declare by Resolution whether funds will be raised to purchase replenishment water for the ensuing fiscal year and how those funds will be raised. The Resolution will also declare whether funds will be raised to remove contaminants from groundwater supplies during the ensuing fiscal year or to exercise any other power under Section 60224 of the Water Code. Attached is Resolution No. 11-898 for the Board to consider adopting on March 4, 2011.

FISCAL IMPACT

None at this time.

STAFF RECOMMENDATION

Receive and file the 2011 Engineering Survey and Report and adopt Resolution No. 11-898.

WATER RESOURCES COMMITTEE RECOMMENDATION

The Water Resources Committee will review this item at its March 2, 2011 meeting. A recommendation will be provided at the Board Meeting.

RESOLUTION NO. 11-898

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ORDERING ACCEPTANCE AND FILING OF THE ENGINEERING SURVEY AND REPORT SUBMITTED PURSUANT TO SECTIONS 60300 AND 60301 OF THE WATER CODE, DECLARING THAT FUNDS SHALL BE RAISED FOR THE PURCHASE OF WATER FOR REPLENISHMENT AND FOR GROUNDWATER REPLENISHMENT AND QUALITY PROGRAMS AND PROJECTS DURING THE ENSUING FISCAL YEAR, THAT SUCH FUNDS SHALL BE RAISED BY A REPLENISHMENT ASSESSMENT AS PROVIDED IN SAID WATER CODE, DECLARING THAT THE FUNDS TO BE RAISED BY SAID REPLENISHMENT ASSESSMENT WILL BENEFIT, EITHER DIRECTLY OR INDIRECTLY, ALL OF THE PERSONS, REAL PROPERTY AND/OR IMPROVEMENTS WITHIN THE DISTRICT, AND ORDERING THE PUBLICATION OF A NOTICE OF PUBLIC HEARING IN ACCORDANCE WITH SECTION 60306 OF THE WATER CODE

WHEREAS, there has been submitted to the Secretary of the Board of the Water Replenishment District of Southern California ("District") the engineering survey and report heretofore ordered pursuant to Sections 60300 and 60301 of the California Water Code; and

WHEREAS, the Board of Directors of the District ("Board") has received said report;

NOW, THEREFORE, BE IT RESOLVED AND DECLARED BY THE BOARD OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA:

Section 1. That the said engineering survey and report be received and filed in the records of the District;

Section 2. That funds shall be raised to purchase water for replenishment of the groundwater supplies within the District during the next ensuing fiscal year of the District, Fiscal Year 2011-2012, and to accomplish all acts reasonably necessary to said replenishment, including but not limited to the development and operation of capital projects, and that such funds shall be raised by a replenishment assessment, as provided in California Water Code Sections 60300 et seq;

Section 3. That funds shall be raised to remove contaminants from groundwater supplies and to exercise any other power under California Water Code Section 60224, including but not limited to developing and operating capital projects, and that such funds shall be raised by a replenishment assessment as provided by California Water Code Section 60300 et seq;

Section 4. That funds shall be raised to pay for the District's operating and administrative expenses and such funds shall be raised by a replenishment assessment pursuant to California Water Code Section 60300 et seq;

Section 5. A Public Hearing shall be held in accordance with the California Water Code Section 60043 for the purpose of determining whether and to what extent the estimated cost of the actions described in Sections 2, 3, and 4, above for the ensuing fiscal year shall be paid for by a replenishment assessment;

Section 6. That the funds so raised to accomplish the actions described in Sections 2, 3 and 4, above during the next ensuing fiscal year, 2011-2012, will benefit, directly or indirectly, all of the persons and/or real property and improvements within the District;

Section 7. That the General Manager of the District shall cause to be published on behalf of the Board a notice that a public hearing will be held for the purposes described in Section 5, above. Such notice shall be published once in the Los Angeles Bulletin, an adjudicated paper of general circulation in Los Angeles County, at least ten (10) days before said hearing. Such notice shall contain a copy of said Board's resolution, the time and place of said hearing, and an invitation to all interested parties to attend and be heard in support of or in opposition to said proposed assessment, and shall invite inspection of the engineering survey and report upon which the Board acted.

