## Assembly Bill No. 134

## CHAPTER 929

An act to amend Sections 12944.7 and 31633 of the Water Code, and to add Sections 15.1 and 16.1 to the Castaic Lake Water Agency Law (Chapter 28 of the Statutes of 1962, First Extraordinary Session), relating to water.

[Approved by Governor October 14, 2001. Filed with Secretary of State October 14, 2001.]

## LEGISLATIVE COUNSEL'S DIGEST

AB 134, Kelley. Water resources.

(1) The California Water Resources Development Bond Act authorizes the Department of Water Resources to enter into contracts for the sale, delivery, or use of water or power, or for other services and facilities, made available by the State Water Resources Development System (State Water Project) with public or private corporations, entities, or individuals, as prescribed. Existing law authorizes any public agency that has executed a contract with the state for a water supply to sell any water available to that agency directly to any ultimate water consumer within the agency, subject to certain limitations.

The Castaic Lake Water Agency Law authorizes the Castaic Lake Water Agency to acquire water and water rights, including water from the State Water Project. The agency law authorizes the agency to provide, sell, and deliver water at wholesale for municipal, industrial, domestic, and other purposes.

This bill would authorize the agency to exercise retail water authority within a specified area, in accordance with the County Water District Law and as otherwise specified. The bill, with a certain exception, would prohibit the agency from exporting groundwater produced within that specified area. The bill would require the agency, during any rolling average 5-year period, to use imported water for not less than 50% of the water supply demand within that specified area, thereby imposing a state-mandated local program. The bill would require the agency to prepare a groundwater management plan, thereby imposing a state-mandated local program. The bill would require the agency, prior to formulating or adopting the plan, to form a representative advisory council, comprised as specified, and to consult with the council regarding all aspects of any proposed groundwater management plan.

Ch. 929 — **2** —

(2) The County Water District Law prohibits the Coachella Valley Water District from imposing a replenishment assessment within an area of benefit that exceeds the sum of prescribed costs.

This bill would include within those prescribed costs the cost of recharging the groundwater basin with imported water from the State Water Project.

(3) 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.

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

- SECTION 1. Section 12944.7 of the Water Code is amended to read: 12944.7. (a) Notwithstanding any other provision of law, except as specified in subdivision (b), any public agency that has executed a contract with the state for a water supply pursuant to Section 12937 may sell any water available to that agency directly to any ultimate water consumer within the agency.
- (b) Notwithstanding subdivision (a), if the principal act of the public agency restricts the agency to the wholesale distribution of water, the right to sell water directly to consumers may be exercised by the agency only pursuant to written contract with (1) a wholesaler, if any exists, to which the water would otherwise be sold and (2) a public entity water purveyor, if any exists, serving water at retail within the area in which the consumer is located or a water corporation, if any exists, subject to regulation by the Public Utilities Commission and serving water at retail within the area in which the consumer is located.
  - SEC. 2. Section 31633 of the Water Code is amended to read:
- 31633. The amount of any replenishment assessment levied within an area of benefit shall be established at the discretion of the board, except that no assessment shall exceed the sum of the following costs and charges:
- (a) Those charges imposed under the contract between the district and the state for an imported water supply from the State Water Resources Development System consisting of all of the following:
- (1) The variable operation, maintenance, power, and replacement component of the transportation charge.
- (2) The off-aqueduct power facilities component of the transportation charge.
  - (3) The delta water charge.

**— 3** — Ch. 929

- (4) Any surplus water or unscheduled water charge.
- (5) Sums paid by the district to the Desert Water Agency for payment of similar charges under a similar contract the agency has with the state as provided in the water management agreement of July 1, 1976, as amended.
- (b) The cost of recharging the groundwater basin with imported water from the State Water Resources Development System not included in subdivision (a).
- (c) The cost of importing and recharging water from sources other than the State Water Resources Development System.
- (d) The cost of treatment and distribution of reclaimed water for recharge or for direct use in lieu of groundwater.
- (e) The cost of programs providing incentives to use reclaimed water or Colorado River water in place of groundwater.
- SEC. 3. Section 15.1 is added to the Castaic Lake Water Agency Law (Chapter 28 of the Statutes of 1962, First Extraordinary Session), to read:
- Sec. 15.1. (a) (1) Notwithstanding subdivision (b) of Section 12944.7 of the Water Code and Section 15 of this act, but subject to paragraph (2), the agency may exercise retail water authority only within the following boundaries:

Beginning at the southwest corner of Section 6, Township 3 North, Range 14 West, S.B.M.; thence northerly along the westerly boundary of said Section 6 thereof to the northwest corner of said Section 6, thence westerly along the prolongation of the northerly boundary of Section 6 to the southwestern corner of Section 31, Township 4 North, Range 14 West, S.B.M.; thence northerly along the westerly boundaries of Sections 31 and 30 to the northwest corner of Section 30, thence easterly along the northerly boundary of Section 30, Township 4 North, Range 14 West, S.B.M. to the southeast corner of the southwest quarter of Section 19, Township 4 North, Range 14 West, S.B.M.; thence northerly to the northeast corner of the northwest quarter of Section 19; thence easterly along the northerly boundary of Section 19 to the southeast corner of Section 18, Township 4 North, Range 14 West, S.B.M.; thence northerly along the easterly boundary of said Section 18 and prolongation thereof to the northeast corner of Section 31, Township 5 North, Range 14 West, S.B.M.; thence westerly along the northerly boundary of said Section 31 and prolongation thereof to the southwest corner of the southeast quarter of Section 27, Township 5 North, Range 15 West, S.B.M.; thence northerly along the easterly boundary of the west one-half of Section 27 to the northerly boundary of Section 27; thence westerly along said northerly boundary to the northwest corner of Section 28, Township 5 North, Range 15 West, S.B.M.; thence

