REGULAR MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
12621 E. 166th Street, Cerritos, California 90703

2:00 P.M., FRIDAY, MAY 2, 2003

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.

I. DETERMINATION OF A QUORUM

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

IV. PUBLIC COMMENT

V. 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.

VI. 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 REGULAR MEETING OF APRIL 2, 2003
   Staff Recommendation: That the Board approve the minutes as submitted.

B. PURCHASE AGREEMENT FOR A NEW TELEPHONE SYSTEM
   Staff Recommendation: That the Board authorize the General Manager to enter into an agreement with Inter-Tel to purchase a new telephone system for $38,000 with a 5% contingency.

   Committee Recommendation: The Administrative Committee recommended that the Board authorize the General Manager to enter into an agreement with Inter-Tel to purchase a new telephone system for $38,000 with a 5% contingency.
VII. CONSIDERATION OF RESOLUTION NO. 03-665 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA CONCERNING THE TECHNICAL ADVISORY COMMITTEE

*Staff Recommendation:* None.

*Committee Recommendation:* The Administrative Committee recommended that the Board adopt Resolution No. 03-665.

VIII. CONTINUATION OF PUBLIC HEARING ON ANNUAL SURVEY REPORT ON GROUNDWATER CONDITIONS AND ASSESSMENT FOR FISCAL YEAR 2003-2004

A. CONTINUE THE HEARING AND RECEIVE TESTIMONY
B. CLOSE THE HEARING

*Recommendation:* That the Board resume the Public Hearing from April 28, 2003, provide opportunity for public comment, and close the Public Hearing.


*Recommendation:* That the Board adopt Resolution No. 03-672.

X. LEGISLATIVE REPORT – AB 93 (CANCIAMILLA)

*Staff Recommendation:* That the Board support AB 93.

*Committee Recommendation:* The Inter-Agency Committee recommended that the Board take a position of Support pending review of ACWA’s position on the bill.

XI. RECONSIDERATION OF SB 906 (ESCUTIA)

*Recommendation:* For discussion.

XII. GENERAL MANAGER’S REPORT

XIII. DISTRICT COUNSEL REPORT

XIV. DIRECTORS’ REPORTS / COMMITTEE REPORTS
XV. WRD BOARD MEETING DATES
A. May 21, 2003 – 2:00 P.M. - Board of Directors Meeting
B. June 4, 2003 – 2:00 P.M. – Board of Directors Meeting
C. June 18, 2003 – 2:00 P.M. – Board of Directors Meeting
D. July 2, 2003 – 2:00 P.M. – Board of Directors Meeting

XVI. CLOSED SESSION
A. Existing litigation per Government Code §54956.9 (a)
   1. WRD vs Midland Park Water Trust; L.A.S.C. Case No. 01-CO-1417
   2. Central and West Basin Water Replenishment District vs Charles Adams; L.A.S.C. Case No. 786,656
B. Anticipated litigation per Government Code §54956.9(b)
   Three Cases
C. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltran
   Bargaining Group: American Federation of State County & Municipal Employees (AFSCME)
   Discussion: Terms and conditions for Memorandum of Understanding for bargaining group
D. Consideration of appointment, employment, evaluation of performance or dismissal of public employee per Government Code §54957
   Position Title: General Manager

XVII. ADJOURNMENT
Agenda posted by Marcia A. Forkos, Deputy Secretary, April 29, 2003. In compliance with ADA requirements, this document can be made available in alternative formats upon request.
MINUTES OF APRIL 2, 2003
MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

A regular meeting of the Board of Directors of the Water Replenishment District was held on April 2, 2003, at 2:00 P.M. in the District office at 12621 E. 166th Street, Cerritos, California. President Willard H. Murray, Jr. called the meeting to order and presided. Deputy Secretary Marcia A. Forkos recorded the minutes.

I. DETERMINATION OF A QUORUM
The President declared a quorum of Directors was present, which in addition to himself included Directors Pat Acosta, Robert W. Goldsworthy, Albert Robles, and Norm Ryan. Also participating in the meeting were General Manager Bruce Mowry, Assistant General Manager and District Engineer Robb Whitaker, District Counsels J. Arnoldo Beltrán and Edward Casey, and Government and Public Affairs Manager Adeline Yoong.

II. PLEDGE OF ALLEGIANCE
Director Acosta led the Pledge of Allegiance.

III. INVOCATION
Director Ryan gave the Invocation.

IV. PUBLIC COMMENT
Mr. Jim Glancy, WRD Technical Advisory Committee (TAC) Chairperson, stated that the TAC at its March 26 meeting made the following recommendations. The TAC supported WRD funding assistance to the Los Angeles County Department of Public Works for the San Gabriel Valley River Valley Boulevard Rubber Dams No. 2 and No. 3 Project. However, they requested that the $1.14 million funding be included in the Fiscal Year 2002/03 budget and not the Fiscal Year 2003/04 budget. The TAC also reviewed the
WRD resolution relating to the TAC. The TAC believed that a resolution was not necessary since the Water Code defines the existence of the TAC. He asked that the Board not consider adopting a resolution, and if it does, he asked that the TAC work with the Administrative Committee on the appropriate language. Lastly, he reported that the TAC reviewed the District’s reserve fund policy and recommended working with the Finance Committee.

Mr. Terry Sprague, resident of Manhattan Beach, stated that the last time he was before the WRD Board was in 1997 to introduce his water bag technology. He gave an overview of his plan and asked that the Board consider this new independent water source and delivery.

V. ADDITIONAL ITEMS TO THE AGENDA

President Murray requested that an additional item be added to the Board agenda, that there was a need to take immediate action on this item, and that this need arose subsequent to the posting of the agenda for this meeting. Upon advice of District Counsel Beltrán concerning subsequent need items under the Brown Act, a motion was duly made by Director Ryan, seconded by President Murray, and unanimously approved, it was

RESOLVED: That the Board determines that there is a need to take immediate action to discuss and act upon the item concerning the Bureau of Reclamation’s invitation to a conference on “Era of Limited Water Supply,” April 15, 2003, Las Vegas, Nevada.
VI. CONVENE PUBLIC HEARING ON ANNUAL SURVEY REPORT ON GROUNDWATER CONDITIONS AND ASSESSMENT FOR FISCAL YEAR 2003-2004

A. OPEN THE HEARING AND RECEIVE TESTIMONY

B. CLOSE THE HEARING OR CONTINUE THE HEARING TO THE BOARD MEETING OF APRIL 16, 2003

President Murray opened the public hearing and invited comments. General Manager Bruce Mowry stated that the public is also welcome to make comments after the staff presentation.


Mr. Johnson noted that the total replenishment needs to meet the annual overdraft total 124,882 AF or a total replenishment cost of $27.5 million. Additional costs to cover water quality and replenishment projects and programs will be determined and will be in the annual budget.

Mr. Jim Glancy stated that the setting of the replenishment assessment is an on-going process. He expressed concern that the amount for spreading water is not realistic. He stated that he had expressed this concern at the last Finance Committee meeting.

Mr. Darryl Miller, Central and West Basin Municipal Water Districts (C&WBMWD), stated that spreading water will not be available until summer per the Metropolitan Water District (MWD). He asked what the
status was on the letter CBMWD sent to WRD regarding a request to set up a meeting to discuss the possibility of a long term agreement on spreading water.