PASSED, APPROVED AND ADOPTED this 4th day of March, 2011.

Board President

ATTEST:

Board Secretary



MEMORANDUM

ITEM NO. 8

Prepared by: Adeline Yoong

Reviewed by: Elsa Lopez

Approved by: Robb Whitaker

DATE: MARCH 4, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: SB 701 (R. CALDERON): CENTRAL BASIN MUNICIPAL WATER DISTRICT:
REPORT

LEGISLATIVE BILL ANALYSIS

- Bill Summary and Status
SB 701 (R. Calderon), Central Basin Municipal Water District: report would require it to submit a report to the Legislature on the status of the Central Groundwater Basin and seawater barrier operations by July 1, 2012. The measure would require the municipal water district to provide an annual update of that report until 2016. The report shall include a review of all actions by the Department of Water Resources (DWR) and the Water Replenishment District of Southern California (WRD) in the Central Basin and short-term and long-term recommendations to improve the overall health and transparency of the Central Basin. DWR and WRD are required to cooperate with the municipal water district in providing information necessary for the completion of the report.

SB 701 is in the Rules Committee awaiting committee assignment and is eligible for hearing on or after March 22.
- Impact to WRD
This measure states that Central Basin Municipal Water District (CMBWD) has "primary oversight responsibility with respect to protecting the public's interest in the Central Groundwater Basin." Additionally, by instructing that the report contain a review of WRD actions in the Central Basin, the measure in essence creates a new authority and appears to add oversight powers to CBMWD over WRD's authority.

FISCAL IMPACT

Unknown.

STAFF RECOMMENDATION

For discussion and possible action.

ATTACHMENTS

- Bill text

Introduced by Senator Calderon

February 18, 2011

An act relating to the Central Basin Municipal Water District.

LEGISLATIVE COUNSEL'S DIGEST

SB 701, as introduced, Calderon. Central Basin Municipal Water District: report.

(1) Existing law, the Municipal Water District Law of 1911, authorizes the formation of a municipal water district to acquire and sell water.

This bill would require the Central Basin Municipal Water District, on or before July 1, 2012, to submit a report to the Legislature on the status of the Central Groundwater Basin and seawater barrier operations, and would prescribe the information to be included in the report. The bill would require the municipal water district to provide an annual update of that report, and would require the Department of Water Resources and the Water Replenishment District of Southern California to cooperate with the municipal water district in providing information necessary for the completion of the report. The bill would repeal this reporting requirement on July 1, 2016, in accordance with a specified provision of law.

(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, 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.

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

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

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

3 (a) The Central Basin Municipal Water District is a wholesale
4 water supplier in southeast Los Angeles County and overlies
5 approximately 75 percent of the Central Groundwater Basin.

6 (b) The Central Basin Municipal Water District was formed
7 under the Municipal Water District Law of 1911 (Division 20
8 (commencing with Section 71000) of the Water Code), and is a
9 groundwater rights holder in the Central Groundwater Basin.

10 (c) The Central Basin Municipal Water District is vested with
11 broad authority, including the authority to acquire, distribute, store,
12 spread, sink, treat, purify, recycle, recapture, and salvage water,
13 including sewage and stormwater, for the beneficial use of the
14 district, its inhabitants, and the holders of water rights in the
15 district.

16 (d) Therefore, the Central Basin Municipal Water District has
17 primary oversight responsibility with respect to protecting the
18 public's interest in the Central Groundwater Basin.

19 SEC. 2. (a) On or before July 1, 2012, the Central Basin
20 Municipal Water District shall submit a report to the Legislature
21 on the Central Groundwater Basin and associated seawater barrier
22 operations. The report shall include all of the following:

23 (1) A review of all actions by the Department of Water
24 Resources and the Water Replenishment District of Southern
25 California relating to the Central Groundwater Basin and associated
26 seawater barrier operations to determine the current status of the
27 Central Groundwater Basin and the seawater barrier operations.

28 (2) Short-term and long-term recommendations to improve the
29 overall health and transparency of the Central Groundwater Basin.

30 (b) The Central Basin Municipal Water District shall provide
31 an annual update of the report to the Legislature by July 1 of each
32 year.

