



**SPECIAL NOTICE REGARDING
CORONAVIRUS DISEASE 2019 (COVID-19)
AND PARTICIPATION IN PUBLIC MEETINGS**

On March 4, 2020, Governor Newsom declared a State of Emergency resulting from the threat of COVID-19. Governor Newsom issued Executive Order N-25-20 (3-12-20) and Executive Order N-29-20 (3-17-20) which temporarily suspend portions of the Brown Act relative to conducting public meetings. Subsequent thereto, Governor Newsom issued Executive Order N-33-20 (3-19-20) ordering all individuals to stay at home or at their place of residence. Accordingly, it has been determined that all Board and Workshop meetings of the San Bernardino Valley Municipal Water District will be held pursuant to the Brown Act and will be conducted via teleconference. There will be no public access to the meeting venue.

**BOARD OF DIRECTORS WORKSHOP - POLICY
THURSDAY, JULY 9, 2020 – 2:00 P.M.**

PUBLIC PARTICIPATION

Public participation is welcome and encouraged. You may participate in the July 9, 2020, meeting of the San Bernardino Valley Municipal Water District online and by telephone as follows:

**Dial-in Info:(888) 788-0099 US Toll-Free
Meeting ID: 831 7559 3663**

<https://us02web.zoom.us/j/83175593663>

If you are unable to participate online or by telephone, you may also submit your comments and questions in writing for the District's consideration by sending them to comments@sbsvwd.com with the subject line "Public Comment Item #" (insert the agenda item number relevant to your comment) or "Public Comment Non-Agenda Item". Submit your written comments by 6:00 p.m. on Wednesday, July 8, 2020. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record.

IMPORTANT PRIVACY NOTE: Participation in the meeting via the Zoom app is strongly encouraged. Please keep in mind: (1) This is a public meeting; as such, the virtual meeting information is published on the World Wide Web and available to everyone. (2) Should you participate remotely via telephone, your telephone number will be your "identifier" during the meeting and available to all meeting participants. Participation in the meeting via the Zoom app is strongly encouraged; there is no way to protect your privacy if you elect to call in to the meeting. The Zoom app is a free download.



SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
380 E. Vanderbilt Way, San Bernardino, CA 92408

BOARD OF DIRECTORS WORKSHOP - POLICY

AGENDA

2:00 PM Thursday, July 9, 2020

CALL TO ORDER -

Chairperson: Director Longville

Vice-Chair: Director Kielhold

1. INTRODUCTIONS

2. PUBLIC COMMENT - *Any person may address the Board on matters within its jurisdiction.*

3. SUMMARY OF PREVIOUS MEETING

- 3.1. June 11, 2020, Meeting (Page 3)
[Summary Notes BOD Workshop - Policy 061120](#)

4. DISCUSSION ITEMS

- 4.1. Legislative Update by Innovative Federal Strategies (Page 6)
[Staff Memo - Federal Legislative Update by Innovative Federal Strategies](#)
- 4.2. Discuss State and Federal Legislative Update (Page 7)
[Staff Memo - Discuss State and Federal Legislative Update](#)
- 4.3. Review and Discussion on the Powers and Authority of the District (Page 12)
[Staff Memo - Review and Discussion on the Powers and Authority of the District](#)
[Water Code 71000-73001 \(Municipal Water District Law of 1911\)](#)
- 4.4. Consider Resolution for Western Municipal Water District Board Director Robert Stockton (Page 148)
[Staff Memo - Consider Resolution for Western Municipal Water District Director Robert Stockton](#)
[Draft Resolution for Director Robert Stockton](#)
- 4.5. Discuss August 2020 Meeting Schedule (Page 153)
[Staff Memo - Discuss August 2020 Meeting Schedule](#)

5. DIRECTOR REQUESTS FOR CONSIDERATION

- 5.1. Director Requests for Consideration (Page 154)
[Staff Memo - Director Requests for Consideration](#)
[Director Longville - Maven's Notebook July 2020](#)

6. ADJOURNMENT

PLEASE NOTE:

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 380 E. Vanderbilt Way, San Bernardino, during normal business hours. Also, such documents are available on the District's website at www.sbvmd.com subject to staff's ability to post the documents before the meeting. The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact Lillian Hernandez at (909) 387-9214 two working days prior to the meeting with any special requests for reasonable accommodation.



DATE: July 9, 2020

TO: Board of Directors' Workshop - Policy

FROM: Staff

SUBJECT: Summary of June 11, 2020 Board of Directors Workshop - Policy

The Policy Workshop convened on June 11, 2020, via Zoom teleconference. Director Longville chaired the meeting; President Harrison and Directors Hayes, Kielhold, and Navarro participated in the Workshop. Heather Dyer, Cindy Saks, Bob Tincher, Kristeen Farlow, and Melissa Zoba, of staff, participated in the workshop; Richard Babbe from PFM Management was on the call for a presentation; Rachel McGuire with RMG Communications was on the call for a presentation.

3. Summary of Previous Meeting

The meeting notes from the May 4, 2020, Board of Directors Workshop – Policy were reviewed. Director Longville inquired about the status of the press release related to Ms. Dyers drought presentation. Staff advised that this press release was in the works, and the presentation is currently available on the District website. There were no additions or changes to the meeting minutes.

4.1 PFM Asset Management Market Update

Staff introduced the District's financial advisor Richard Babbe from PFM Asset Management who reviewed the quarterly investment portfolio activity. Richard reported on current interest rates, earnings and trends, current diversity of the District's portfolio and trades made during the quarter. The report was informational only.

Action Item(s): None

5.1 Consider Continuing On-Call Grant Support Services

Staff recommended continuing the on-call services contract with Kennedy Jenks Consultants for another \$100,000. Those Board members in attendance asked that this item be placed on an upcoming Board of Directors agenda for consideration.

Action Item(s): Staff will place this item on an upcoming Board of Directors agenda for consideration

5.2 Consider Agreement Terms for the City of Yucaipa Stormwater Recharge Basins

Staff provided the Board of Directors with a presentation that outlined the proposed funding approach for the City of Yucaipa Fremont Low Water Crossing and Wilson III Phase I basins projects. The presentation included the background of recent project activity, proposed funding approach on stormwater projects that would be eligible under the Local Resource Investment Program, and the proposed funding approach for the Wilson III Phase I basin project. Those Board members in attendance requested staff work with in-house counsel to draft agreements with the City of Yucaipa for these projects and that the draft agreements be placed on an upcoming Board of Directors agenda for consideration.

Action Item(s): Staff will work with in-house counsel to draft legal agreements and place this item on an upcoming Board of Directors agenda for consideration.

5.3 Discuss Legislative Program Update

Staff presented the Board of Directors with a State and Federal Legislative Update.

Action Item(s): None

5.4 Discuss Water Use Efficiency and Education Update

Staff presented the Board of Directors with an update on the District's Water Use Efficiency and Education Program. There have not been any changes in the water use efficiency reimbursement program since last month. Staff anticipates receiving all end-of-year requests for reimbursement in time for the July Policy Workshop and will provide a more robust update at that time.

Action Item(s): None

5.5 Update on the Social Media Program

Staff and the social media consultant, Rachel McGuire from RMG Communications, presented the Board of Directors with an update on the District's social media program. Over the last 12 months, RMG Communications has been posting on Facebook and Twitter

2-3 times per week on the District's behalf. This has led to an overall increase in likes, views, followers, and impressions. Of particular on Twitter is Valley District being "mentioned" by other entities, including the State Water Contractors, Western Municipal Water District, and the Delta Stewardship Council. Since July 2019, the District has increased our Facebook page likes to 267; we have 213 total posts equaling 108,040 impressions. On Twitter we have 189 total Tweets over the last 12 months, with 86,447 post impressions and 44 mentions.

Action Item(s): None

5.6 Presentation of "Schools and Communities First" Initiative

Staff presented the Board of Directors with information on the Schools and Communities First Initiative that will be on the ballot in November 2020. Staff provided historical data on Prop 13, impacts of the Schools and Communities First Initiative also known as the Split Roll and fiscal impacts to Valley District. The presentation was informational only.

Action Item(s): None

6.1 Directors Request(s) for Consideration

Director Hayes requested the board consider staff time to prepare a presentation to review the District's ad valorem tax and water rate policies.

Action Item(s): Staff was directed to prepare a presentation for discussion at a future workshop.

7. Adjournment

Staff Recommendation

Receive and file.



DATE: July 9, 2020
TO: Board of Directors Workshop – Policy
FROM: Kristeen Farlow, Manager of External Affairs
SUBJECT: Federal Legislative Update by Innovative Federal Strategies

In light of the current COVID-19 international pandemic, the federal legislative and appropriations processes have changed significantly and are a shifting landscape that requires constant attention by informed and diligent experts. Innovative Federal Strategies (IFS) will provide an update on current events and negotiations in Washington D.C. by members of the Senate, House of Representatives, and the Trump Administration. IFS will also provide insights on status of the federal legislature and what we can expect moving forward.

Recommended Action

Receive and file.



DATE: July 9, 2020
TO: Board of Directors Workshop – Policy
FROM: Kristeen Farlow, Manager of External Affairs
SUBJECT: Discuss State and Federal Legislative Update

Staff is providing the Board of Directors with an update on current significant legislation from both the state and federal legislatures.

Background

Each month, staff provides the Board of Directors with a summary of State and Federal Legislative highlights. This information is provided by the District's lobbying firms and supplemented by District Staff. The Gualco Group, Inc., (TGGI) is the District's State lobbyist in Sacramento; Innovative Federal Strategies (IFS) is the District's Federal lobbyist in Washington D.C.

State Legislative Highlights

Governor Gavin Newsom and the California Legislature reach a compromised budget at the end of June. There were not as many cuts as originally anticipated and there were no budget cuts made in the area of resources. Governor Newsom kept in place a number of triggers in the event that federal funding comes through. If federal funding does not come through, then the Governor will begin making cuts to the budget, mostly in the area of healthcare.

The Assembly and Senate are both on summer recess until July 13. Upon their return, they will have seven weeks left in the session. Additionally, the Speaker will no longer allow public testimony by phone, due to the challenges that have been faced through this process. The

legislature will be setting up public testimony stations within the Capitol, the park, and at Sacramento State.