General Manager Mowry stated that Assistant General Manager and District Engineer Robb Whitaker will be meeting next week with CBMWD’s Fernando Paludi to discuss this item.

Director Robles asked Mr. Miller what the possibility is of including discussions regarding WBMWD’s surcharges on WRD water purchases. Mr. Miller stated that discussions can commence on the staff level.

General Manager Mowry informed everyone of the special Board meeting at the end of the month regarding the rate assessment.

With no other comments from the public, President Murray stated that the Public Hearing will be continued to April 16, 2003 Board meeting.


Agenda Item VII was deferred to April 16, 2003 Board meeting.

VIII. CONSENT CALENDAR
A. MINUTES OF THE REGULAR MEETING OF MARCH 3, 2003
This item was taken off the Consent Calendar.
B. MINUTES OF THE REGULAR MEETING OF MARCH 17, 2003
   This item was taken off the Consent Calendar.

C. SAFE DRINKING WATER PROJECT – CITY OF NORWALK WELL 8
   REJECTION OF ECOLOGY CONSTRUCTION BID AND AWARD OF
   CONTRACT TO PACIFIC HYDROTECH CORP.
   This item was taken off the Consent Calendar.

D. WRD FUNDING ASSISTANCE FOR LACDPW RUBBER DAMS
   JANUARY 31, 2003
   This item was taken off the Consent Calendar.

Director Goldsworthy requested that Agenda Item VIII.A and VIII.B be removed from the Consent Calendar. Director Ryan requested that Agenda Item VIII.C and VIII.D be removed from the Consent Calendar.

VIII.A. MINUTES OF THE REGULAR MEETING OF MARCH 3, 2003
Upon a motion duly made by Director Goldsworthy, seconded by Director Ryan, and unanimously approved, it was

   RESOLVED: That the Board approves the minutes of the regular meeting of March 3, 2003 as amended.

VIII.B. MINUTES OF THE REGULAR MEETING OF MARCH 17, 2003
Upon a motion duly made by Director Goldsworthy, seconded by Director Robles, and unanimously approved, it was

   RESOLVED: That the Board approves the minutes of the regular meeting of March 17, 2003 as amended.

VIII.C. SAFE DRINKING WATER PROJECT – CITY OF NORWALK WELL 8
   REJECTION OF ECOLOGY CONSTRUCTION BID AND AWARD OF
   CONTRACT TO PACIFIC HYDROTECH CORP.

Director Ryan stated that he would like a full report on why Ecology Construction was deemed a nonresponsive bidder. He read from a
report the City of Manhattan Beach had prepared regarding its previous experience with Ecology Construction.

Director Goldsworthy stated that the Groundwater Clean-up Committee met and had reviewed the staff recommendation on why Ecology Construction was deemed nonresponsive. He stated that the reasons cited were very much similar to what Director Ryan had mentioned in the report he read.

Director Robles stated that the Committee procedure and structure work well in reviewing items first and then making recommendations to the Board. He added that he would like to have updates about committee meetings in his Board package from the General Manager.

Director Ryan stated that he would like backup documentation on every Board agenda item presented. He asked that the Board consider the report that he had read from be used as a template when the lowest bidder is deemed nonresponsive.

Upon a motion duly made by Director Ryan, seconded by Director Goldsworthy, and unanimously carried, it was

RESOLVED: That the Board: (a) rejects the bid from Ecology Construction, Inc. and (b) awards the contract to Pacific Hydrotech Corporation for the amount of $441,790, for construction of the Safe Drinking Water Program Treatment facility for Norwalk Well Number 8.

VIII.D. WRD FUNDING ASSISTANCE FOR LACDPW RUBBER DAMS

Director Ryan asked that staff make a presentation on this item.
General Manager Mowry stated that the Los Angeles County Department of Public Works (LACDPW) was selected to receive Proposition 13 funding for the construction of two rubber dams in the San Gabriel River. The dams will capture an additional 3,600 acre-feet of stormwater that will translate to nearly $1 million savings for WRD. The total estimated construction cost for the project is $4.43 million of which $2.15 million will be funded by the Proposition 13 grant. The County requested WRD to fund the remaining $1.14 million.

The Water Resources Committee and Technical Advisory Committee (TAC) reviewed this item and approved the project.

Mr. Glancy stated that the TAC reviewed the project and recommended that it move forward. He added that the TAC recommended that funding the project come from Fiscal Year 2002/03 funds. He also added that the potential impacts to the Long Beach Judgment were discussed.

General Manager Mowry stated that staff will discuss the impacts with District Counsel.

Upon a motion duly made by Director Goldsworthy, seconded by Director Robles, and unanimously carried, it was

RECOMMENDATION: That the Board approve WRD funding assistance to the Los Angeles County Department of Public Works for the San Gabriel River Valley Boulevard Rubber Dams No. 2 and No. 3 Project for an amount not to exceed twenty-five percent of the project or $1.14 million, whichever is less.
IX. AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES
BETWEEN THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA AND BRIAN J. BRADY & ASSOCIATES

Mr. Glancy stated that the inference made regarding this item is not a good one since the recruitment process was done on an oral basis. He stated that he would appreciate more information and added that the District has good staff members and there was no need to hire consultants.

Director Robles concurred. He stated that this item came to the Board upon the General Manager's recommendation based on an oral solicitation process. He felt that the District, not having done a formal Request for Proposal (RFP) process, could undermine its request for support on existing legislation. He also wanted to know what the scope of services would be and felt that the services identified in the staff report would not be the best use of the District's limited resources at the moment. Director Robles recommended that the item be referred back to the Groundwater Clean-up Committee and go thru a formal RFP process.

Director Goldsworthy stated that the hiring process undertaken did meet the District's Administrative Code procurement procedures. He added that Mr. Brady has a wealth of experience in strategic planning and CIP and that detailed task orders will be developed for each assignment.

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

RESOLVED: That the Board enter into a professional services contract with Brian J. Brady & Associates,
subject to approval as to form by District Counsel, not to exceed $50,000.

AYES: Directors Goldsworthy, Murray, Ryan
NOES: Directors Acosta, Robles

Director Goldsworthy stated that there should be a detailed work order for each task before Mr. Brady starts.

X. AMENDED AND RESTATED LEASE & WATER PURCHASE AGREEMENT FOR THE LEO J. VANDER LANS WATER TREATMENT FACILITY

This item was deferred to the April 16, 2003 Board meeting.

XI. CONSIDERATION OF RESOLUTION NO. 03-671 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPL CEMENT DISTRICT OF SOUTHERN CALIFORNIA TO BORROW FROM AND GRANT COLLATERAL TO FARMERS & MERCHANTS BANK

Mr. Glancy requested that this item be taken off the agenda and referred to the Finance Committee.

This item was referred to the Finance Committee.

XI.A. SUBSEQUENT NEED ITEM – TRAVEL REQUEST

Upon a motion duly made by President Murray, seconded by Director Goldsworthy, and unanimously carried, it was

RESOLVED: That the Board approves the attendance of Directors and staff to the Bureau of Reclamation’s conference on “Era of Limited Water Supply,” April 15, 2003, Las Vegas, Nevada.
XII. LEGISLATIVE REPORT – AB 83 (CORBETT), SB 906 (ESCUTIA), SB 50 (SHER)

Government and Public Affairs Manager Adeline Yoong provided an update on federal and state activities. On the federal side, Ms. Yoong stated that federal assistance was requested from Senator Feinstein for the abandoned wells program, chromium facility, and increase Title 16 funding for the Leo J. Vander Lans Water Treatment facility. Similar requests were sent to Congresswoman Lucille Royball-Allard, Congresswoman Linda Sanchez for the chromium facility, and Senator Grace Napolitano for the abandoned well program.