Ch. 929 — **4** —

southerly along the westerly boundary of said Section 28 to the northwest corner of the southwest quarter of Section 28; thence westerly to the northwest corner of the southeast quarter of Section 29, Township 5 North, Range 15 West, S.B.M.; thence southerly along the westerly boundary of said southeast quarter to the southwest corner of the southeast quarter of Section 29, thence westerly along the southerly boundary of said Section 29 and prolongation thereof to the southwest corner of Section 35, Township 5 North, Range 16 West, S.B.M.; thence southerly along the westerly boundary of said Section 35 and prolongation thereof to the southerly right-of-way of that certain street in the City of Santa Clarita known as "Lyons Avenue"; thence westerly along said southerly right-of-way to the intersection of said southerly right-of-way and the easterly right-of-way of the public right-of-way known as "Interstate 5"; thence southeasterly along said right-of-way until intersecting with the prolongation of the southerly boundary of Section 6, Township 3 North, Range 14 West; thence easterly along said prolongation thereof to the point of beginning.

- (2) (A) Any area within the area described in paragraph (1) that is also within the boundaries of the Newhall County Water District, and not served by the Santa Clarita Water Company on September 2, 1999, may not be served by the agency unless the Newhall County Water District has granted approval.
- (B) Nothing in this section prohibits the Newhall County Water District from exercising any authority conferred by other law for the purpose of providing retail water service within the area described in paragraph (1).
- (b) The agency may not exercise retail water authority outside the boundaries described in paragraph (1) of subdivision (a). Any expansion of retail water authority outside the boundaries described in paragraph (1) of subdivision (a) shall require authorization by statute.
- (c) Except during a water emergency declared by the board pursuant to Chapter 3 (commencing with Section 350) of Division 1 of the Water Code, the agency may not export groundwater produced within the area described in paragraph (1) of subdivision (a) outside of that area.
- (d) During any rolling average five-year period, the agency shall use water imported by the agency for not less than 50 percent of the water supply demand within the area described in paragraph (1) of subdivision (a).
- (e) (1) On or before February 1, 2002, the agency shall commence the preparation of a groundwater management plan that meets the requirements of Part 2.75 (commencing with Section 10750) of Division 6 of the Water Code.

\_\_ **5** \_\_ Ch. 929

- (2) (A) Prior to the formulation or adoption of a groundwater management plan, the agency shall form a Groundwater Management Plan Advisory Council consisting of one representative from each retail water purveyor within the agency's jurisdiction, and one representative from each groundwater producer who produced more than 100 acre-feet of water in the preceding water year within the agency's jurisdiction. The agency shall regularly consult with the council regarding all aspects of the proposed groundwater management plan. No groundwater management plan shall be submitted to the agency's board of directors for consideration without the board first having forwarded a copy of the proposed plan to the council for review and having received the council's timely comments to the plan.
- (B) All members of the council, or their representatives, shall receive written notice with regard to, and may attend, all meetings of any board, program committee, advisory or technical body, interagency group, or any other group formulating, reviewing, evaluating, or otherwise working on any aspect of the groundwater management plan as described in paragraph (1).
- (3) The agency shall complete the groundwater management plan on or before February 1, 2004, except that the agency may extend the completion date for the period of time in which any court issues an injunction that impairs the ability of the agency to complete the groundwater management plan in accordance with this subdivision.
- (4) If the agency fails to commence the preparation of a groundwater management plan in accordance with paragraph (1) or fails to complete a groundwater management plan in accordance with paragraph (2), any interested party may seek a writ of mandamus to compel the agency to prepare a groundwater management plan in accordance with this subdivision.
- (5) The water quality and quantity data gathered pursuant to the memorandum of understanding between the Santa Clara River Valley Upper Basin Water Purveyors and the United Water Conservation District, effective August 20, 2001, shall be made available to the agency for purposes of preparing and updating the groundwater management plan.
- (f) Nothing in this section authorizes the agency to provide retail water service outside the boundaries of the agency.
- SEC. 4. Section 16.1 is added to the Castaic Lake Water Agency Law (Chapter 28 of the Statutes of 1962, First Extraordinary Session), to read:
- Sec. 16.1. The agency may exercise the authority granted by Section 15.1 in accordance with the County Water District Law as set forth in Division 12 (commencing with Section 30000) of the Water Code.

Ch. 929 — **6**—

SEC. 5. The Legislature finds and declares that because Sections 1, 3, and 4 of this act, which amend Section 12944.7 of the Water Code and the Castaic Lake Water Agency Law (Chapter 28 of the Statutes of 1962, First Extraordinary Session), are prospective, the Legislature expresses no opinion with regard to any court actions filed prior to July 1, 2001.

SEC. 6. 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.