There will be no resource bond on the ballot this year. Following are bills of interest that Staff is monitoring through TGGI:

- AB 2178 (Levine) Emergency Services: This bill would include deenergization, defined as a planned public safety power shutoff, within the conditions that make up a state of emergency and a local emergency. This bill is now in the Senate and was referred to the Committee on Governmental Organization.
- AB 2560 (Quirk) Water quality: notification and response levels: procedures: This bill codifies the process the State Water Resources Control Board undertakes when it sets notification (NL) and response levels (RL). The purpose of the bill is to ensure there is sufficient public notice, comment periods and peer review procedures for NLs and RLs. AB 2560 is sponsored by the California Municipal Utilities Association (CMUA) and the Orange County Water District. This bill is now in the Senate and was re-referred to the Committee on Environmental Quality.
- AB 2693 (Bloom) Watershed Restoration Administration: Establishes the Watershed Restoration Administration to coordinate and facilitate the restoration and conservation of the watersheds supplying the Oroville, Shasta, and Trinity Reservoirs and to provide grant funding from the Headwaters Restoration Account for those purposes. Requires the administration to consist of a decision-making body. There has been no additional movement since it was ordered to the Appropriations suspense file on 6/2/20 and held in Committee under submission on 6/3/20. FAILED DEADLINE.
- AB 2800 (Quirk) Climate change: Infrastructure planning: This bill established the Climate-Safe Infrastructure Working Group composed of scientists, engineers, and architects to examine how to best integrate climate information with the state's infrastructure design, planning and implementation. The Working Group released their report, "Paying it Forward: The Path Toward Climate-Safe Infrastructure in California," laying out a "Climate-Safe Path" for California's future. The report made several recommendations including making the Working Group permanent. This bill would eliminate the sunset date of the Climate-Safe Infrastructure Working Group. This bill is now in the Senate and was referred to the Committee on Natural Resources and Water.
- SB 414 (Caballero) Small Water Systems Authority Act of 2019: This bill establishes the Small System Water Authority Act of 2019, which both authorizes the creation of small system water authorities and requires consolidation of failing water systems. The bill includes a framework for: (a) the formation of a small water system authority; (b) the internal organization of an authority and its board, officers, and employees; (c) requirements for how authority elections will be handled; (d) powers and purposes related to water, property, contracts and disputes; and (e) financial provisions that require the State Water Resources Control Board (SWRCB) to support specified costs. This bill is currently in the Assembly Appropriations Committee and will be in print any day now.
- SB 625 (Bradford) Central Basin Municipal Water District: receivership: Would dissolve the board of directors of the Central Basin Municipal Water District (CBMWD) and would provide that the November 3, 2020, election for directors of CBMWD shall not occur. The bill would require the Water Replenishment District of Southern California (WRD) to act

as the receiver for CBMWD, would vest WRD with all necessary powers under the Municipal Water District Law of 1911 to take control of CBMWD, and would transfer all powers vested in the board of directors of CBMWD to the board of directors of WRD, except as specified. The bill would require CBMWD's board of directors to surrender all control of CBMWD and its resources to WRD. This bill was re-referred to the Committee on Rules on 6/18/20.

- SB 1052 (Hertzberg) Water quality: municipal wastewater agencies- Would establish municipal wastewater agencies and would authorize them to enter into agreements with entities responsible for stormwater management to manage stormwater and dry weather runoff and to levy taxes, fees, and charges consistent with the agency's existing authority to fund projects. A referral to the Committee on Governance & Finance was rescinded due to the shortened 2020 Legislative Calendar. FAILED DEADLINE.
- SB 1099 (Dodd) Emergency backup generators: critical facilities: exemption. Co-sponsored by CMUA and the Las Virgenes MWD, with support from ACWA. Would require air districts to adopt a rule to allow critical facilities with a permitted emergency backup generator to use them during a de-energization event or other loss of This bill includes water and wastewater facilities in the definition of critical facilities. This bill is now in the Assembly and has been referred to the Committee on Natural Resources. However, Senator Dodd is considering identifying an administrative solution for this rather than a bill.
- SB 1386 (Moorlach) Local government: assessments, fees, and charges: water. This bill would specify that "water" for purposes of the Proposition 218 Omnibus Implementation Act also includes the public fixtures, appliances, and appurtenances connected to an above-described system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source. This bill is now in the Assembly and was referred to the Committee on Local Government.

Federal Legislative Highlights

House Democrats unveiled a \$1.5 trillion infrastructure plan in June that calls for an increase in funding to repair roads and bridges while expanding broadband access in rural areas. The House voted on the measure on July 1 and passed the legislation by a vote of 233-188. However, it remains unclear how this bill would be funded and it is unlikely to pass the Republican-led Senate. The package combines a \$500 billion surface transportation bill that the House Transportation and Infrastructure Committee approved June 18, with other clean energy, infrastructure, and education funding proposals already unveiled by Democrats in recent months. The infrastructure bill includes \$25 billion for drinking water, \$100 billion for broadband, \$70 billion for clean energy projects, \$100 billion for low income schools, \$30 billion to upgrade hospitals, \$100 billion in funding for public housing, and \$25 billion for the post service.

Its largest component is a \$500 billion Democrat-led bill from the House Transportation Committee that has sparked Republican concerns of exclusion. The measure would authorize

\$8 billion per year from fiscal 2021 through 2025 for the Clean Water State Revolving Fund (SRF) program, which provides money for states to subsidize water pollution control projects. It would require states to use at least 15% of Clean Water SRF capitalization grants for projects to address green infrastructure or improvements to water or energy efficiency. States could use the Clean Water SRF to make grants to water utilities and other funding recipients. At least 10% of each state's capitalization grants would have to be used to provide additional subsidies such as grants or loan forgiveness.

Congress faces a tight schedule for 2021 spending bills. House Appropriations Chairwoman Lowey has established an ambitious schedule to mark up and pass all 12 fiscal year 2021 spending bills over a four-week period in July.

The Senate passed the Great American Outdoors Act on June 17. It would permanently provide \$900 million in oil and gas revenues for the Land and Water Conservation Fund which helps secure land for trails and parks. The House is expected to take up the bill during the July work period, which begins the week of July 20. The legislation recently secured the backing of President Trump, who indicated he will sign the legislation when it comes to the White House.

President Donald Trump signed an executive order that would expedite permitting for infrastructure projects, building on earlier orders to ease regulations for industry. The White House contends the move will help speed the nation's recovery after the coronavirus pandemic. The order directs federal agencies, including Interior, Agriculture and Defense departments, and the Army Corps of Engineers, to hasten the permitting processes required under the National Environmental Policy Act (NEPA), the Endangered Species Act and Clean Water Act. NEPA has an emergency provision that allows speedy construction of projects and lifting the requirements of the law means cutting out a number of steps. The Trump administration rolled back the Endangered Species Act in August 2019, followed by a January 2020 proposal from the Council on Environmental Quality that would limit NEPA's scope. That proposal excludes some projects, particularly those that receive little federal funding, from undergoing an environmental review. It would also open the door for more industry involvement in reviewing the environmental impact of their projects. The rule is undergoing a review by the White House Office of Management and Budget.

The Environmental Protection Agency (EPA) announced in June that it will not regulate a chemical used in rocket fuel that has been linked to developmental damage. The agency said in a statement that the chemical – perchlorate - “does not meet the criteria for regulation as a drinking water contaminant” under the Safe Drinking Water Act. Agency documents have stated

that exposure to perchlorate can cause issues with the thyroid gland, which is critical for growth and development of fetuses, babies and children. Critics say the move by the EPA defied a court-ordered consent decree requiring the administration regulate the chemical.

Recommended Action

Receive and file.



DATE: July 9, 2020
TO: Board of Directors Workshop – Policy
FROM: Heather Dyer, CEO/General Manager
SUBJECT: Review and Discussion on the Powers and Authority of the District

This item was previously suggested by multiple Directors and approved by the CEO/General Manager based on the reasoning that periodic review of the District’s powers and authority provides greater understanding of the intended function of the agency and generally increases effectiveness of the Staff and Board.

Background

Valley District was formed in 1954 as a regional agency to plan a long-range water supply for the San Bernardino Valley. We import water into our service area through participation in the State Water Project (SWP) and manage groundwater supplies within our boundaries. We were incorporated under the Municipal Water District Act of 1911 (California Water Code Section 71000 et seq., as amended). Our enabling act includes a broad range of powers to provide water, as well as wastewater and storm water disposal, recreation, and fire protection services.

The specific section that describes the powers and authority of the District is found within Part 5. Powers and Purposes, of Division 20. Municipal Water Districts, of the Water Code (attached). Within Part 5, several chapters specifically address the powers and purposes of municipal water districts. At this Workshop, our house counsel will provide brief overview of this information and answer questions presented by Directors and the public.

Recommended Action

None. This is an informational item.

Attachments

Water Code 71000-73001 (Municipal Water District Law of 1911)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 1. INTRODUCTORY PROVISIONS [71000 - 71036]
CHAPTER 1. SHORT TITLE [71000- 71000.]

71000. This division shall be known and may be cited as the Municipal Water District Law of 1911.
(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 1. INTRODUCTORY PROVISIONS [71000 - 71036]
CHAPTER 2. DEFINITIONS [71010 - 71019]

71010. Unless the context otherwise requires, the provisions of this chapter govern the construction of this division.

(Added by Stats. 1963, Ch. 156.)

71011. The definition of a word applies to any of its variants.

(Added by Stats. 1963, Ch. 156.)

71012. “City” means any chartered or general law city.

(Added by Stats. 1963, Ch. 156.)

71013. “District” means a municipal water district formed pursuant to the Municipal Water District Act of 1911 or this division.

(Added by Stats. 1963, Ch. 156.)

71014. “Board” means the board of directors of a district.

(Added by Stats. 1963, Ch. 156.)

71015. “Principal county” means the county in which the greater portion of the land of a district or a proposed district is situated.

(Added by Stats. 1963, Ch. 156.)

71016. “Affected county” means any county in which the land of a district, or proposed district, is situated.

(Added by Stats. 1963, Ch. 156.)

71017. “Voter” means a voter as defined in Section 359 of the Elections Code.

(Amended by Stats. 1994, Ch. 923, Sec. 261. Effective January 1, 1995.)

71018. “President” means the president of the board of directors of a district.

(Added by Stats. 1963, Ch. 156.)