Ms. Yoong also distributed a matrix of legislative bills the District is following. She asked that the Board take action on AB 83, SB 50, and SB 906.

Upon a motion duly made by Director Acosta, seconded by Director Robles, and unanimously carried, it was

RESOLVED: That the Board supports AB 83 (Corbett).

Upon a motion duly made by Director Acosta, seconded by Director Robles, and unanimously carried, it was

RESOLVED: That the Board supports SB 50 (Sher).

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

RESOLVED: That the Board supports SB 906 (Escutia)
AYES: Directors Acosta, Goldsworthy, Robles
NOES: Directors Murray, Ryan

XIII. GENERAL MANAGER’S REPORT
General Manager Mowry introduced new staff members, Brett Glasscock and Laura Doud. Mr. Glasscock is now the District’s full-time Network Administrator having been under contract the past year. Ms. Doud is the District’s new Assistant Controller.

XIV. DISTRICT COUNSEL REPORT
Deferred to closed session.

XV. DIRECTORS’ REPORTS/COMMITTEE REPORTS
Director Robles stated that he would like clarification on the District’s hiring process. He stated that he would like to resolve the District’s hiring policy. He was under the impression that new positions must first go to the Board and then a formal advertising campaign follows to interview applicants. He asked that a formal report be submitted.

Director Acosta concurred. She stated that there is work to be done in this area. As Chairman of the Inter-Agency Committee, she reported that staff is working creatively in the District’s educational partnership program and that she would like more efforts devoted to water conservation.

Director Goldsworthy added that he just concluded a groundwater tour with 8th graders from Madrona Middle School which went very well. He commended staff on the activities planned for the students which were hands-on.

Director Ryan reported on the first budget workshop held yesterday.
President Murray stated that he would like the Board staff reports to have a separate heading for Fiscal Impact, Staff Recommendation, and Committee Recommendation when available.

XVI. MEETING DATES
A. April 16, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
B. May 7, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
C. May 21, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
D. June 4, 2003 – 2:00 P.M. – WRD Board of Directors Meeting

XVII. CLOSED SESSION
A. Existing litigation per Government Code §54956.9
   1. WRD vs Midland Park Water Trust; L.A.S.C. Case No. 01-CO-1417
   2. Central and West Basin Water Replenishment District vs Charles Adams; LASC Case No. 786,656

B. Anticipated litigation per Government Code §54956.9 (b): Three Cases
   Anticipated litigation per Government Code §54956.9 (c): One Case

C. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltran
   Bargaining Group: American Federation of State, County & Municipal Employees (AFSCME)
   Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

D. Consideration of appointment, employment, evaluation of performance or dismissal of public employee per Government Code §54957
   Position Title: General Manager

The Board went into closed session. The Board reconvened in open session.
For Agenda Item XVII.A.1 – A.3, no action was taken. For Agenda Item XVII.A.4, a status report was given, consensus was reached, and with Director Robles not participating in instructions given to Counsel.

Director Ryan left after Agenda Item XVII.A.4.

For Agenda Item XVII.B, three cases were reviewed under Government Code §54956.9 (b) and one case was reviewed under Government Code §54956.9 (c). District Counsel was given further instructions for a letter by the Directors.

For Agenda Item XVII.C, no action was taken. Agenda Item XVII.D was not taken up.

XVIII. ADJOURNMENT

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

____________________________
President

ATTEST:

____________________________
Secretary
AGENDA ITEM NO. VI.B

DATE: APRIL 2, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE A. MOWRY, GENERAL MANAGER
SUBJECT: PURCHASE AGREEMENT FOR A NEW TELEPHONE SYSTEM

In August 2002, the Administrative Committee recommended and the Board took action to issue Requests for Proposals (RFP) for a new phone system. The RFP advertisement was published once per week for four consecutive weeks in the Los Angeles Bulletin. RFPs were also sent to three prominent vendors: Siemens, Verizon and Inter-Tel, which staff had interviewed while searching for an appropriate system to meet the District’s needs. Only one vendor, Inter-Tel, submitted a proposal in response to the RFP.

A staff committee was formed to review proposals. Based on its review, the staff committee recommends that the District enter into an agreement to purchase a telephone system from Inter-Tel for several reasons:

- Inter-Tel was the only responsive vendor.

- The system meets the functional needs that staff identified as “must haves.” The system is modular in nature therefore it has expanding architecture and the ability to incorporate new technology by software enhancement. Staff also looked for a system that is versatile and able to interact with Microsoft Outlook. By interacting with Microsoft Outlook, the phone system allows a user to manage calls, faxes, voice mail, and e-mail, all through a desktop computer.

- The Inter-Tel telephone system offers many enhancements over the current system. It provides more features, more memory, more hardware configuration and an automated attendant console.

- If the District relocates in the future, the Inter-Tel phone system can easily be moved.
There are two purchasing options available to the district:

- The first is a lease/purchase option. The lease payment would be $932.11/month and is calculated by taking the cash value of the system and adding 5 years of maintenance along with all other provisions included in the program including risk of loss insurance, etc. The formula used to calculate the payment is as follows: cash price of $34,965.54, plus maintenance provision of $7,791.80 X .0218 = $932.11 plus tax of $76.90 = $1,009.01 for 60 months. The total cost of the lease is $60,540.60.

- The second option is to purchase the system and own it upfront for $37,129.03. With the upfront purchase the District has several alternatives. The District can opt to purchase a maintenance agreement for maintaining the system in tier levels (Note: the first year maintenance is free with the purchase), or go without a maintenance agreement and pay per incident. The District may add a maintenance agreement at any time.

The attachments provided give more details on the two options listed as well as a detailed description of the equipment and system features.

**FISCAL IMPACT**
The purchase price for the telephone system is $37,129.03. The system was budgeted in the Fiscal Year Budget 2002/2003 at $33,000.00.

**STAFF RECOMMENDATION:**
That the Board authorize the General Manager to enter into an agreement with Inter-Tel to purchase a new telephone system for $38,000 with a 5% contingency.

**COMMITTEE RECOMMENDATION:**
The Administrative Committee recommends that the Board authorize the General Manager to enter into an agreement with Inter-Tel to purchase a new telephone system for $38,000 with a 5% contingency.
Since the creation of the Technical Advisory Committee (TAC), issues have arisen, from time to time, concerning the nature and scope of the District’s consultation obligations with the TAC. Resolution No. 03-665 is aimed at clarifying those issues in order to enhance the District’s working relationship with the TAC.

This matter was reviewed and approved by the Administrative Committee at its February 13, 2003 meeting. In addition, the proposed resolution was reviewed and approved by the Chairman of the TAC at the same meeting.

**FISCAL IMPACT**
Unknown.

**RECOMMENDATION:** The Administrative Committee recommended that the Board adopt Resolution No. 03-665.
RESOLUTION NO. 03-665

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA CONCERNING THE TECHNICAL ADVISORY COMMITTEE

I. RECITALS

A. The Water Replenishment District of Southern California (the “District”) is organized and operates pursuant to the Water Replenishment District Act, Water Code section 60000 et seq. (“Enabling Act”) and the District’s Administrative Code.