33 (c) The Department of Water Resources and the Water
34 Replenishment District of Southern California shall cooperate with
35 the Central Basin Municipal Water District to provide all

1 information, reports, and any other data regularly generated by
2 those agencies, that is necessary for the completion of reports
3 pursuant to this section.

4 (d) (1) A report to be submitted pursuant to subdivision (a)
5 shall be submitted in compliance with Section 9795 of the
6 Government Code.

7 (2) Pursuant to Section 10231.5 of the Government Code, this
8 section is repealed on July 1, 2016.

9 SEC. 3. If the Commission on State Mandates determines that
10 this act contains costs mandated by the state, reimbursement to
11 local agencies and school districts for those costs shall be made
12 pursuant to Part 7 (commencing with Section 17500) of Division
13 4 of Title 2 of the Government Code.



MEMORANDUM

ITEM NO. 9

Prepared by: Adeline Yoong

Reviewed by: Elsa Lopez

Approved by: Robb Whitaker

DATE: MARCH 4, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: AB 954 (C. CALDERON): WATER REPLENISHMENT DISTRICTS

LEGISLATIVE SUMMARY

- Bill Summary and Status
AB 954 (C. Calderon) would require the Water Replenishment District to include the information currently required in its annual Engineering Survey and Report by specific basin rather than for the District service area as a whole. The legislation would also require the Board to adopt separate Replenishment Assessments for each basin, based on the water purchase costs, clean water project costs, capital improvement costs and administrative costs for each basin. The legislation would limit the maximum Replenishment Assessment in each basin to a yet-to-be-determined amount for 2012, 2013 and 2014.

AB 954 is a reintroduction of SB 1412 (R. Calderon) introduced last year. SB 1412 was pulled twice by its author and was not heard by the Senate Natural Resources and Water Committee.

AB 954 is also similar to a version of AB 640 (De La Torre) introduced in 2007. Intended initially to require WRD to charge separate assessments for groundwater production in the Central and West Coast Basins, the legislation was amended on the Assembly floor to require the Department of Water Resources to conduct a study to determine basin specific charges, including underflow, in each basin. AB 640 died in the Senate Appropriations Committee.

AB 954 is eligible for hearing in committee on or after March 22.

- Impact to WRD
Passage of AB 954 could affect ongoing judicial proceedings to amend the Central Basin Judgment to provide for storage. Three cities in the Central Basin and Central Basin Municipal Water District have opposed the Storage Motion, and the matter is now on appeal.

That motion to amend the Central Basin Judgment includes the following language:
"The mediated process resulted in a negotiated solution whereby the parties agreed to implement a comprehensive groundwater storage program upon certain conditions. Of particular importance was the need to maintain a uniform WRD

replenishment assessment across both Basins. However, rather than mandate that such be the case, the proposed Order submitted with this motion provides that the court's amendment of the Central Basin Judgment will be effective only for so long as there continues to be a legal requirement that the replenishment assessment be uniform."

FISCAL IMPACT

Unknown.

STAFF RECOMMENDATION

For discussion and possible action.

ATTACHMENT(S)

- Bill text

ASSEMBLY BILL

No. 954

Introduced by Assembly Member Charles Calderon

February 18, 2011

An act to amend Sections 60300, 60305, 60306, 60309, 60315, 60316, 60317, 60317.5, and 60325 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 954, as introduced, Charles Calderon. Water replenishment districts.

(1) The Water Replenishment District Act provides for the formation of water replenishment districts. The act grants authority to a water replenishment district relating to the replenishment, protection, and preservation of groundwater supplies within that district. The act requires the board of directors of a water replenishment district to prepare annually an engineering survey and report that includes information relating to the groundwater supplies within the district. The act requires the board to make certain determinations in connection with a decision to impose a water replenishment assessment to purchase replenishment water or to remove contaminants from the groundwater supplies of the district. The act requires the water replenishment assessment to be fixed at a uniform rate per acre-foot of groundwater produced within the district.