71019. “Secretary” means the secretary of a district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 1. INTRODUCTORY PROVISIONS [71000 - 71036]
CHAPTER 3. GENERAL PROVISIONS [71030 - 71036]

71030. Nothing in this division shall be construed as repealing or modifying any other law relating to water or the supply of water to cities, or the acquisition thereof by cities.

(Added by Stats. 1963, Ch. 156.)

71032. The inclusion in, or annexation or addition to, a district, of the territory of any public corporation or agency shall not destroy the identity or legal existence, or impair the powers, of the public corporation or agency, notwithstanding the identity, or substantial identity, of purpose of the district.

(Added by Stats. 1963, Ch. 156.)

71034. Except as otherwise provided in Sections 72322 and 72341, whenever provision is made in this division for notice in a county, it shall be construed to require notice in each affected county.

(Added by Stats. 1963, Ch. 156.)

71035. Except with respect to formation proceedings, in any district containing lands situated in more than one county, all papers required by this division to be filed with a county clerk shall be filed with the secretary.

(Added by Stats. 1963, Ch. 156.)

71036. Except as otherwise provided in this division, procedure relating to formation, fiscal matters, and taxation in districts containing lands situated in more than one county shall conform as near as may be to such provisions with respect to districts containing lands situated in one county.

(Amended by Stats. 1965, Ch. 2043.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 1. GENERAL PROVISIONS [71050 - 71052]

71050. Unless the context otherwise requires, as used in this part, “county clerk” means the county clerk of the principal county.

(Added by Stats. 1963, Ch. 156.)

71051. Unless the context otherwise requires, as used in this part, “board of supervisors” means the board of supervisors of the principal county.

(Added by Stats. 1963, Ch. 156.)

71052. As used in this part, “application” means an application for the initiation of proceedings for the formation of a district under the provisions of the Knox-Nisbet Act, Chapter 6.6 (commencing with Section 54773), Part 1, Division 2, Title 5 of the Government Code.

(Amended by Stats. 1971, Ch. 310.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 2. TERRITORY [71060 - 71081]
ARTICLE 1. IN GENERAL [71060 - 71061]

71060. The people of any county or counties, or of any portions thereof, whether such portions include unincorporated territory only or incorporated territory of any city or cities, or both such incorporated and unincorporated territory, may organize a district under the provisions of this division.

(Added by Stats. 1963, Ch. 156.)

71061. The cities proposed to be included in the district need not be contiguous, and the unincorporated territory may consist of one or more parcels which need not be contiguous to each other or to any such city or cities.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 2. TERRITORY [71060 - 71081]
ARTICLE 2. INCLUSION OF CITIES [71070 - 71081]

71070. As used in this article, “territory of a city” means the corporate area of the city and all territory as to which proceedings for annexation to the city have been commenced by a valid petition filed with the governing body of the city.

(Added by Stats. 1963, Ch. 156.)

71071. Except as otherwise provided in this article, if an application includes any portion of a city, the entire territory of the city, at the time of filing the application, shall be included within the boundaries of the proposed district.

(Amended by Stats. 1971, Ch. 310.)

71072. If an application includes any territory within the boundaries of a proposed city for which a valid petition for incorporation has been filed with the board of supervisors of the affected county, the entire area of the proposed city, at the time of filing the application, shall be included within the boundaries of the proposed district.

(Amended by Stats. 1971, Ch. 310.)

71073. If an application is filed, and proceedings for the formation of the district are commenced and prosecuted, in the manner and within the time specified by this part, the inclusion within the boundaries of the proposed district of any city to which territory is annexed, pursuant to proceedings which were not commenced by the filing of a valid petition prior to the approval of the application, shall not prevent or invalidate the formation of the district even though the territory annexed to the city pursuant to the annexation proceedings is not included in the district.

(Amended by Stats. 1971, Ch. 310.)

71074. If an application is filed, and proceedings for the formation of the district are commenced and prosecuted, in the manner and within the time specified by this part, the inclusion within the boundaries of the proposed district of territory formed into a new city or annexed to an existing city, pursuant to proceedings which were not commenced by the filing of a valid petition prior to the approval of the application, shall not prevent or invalidate the formation of the district even though the remainder of the corporate area of the city is not included in the district.

(Amended by Stats. 1971, Ch. 310.)

71078. The inclusion within the boundaries of a proposed district of territory formed into a new city or annexed to an existing city, pursuant to proceedings which were not commenced by the filing of a valid petition prior to the filing of the formation petition, shall not prevent or invalidate the formation of the district even though the remainder of the corporate area of the city is not included in the district.

(Amended by Stats. 1971, Ch. 310.)

71079. Notwithstanding any other provision of this article, if, prior to the filing of a formation petition, any portion of the corporate area of a city is included within an existing municipal water district, a district may be formed pursuant to this division to include the remainder of the corporate area of the city.

(Added by Stats. 1963, Ch. 156.)

71080. If, subsequent to the approval of an application which includes a portion of the corporate area of a city, but prior to the filing of the formation petition, such portion of the corporate area of the city is included within an existing municipal water district so that the entire corporate area of the city is included within such existing district, such portion of the corporate area of the city shall be omitted from the formation petition. Such omission shall not invalidate the approval of the application as to the remaining area of the proposed district.

(Amended by Stats. 1971, Ch. 310.)

71081. If, subsequent to the approval of an application of intention, but prior to circulating the formation petition, a valid petition is filed with, or a resolution is adopted by, the governing body of a city, the corporate area of which is included in a metropolitan water district organized under the Metropolitan Water District Act, to initiate formal proceedings for the annexation to the city of territory within the proposed municipal water district, in a manner

which would result in automatic annexation to the metropolitan water district of the territory annexed to the city, the proponents of the formation of the municipal water district may omit from the proposed municipal water district all territory included in the petition or resolution for annexation. If such territory is omitted, no part of the city shall be included within the proposed municipal water district.

(Amended by Stats. 1971, Ch. 310.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 4. FORMATION PETITION [71120 - 71134]

71120. A petition for the formation of a district, which may consist of any number of separate instruments, shall be filed with the county elections official.

(Amended by Stats. 2002, Ch. 221, Sec. 193. Effective January 1, 2003.)

71121. The formation petition shall be signed by voters equal in number to at least 10 per centum of the voters registered within the boundaries of the proposed district 30 days prior to the date the petition is filed. If one or more cities are included in the proposed district, the formation petition shall, in addition, be signed by at least 10 percent of the voters of each such city registered to vote 30 days prior to the date the petition is filed.

(Amended by Stats. 1963, Ch. 1513.)

71122. If only a portion of the corporate area of a city is included within a proposed district, and 12 or more registered voters reside within such portion of the city, the formation petition shall be signed by voters residing within such portion equal in number to at least 10 percent of the total number of registered voters in such portion, or 10 percent of the number of voters of such portion voting for all candidates for the office of Governor at the last general election prior to the filing of the petition, whichever is the lesser number. If less than 12 registered voters reside within such portion of the city, the formation petition shall be signed by at least 50 percent of the voters residing in such portion.

(Added by Stats. 1963, Ch. 156.)

71123. The formation petition shall describe the boundaries of the proposed district and shall contain a prayer that the proposed district be formed pursuant to this division.

(Added by Stats. 1963, Ch. 156.)

71124. Except as otherwise authorized in this part, the boundaries of the proposed district shall be described in the formation petition in the same manner as in the declaration of intention and shall include the same area.

(Added by Stats. 1963, Ch. 156.)

71125. The circulation of a formation petition shall be commenced by the proponents within 30 days from the date of the filing of the declaration of intention with the county elections official. The petition shall be circulated and filed with the county elections official within 90 days from the date of the filing of the declaration of intention.

(Amended by Stats. 2002, Ch. 221, Sec. 194. Effective January 1, 2003.)

71126. Within 30 days of the date of the filing of the formation petition, the county elections official shall examine the petition and determine whether it is signed by the requisite number of voters. Upon request of the county elections official, the board of supervisors shall authorize him or her to employ persons specially for this purpose, in addition to the persons regularly employed in his or her office, and shall provide for their compensation.

(Amended by Stats. 2002, Ch. 221, Sec. 195. Effective January 1, 2003.)

71127. When the county elections official has completed the examination of the formation petition, he or she shall attach to it the certificate, properly dated, showing the result of the examination.

(Amended by Stats. 2002, Ch. 221, Sec. 196. Effective January 1, 2003.)

71128. If the county elections official finds from the examination that the formation petition is signed by the requisite number of voters residing within the boundaries of the proposed district, and within the boundaries of each city included therein, he or she shall certify that the petition is sufficient. If he or she finds that it is not so signed, he or she shall certify that the petition is insufficient.

(Amended by Stats. 2002, Ch. 221, Sec. 197. Effective January 1, 2003.)

71129. If the county elections official certifies in the certificate that the formation petition is insufficient, he or she shall also certify therein to the number of voters required to make the petition sufficient, and the petition may be amended by filing a supplemental petition or petitions within 10 days from the date of the certificate.

(Amended by Stats. 2002, Ch. 221, Sec. 198. Effective January 1, 2003.)

71130. Within 30 days after the filing of any supplemental petition or petitions, the county elections official shall examine them and certify to the result of the examination as provided in Sections 71126 to 71128, inclusive.

(Amended by Stats. 2002, Ch. 221, Sec. 199. Effective January 1, 2003.)

71131. If any supplemental petition is filed, all the signatures on the original and supplemental petitions shall be considered in determining the number of voters signing the petition.

(Added by Stats. 1963, Ch. 156.)

71132. After the time for filing supplemental petitions has expired and all supplemental petitions have been examined, if the county elections official's certificate shows that the formation petition is insufficient, the petition shall be filed with the board of supervisors and kept as a public record, without prejudice to the filing of a new petition.

(Amended by Stats. 2002, Ch. 221, Sec. 200. Effective January 1, 2003.)

71133. If the county elections official's certificate shows that the formation petition is sufficient, the county elections official shall present the petition to the board of supervisors without delay.

(Amended by Stats. 2002, Ch. 221, Sec. 201. Effective January 1, 2003.)

71134. After an election for the formation of a proposed district, the sufficiency of the formation petition shall not be subject to judicial review or be otherwise questioned.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 5. FORMATION ELECTION [71160 - 71172]

71160. When a formation petition is presented to it, the board of supervisors shall make an order dividing the proposed district into five divisions in such manner as to equalize, as nearly as practicable, the population in the respective divisions. The board of supervisors shall use for this purpose the population as estimated by it from the register of voters used at the last general election.