B. Section 60233.5(c), (d) of the Enabling Act applies specifically to the District, providing that (1) the Central Basin Water Association and the West Basin Water Association shall appoint six professionals with expertise relating to water to a technical advisory committee (the “TAC”), (2) the District shall consult with the TAC for certain purposes, and (3) the District shall maintain records regarding all proposed projects, the recommendations of the TAC, and the final decisions made by the District Board with regard to those projects.

C. The District seeks to effectively and efficiently administer its coordination with the TAC under Water Code Section 60233.5(c), (d).

II. RESOLUTION

BE IT RESOLVED by the Board of Directors of the Water Replenishment District of Southern California as follows:

I. Projects Subject to Consultation

A. Section 60233.5(c)(2) provides that the District shall consult with the TAC “for the purpose of evaluating projects proposed by the district, including but not limited to capital improvement programs, and any amendments thereto, undertaken pursuant to subdivision (d), making recommendations to the board of the district, and establishing criteria relating to the construction of projects for water quality improvement purposes.” Section 60233.5(d) provides that the District shall consult with the TAC with respect to certain aspects of the District’s capital improvement plan (a “CIP”), including the procedures for review and updating the CIP.
B. To provide further clarity to the scope of the District’s obligation to consult with the TAC, the District shall consult with the TAC regarding the following (1) any proposed capital project to be funded, in whole or in part, by the District. The TAC shall be consulted on such proposed capital projects in order to obtain its evaluation of the merits of the proposed capital project and, if necessary, any criteria relating to the construction of the project. The District’s obligation to consult with the TAC shall cease once the District’s Board of Directors approves the proposed capital project and the project has begun to achieve its functional objective; and (2) the District’s CIP and any proposed updates or revisions thereto that would significantly change the CIP.

C. Among other things, the District’s obligations to consult with the TAC shall not extend to personnel matters, procurement, budgeting or financing outside of capital projects, or rate setting matters.

D. These administrative procedures shall not preclude the District from voluntarily consulting with the TAC on matters outside the scope of the matters delineated above.

II. Scope of Consultation

A. The scope of the District’s consultation with the TAC should be reasonable, depending on the facts and circumstances of each consulting scenario.

B. The facts and circumstances affecting the scope of the District’s consultation with the TAC regarding a proposed capital project may include, but are not limited to, the technical complexity of the project, District ownership of or involvement in the capital project, the subject matter of the capital project, economic analysis of the capital project, and any urgent or emergency circumstances.

C. The District shall provide sufficient information to the TAC on a timely basis. Information should be provided to the TAC at least four weeks prior to Board action to approve a capital project to allow the TAC adequate time to develop a recommendation for the Board.

III. Maintaining Records

A. For all proposed capital projects where the District consults with the TAC, the District will seek to prepare and maintain minutes to reflect the following aspects of meetings of the TAC; the identity of the TAC members attending TAC meetings; the issues presented for TAC consideration; the documents and materials reviewed or distributed during TAC meetings; the issues acted upon by the TAC; the voting decisions
made by individual TAC members; and the final TAC recommendations submitted to the District. The District shall also maintain copies of notices and agendas concerning the TAC meetings.

B. The District or the TAC may tape record TAC meetings.

IV. Meeting Place

A. The District shall provide the District Boardroom for regularly scheduled TAC meetings. These meetings shall not interfere with District Committee and Board of Directors meetings.

V. Consideration of TAC Recommendations

A. Recommendations for consideration shall fall within the scope described in sections I.B and D of this resolution.

B. Prior to being considered for approval by the District Board of Directors, a TAC recommendation (1) must be considered and approved by a majority of the TAC at a publicly noticed TAC meeting; (2) presented in writing to the District Board of Directors and such writing should be presented in time for its inclusion in the Board’s agenda packet, unless such requirements are waived by the Board President; and (3) must be presented by the Chair of the TAC or any other authorized TAC member at the appropriate Board of Directors meeting.

WHEREFORE, the Board of Directors of the Water Replenishment District of Southern California has adopted this Resolution as of the ___th day of ________________, 2003.

_________________________________________________________
Willard H. Murray, Jr., President

ATTEST:

_________________________________________________________
Robert W. Goldsworthy, Secretary
DATE: MAY 2, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE A. MOWRY, GENERAL MANAGER
SUBJECT: CONTINUATION OF PUBLIC HEARING ON ANNUAL SURVEY REPORT ON GROUNDWATER CONDITIONS AND ASSESSMENT FOR FISCAL YEAR 2003-2004

The Board will continue the Hearing, receive testimony, and close the hearing.

RECOMMENDATION: That the Board resume the Public Hearing from April 28, 2003, provide opportunity for public comment, and close the Public Hearing.
AGENDA ITEM NO. IX

DATE: MAY 2, 2003

TO: BOARD OF DIRECTORS

FROM: BRUCE A. MOWRY, GENERAL MANAGER

SUBJECT: CONSIDERATION OF RESOLUTION NO. 03-672 -
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER
REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA LEVYING
A REPLENISHMENT ASSESSMENT ON THE PRODUCTION OF
GROUNDWATER FROM THE GROUNDWATER SUPPLIES WITHIN
THE DISTRICT DURING THE FISCAL YEAR COMMENCING JULY 1,
2003 AND ENDING ON JUNE 30, 2004 AS PROVIDED IN SECTION
60317 OF CALIFORNIA WATER CODE AND MAKING FINDINGS AND
DETERMINATIONS REGARDING SAID ASSESSMENT IN
ACCORDANCE WITH SECTIONS 60315 AND 60316 OF THE WATER
CODE OF THE STATE OF CALIFORNIA

RECOMMENDATION: That the Board adopt Resolution No. 03-672.
AGENDA ITEM NO. X

DATE: MAY 2, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE A. MOWRY, GENERAL MANAGER
SUBJECT: LEGISLATIVE REPORT – AB 93 (CANCIAMILLA)

AB 93, the Safe, Clean, and Reliable Water Supply Water Bond Act of 2004, by Assemblymember Canciamilla will authorize the issuance of $7.886 billion in bonds to finance water quality, security, and supply infrastructure improvement programs. Staff will provide the Board with an analysis of the bill.

Staff will also provide updates on state and federal activities.

FISCAL IMPACT: $7.886 billion in bonds proceeds to finance water quality, security, and supply infrastructure improvement programs.

STAFF RECOMMENDATION: That the Board support AB 93.