This bill, instead, would require information in that engineering survey and report, and those related determinations, to pertain to the groundwater in each basin within the district. The board of directors of a water replenishment district, upon determining to impose a water replenishment assessment on the production of groundwater from each groundwater basin, would be required, except as otherwise provided,

to impose the assessment in an amount that is calculated to pay for costs that include the actual cost of replenishing the groundwater basin, removing contaminants from the groundwater basin, and the administrative costs of the district. The charge would be required to be fixed at a uniform rate. The bill would make other conforming changes. By establishing these requirements on a water replenishment district, the 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.
State-mandated local program: yes.

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

1 SECTION 1. Section 60300 of the Water Code is amended to
2 read:

3 60300. Not later than the second Tuesday in February of each
4 ~~year~~ *year*, the board shall order an engineering survey and report
5 to be made regarding the ~~ground-water~~ *groundwater* supplies of
6 the district. The ~~same engineering survey and report~~ shall include,
7 among all other information and data ~~which~~ *that* the board may
8 require, the following:

9 (1)

10 (a) Records, ~~data~~ *data*, and other information for the
11 consideration of the board in its determination of the annual
12 ~~overdraft~~; *overdraft*.

13 (2)

14 (b) Records, ~~data~~ *data*, and other information for the
15 consideration of the board in its determination of the accumulated
16 overdraft as of the last day of the preceding water ~~year~~; *year*.

17 (3)

18 (c) A report, with supporting data, as to the total production of
19 ~~ground-water~~ *groundwater* from the ~~ground-water~~ *groundwater*
20 supplies within the replenishment district during the preceding
21 water ~~year~~; *year*.

22 (4)

1 (d) A report, with supporting data, as to the changes during the
2 preceding water year in the pressure levels or piezometric heights
3 of the ~~ground water~~ *groundwater* contained within pressure-level
4 areas of the replenishment district, and as to the effects thereof
5 upon the ~~ground water supplies~~ *each groundwater basin* within
6 such ~~the replenishment district;~~ *district.*

7 ~~(5)~~

8 (e) An estimate of the annual overdraft for the current water
9 year and for the ensuing water ~~year;~~ *year.*

10 ~~(6)~~

11 (f) An estimate of the accumulated overdraft as of the last day
12 of the current water ~~year;~~ *year.*

13 ~~(7)~~

14 (g) An estimate of the total production of ~~ground water~~
15 *groundwater* from the ~~ground water supplies~~ *each groundwater*
16 *basin* within the replenishment district for the current water year
17 and for the ensuing water ~~year;~~ *year.*

18 ~~(8)~~

19 (h) An estimate of the changes during the current water year in
20 the pressure levels or piezometric heights of the ~~ground water~~
21 *groundwater* contained within pressure-level areas of *each*
22 *groundwater basin within* the replenishment district, and of the
23 effects thereof upon the ~~ground water supplies~~ *each groundwater*
24 *basin* within such ~~the replenishment district;~~ *district.*

25 ~~(9)~~

26 (i) An estimate of the quantity, source, and cost of water
27 ~~available for replenishment of~~ *needed to replenish the ground*
28 ~~water supplies~~ *groundwater in each basin within the replenishment*
29 *district* during the ensuing water year under the provisions of
30 Section 60315.

31 (j) *An estimate of the total costs, including program and*
32 *administrative costs, of the district during the ensuing water year.*

33 SEC. 2. Section 60305 of the Water Code is amended to read:
34 60305. (a) On or before the second Tuesday in March of each
35 year, and provided the *engineering* survey and report ~~called for~~
36 *required* by Section 60300 has been made, the board, by resolution,
37 shall declare whether funds shall be raised to purchase water for
38 replenishment during the next ensuing fiscal year and whether the
39 funds shall be raised either by (a) a water charge, as provided in
40 Chapter 2 (commencing with Section 60245) of Part 5, (b) a