The divisions of the district shall be numbered first, second, third, fourth, and fifth.
(Added by Stats. 1963, Ch. 156.)

71161. When the order dividing the proposed district into five divisions is made, the board of supervisors shall by resolution or ordinance call and provide for the holding of an election in the proposed district for the purpose of determining whether the district shall be formed and to elect the first board of directors if the district is formed.

(Added by Stats. 1963, Ch. 156.)

71162. The formation election shall be held on the next established election date not less than 74 days from the date of adoption of the resolution or ordinance calling the election.

For purposes of this election the board of supervisors may consolidate election precincts of one or more divisions.

(Amended by Stats. 1973, Ch. 1146.)

71163. Notice of the formation election shall be published once, not less than one week nor more than four weeks prior to the election, in at least one newspaper but not exceeding three newspapers, printed and published in each affected county.

(Added by Stats. 1963, Ch. 156.)

71163.1. Within five days after the district formation election has been called, the legislative body which has called the election shall transmit, by registered mail, a written notification of the election call to the executive officer of the local agency formation commission of the county or principal county in which the territory or major portion of the territory of the proposed district is located. Such written notice shall include the name and a description of the proposed district, and may be in the form of a certified copy of the resolution adopted by the legislative body calling the district formation election.

The executive officer, within five days after being notified that a district formation election has been called, shall submit to the commission, for its approval or modification, an impartial analysis of the proposed district formation.

The impartial analysis shall not exceed 500 words in length and shall include a specific description of the boundaries of the district proposed to be formed.

The local agency formation commission, within five days after the receipt of the executive officer's analysis, shall approve or modify the analysis and submit it to the officials in charge of conducting the district formation election.

(Added by Stats. 1970, Ch. 736.)

71163.2. The board of supervisors or any member or members of the board authorized by the board, or any individual voter or bona fide association of citizens entitled to vote on the district formation proposition, or any combination of such voters and associations of citizens, may file a written argument for or a written argument against the proposed district formation.

Arguments shall not exceed 300 words in length and shall be filed with the officials in charge of conducting the election not less than 54 days prior to the date of the district formation election.

(Added by Stats. 1970, Ch. 736.)

71163.3. If more than one argument for or more than one argument against the proposed district formation is filed with the election officials within the time prescribed, such election officials shall select one of the arguments for printing and distribution to the voters.

In selecting the arguments, the election officials shall give preference and priority in the order named to the arguments of the following:

- (a) The board of supervisors or any member or members of the board authorized by the board.
- (b) Individual voters or bona fide associations of citizens or a combination of such voters and associations.

(Added by Stats. 1970, Ch. 736.)

71163.4. The officials in charge of conducting the election shall cause a ballot pamphlet concerning the district formation proposition to be voted on to be printed and mailed to each voter entitled to vote on the district formation question.

The ballot pamphlet shall contain the following in the order prescribed:

- (a) The complete text of the proposition.
- (b) The impartial analysis of the proposition prepared by the local agency formation commission.
- (c) The argument for the proposed district formation.
- (d) The argument against the proposed district formation.

The elections officials shall mail a ballot pamphlet to each voter entitled to vote in the district formation election at least 10 days prior to the date of the election. The ballot pamphlet is "official matter" within the meaning of Section 13303 of the Elections Code.

(Amended by Stats. 1994, Ch. 923, Sec. 262. Effective January 1, 1995.)

71164. The notice of the formation election shall contain the following:

- (a) A description of the boundaries of the proposed district and its divisions.
- (b) The name of the proposed district, which name shall contain the words "____ Municipal Water District."
- (c) A statement that the first directors will be elected at the election and will take office if the district is formed.
- (d) The names of the candidates for the office of director for each of the divisions.

(Added by Stats. 1963, Ch. 156.)

71165. The following measure shall be submitted at the formation election:

"Shall the proposition to form the ____ Municipal Water District under the Municipal Water District Law of 1911 be adopted?"

(Added by Stats. 1963, Ch. 156.)

71166. No person may vote at any formation election unless he is a voter.

(Added by Stats. 1963, Ch. 156.)

71167. Within seven days after the formation election the board of supervisors shall canvass the vote.

(Added by Stats. 1963, Ch. 156.)

71168. If less than a majority of the votes cast in any affected county are in favor of the proposition, the formation of the district fails, but without prejudice to renewing proceedings at any time after six months from the date of the formation election.

(Added by Stats. 1963, Ch. 156.)

71169. The first directors shall be elected at the formation election.

(Added by Stats. 1963, Ch. 156.)

71170. One director shall be elected for each division by the voters of the division. Each director shall be a resident of the division for which he is elected.

(Added by Stats. 1963, Ch. 156.)

71171. Except as otherwise provided in this division, the candidates shall declare their candidacy and shall be nominated, the election shall be held and conducted, the vote canvassed, the result declared, and the certificates of election issued in accordance with the provisions of the Elections Code, so far as they may be applicable.

(Added by Stats. 1963, Ch. 156.)

71172. If a majority of the votes cast in each affected county at the formation election favor the formation of the district, each candidate for director who receives the highest number of votes in his division is elected as a director of the district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 2. FORMATION [71050 - 71196]
CHAPTER 6. ESTABLISHMENT OF DISTRICT [71190 - 71196]

71190. If a majority of the votes cast in each affected county at the formation election favor the formation of the district, the board of supervisors shall, by an order entered on its minutes, declare the territory included within the proposed boundaries to be formed as a municipal water district under the designated name.

(Added by Stats. 1963, Ch. 156.)

71191. The county clerk shall immediately cause to be recorded in the office of the county recorder of each affected county, a certificate stating that the proposition to form the district was adopted.

The county clerk shall immediately cause to be filed with the Secretary of State a certificate listing:

(a) The name of the district.

(b) The date of formation.

(c) The county or counties in which the district is located, and a description of the boundaries of the district, or reference to a map showing such boundaries, which map shall be attached to the certificate, or reference to the county recorder's office where a description of such boundaries has been recorded.

If the order declaring the district organized contains all of the information required to be in the last-mentioned certificate, the clerk may file a copy of the order with the Secretary of State in lieu of the certificate.

(Amended by Stats. 1963, Ch. 457.)

71192. Upon the receipt of the county clerk's certificate, or a copy of the order declaring the district organized, the Secretary of State shall, within 10 days, issue his certificate reciting that the municipal water district, naming it, has been duly incorporated according to the laws of the State.

(Amended by Stats. 1963, Ch. 457.)

71193. A copy of the Secretary of State's certificate shall be transmitted to and filed with the county clerk of each affected county.

(Added by Stats. 1963, Ch. 156.)

71194. From and after the date of filing the county clerk's certificate with the Secretary of State, the district named therein is incorporated as a municipal water district, with all the rights, privileges and powers set forth in this division, and necessarily incident thereto.

(Added by Stats. 1963, Ch. 156.)

71195. No informality in any proceeding, or in the conduct of any election, not substantially affecting adversely the legal rights of any citizen, shall invalidate the incorporation of any municipal water district.

(Added by Stats. 1963, Ch. 156.)

71196. Any proceeding wherein the validity of the incorporation of a district is denied shall be commenced within three months from the date of the Secretary of State's certificate of incorporation; otherwise the incorporation and legal existence of the district and all proceedings in respect thereto shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 1. DIRECTORS [71250 - 71256]

71250. The board of directors shall consist of five members. Each director shall be a resident of the division from which he is elected.

(Added by Stats. 1963, Ch. 156.)

71250.1.(a) Notwithstanding Section 71250, the local agency formation commission, in approving either a consolidation of districts or the reorganization of two or more districts into a single municipal water district may, pursuant to subdivisions (k) and (n) of Section 56886 of the Government Code, increase the number of directors to serve on the board of directors of the consolidated or reorganized district to 7, 9, or 11, who shall be members of the board of directors of the districts to be consolidated or reorganized as of the effective date of the consolidation or reorganization.

(b) Upon the expiration of the terms of the members of the board of directors of the consolidated district, or a district reorganized as described in subdivision (a), whose terms first expire following the effective date of the consolidation or reorganization, the total number of members on the board of directors shall be reduced until the number equals the number of members permitted by the principal act of the consolidated or reorganized district, or any larger number as may be specified by the local agency formation commission in approving the consolidation or reorganization.

(c) In addition to the powers granted under Section 1780 of the Government Code, in the event of a vacancy on the board of directors of the consolidated district or a district reorganized as described in subdivision (a) at which time the total number of directors is greater than five, the board of directors may, by majority vote of the remaining members of the board, choose not to fill the vacancy. In that event, the total membership of the board of directors shall be reduced by one board member. Upon making the determination not to fill a vacancy, the board of directors shall notify the board of supervisors of its decision.

(d) For the purposes of this section: "consolidation" means consolidation, as defined in Section 56030 of the Government Code; "district" or "special district" means district or special district, as defined in Section 56036 of the Government Code; and "reorganization" means reorganization, as defined in Section 56073 of the Government Code.

(Amended by Stats. 2006, Ch. 172, Sec. 18. Effective January 1, 2007.)

71250.5. If a director moves his or her residence, as defined in Section 244 of the Government Code, outside the boundaries of that director's division, and if within 180 days of the move or the effective date of this section, the director fails to reestablish a place of residence within the director's division, it shall be presumed that a permanent change of residence has occurred and that a vacancy exists on the board of directors pursuant to Section 1770 of the Government Code.

(Added by Stats. 1985, Ch. 91, Sec. 1.)

71251. The directors elected at the formation election shall classify themselves by lot so that two of them shall hold office until the election and qualification of their successors at the first succeeding general district election and three of them shall hold office until the election and qualification of their successors at the second succeeding general district election.

(Added by Stats. 1963, Ch. 156.)

71252. Each director elected subsequent to the formation election shall hold office for a term of four years from and after the date for his taking of office and until the election and qualification of his successor.

(Added by Stats. 1963, Ch. 156.)

71253. Except for the directors elected at a formation election, directors elected to office shall take office at noon on the first Friday in December succeeding their election.

(Amended by Stats. 2013, Ch. 8, Sec. 1. (AB 72) Effective January 1, 2014.)