COMMITTEE RECOMMENDATION: The Inter-Agency recommended that the Board take a position of support, pending review of ACWA’s position on the bill.
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<th>Bill No./Author</th>
<th>Title/Content</th>
<th>Status</th>
<th>Position</th>
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<tr>
<td>AB 58 Bates</td>
<td>State Water Pollution Cleanup and Abatement Account. Appropriates 75% of funds collected by a regional board to that board to carry out the Porter-Cologne Water Quality Control Act and 25% of those funds to the state board to carry out the act. <strong>Comments:</strong> The Porter-Cologne Act currently deposits funds collected to the State Water Pollution Cleanup and Abatement Account in the State Water Quality Control Fund. Monies in the account are then continuously appropriated to the state board for specified cleanup programs. Requires 2/3 votes.</td>
<td>Int. 12/05/02 Location: Assembly Environmental Safety &amp; Toxic Materials (01/13/02) Status: Amended by author (03/25/03); Hearing postponed to 04/29/03</td>
<td>Staff Rec: Watch ACWA: Support if Amended</td>
</tr>
<tr>
<td>AB 66 Leslie</td>
<td>Riparian Habitat: Adopt-A-Riverway Program. Authorizes the Department of Food and Agriculture to operate a government-volunteer partnership Resources Agency to establish an Adopt-A-Riverway Program. Program includes management of noxious and invasive weeds where present; litter removal; planting of native seedling trees, shrubs, native grasses, and wildflowers; improving public access and increasing recreational opportunities; and improving enhancing riparian, aquatic, or fish habitats. <strong>Requires consultation with the Department of Food and Agriculture on the noxious and invasive weed management and authorizes the Director of Transportation to recognize sponsors with the erection of courtesy sign on a public highway near the waterway.</strong> Authorizes the Secretary of the Resources Agency to make awards to state and local agencies or nonprofit organizations. Establishes an Adopt-A-Riverway Fund. Establishes guidelines for donor recognition signs.</td>
<td>Int. 12/09/02 Location: Assembly Environmental Safety &amp; Toxic Materials (04/09/03) Status: Amended by author (02/05/03, 03/26/03); Passed out of Water, Parks &amp; Wildlife (04/08/03)</td>
<td>Staff Rec: Watch ACWA: Favor</td>
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<td>AB 83 Corbett</td>
<td>Bottled water. Transfers regulations and licensure of bottled water from the Sherman Food, Drug and Cosmetic Law to the California Safe Drinking Water Law. Requires bottled water licensees to comply with provisions similar to those imposed on public water systems regarding emergency notification plans, consumer confidence reports, and annual inspections. Also requires the labeling on bottled water sold at retail or wholesale in a plastic beverage container to include specified information. Creates the Safe Bottled and Vended Water Account. <strong>Comments:</strong> Supported by NRDC, East Bay MUD, and Clean Water Action. Would require bottled water companies, like Coca Cola and Pepsi who market their own branded water, to comply with more stringent requirements listed in Consumer Confidence Reports.</td>
<td>Int. 01/06/103 Location: Assembly Appropriations (04/08/03) Status: Amended by author (03/13/03); Passed out of Assembly Environmental Safety &amp; Toxic Materials (04/08/03)</td>
<td>Staff Rec: Support ACWA: Favor WRD Board: Support (04/02/03)</td>
</tr>
<tr>
<td>AB 93 Canciamilla</td>
<td>Safe, Clean, and Reliable Water Supply Water Bond Act of 2004. Authorizes the issuance of bonds in the amount of $7.886 billion to finance water quality, security, and supply infrastructure improvement programs. <strong>Comments:</strong> This will be the 2004 or 2006 water bond.</td>
<td>Int. 01/08/03 Location: Assembly Environmental Safety &amp; Toxic Materials Status: Amended by author (04/07/03); passed Water, Parks &amp; Wildlife (04/08/03); Hearing on 04/22/03</td>
<td>Staff Rec: Watch ACWA: Support if Amended</td>
</tr>
</tbody>
</table>
| AB 107 | Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. | Appropriates funds from Prop 50 for certain water security projects, including the Bay Area Regional Desalination Project, the construction of a water supply reliability project of the East Bay MUD and water agencies in certain counties for source water quality improvement projects. | Int. 01/10/03  
Location: Assembly Water, Parks & Wildlife  
Status: Amended by author (03/17/03); Hearing canceled at author's request (04/08/03)  
Staff Rec: Watch  
ACWA: Oppose unless amended |
|---|---|---|---|
| AB 148 | Water replenishment districts. | Authorizes a water replenishment district to construct necessary works to achieve groundwater replenishment. | Int. 01/21/03  
Location: Assembly Local Government (04/10/03)  
Staff Rec: Watch  
ACWA: Watch |
| AB 314 | Desalination. | Declares that it is the policy of the state that desalination projects developed for public water entities be considered for assistance and funding on an equal basis with other water efficiency, supply, and reliability projects, and that desalination projects be consistent with all applicable environmental protection policies in the state. | Int. 02/07/03  
Location: Assembly Water, Parks & Wildlife (04/01/03)  
Status: Amended by author (04/01/03); Hearing on 04/22/03  
Staff Rec: Watch  
ACWA: Watch |
| AB 334 | Water softening and conditioning appliances. | Authorizes limitation or prohibition of water softening or conditioning appliances that discharge to the community sewer system.  
2002 Recycled Water Task Force. | Declares the Legislature's intent to implement the recommendations of the 2002 Recycled Water Task Force. | Int. 02/07/03  
Location: Assembly Environmental Safety & Toxic Materials  
Status: Amended by author (04/10/03)  
Staff Rec: Watch  
ACWA: Watch |
| AB 386 | Drinking water: local primacy agencies. | Requires DHS to meet and confer with representative of the California Conference of Directors of Environmental Health or the local primacy agencies, or both, to identify and provide adequate funds to local primacy agencies, prior to passing on any new mandates or expanding existing mandates. | Int. 02/14/03  
Location: Assembly Environmental Safety & Toxic Materials (02/27/03)  
Status: Hearing on 04/29/03  
Staff Rec: Watch  
ACWA: Watch |
| AB 536 | Water replenishment districts. | Requires a water replenishment district to conduct a written cost-benefit analysis to determine the feasibility of a project before building, leasing, purchasing, or contracting for a capital improvement project.  
Comments: Spot bill | Int. 02/12/03  
Location: Assembly Water, Parks & Wildlife (03/10/03)  
Status: Hearing on 04/29, 9 am  
Staff Rec: Watch  
ACWA: Watch |
| AB 562 | 2002 Recycled Water Task Force. | Declares the Legislature's intent to implement the recommendations of the 2002 Recycled Water Task Force. | Int. 02/18/03  
Location:  
Staff Rec: Watch  
ACWA: Watch |
| AB 740 | Clean Air, Clean Water, and Coast Protection Act of 2004. | Authorizes the issuance of $2.9 billion in state bonds for air and water quality and coastal protection program. | Int. 02/19/03  
Location: Assembly Environmental Safety & Toxic Materials (04/09/03)  
Status: Passed out of Assembly Natural Resources (04/09/03);  
Staff Rec: Watch  
ACWA: Watch |
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<th>Bill</th>
<th>Sponsor</th>
<th>Description</th>
<th>Status</th>
<th>Staff Rec</th>
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<tbody>
<tr>
<td>AB 817</td>
<td>Pacheco</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: Water management. Appropriates $15 million from Prop. 50 to the State Water Resources Control Board to finance the creation, coordination, and implementation of a statewide educational and outreach program related to water quality. Comments: The State Board has already determined that $40 million should be available for the small community systems program under the Clean Water Act; an additional $40 million would be available for nonpoint discharge water quality programs. This money has been included in the Governor’s 2003-04 Budget. The remaining $20 million would be available for a future fiscal year. ACWA opposes the bill because it is inconsistent with the State Board priorities, is outside of the Machado SB 21 stakeholder process, and would utilize Prop. 50 bond proceeds for an educational program that might not provide benefits for the entire 20-year period for retiring the debt incurred by the issuance of the bonds.</td>
<td>Amended by author (04/10/03)</td>
<td>Int. 02/20/03 Location: Assembly Environmental Safety &amp; Toxic Materials (03/03/03) Status: Hearing on 04/22/03</td>
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<tr>
<td>AB 826</td>
<td>Jackson</td>