1 ~~general assessment, as provided in Chapter 3 (commencing with~~
 2 ~~Section 60250) of Part 5, (c) a replenishment assessment as~~
 3 ~~provided in this chapter, or (d) a combination of any two or more~~
 4 ~~of the foregoing, and whether the funds so to be raised, whether~~
 5 ~~by a water charge, a general assessment, a replenishment~~
 6 ~~assessment or a combination of those means, will benefit, directly~~
 7 ~~or indirectly, all of the persons or real property and improvements~~
 8 ~~groundwater basin within the district. The resolution shall also~~
 9 ~~declare whether funds shall be raised to remove contaminants from~~
 10 ~~groundwater supplies district during the next ensuing fiscal year~~
 11 ~~or to exercise any other power under Section 60224, and whether~~
 12 ~~the funds for that purpose shall be raised by a replenishment~~
 13 ~~assessment as provided in this chapter, with a like statement any~~
 14 ~~of benefit. the following:~~

15 *(1) A water charge, as provided in Chapter 2 (commencing with*
 16 *Section 60245) of Part 5.*

17 *(2) A general assessment, as provided in Chapter 3 (commencing*
 18 *with Section 60250) of Part 5.*

19 *(3) A replenishment assessment as provided in this chapter.*

20 *(4) A combination of any two or more of the charge or*
 21 *assessments described in this subdivision, and whether the funds*
 22 *to be raised, whether by a water charge, a general assessment, a*
 23 *replenishment assessment or a combination of those means, will*
 24 *benefit, directly or indirectly, all of the persons or real property*
 25 *and improvements overlying the groundwater basin for which*
 26 *replenishment water is proposed to be purchased.*

27 *(b) The resolution shall also declare whether funds shall be*
 28 *raised to remove contaminants from any groundwater basin within*
 29 *the district during the next ensuing fiscal year or to exercise any*
 30 *other power under Section 60224, and whether funds for that*
 31 *purpose shall be raised by a replenishment assessment as provided*
 32 *in this chapter, with a statement of benefit similar to that set forth*
 33 *in subdivision (a).*

34 SEC. 3. Section 60306 of the Water Code is amended to read:

35 60306. *(a) If the board, by resolution, determines that all or a*
 36 *portion of the funds needed to purchase replenishment water, or*
 37 *for any groundwater basin within the district, to remove*
 38 *contaminants from the groundwater supplies of basin within the*
 39 *district, or to exercise any other power under Section 60224, 60224*
 40 *with regard to any groundwater basin within the district, shall be*

1 raised by the levy of a replenishment assessment, ~~then the board~~
2 shall immediately publish a notice that a public hearing will be
3 held on the second Tuesday of April for the purpose of determining
4 whether and to what extent the estimated costs thereof for the
5 ensuing year shall be paid for by a replenishment assessment. The
6 notice shall contain a copy of the board's resolution, the time and
7 place of the hearing, and an invitation to all interested parties to
8 attend and be heard in support of or opposition to the proposed
9 assessment, the engineering survey and report, and the board's
10 determination, and shall invite inspection of the engineering survey
11 and report *assessment imposed upon which the board acted*. The
12 notice shall be published in each affected county pursuant to
13 Section 6061 *production of water from the Government Code*, at
14 least 10 days before the hearing date. *affected groundwater basin*.

15 (b) *The notice shall contain a copy of the resolution, the time*
16 *and place of the hearing, and an invitation to all interested parties*
17 *to attend and be heard in support of or opposition to the proposed*
18 *assessment, the engineering survey and report, and the board's*
19 *determination, and shall invite inspection of the engineering survey*
20 *and report upon which the board acted. The notice shall be*
21 *published in each affected county pursuant to Section 6061 of the*
22 *Government Code, at least 10 days before the hearing date.*

23 SEC. 4. Section 60309 of the Water Code is amended to read:

24 60309. All evidence relevant to the engineering survey and
25 report and the board's determination that ~~such~~ a replenishment
26 assessment shall be levied *upon the production of water from a*
27 *groundwater basin within the district* may be introduced.

28 SEC. 5. Section 60315 of the Water Code is amended to read:

29 60315. Upon completing the hearing, but no later than the
30 second Tuesday in May, the board shall, by ~~resolution~~, *resolution*
31 *adopted with regard to the replenishment of any groundwater*
32 *basin within the district*, find all of the following:

33 (a) The annual overdraft *of the groundwater basin* for the
34 preceding water year.

35 (b) The estimated annual overdraft *of the groundwater basin*
36 for the current water year.

37 (c) The estimated annual overdraft *of the groundwater basin*
38 for the ensuing water year.