71254. Whenever a vacancy occurs in the office of director it shall be filled pursuant to Section 1780 of the Government Code, by a qualified person, who shall be a resident of, and otherwise qualified to be a director from, the division in which the vacancy occurred.

(Amended by Stats. 1975, Ch. 1059.)

71255. Each director shall receive compensation in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of six days in any calendar month, together with any expenses incurred in the performance of his or her duties required or authorized by the board. For purposes of this section, the determination of whether a director's activities on any specific day are compensable shall be made pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3 of the Government Code.

(Amended by Stats. 2005, Ch. 700, Sec. 39. Effective January 1, 2006.)

71256. Notwithstanding any other provision of law any person who represents a municipal water district on the board of directors of any metropolitan water district formed pursuant to the Metropolitan Water District Act may receive compensation and expenses from the municipal water district with respect to service on such board of directors of a metropolitan water district, in the same amount, and upon the same terms, as shall be provided with respect to service on the board of the district. Any compensation or expenses received pursuant to this section shall be in addition to that provided in Section 71255.

(Added by Stats. 1968, Ch. 303.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 1.5. THREE VALLEYS MUNICIPAL WATER DISTRICT [71260 - 71262]

71260. This chapter applies only to the Three Valleys Municipal Water District. Except as provided in this chapter, this division applies to the Three Valleys Municipal Water District.

(Added by Stats. 1988, Ch. 410, Sec. 1.)

71261. Notwithstanding any other provision of this division, the Board of Directors of the Three Valleys Municipal Water District shall consist of seven directors. Each director shall be a resident of the division from which he or she is elected.

(Added by Stats. 1988, Ch. 410, Sec. 1.)

71262. The board shall establish the boundaries of the seven divisions from which directors are elected in accordance with Chapter 6 (commencing with Section 71540) of Part 4. The additional directors shall be elected at a special district election which shall be called by the Board of Directors of Three Valleys Municipal Water District on the next available election date established by Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 90 or more days after January 1, 1989. The two additional directors so elected and qualified shall take office on July 1, 1989, and shall hold office until their successors, who shall be elected at the district general election in 1992, take office. Thereafter, the two additional directors shall be elected to terms of four years.

(Amended by Stats. 1994, Ch. 923, Sec. 263. Effective January 1, 1995.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 1.6. CENTRAL BASIN MUNICIPAL WATER DISTRICT [71265 - 71267]

71265. For the purposes of this chapter:

- (a) "District" means the Central Basin Municipal Water District.
- (b) "Large water purveyor" means a public water system that is one of the top five purveyors of water as measured by the total purchase of potable and recycled water from the district for the three prior fiscal years.
- (c) "Public water system" has the same meaning as in Section 116275 of the Health and Safety Code.
- (d) "Relevant technical expertise" means employment or consulting for a total period of at least five years, prior to the date of first appointment, in one or more positions materially responsible for performing services relating to the management, operations, engineering, construction, financing, contracting, regulation, or resource management of a public water system.
- (e) "Representative" means a consultant to an entity, a contractor of an entity, or, if nominated by a mutual water company, a member of the governing board of the mutual water company.
- (f) "Small water purveyor" means a public water system with less than 5,000 connections.
(Amended by Stats. 2019, Ch. 124, Sec. 1. (AB 591) Effective January 1, 2020.)

71266. (a) Except as provided in subdivision (c) and notwithstanding any other provision of this division, the board of directors of the district shall be composed of seven directors as follows:

(1) Four directors, one director elected for each division established pursuant to subdivision (d) by the voters of the division. Each director shall be a resident of the division from which the director is elected. An election pursuant to this paragraph shall be in accordance with the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code).

(2) Three directors appointed by the water purveyors of the district in accordance with Section 71267. An appointed director shall take office at noon on the first Friday in December following that director's appointment.

(b) The district shall be subject to Section 84308 of the Government Code.

(c) Until the directors elected at the November 8, 2022, election take office, the board of directors shall be composed of eight directors as follows:

(1) Five directors in accordance with Section 71250.

(2) Three directors appointed by the water purveyors of the district pursuant to Section 71267.

(d) The board of directors shall divide the district into four divisions in a manner as to equalize, as nearly as practicable, the population in the respective divisions pursuant to Section 71540.

(Amended by Stats. 2019, Ch. 124, Sec. 2. (AB 591) Effective January 1, 2020.)

71267. (a) The general manager of the district shall notify each water purveyor of the district and provide a 60-day period during which the district will accept nominations for appointment of individuals to the board of directors.

(b) (1) An individual nominated for appointment to the board of directors shall demonstrate eligibility and relevant technical expertise and shall be employed by or a representative of the entity that puts forth their nomination.

(2) To be eligible for nomination, a consultant to or contractor of an entity shall have commenced services to that entity at least one year prior to nomination.

(c) (1) The three directors appointed by the water purveyors shall be selected by the water purveyors of the district every four years as follows:

(A) One director shall be selected by all large water purveyors from the nominees of large water purveyors. Each large water purveyor shall have one vote.

(B) One director shall be selected by all cities that are water purveyors of the district from the nominees of cities. Each city shall have one vote.

(C) One director shall be selected by all of the water purveyors of the district from any nominee. The vote of each purveyor shall be weighted to reflect the number of service connections of that water purveyor within the district. If the selection of a director under this subparagraph would result in a violation of paragraph (2), the first eligible candidate receiving the next highest number of votes shall be selected.

(2) The appointment of directors pursuant to paragraph (1) shall not result in any of the following:

(A) The appointment of three directors that are all employed by or representatives of entities that are all large water purveyors.

(B) The appointment of three directors that are all employed by or representatives of entities that are all cities.

(C) The appointment of three directors that are all employed by or representatives of entities that are all small water purveyors.

(3) Each nominee for director who receives the highest number of votes cast for each office described in paragraph (1) is appointed as a director to the board of directors and shall take office in accordance with Section 71512. The general manager shall collect the votes and report the results to the water purveyors. Votes for an appointed director are public records.

(d) Each appointed director shall live or work within the district.

(e) In order to ensure continuity of knowledge, the directors appointed at the first purveyor selection shall classify themselves by lot so that two of them shall hold office until the selection of their successors at the first succeeding purveyor selection and one of them shall hold office until the selection of their successor at the second succeeding purveyor selection.

(f) (1) The term of a director appointed pursuant to subparagraph (A) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a large water purveyor.

(2) The term of a director appointed pursuant to subparagraph (B) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a city.

(3) The term of a director appointed pursuant to subparagraph (C) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a water purveyor.

(g) (1) An appointed director shall not do any of the following:

(A) Hold an elected office.

(B) Hold more than 0.5 percent ownership in a company regulated by the Public Utilities Commission.

(C) Hold more than one consecutive term of office on the board.

(2) An appointed director shall be subject to all applicable conflict-of-interest and ethics provisions and shall recuse themselves from participating in a decision that could have a direct material benefit on the financial interests of the director.

(h) A vacancy in an office of appointed director shall be filled in accordance with the selection process described in subdivisions (a) to (c), inclusive.

(i) (1) An appointed director shall be eligible for all of the following:

(A) Reimbursement for travel and conference expenses pursuant to the Central Basin Municipal Water District Administrative Code.

(B) Compensation for up to 10 meetings per month at the per meeting rate provided by the Central Basin Municipal Water District Administrative Code.

(C) Health insurance benefits, if those benefits are not provided by the director's employer.

(2) An appointed director shall not be eligible to receive communication or car allowances. For purposes of this paragraph, "car allowances" does not include travel expenses incurred as described in paragraph (1).

(3) An appointed director may waive the reimbursement and compensation described in paragraph (1) and may be required to reimburse their employer for any compensation received.

(Amended by Stats. 2019, Ch. 124, Sec. 3. (AB 591) Effective January 1, 2020.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 2. THE BOARD [71270 - 71314]
ARTICLE 1. IN GENERAL [71270 - 71282]

71270. The board is the governing body of the district.
(Added by Stats. 1963, Ch. 156.)

71271. The board shall hold its first meeting as soon as possible after the election and certification of the first board of directors and not later than the sixth Monday after the date of the formation election.
(Added by Stats. 1963, Ch. 156.)

71272. At its first meeting, the board shall provide for the time and place of holding its meetings and the manner in which its special meetings may be called.
(Added by Stats. 1963, Ch. 156.)

71273. At its first meeting, and at its first meeting in the month of January of each odd-numbered year, the board shall elect one of its members president. The board may at any meeting elect one of its members vice president. If the president is absent or unable to act, the vice president shall exercise the powers of the president granted in this division.
(Amended by Stats. 1965, Ch. 132.)

71274. A majority of the board shall constitute a quorum for the transaction of business; however, no ordinance, motion or resolution shall be passed to become effective without the affirmative vote of a majority of the members of the board.
(Amended by Stats. 1963, Ch. 1151.)

71276. The board shall act only by ordinance, resolution, or motion.
(Added by Stats. 1963, Ch. 156.)

71277. On all ordinances the roll shall be called and the ayes and noes recorded in the journal of the proceedings of the board.
(Added by Stats. 1963, Ch. 156.)

71278. Resolutions and motions may be adopted by voice vote, but on demand of any member of the board the roll shall be called.
(Amended by Stats. 1963, Ch. 1151.)

71279. Votes of the members of the board shall not be cast or exercised by proxy.
(Amended by Stats. 1963, Ch. 1151.)

71280. The enacting clause of all ordinances passed by the board shall be: "Be it ordained by the Board of Directors of ____ Municipal Water District as follows:".
(Added by Stats. 1963, Ch. 156.)

71281. The board may enact any ordinance which adopts any code by reference following the procedures, definitions and provisions of Article 2 (commencing with Section 50020) of Chapter 1, Part 1, Division 1, Title 5 of the Government Code so far as they may be applicable.
(Added by Stats. 1969, Ch. 71.)

71282. A district may destroy a record pursuant to Chapter 7 (commencing with Section 60200) of Division 1 of Title 6 of the Government Code.
(Added by Stats. 2005, Ch. 158, Sec. 43. Effective January 1, 2006.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 2. THE BOARD [71270 - 71314]
ARTICLE 2. POWERS AND DUTIES [71300 - 71314]

71300. All powers, privileges, and duties of a district shall be exercised and performed by the board.
(Added by Stats. 1963, Ch. 156.)

71301. Any executive, administrative, and ministerial powers may be delegated and redelegated by the board to any of the offices created by this part or by the board.
(Added by Stats. 1963, Ch. 156.)