<td>Drinking Water Standards: The Perchlorate Contamination Prevention Act. Requires the Department of Toxic Substances Control to establish an integrated perchlorate survey program. Mandates the Department to prepare an inventory of perchlorate facilities or suspected perchlorate release sites and report to the Legislature. Requires existing groundwater monitoring wells to be used for early warning or sentinel wells to warn of impending threat to drinking water resources. Instructs the Department to develop protocols and procedures for conducting groundwater monitoring or perchlorate sentinel wells. States the intent of the Legislature to enact legislation that would establish a program for the elimination or significant reduction of perchlorate in the state’s drinking water, and to ensure that DHS sets regulatory drinking water standards for perchlorate that are close to the corresponding public health goal as is economically and technically feasible.</td>
<td>Amended by author (04/10/03)</td>
<td>Int. 02/20/03 Location: Assembly Environmental Safety &amp; Toxic Materials (04/10/03) Status: Amended by author (04/10/03)</td>
</tr>
<tr>
<td>AB 859</td>
<td>Nakano</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: water quality. Appropriates $30 million from Prop. 50 to the State Coastal Conservancy to finance the establishment and operation of a regionally based collaborative network of ocean observing system to monitor the California coast for water management.</td>
<td>Int. 02/20/03 Location: Assembly Natural Resources (03/24/03) Status: Hearing on 04/28/03</td>
<td>Staff Rec: Watch</td>
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<td>Bill Number</td>
<td>Sponsor</td>
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<td>AB 1107</td>
<td>Liu</td>
<td><strong>Groundwater: uniform data standards.</strong> Establishes an interagency task force to develop uniform groundwater data standards. Requires the state board, the Department of Water Resources, the State Department of Health Services, the Department of Pesticide Regulation, the Department of Toxic Substances Control, and the Department of Food and Agriculture to adopt any standards that are developed pursuant to the bill. <strong>Comments:</strong> Existing law requires the State Water Resources Control Board to integrate existing monitoring programs and design new program elements, as necessary, for the purpose of establishing a comprehensive monitoring program capable of assessing each groundwater basin in the state through direct and other statistically reliable sampling approaches, and to create an interagency task force composed of representatives of listed state agencies to identify actions necessary to establish the monitoring program and to identify measures that would increase coordination among state and federal agencies that collect groundwater contamination information.</td>
<td>Int. 02/21/03</td>
<td>Location: Assembly Water, Parks &amp; Wildlife and Assembly Environmental Safety &amp; Toxic Materials (03/24/03)</td>
</tr>
<tr>
<td>AB 1159</td>
<td>Liu</td>
<td><strong>Groundwater data.</strong> Enacts the Groundwater Data Standards Act of 2003. Requires the state board, in consultation with a technical advisory group and other responsible agencies, to determine what constitutes core groundwater data, define structures and standards for core groundwater data, identify groundwater data collection standards, evaluate existing structures and standards for groundwater data, and user and custodian requirements, and propose standards for the storage and transfer of core groundwater data for comment by the public and the scientific community. The bill would require the state board, in consultation with the technical work group, to prepare and submit to the Governor and the Legislature a report that includes recommendations for groundwater database standards and for the collection and transfer of groundwater data. <strong>Comments:</strong> Existing law requires the State Water Resources Control Board, on or before March 1, 2003, to submit a report to the Governor and the Legislature that includes a detailed description of a comprehensive groundwater quality monitoring program capable of assessing each groundwater basin in the state through statistically reliable sampling approaches.</td>
<td>Int. 02/21/03</td>
<td>Location: Assembly Water, Parks &amp; Wildlife (03/17/03)</td>
</tr>
<tr>
<td>AB 1517</td>
<td>Plescia</td>
<td><strong>Stormwater.</strong> States the intent of the Legislature to enact legislation that would foster science-based, environmentally beneficial, results-oriented and cost-effective water quality programs that draw on the strengths of municipalities that administer stormwater permits and the state and regional water quality control boards. <strong>Comments:</strong> Sponsored by San Diego County. <em>Bill is dead by San Diego’s lobbyist.</em></td>
<td>Int. 02/21/03</td>
<td>Location: Assembly Natural Resources</td>
</tr>
<tr>
<td>SB 21</td>
<td>Machado</td>
<td><strong>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.</strong> Enabling legislation for implementing Prop. 50</td>
<td>Int. 12/05/02</td>
<td>Location: Senate Environmental Quality (04/08/03)</td>
</tr>
<tr>
<td>SB 34</td>
<td>Soto</td>
<td><strong>Inland Empire Water Quality Authority.</strong> Establishes an Inland Empire Water Quality Authority to take measures to improve the quality of groundwater in the Inland Empire.</td>
<td>Int. 12/02/02</td>
<td>Location: Senate Rules</td>
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<tr>
<td>Bill No.</td>
<td>Author</td>
<td>Title</td>
<td>Brief Description</td>
<td>Status</td>
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<td>SB 50</td>
<td>Sher</td>
<td><strong>Bottled water: regulatory program.</strong></td>
<td>Expresses the intent of the Legislature to enact legislation to apply regulations to bottled water and vended water products similar to those imposed on tap water. Regulations include the preparation of annual consumer confidence reports, annual inspections, assessment of fees to fund a bottled water regulatory agency administered by DHS. <strong>Comments:</strong> Supported by NRDC, East Bay MUD, and Clean Water Action. Would require bottled water companies, like Coca Cola and Pepsi who market their own branded water, to comply with more stringent requirements listed in Consumer Confidence Reports.</td>
<td>Int. 01/09/03 Location: Senate Rules (01/27/03)</td>
</tr>
<tr>
<td>SB 117</td>
<td>Machado</td>
<td><strong>Quantification Settlement Agreement.</strong></td>
<td>Declares the Legislature's intent that Coachella Valley Water District, the Imperial Irrigation District, and the Metropolitan Water District approve the Quantification Settlement Agreement and that the Agreement be consistent with the state's commitment to the restoration of the Salton Sea.</td>
<td>Int. 02/03/03 Location: Senate Rules (02/12/03)</td>
</tr>
<tr>
<td>SB 196</td>
<td>Kuehl</td>
<td><strong>California regional water quality control boards.</strong></td>
<td>Requires that the next member of the regional water quality control boards upon vacancy be a city Councilmember or mayor. Also specifies that the county government representative of the regional boards upon vacancy be a county supervisor.</td>
<td>Int. 02/13/03 Location: Senate Rules (02/13/03)</td>
</tr>
<tr>
<td>SB 214</td>
<td>Morrow</td>
<td><strong>Waste discharge requirements: municipal separate storm sewer systems.</strong></td>
<td>Requires the State Water Resources Control Board and the regional water quality control boards to prescribe and enforce waste discharge requirements for municipal separate storm sewer systems to conform to the &quot;maximum extent practicable&quot; standard as set forth by the Clean Water Act.</td>
<td>Int. 02/13/03 Location: Senate Rules (02/13/03)</td>
</tr>
<tr>
<td>SB 277</td>
<td>Ducheny</td>
<td><strong>Natural Community Conservation Plan: Salton Sea.</strong></td>
<td>Requires the Department of Fish &amp; Game to require MWD to develop a community conservation plan for the water transfer between the San Diego County Water Authority and the Imperial Irrigation District to ensure that the plan takes into account the long term restoration of the Salton Sea. <strong>Comments:</strong> Similar to SB 482 from last year.</td>
<td>Int. 02/19/03 Location: Senate Natural Resources and Wildlife Status: Amended by author (04/09/03); hearing on 04/22/03</td>
</tr>
<tr>
<td>SB 311</td>
<td>Sher</td>
<td><strong>Environmental health: drinking water.</strong></td>
<td>Allows any person to request an external scientific peer review prior to the publication of a risk assessment if the Office of Environmental Health hazard Assessment has not submitted such assessment to an external scientific peer review.</td>
<td>Int. 02/19/03 Location: Senate Environmental Quality Status: Hearing on 05/05/03</td>
</tr>
<tr>
<td>SB 317</td>
<td>Kuehl</td>
<td><strong>Salton sea.</strong></td>
<td>Modifies the endangered species laws, and conditionally waives the fully protected species laws and allow water transfers from IID under the Quantification Settlement Agreement. <strong>Comments:</strong> Similar to SB 482 from last year.</td>
<td>Int. 02/19/03 Location: Senate Appropriations (04/08/03) Status: Passed out of Senate Natural Resources &amp; Wildlife (04/08/03)</td>
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<td>SB 318</td>
<td>Alpert</td>
<td><strong>Urban water suppliers: desalinated water.</strong></td>
<td>Requires a plan to describe the opportunities for development of desalinated water, as defined, including but not limited to ocean water, brackish water, and groundwater, as a long-term supply.</td>
<td>Int. 02/19/03 Location: Senate Agriculture &amp; Water Status: Hear on 04/22/03</td>