39 (d) The accumulated overdraft *of the groundwater basin* as of
40 the last day of the preceding water year.

- 1 (e) The estimated accumulated overdraft *of the groundwater*
2 *basin* as of the last day of the current water year.
- 3 (f) The total production of groundwater from the groundwater
4 ~~supplies within basin for the district during the~~ preceding water
5 year.
- 6 (g) The estimated total production of groundwater from the
7 ~~groundwater supplies within the district~~ *basin* for the current water
8 year.
- 9 (h) The estimated total production of groundwater from the
10 ~~groundwater supplies within the district~~ *basin* for the ensuing water
11 year.
- 12 (i) The changes during the preceding water year in the pressure
13 levels or piezometric heights of the groundwater contained within
14 pressure-level areas of the ~~district,~~ *groundwater basin*, and the
15 effects thereof upon the ~~groundwater supplies~~ *water supply* within
16 the ~~district.~~ *basin*.
- 17 (j) The estimated changes during the current water year in the
18 pressure levels or piezometric heights of the groundwater contained
19 within pressure-level areas of the ~~district,~~ *groundwater basin*, and
20 the estimated effects thereof upon the ~~groundwater supplies~~ within
21 the ~~district.~~ *basin*.
- 22 (k) The quantity of water that should be purchased for the
23 replenishment of the ~~groundwater supplies of the district~~ *basin*
24 during the ensuing water year.
- 25 (l) The source and estimated cost of water available for the
26 ~~replenishment.~~ *replenishment of the groundwater basin*.
- 27 (m) The estimated costs of replenishing the ~~groundwater supplies~~
28 *basin* with the water ~~so~~ purchased.
- 29 (n) The estimated costs of purchasing, in water years succeeding
30 the ensuing water year, that portion of the quantity of water which
31 should be purchased for the replenishment of the groundwater
32 ~~supplies of the district~~ *basin* during the ensuing water year, but
33 which is estimated to be unavailable for purchase during the
34 ~~ensuing water year;~~ *estimated year. Estimated* costs shall be based
35 on the estimated price of water for replenishment purposes during
36 the ensuing water year.
- 37 (o) The estimated rate of the replenishment assessment required
38 to be levied upon the production of groundwater from the
39 ~~groundwater supplies within the district~~ *basin* during the ensuing
40 fiscal year for the purposes of accomplishing the ~~replenishment~~

1 *replenishment, including the payment of a reasonable, pro rata*
2 *allocation of the costs, including program and administrative costs,*
3 *of the district and providing a reserve fund to purchase in future*
4 *years, when available, that portion of the quantity of water which*
5 *should be purchased for the replenishment of the groundwater*
6 *supplies of the district basin during the ensuing water year, but*
7 *which is estimated to be unavailable for purchase during that*
8 *ensuing water year.*

9 (p) Whether any contaminants should be removed from *any*
10 *groundwater-supplies basin* during the ensuing fiscal year, and
11 whether any other actions under Section 60224 should be
12 undertaken *with regard to the groundwater basin* during the
13 ensuing fiscal year, the estimated costs thereof, and the estimated
14 additional rate of replenishment assessment required to be levied
15 upon the production of groundwater from the groundwater-supplies
16 *within the district basin* during the ensuing fiscal year for those
17 purposes.

18 (q) Whether any program for removal of contaminants *from the*
19 *groundwater basin* or other actions *taken with regard to the*
20 *groundwater basin* under Section 60224 should be a multiyear
21 program or is a continuation of a previously authorized multiyear
22 program.

23 (r) The amount, if any, by which the estimated reserve funds
24 on hand at the end of the current fiscal year will exceed the annual
25 reserve fund limit determined pursuant to Section 60290.