71302. The board may fix the time and place or places at which its regular meetings will be held, and shall provide for the calling and holding of special meetings.
(Added by Stats. 1963, Ch. 156.)

71303. The board may fix the location of the principal place of business of the district and the location of all offices and departments maintained under this division.
(Added by Stats. 1963, Ch. 156.)

71304. The board may prescribe by ordinance a system of business administration.
(Added by Stats. 1963, Ch. 156.)

71305. The board may create any necessary offices and establish and re-establish the powers, duties, and compensation of all officers and employees.
(Added by Stats. 1963, Ch. 156.)

71306. The board may require and fix the amount of all official bonds necessary for the protection of the funds and property of the district.
(Added by Stats. 1963, Ch. 156.)

71307. The board may prescribe by ordinance a system of civil service.
(Added by Stats. 1963, Ch. 156.)

71308. The board may by ordinance delegate and redelegate to the officers of the district the power to employ clerical, legal, and engineering assistants and labor.
(Added by Stats. 1963, Ch. 156.)

71309. The board may by ordinance delegate and redelegate to officers of the district, under such conditions and restrictions as shall be fixed by the board, the power to bind the district by contract.
(Added by Stats. 1963, Ch. 156.)

71310. The board may prescribe a method of auditing and allowing or rejecting claims and demands.
(Added by Stats. 1963, Ch. 156.)

71311. The board shall designate a depository or depositories to have the custody of the funds of the district. All such depositories shall give security sufficient to secure the district against possible loss and shall pay the warrants drawn by the treasurer for demands against the district under such rules as the directors may prescribe.
(Added by Stats. 1963, Ch. 156.)

71312. The board of a district in existence on the effective date of this section shall file a certificate with the Secretary of State on or before January 1, 1964, listing:
(a) The name of the district.
(b) The date of formation.

(c) The county in which the district is located, and a description of the boundaries of the district, or reference to a map showing such boundaries, which map shall be attached to the certificate, or reference to the county recorder's office where a description of such boundaries has been recorded.

If the order declaring the district organized contains all of the information required to be in the certificate, the board may file a copy of the order in lieu of the certificate.

If the certificate filed with the Secretary of State stating that the proposition for formation of the district was adopted contains all of the information required by this section, no further certificate need be filed.

(Added by Stats. 1963, Ch. 457.)

71312.5. A district may issue bonds, borrow money, and incur indebtedness as authorized by law or this division.

(Added by Stats. 1963, Ch. 1151.)

71313. A district may refund such bonds, loans, or indebtedness (by the issuance of the same obligations following the same procedure) or retire any indebtedness or lien that may exist against the district or its property.

(Added by Stats. 1963, Ch. 1151.)

71314. A district may insure its directors, officers, assistants, employees, agents, and deputies for injury, death, or disability incurred while engaged in the business of the district and the cost of such insurance is a proper charge against the district. Such insurance is in addition to any compensation secured under the provisions of Division 4 (commencing with Section 3201) of the Labor Code and inuring to the benefit of the director, officer, deputy, assistant, employee, or agent, or his beneficiary or heir.

(Added by Stats. 1967, Ch. 244.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 3. OFFICERS AND EMPLOYEES [71340 - 71365]
ARTICLE 1. IN GENERAL [71340 - 71342]

71340. At its first meeting, or as soon thereafter as practicable, the board shall appoint, by a majority vote, a secretary, treasurer, attorney, general manager, and auditor, and shall define their duties and fix their compensation. The board may at any meeting appoint a deputy secretary and a deputy treasurer.

Each of these officers shall serve at the pleasure of the board.
(Amended by Stats. 1965, Ch. 132.)

71341. The board may employ such additional assistants and employees as it deems necessary to efficiently maintain and operate the district.

(Added by Stats. 1963, Ch. 156.)

71341.5.(a) A district may employ park rangers who shall have the authority and powers conferred by subdivision (d) of Section 830.34 of the Penal Code upon peace officers.

(b) For the purposes of carrying out subdivision (a), the district shall adhere to the standards for recruitment and training of peace officers established by the Commission on Peace Officer Standards and Training pursuant to Title 4 (commencing with Section 13500) of Part 4 of the Penal Code.

(c) Every park ranger employed by a district shall conform to the standards for peace officers adopted by the Commission on Peace Officer Standards and Training. Any park ranger who fails to conform to those standards shall not have the powers of a peace officer.

(Added by Stats. 2004, Ch. 799, Sec. 2. Effective September 27, 2004.)

71342. The board may consolidate the offices of secretary and treasurer.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 3. INTERNAL ORGANIZATION [71250 - 71365]
CHAPTER 3. OFFICERS AND EMPLOYEES [71340 - 71365]
ARTICLE 2. DUTIES [71360 - 71365]

71360. The president and secretary, in addition to the duties imposed on them by law, shall perform such duties as may be imposed on them by the board.

(Added by Stats. 1963, Ch. 156.)

71361. The treasurer, or such other person or persons as may be authorized by the board, shall draw checks or warrants to pay demands when such demands have been audited and approved in the manner prescribed by the board.

(Added by Stats. 1963, Ch. 156.)

71362. Subject to the approval of the Board of Directors, the general manager shall have full charge and control of the maintenance, operation, and construction of the waterworks or waterworks system of the district, with full power and authority to employ and discharge all employees and assistants, other than those referred to in Section 71340, at pleasure, prescribe their duties, and fix their compensation.

(Amended by Stats. 1963, Ch. 1151.)

71363. The general manager shall perform such duties as may be imposed on him by the board. He shall report to the board in accordance with such rules and regulations as it may adopt.

(Amended by Stats. 1963, Ch. 1151.)

71364. The attorney shall be the legal adviser of the district and shall perform such other duties as may be prescribed by the board.

(Added by Stats. 1963, Ch. 156.)

71365. The general manager, secretary, and treasurer, and other employees or assistants of the district designated by the board, shall give such bonds to the district conditioned for the faithful performance of their duties as the board from time to time may provide. The premiums on the bonds shall be paid by the district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 1. ELECTIONS GENERALLY [71450 - 71454]

71450. As used in this part:

- (a) "District election" means every election held within the district for district purposes, but does not include a formation election.
- (b) "General district election" means the district election for the election of directors which shall be held in each even-numbered year at the time of the general election and consolidated therewith.
- (c) "Special district election" means any district election other than the general district election.
(Amended by Stats. 1984, Ch. 7, Sec. 5. Effective February 8, 1984.)

71451. Except as otherwise provided in this division, the provisions of the Elections Code, so far as they may be applicable, shall govern all district elections.
(Added by Stats. 1963, Ch. 156.)

71452. The board shall call and canvass all elections involving matters of initiative and referendum and shall call all other elections which it is authorized to canvass.
(Added by Stats. 1963, Ch. 156.)

71453. No person shall vote at any district election unless he is a voter residing in the division of the district in which he casts his vote.
(Added by Stats. 1963, Ch. 156.)

71454. Except with respect to formation elections, whenever lands situated in more than one county are included in a district:

- (a) The secretary shall perform all duties prescribed by law to be performed by county clerks or registrars of voters, as the case may be, in connection with district elections.
- (b) Where necessary, the secretary is authorized to procure from the proper county officials all necessary registration books and copies of indexes thereof.
- (c) The board shall perform all duties prescribed by law to be performed by boards of supervisors in connection with district elections.
(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 2. PREPARATION OF BALLOTS [71461 - 71463]

71461. In counties in which districts are located, the county elections official may have printed upon the official ballots provided for voters at elections for directors a heading in the same form as that provided by the Elections Code for nonpartisan officers. The heading shall be marked "Municipal Water District," with a subheading "For a Member of the Board of Directors, Division _____ (here inserting the number of the division)—Vote for One," and beneath which shall appear the names of the candidates for the office of director for that division of the district, with the appropriate blank space for the writing in of the name of a candidate if desired by the voters, and with a voting square placed opposite the space.

(Amended by Stats. 2002, Ch. 221, Sec. 203. Effective January 1, 2003.)

71462. The ballots provided for voters at elections for directors shall be furnished by the precinct officers only to those voters within their respective precincts who appear on the register as duly registered voters within the affected division of the district.

(Added by Stats. 1963, Ch. 156.)

71463. In precincts which lie only partly within a district, the precinct board shall be supplied with two kinds of ballots by the county elections official, one of which shall contain the matters set forth in Section 71461 for the use of voters of the district, and the other of which shall not contain the matters set forth in Section 71461 and shall be furnished to those voters of the precinct who are not voters of the district.

(Amended by Stats. 2002, Ch. 221, Sec. 204. Effective January 1, 2003.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 3. PRECINCTS AND POLLING PLACES [71473- 71473.]

71473. If any district election is consolidated with any state or county election, the voting precincts, polling places, and election officers for the district election shall be the same as those established for the state or county election.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 4. ELECTION OF DIRECTORS [71500 - 71512]
ARTICLE 1. IN GENERAL [71500 - 71505]

71500. The successors to the first directors shall be elected or chosen at the times and in the manner provided in this chapter.

(Added by Stats. 1963, Ch. 156.)

71501. One director, who shall be a resident of the division and shall be elected by the voters thereof, shall be elected for each of the five divisions of the district.

(Added by Stats. 1963, Ch. 156.)

71502. Except as to the election of the first directors, directors shall be elected at the general district election.

(Amended by Stats. 1984, Ch. 7, Sec. 6. Effective February 8, 1984.)

71503. Each candidate for director who at the general district election receives the highest number of votes cast for the candidate for that office is elected as a director of the district.

(Amended by Stats. 1984, Ch. 7, Sec. 7. Effective February 8, 1984.)

71505. Candidates shall declare their candidacy and shall be nominated, election returns shall be canvassed, the election shall be held and conducted, the results shall be declared, and the certificates of election shall be issued, in the same manner as the declaration of candidacy, nomination, election, canvassing of returns, declaration of results, and issuance of certificates of election are made, declared, held, and conducted, and issued, under the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code).

(Amended by Stats. 1994, Ch. 923, Sec. 264. Effective January 1, 1995.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 4. ELECTION OF DIRECTORS [71500 - 71512]
ARTICLE 2. APPOINTMENT IN LIEU OF ELECTION [71512- 71512.]