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<tr>
<td>Bill Number</td>
<td>Bill Title</td>
<td>Introducer</td>
<td>Summary</td>
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<td>SB 411</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: Quantified Settlement Agreement.</td>
<td>Ducheny</td>
<td>Appropriates Prop. 50 funds to the Wildlife Conservation Board for land and water resource protection and restoration projects relating to the Quantification Settlement Agreement. An unspecified amount of bond funds for restoration activities at the Salton Sea or the lower Colorado River, or to assist in the development of a natural community conservation plan. <strong>Comments:</strong> The bill should be considered a placeholder should the QSA and all other actions precedent gain all necessary approvals. The expenditure of Prop. 50 funds is one of the condition identified by the 4 parties as necessary to go forward on the proposed IID-San Diego water transfer. The proposed expenditure of Prop. 50 funds is not without controversy at this time.</td>
<td>Int. 02/20/03</td>
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<tr>
<td>SB 479</td>
<td>Water Transfers.</td>
<td>Machado</td>
<td>Authorizes the Water Resources Control Board to approve a petition for a long-term transfer of water only if it determines that the proposed transfer would not cause substantial, negative third party impacts.</td>
<td>Int. 02/20/03</td>
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<td>SB 518</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.</td>
<td>Escutia</td>
<td>Requires agencies involved with administering Prop. 50 funding to consider adopting criteria that includes a preference for projects that benefit those areas with the highest population density and that face water supply shortages because their domestic water wells are located within 500 feet groundwater recharge areas, and projects that benefit severely economically disadvantaged areas or economically disadvantaged areas that will enhance environmental justice. Bill also exempts projects that benefit severely economically disadvantaged area from any matching fund requirements and prohibits administering agencies from imposing a matching fund requirement that exceeds 5% of the amount of grant awarded for a project that benefits an economically disadvantaged area. Appropriates an unspecified amount of bond funds for unspecified purposes.</td>
<td>Int. 02/20/03</td>
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<tr>
<td>SB 543</td>
<td>Groundwater: physical solutions. Water rights: groundwater cleanup operations.</td>
<td>Machado</td>
<td>Requires the operator of a groundwater cleanup operation to hold any water produced by the operation in constructive trust for the benefit of any public water system that has suffered injury as a result of the contamination of that water, unless certain requirements are met. Prohibits the state board from granting a permit or license to appropriate water, or approving a transfer of water, that is produced and discharged by the operator to a body of surface or a subterranean stream unless the operator has agreed to provide replacement water to the public water system injured by the contamination.</td>
<td>Int. 02/21/03</td>
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<tr>
<td>SB 750</td>
<td>Safe Drinking Water, Water Quality, Flood Protection, and Water Reliability Act of 2004.</td>
<td>Machado</td>
<td>Enacts the Safe Drinking Water, Water Quality, Flood Protection, and Water supply Reliability Act of 2004. <strong>Comments:</strong> This is the next water bond bill. It is currently in intent language.</td>
<td>Int. 02/21/03</td>
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<td>SB 906</td>
<td>Water districts.</td>
<td>Water districts</td>
<td>Sets the WRD’s reserve fund at $15 million. <strong>in an amount not to exceed</strong></td>
<td>Int. 02/21/03</td>
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<td><strong>Escutia</strong></td>
<td>6 months expenses of the adopted annual budget. Allows the GM or board authorized representative authority to sign contracts up to $25,000; and approve and sign contracts up to $10,000. Requires the West and Central Basin Municipal Water District to prepare a cost of service analysis that establish their rate and surcharge structure. of an amount yet to be determined. Limits the charges that Central and West Basin Municipal Water Districts can impose on the sale of imported water.</td>
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<td><strong>SB 922</strong></td>
<td><strong>Cleanup or abatement orders: contaminated drinking water supplies.</strong> Requires a discharger found to have contaminated a drinking water supply or potential drinking water supply to make certain calculations with regards to costs and clean-up. Civil penalties would be imposed for failure to meet the requirements. <strong>Comments:</strong> Although well intended, ACWA believes this bill to be too broadly written. Certain calculations would be nearly impossible and not very meaningful. ACWA staff believes it is far more practical for the affected public water system to secure needed replacement water supply and seek to recover costs through a civil action, as authorized pursuant to the Health and Safety Code. Nonetheless, ACWA staff concedes that amending Porter Cologne to recover costs through a cleanup and abatement order may expedite cost recovery.</td>
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<td><strong>SB 923</strong></td>
<td><strong>Water quality.</strong> Removes current exemptions for discharge of specified substances including petroleum, acid, coal or oil tar, lampblack, aniline, asphalt, bitumen, or residuary product of petroleum, or carbonaceous material or substance. Also allows the state board or regional board to waive waste discharge requirements subject to conditions. The bill requires the conditions of the waivers to include payment of an annual fee and the performance of monitoring duties. <strong>Comments:</strong> This bill presents potential benefits and costs. Potential negative operational impacts due to the elimination of the exception under existing law regarding the deposit of certain materials. Potential negative fiscal impacts due to the imposition of civil penalties if the discharger is not notified of a waste discharge violation. Potential benefits to water quality due to elimination of the exception under existing law regarding the deposit of certain materials. Potential increased costs for waivers for specific types of discharges. ACWA staff does not believe it is necessary to reduce flexibility in existing that provides authority to state board and a regional board. In addition, ACWA believes that an amendment regarding quarterly monitoring is appropriate. The phrase “where appropriate” should be inserted so that certain discharges – hydrant flushing, for example – could maintain a waiver without a monitoring requirement.</td>
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<td><strong>SB 998</strong></td>
<td><strong>California Economic Stimulus and Public Infrastructure.</strong> Enacts the California Economic Stimulus and Public Infrastructure Security and Investment Bond Act which would authorize the issuance of $1.045 billion in state bonds. <strong>Comments:</strong> A total of $80 million has been identified for water related infrastructure projects including $20 million for the Contaminant Removal Program Subaccount. Loans and grants under the Contaminant Removal Program Subaccount may be used for pilot or demonstration projects for drinking water disinfection and removal of contaminants such as NDMA, perchlorate, arsenic, chromium, radionuclides, pharmaceuticals and endocrine</td>
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<td>SB 1000</td>
<td>Aanestad</td>
<td><strong>Beneficial use: extension of time.</strong> Declares the nonuse of water as a result of conservation as good cause to extend the period specified in a permit for application of appropriated water to beneficial use. Requires the state board to extend the time for application of the water to beneficial use.</td>
<td>02/21/03</td>
<td>Senate Agriculture &amp; Water</td>
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<td>SB 1004</td>
<td>Soto</td>
<td><strong>Pechlorate.</strong> Requires each California regional water quality control board to publish and distribute to all public water system operators within the region a list of discharges of MTBE that occurred during the prior 3-month period and a list of locations where MTBE was detected in the groundwater within the region.</td>
<td>02/21/03</td>
<td>Senate Env. Quality</td>
</tr>
<tr>
<td>SBX1 4</td>
<td>Comm. on Budget and Fiscal Review</td>
<td><strong>Waste discharge fees.</strong> Increases the waste discharge permit fees and the stormwater permit fees by removing the $20,000 maximum. <strong>Comments:</strong> The additional amount raised from such increases in permit fees will be used to pay for the State Water Resources Control Board’s core regulatory programs. Referenced programs are currently paid from of the General Fund.</td>
<td>01/27/03</td>
<td>Assembly Budget</td>
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AGENDA ITEM NO. XI