26 SEC. 6. Section 60316 of the Water Code is amended to read:
27 60316. Based on the findings pursuant to Section 60315, the
28 board shall, by resolution, determine all of the following:

29 (a) What portion, if any, of the estimated cost of purchasing
30 water for replenishment *of a groundwater basin within the district*
31 for the ensuing fiscal year shall be paid for by a replenishment
32 ~~assessment.~~ *assessment levied upon the production of groundwater*
33 *from the basin.*

34 (b) What portion, not exceeding 25 percent of the above portion,
35 of the estimated cost of purchasing in the future that quantity of
36 water which should be purchased during the ensuing water-year,
37 *year for the replenishment of a groundwater basin within the*
38 *district, but which is estimated to be unavailable during that year,*
39 shall be raised by a replenishment ~~assessment.~~ *assessment levied*
40 *upon the production of groundwater from the basin.*

1 (c) What portion of the estimated costs of removing
 2 contaminants from *any groundwater-supplies basin within the*
 3 *district* and of taking other actions under Section 60224 *with regard*
 4 *to the groundwater basin* during the ensuing fiscal year shall be
 5 paid for by a replenishment ~~assessment~~. *assessment levied upon*
 6 *the production of groundwater from the basin.*

7 (d) What portion, if any, of the cost of a capital improvement
 8 project for replenishment ~~purposes of a groundwater basin within~~
 9 *the district* shall be paid for by a replenishment ~~assessment~~.
 10 *assessment levied upon the production of groundwater from the*
 11 *basin.*

12 (e) What portion, if any, of the cost of a capital improvement
 13 project undertaken pursuant to Section 60224 *with regard to a*
 14 *groundwater basin within the district* shall be paid for by a
 15 replenishment ~~assessment~~. *assessment levied upon the production*
 16 *of groundwater from the basin.*

17 SEC. 7. Section 60317 of the Water Code is amended to read:

18 60317. (a) *If the board determines that a replenishment*
 19 *assessment shall be levied upon the production of groundwater*
 20 *from groundwater supplies within the district during the ensuing*
 21 *fiscal year, immediately following the making of that determination*
 22 *the board shall levy a replenishment assessment on the production*
 23 *of groundwater from each groundwater basin within the district*
 24 *during the fiscal year commencing on July 1.*

25 (b) (1) *The amount of the replenishment assessment shall be*
 26 *calculated in an amount to pay for costs that include the actual*
 27 *cost of replenishing the groundwater basin, the actual cost of*
 28 *removing the contaminants from the groundwater basin, including*
 29 *the undertaking of an action under Section 60224 on behalf of the*
 30 *groundwater basin, and the administrative costs of the district.*
 31 *The rate shall be a uniform rate calculated on the basis of the per*
 32 *acre-foot amount of groundwater produced from the basin.*

33 (2) *Notwithstanding paragraph (1), the amount of the*
 34 *replenishment assessment calculated for each groundwater basin*
 35 *may not exceed the following amounts in the following years:*

36 (A) (\$) for 2012

37 (B) (\$) for 2013.

38 (C) (\$) for 2014.

39 ~~If the board determines that a replenishment assessment shall~~
 40 ~~be levied upon the production of groundwater from groundwater~~

1 ~~supplies within the district during the ensuing fiscal year,~~
2 ~~immediately following the making of that determination the board~~
3 ~~shall levy a replenishment assessment on the production of~~
4 ~~groundwater from the groundwater supplies within the district~~
5 ~~during the fiscal year commencing on July 1st next, and the~~
6 ~~replenishment assessment shall be fixed by the board at a uniform~~
7 ~~rate per acre-foot of groundwater so produced. The~~

8 *(c) The producers of that groundwater shall pay the*
9 *replenishment assessment to the district at the times and in the*
10 *manner provided in this division. That part of the assessment levied*
11 *pursuant to the determination provided in subdivision (c) of Section*
12 *60316, exclusive of any part thereof for district administrative and*
13 *overhead expenses, shall not exceed 50 percent of the average*
14 *assessment levied for the current and four preceding fiscal years*
15 *pursuant to determinations under subdivisions (a) and (b) of Section*
16 *60316, exclusive of any part thereof for district administrative and*
17 *overhead expenses.*

18 SEC. 8. Section 60317.5 of the Water Code is amended to read:

19 *60317.5. (a) Except as set forth in this section, nothing in this*
20 *division prevents the use of district funds from any source for*
21 *powers and functions authorized under this division. That part of*
22 *a replenishment assessment levied pursuant to determinations*
23 *under subdivisions (a) and (b) of Section 60316 shall not be utilized*
24 *for the direct costs of prevention and removal of contaminants*
25 *under subdivisions (a) and (b) of Section 60224.*