71512. A person appointed to office of director shall qualify and take office and serve exactly as if elected at a general district election.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 5. INITIATIVE, REFERENDUM, AND RECALL [71530 - 71531]

71530. Ordinances may be passed by the voters of a district in accordance with the methods provided by the Elections Code for direct legislation in cities.

(Added by Stats. 1963, Ch. 156.)

71531. Ordinances may be disapproved and vetoed by the voters of a district in accordance with the methods provided by the Elections Code for protesting against legislation in cities.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 4. ELECTIONS [71450 - 71540]
CHAPTER 6. RELOCATION OF DIVISION BOUNDARIES [71540- 71540.]

71540. The board of directors shall, by resolution, adjust the boundaries of any divisions pursuant to Chapter 8 (commencing with Section 22000) of Division 21 of the Elections Code.
(Repealed and added by Stats. 1998, Ch. 435, Sec. 14. Effective January 1, 1999.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 1. POWERS GENERALLY [71590 - 71601]

71590. A district may exercise the powers which are expressly granted by this division or are necessarily implied.

(Added by Stats. 1963, Ch. 156.)

71591. A district may:

(a) Have perpetual succession.

(b) Adopt a seal and alter it at pleasure.

(Added by Stats. 1963, Ch. 156.)

71592. A district may make contracts, employ labor, and do all acts necessary for the full exercise of its powers.

(Added by Stats. 1963, Ch. 156.)

71593. A district may provide by ordinance for the pensioning of officers or employees, for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them.

(Added by Stats. 1963, Ch. 156.)

71594. A district may, in the ordinance providing for the pensioning of officers and employees, create a special fund for the purpose of paying such pensions and provide for the accumulation of contributions to this fund from revenues of the district, wages of officers or employees, voluntary contributions, gifts, donations, or any source of revenue not inconsistent with the general powers of the board.

(Added by Stats. 1963, Ch. 156.)

71595. A district may contract with any insurance corporation, the State Employees' Retirement System, or any other insurance carrier for the maintenance of a service covering the pension of the district officers or employees and for their health and accident insurance coverage.

(Amended by Stats. 1967, Ch. 83.)

71596. A district may disseminate information concerning the rights, properties, and activities of the district. Such power shall not be construed as an exception to the California Public Records Act.

(Added by Stats. 1971, Ch. 310.)

71597. A district may by resolution of a four-fifths majority of its directors obtain membership in associations having for their purpose the furtherance of subjects relating to the powers and duties of the district and for the interchange of information relating to such powers and duties. Funds necessary for such purposes may be appropriated.

The Legislature hereby finds and declares that the provisions of this section are declaratory of existing law except insofar as they specify that a resolution of a four-fifths majority of the directors is necessary.

(Added by Stats. 1965, Ch. 1057.)

71598. A district may, by resolution of the board of directors spread on its minutes, change the name of the district. Certified copies of the resolution changing the name of the district shall be recorded in the office of the county recorder of every affected county and sent to the county clerk of every affected county.

(Amended by Stats. 1998, Ch. 829, Sec. 65. Effective January 1, 1999.)

71599. If, on or after the effective date of this section, substantially all of a district water system is acquired by another public agency by any method other than a vote of the electorate of that district so authorizing, the following provisions shall apply:

(a) All funds derived from the operation of the former district system shall be separately accounted for and used exclusively for the purposes of maintenance, operation, betterments, and bond debt service of the acquired system.

(b) No funds derived from the former district system shall be used for any other such purpose until all debt of that former system has been paid in full or until a majority vote of the electorate of the area served by that former system has authorized such other expenditures.

(Added by Stats. 1974, Ch. 791.)

71600. Every person convicted of an infraction for a violation of any local ordinance or regulation adopted pursuant to this division shall be punished upon a first conviction by a fine not exceeding fifty dollars (\$50) and for a second conviction within a period of one year by a fine of not exceeding one hundred dollars (\$100) and for a third or any subsequent conviction within a period of one year by a fine of not exceeding two hundred fifty dollars (\$250).

(Added by Stats. 1977, Ch. 387.)

71601. (a) In order to enforce the provisions of any ordinance of the district, including an ordinance fixing charges for the furnishing of commodities or services, the district may correct any violation of an ordinance of the district. The district may also petition the superior court for the issuance of a preliminary or permanent injunction, or both, as may be appropriate, restraining any person from the continued violation of any ordinance of the district or for the issuance of an order stopping or disconnecting a service if the charges for that service are unpaid at the time specified in the ordinance.

(b) The district may enter upon the private property of any person within the jurisdiction of the district in order to investigate possible violations of an ordinance of the district. The investigation shall be made with the consent of the owner or tenant of the property or, if consent is refused, with a warrant duly issued pursuant to the procedures set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure, except that, notwithstanding Section 1822.52 of the Code of Civil Procedure, the warrant shall be issued only upon probable cause.

(c) The district shall notify the county or city building inspector, county health inspector, or other affected county or city employee or office, in writing, within a reasonable time if an actual violation of a district, city, or county ordinance is discovered during the investigation.

(Added by Stats. 1995, Ch. 798, Sec. 5. Effective January 1, 1996.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 2. WATER [71610 - 71644]
ARTICLE 1. DEVELOPMENT AND SALE [71610 - 71618]

71610. (a) Except as provided in subdivision (b), a district may acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water, including sewage and storm waters, for the beneficial use or uses of the district, its inhabitants, or the owners of rights to water in the district.

(b) For a district located in a county with a population greater than 8 million persons and where 80 percent of the area of the district is included within the boundaries of a water replenishment district organized pursuant to Division 18 (commencing with Section 60000), the district shall have no authority to do any of the following:

(1) Manage, control, or administer the importation of water for the storage of groundwater.

(2) Store water underground except pursuant to either of the following:

(A) A contract with an independent holder of adjudicated groundwater extraction rights within the boundaries of the district and for the account of the water rights holder.

(B) A court order issued by a court having jurisdiction over the adjudication of groundwater extraction rights within the groundwater basin where storage is sought.

(Amended by Stats. 2012, Ch. 215, Sec. 1. (SB 1386) Effective January 1, 2013.)

71610.5. A district may undertake a water conservation program to reduce water use and may require, as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use.

(Added by Stats. 1975, Ch. 893.)

71611. A district may sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. As used in this part, the term "water" includes potable water and nonpotable water.

(Amended by Stats. 1978, Ch. 418.)

71611.5.(a) (1) Except as provided in paragraph (2), upon the request of an Indian tribe and the satisfaction of the conditions stated in subdivision (b), a district shall provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district as if the lands had been fully annexed into the district and into any other public agencies required for the provision of water service if the Indian tribe's lands meet all of the following requirements:

(A) The lands were owned by the tribe on January 1, 2016.

(B) The lands are contiguous with at least two districts.

(C) The lands lie within the special study area of at least one district.

(D) At least 70 percent of the Indian tribe's total Indian lands are currently within the boundaries of one or more districts.

(2) (A) Upon the request of an Indian tribe that does not meet the requirements of paragraph (1) and upon the satisfaction of the conditions stated in subdivision (b), a district may, until January 1, 2023, apply to the applicable local agency formation commission to extend water service at substantially the same terms applicable to customers of the district to Indian lands that are not within a district as if the lands had been fully annexed into the district and into any other public agencies required for the provision of water service. The local agency formation commission shall approve the application and may impose conditions on the district with regard to the extension of service in accordance with Section 56886 of the Government Code, as long as those terms and conditions do not impair the provision of water service to Indian lands pursuant to this section and are similar to those imposed on all agency service recipients without discrimination. A district shall provide the water extension agreement to the local agency formation commission.

(B) A local agency formation commission shall not approve an application on or after January 1, 2023. A district that received authorization to extend water service to Indian lands pursuant to subparagraph (A) may continue to do so after January 1, 2023, provided that the district continues to comply with the conditions imposed by the local agency formation commission.

(C) For purposes of this subdivision, "Indian lands" means Indian lands, as defined in Section 2703 of Title 25 of the United States Code, that were part of a reservation or held in trust as of January 1, 2017.

(b) Before a district provides service of water pursuant to this section, the Indian tribe shall satisfy all of the following conditions:

(1) The Indian tribe complies with all federal and tribal laws.

(2) The Indian tribe acquires all federal and tribal approvals necessary for the applicable district to provide water service to the tribal lands on substantially the same terms applicable to customers of the district.

(3) The Indian tribe accepts, by agreement, all terms of, and payments to (including service payments), the district and any public agency providing water to said district, as if the Indian tribe's lands were fully annexed into the district and into the service area of any other public agency, which terms and payments are also a condition of continued service by a district and by any public agency providing water to said district.

(c) If a district provides service of water to an Indian tribe's lands pursuant to this section, the service areas of the district and of any public agencies providing water to the district are deemed for all purposes to include the Indian tribe's lands for the longest of the following periods of time:

(1) The time service of water is provided by the district to the Indian tribe.

(2) The time moneys are owed by the Indian tribe to the district for the service of water.

(3) The term of any agreement between the district and the Indian tribe.

(Amended by Stats. 2018, Ch. 92, Sec. 219. (SB 1289) Effective January 1, 2019.)

71612. Whenever the board finds that there is a surplus of water above that which may be required by consumers within the district, the district may sell or otherwise dispose of such surplus water to any persons, public corporations or agencies, or other consumers.

(Added by Stats. 1963, Ch. 156.)

71612.5. Notwithstanding any other provision of law, the Marin Municipal Water District may sell water to any person, firm, public or private corporation, or public agency or other consumer within or without the district.

(Repealed and added by Stats. 1980, Ch. 933, Sec. 15.)

71613. A district may supply and deliver water to property not subject to district taxes at special rates, terms, and conditions as are determined by the board for such service.

(Amended by Stats. 1967, Ch. 83.)

71614. A district may fix the rates at which water shall be sold. Different rates may be established for different classes or conditions of service, but rates shall be uniform throughout the district for like classes and conditions of service.

(Added by Stats. 1963, Ch. 156.)

71615. Any special water rate fixed in accordance with the terms and conditions of an annexation shall be deemed to be a rate for a different class or condition of service.

(Added by Stats. 1963, Ch. 156.)

71616. A district, so far as practicable, shall fix such rates for water in the district, and in each improvement district therein, as will result in revenues which will:

(a) Pay the operating expenses of the district and the improvement district.

(b) Provide for repairs and depreciation of works.