DATE: MAY 2, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE A. MOWRY, GENERAL MANAGER
SUBJECT: RECONSIDERATION OF SB 906 (ESCUTIA)

The Board will discuss reconsideration of SB 906 (Escutia.)

RECOMMENDATION: For discussion.
An act to amend Sections 60290 and 60622 of, and to add Sections 60233.6 and Section 71611.5 to, the Water Code, relating to water.

LEGISLATIVE COUNSEL’S DIGEST

SB 906, as amended, Escutia. Water districts.

(1) Existing law, the Water Replenishment District Act, authorizes a water replenishment district to establish an annual reserve fund in an amount that does not exceed $10,000,000, subject to an annual adjustment. The act requires 80% of the funds in the reserve fund to be expended for water purchases.

This bill, instead, would authorize a water replenishment district to establish an annual reserve fund in an amount not to exceed an amount that equals the district’s expenditure requirements identified for a 6-month period in the annual budget adopted by the board of directors and $15,000,000. The bill would authorize the district to expend the funds in the reserve fund for any purpose authorized by the act in accordance with a minimum reserve fund policy established by the district’s board of directors.

(2) The Water Replenishment District Act requires all contracts and other documents executed by a water replenishment district to be signed by the president and secretary of the district.

This bill, instead, would require all contracts executed by the district that require or authorize the district to expend $10,000 or more to be authorized by the board of directors and signed by the president and secretary of the district and would except that the
The people of the State of California do enact as follows:

SECTION 1. Section 60233.6 is added to the Water Code, to read:

60233.6. Any savings realized by the Water Replenishment District of Southern California resulting from the implementation
of Section 71611.5 shall be applied by that district to the purchase
of replenishment water.

SEC. 2. —

SECTION 1. Section 60290 of the Water Code is amended to
read:

60290. The district may establish an annual reserve fund in an
amount not to exceed an amount that equals the district’s
expenditure requirements identified for a six-month period in the
annual budget adopted by the board of directors, commencing with
the 2003–04 fiscal year fifteen million dollars ($15,000,000).
Funds in the reserve fund, not including the funds described in
Section 60291 or the reserved funds described in subdivision (o)
of Section 60315, may be expended for any purpose authorized by
this division in accordance with a minimum reserve fund policy
established by the board of directors.

SEC. 3. —

SECTION 2. The district may establish an annual reserve fund in an
amount not to exceed an amount that equals the district’s
expenditure requirements identified for a six-month period in the
annual budget adopted by the board of directors, commencing with
the 2003–04 fiscal year fifteen million dollars ($15,000,000).
Funds in the reserve fund, not including the funds described in
Section 60291 or the reserved funds described in subdivision (o)
of Section 60315, may be expended for any purpose authorized by
this division in accordance with a minimum reserve fund policy
established by the board of directors.

SEC. 2. —

SECTION 3. Section 60622 of the Water Code is amended to read:

60622. (a) All contracts and other documents executed by
the district that require or authorize the district to expend ten
thousand dollars ($10,000) or more than _____ ($____) shall be
authorized by the board of directors and signed by the president
and the secretary.

(b) All contracts not described in subdivision (a) may be signed
by the general manager or other district representative authorized
by the board of directors.

SEC. 4. —

SECTION 4. The district may, by resolution for
a specific expenditure, authorize the district manager or other
district representative to sign contracts and other documents in the
name of the district, not to exceed twenty-five thousand dollars
($25,000).

(b) All contracts and other documents executed by the district
that require or authorize the district to expend less than ten
thousand dollars ($10,000) may be approved and signed by the
general manager or other district representative authorized by the
board of directors, provided, however, that the general manager
may not execute multiple contracts or documents on behalf of the
district with the same person or entity within a one-year period
that cumulatively total ten thousand dollars ($10,000) or more,
without the board’s prior approval.

SEC. 3. —

SECTION 71611.5 is added to the Water Code, to read:
71611.5. For the purposes of selling water supplied by the Metropolitan Water District of Southern California to the Water Replenishment District of Southern California, the Central Basin Municipal Water District and the West Basin Municipal Water District may not impose charges that exceed the sum of both of the following:

(a) The wholesale water charge imposed for that water by the Metropolitan Water District of Southern California.

(b) A reasonable charge that reflects the actual costs incurred by the Central Basin Municipal Water District or the West Basin Municipal Water District in connection with the delivery of that water by that district.

71611.5. The Central and West Basin Municipal Water Districts shall prepare a cost of service analysis that establishes their rate and surcharge structure and that includes all of the following:

(a) Actual costs of providing services to individual customers or groups of customers.

(b) Capital costs of providing services to individual customers or groups of customers.

(c) Improvement projects.

(d) Administrative overhead.

(e) Debt service management.

(f) Water purchases and treatments.

(g) Recycling programs.

(h) Any other public benefits.

SEC. 5.

SEC. 4. The Legislature finds and declares that Section 4 of the act adding this section, which is applicable only to the sale of water by the West Basin Municipal Water District or the Central Basin Municipal Water District to the Water Replenishment District of Southern California, is necessary because of the unique and special groundwater replenishment purposes for which that water is supplied particular relationship between the water districts in this region. It is, therefore, hereby declared that a general law within the meaning of Section 16 of Article IV of the California Constitution cannot be made applicable to those districts and the enactment of this special law is necessary for the conservation, development, control, and use of that groundwater for the public good.
SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.