26 *(b) Any part of a replenishment assessment levied pursuant to*
27 *a determination under subdivision (c) of Section 60316 that is not*
28 *expended may be obligated and expended for other uses authorized*
29 *by Section 60224 that benefit the groundwater basin to which the*
30 *replenishment assessment applies, after a hearing and findings*
31 *pursuant to Sections 60306 and 60315.*

32 *(c) Any part of a replenishment assessment levied pursuant to*
33 *a determination under subdivision (c) of Section 60316 that*
34 *remains unexpended and unobligated for five fiscal years after the*
35 *last obligation thereof, or any shorter period which the board may*
36 *by resolution determine, shall be deemed to have been levied for*
37 *other costs and expenses for which a replenishment assessment is*
38 *authorized under this division.*

39 ~~Except as set forth in this section, nothing in this division~~
40 ~~prevents the use of district funds from any source for powers and~~

1 functions authorized under this division. That part of a
2 replenishment assessment levied pursuant to determinations under
3 subdivisions (a) and (b) of Section 60316 shall not be utilized for
4 the direct costs of prevention and removal of contaminants under
5 subdivisions (a) and (b) of Section 60224. Any part of a
6 replenishment assessment levied pursuant to a determination under
7 subdivision (c) of Section 60316 which is not expended may be
8 obligated and expended for other uses authorized by Section 60224
9 after hearing and findings pursuant to Sections 60306 and 60315.
10 Any part of a replenishment assessment levied pursuant to a
11 determination under subdivision (c) of Section 60316 which
12 remains unexpended and unobligated for five fiscal years after the
13 last obligation thereof, or any shorter period which the board may
14 by resolution determine, shall be deemed to have been levied for
15 other costs and expenses for which a replenishment assessment is
16 authorized under this division. Funds

17 (d) Funds from a replenishment assessment, although restricted
18 as to use, may be loaned for any use for *benefiting the groundwater*
19 *basin to which and the replenishment assessment applies* within
20 the monetary limits for which, *which* such an assessment has been
21 levied. Any such loan shall be for a period not longer than 18
22 months and shall bear interest, as nearly as practicable in the
23 discretion of the board, at the rate which those funds might have
24 otherwise been invested at the time of the loan.

25 SEC. 9. Section 60325 of the Water Code is amended to read:

26 60325. (a) *The district, after the levying of the replenishment*
27 *assessment, shall give notice thereof to the operators of all*
28 *water-producing facilities overlying the groundwater basin to*
29 *which the replenishment assessment applies as disclosed by the*
30 *records of the district.*

31 (b) ~~The district, after the levying of the replenishment~~
32 ~~assessment, shall give notice thereof to the operators of all~~
33 ~~water-producing facilities in the district as disclosed by the records~~
34 ~~of such district, which notice shall state the rate of replenishment~~
35 ~~assessment for each acre-foot of ground water~~ *groundwater* to be
36 produced during the ensuing fiscal year. The notice may be sent
37 by postal card or by other first-class mail with postage prepaid by
38 the district.

39 SEC. 10. No reimbursement is required by this act pursuant
40 to Section 6 of Article XIII B of the California Constitution because

1 a local agency or school district has the authority to levy service
2 charges, fees, or assessments sufficient to pay for the program or
3 level of service mandated by this act, within the meaning of Section
4 17556 of the Government Code.

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MEMORANDUM

ITEM NO. 10

*Prepared by: Abbie Andom
Reviewed by: Robb Whitaker
Approved by: Robb Whitaker*

DATE: MARCH 4, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: CONSIDERATION OF CONTRACT WITH SHARON MARTINEZ

SUMMARY

President Calderon asked that the item be agendaized for Board consideration to approve a contract with Sharon Martinez in anticipation of additional legislative and other activity, beginning in March 2011, at a rate of up to \$5,000 per month, not to exceed six months. Additional information will be provided by President Calderon at the Board meeting.

FISCAL IMPACT

This is not a budgeted item.

PRESIDENT'S RECOMMENDATION

For consideration.