(c) Provide a reasonable surplus for improvements, extensions, and enlargements.

(d) Pay the interest on any bonded debt.

(e) Provide a sinking or other fund for the payment of the principal of such bonded debt as it becomes due.

(f) Repay advances, together with interest at a rate not to exceed the interest value of money to the district, made from the district to an improvement district.

(Amended by Stats. 1969, Ch. 708.)

71617. The rates for water in each improvement district may vary from the rates of the district and from other improvement districts therein.

(Added by Stats. 1963, Ch. 156.)

71618. No district furnishing water for residential use to a tenant shall seek to recover any charges or penalties for the furnishing of water to or for the tenant's residential use from any subsequent tenant on account of nonpayment of charges by a previous tenant. The district may, however, require that service to subsequent tenants be furnished on the account of the landlord or property owner.

(Added by Stats. 1985, Ch. 1251, Sec. 9.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 2. WATER [71610 - 71644]
ARTICLE 2. STANDBY CHARGES [71630 - 71637]

71630. The district by ordinance may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix on or before the third Monday of August, in each fiscal year, a water standby assessment or availability charge in the district, in any portion thereof, or in any improvement district, to which water is made available by the district, whether the water is actually used or not.

(Amended by Stats. 2007, Ch. 27, Sec. 38. Effective January 1, 2008.)

71631. The standby assessment or availability charge shall not exceed ten dollars (\$10) per acre per year for each acre of land on which the charge is levied or ten dollars (\$10) per year for a parcel less than one acre.

(Amended by Stats. 1971, Ch. 310.)

71631.5. Notwithstanding Section 71631, in any improvement district situated within the Eastern Municipal Water District, the Western Municipal Water District of Riverside County, the Elsinore Valley Municipal Water District, the Rincon Del Diablo Municipal Water District, the Ramona Municipal Water District, the Rainbow Municipal Water District, or the Lake Hemet Municipal Water District, the standby assessment or availability charge shall not exceed thirty dollars (\$30) per acre per year for land on which the charge is levied or thirty dollars (\$30) per year for a parcel less than one acre. In any such improvement district, the proceeds from any standby assessment or availability charge in excess of ten dollars (\$10) per acre per year or ten dollars (\$10) per year for a parcel less than one acre shall only be used for the purposes of such improvement district.

This section, applicable only to the Eastern Municipal Water District, the Western Municipal Water District of Riverside County, the Elsinore Valley Municipal Water District, the Rincon Del Diablo Municipal Water District, the Ramona Municipal Water District, the Rainbow Municipal Water District, and the Lake Hemet Municipal Water District, is necessary because of the unique and special water management problems of those areas included within those districts.

(Amended by Stats. 1982, Ch. 267, Sec. 6.)

71631.6. Notwithstanding the provisions of Section 71631, in any improvement district situated within the Otay Municipal Water District in San Diego County, the standby assessment or availability charge shall not exceed thirty dollars (\$30) per acre per year for land on which the charge is levied or ten dollars (\$10) per year for a parcel less than one acre. In any such improvement district the proceeds from any standby assessment or availability charge in excess of ten dollars (\$10) per acre per year shall only be used for the purposes of such improvement district.

This section, applicable only to the Otay Municipal Water District of San Diego County is necessary because of the unique and special water management problems of the area included within such district.

(Added by Stats. 1979, Ch. 281.)

71631.7.(a) Notwithstanding Section 71631, for the San Luis Rey Municipal Water District, the standby assessment or availability charge shall not exceed thirty dollars (\$30) per acre per year for land on which the charge is levied or thirty dollars (\$30) per year for a parcel less than one acre. The proceeds from any standby assessment or availability charge shall only be used for the purposes of management of local water supply and its quality.

(b) This section, applicable only to the San Luis Rey Municipal Water District, is necessary because of the unique and special water management problems of those areas included within that district.

(Amended by Stats. 2014, Ch. 818, Sec. 1. (AB 2446) Effective January 1, 2015.)

71632. The ordinance fixing a standby assessment or availability charge shall be adopted by the board pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code and only after adoption of a resolution setting forth the particular schedule or schedules of charges or assessments proposed to be established by ordinance and after a hearing on said resolution.

If the procedures set forth in this section as it read at the time a standby assessment or availability charge was established were followed, the board may, by ordinance, continue the charge pursuant to this article in successive

years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

(Amended by Stats. 2007, Ch. 27, Sec. 39. Effective January 1, 2008.)

71633. The ordinance fixing a standby assessment or availability charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability.

(Amended by Stats. 1967, Ch. 105.)

71634. On or before the third Monday in August, the board shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the district upon which a standby charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the district on each parcel of land.

(Amended by Stats. 1965, Ch. 132.)

71635. The board shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes the board of supervisors shall levy, in addition to any other tax it levies, the standby charge in the amounts for the respective parcels fixed by the board.

(Amended by Stats. 1965, Ch. 132.)

71636. All county officers charged with the duty of collecting taxes shall collect district standby charges with the regular tax payments to the county. Said charges shall be collected in the same form and manner as county taxes are collected, and shall be paid to the district.

(Added by Stats. 1965, Ch. 132.)

71637. Charges fixed by the district shall be a lien on all the property benefited thereby. Liens for said charges shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

(Added by Stats. 1965, Ch. 132.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 2. WATER [71610 - 71644]
ARTICLE 2.5. ALTERNATIVE PROVISIONS FOR STANDBY CHARGES [71638 - 71638.4]

71638. If the procedures set forth in this article as it read at the time a standby charge was established were followed, the district or improvement district may, by resolution, continue the charge pursuant to this article in successive years at the same rate. If new, increased, or extended assessments are proposed, the district or improvement district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.
(Amended by Stats. 2007, Ch. 27, Sec. 40. Effective January 1, 2008.)

71638.1. For property within a district, a portion thereof, or an improvement district, which property was previously charged or assessed for such purposes, the district by resolution may fix on or before the third Monday of August, in each fiscal year, a water standby assessment or availability charge in the district, in any portion thereof, or in any improvement district, to which water is made available by the district, whether the water is actually used or not.
(Added by Stats. 1976, Ch. 139.)

71638.2. The resolution fixing a standby assessment or availability charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability, subject to the maximum charges provided in Section 71631.
(Added by Stats. 1976, Ch. 139.)

71638.4. The levy and collection of such assessment or charge shall be made as provided in Sections 71634 through 71637, inclusive.
(Added by Stats. 1976, Ch. 139.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 2. WATER [71610 - 71644]
ARTICLE 2.7. STANDBY ASSESSMENTS [71639- 71639.]

71639. (a) This article applies to the Three Valleys Municipal Water District.

(b) Notwithstanding any other provision of law, the district, by resolution, may adopt an assessment with a schedule of annual adjustments, and adjust the amount of an assessment in accordance with this section, if the adjustment is made in the same manner as provided for taxes, fees, and charges in subparagraph (A) or (B) of paragraph (2) of subdivision (h) of Section 53750 of the Government Code.

(c) The district shall cause notice of the intent to adopt the resolution to be published pursuant to Section 6066 of the Government Code prior to the date set for the adoption of the assessment, and shall hear any and all objections at the time and place set forth in the notice. The district, at the time and place specified in the notice, shall conduct the hearing and consider all objections to the assessment. Thereafter, the district may adjust the assessment, if all of the following conditions are met:

(1) The amount of the assessment does not exceed twenty-nine dollars and forty-one cents (\$29.41) per equivalent dwelling unit.

(2) The revenue raised by the assessment, including its annual adjustments, is used exclusively to fund the readiness-to-serve charge, or equivalent charge, imposed upon the district by the Metropolitan Water District of Southern California, and related administrative costs.

(3) The district adjusts its water rates to its retail agencies by an amount necessary to prevent surplus funding of the readiness-to-serve charge imposed upon the district by the Metropolitan Water District of Southern California.

(d) For the purposes of Article XIII C and Article XIII D of the California Constitution, the district has not increased an assessment if the district adjusts an assessment in the same manner as provided for taxes, fees, and charges in subparagraph (A) or (B) of paragraph (2) of subdivision (h) of Section 53750 of the Government Code.

(Added by Stats. 2005, Ch. 210, Sec. 2. Effective January 1, 2006.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 2. WATER [71610 - 71644]
ARTICLE 3. WATER SHORTAGES [71640 - 71644]

71640. A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential.

(Added by Stats. 1963, Ch. 156.)

71641. A district may prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in Section 71640. Such an ordinance is effective upon adoption; but, within 10 days after its adoption, the ordinance shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation which is printed, published, and circulated in the district. If there is no such newspaper the ordinance shall be posted within 10 days after its adoption in three public places within the district.

(Added by Stats. 1963, Ch. 156.)

71642. A finding by the board upon the existence, threat, or duration of an emergency or shortage, or upon the matter of necessity or of any other matter or condition referred to in Section 71640, shall be made by resolution or ordinance. The finding is prima facie evidence of the fact or matter so found, and such fact or matter shall be presumed to continue unchanged unless and until a contrary finding is made by the board by resolution or ordinance.

(Added by Stats. 1963, Ch. 156.)

71643. The finding made by the board pursuant to Section 71642 shall be received in evidence in any civil or criminal proceeding in which it may be offered, and shall be proof and evidence of the fact or matter found until rebutted or overcome by other sufficient evidence received in such proceeding. A copy of any resolution or ordinance setting forth such finding shall, when certified by the secretary of the district, be evidence that the finding was made by the district as shown by the resolution or ordinance and certification.

(Added by Stats. 1963, Ch. 156.)

71644. From and after the publication or posting of any ordinance pursuant to Section 71641, and until the ordinance has been repealed or the emergency or threatened emergency has ceased, it is a misdemeanor for any person to use or apply water received from the district contrary to or in violation of any restriction or prohibition specified in the ordinance. Upon conviction thereof such person shall be punished by imprisonment in the county jail for not more than 30 days, or by fine not exceeding six hundred dollars (\$600), or by both.

(Amended by Stats. 1983, Ch. 1092, Sec. 417. Effective September 27, 1983. Operative January 1, 1984, by Sec. 427 of Ch. 1092.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 3. OTHER FUNCTIONS [71660 - 71689.27]
ARTICLE 1. RECREATION AND ELECTRICAL POWER [71660 - 71664]

71660. A district may construct, maintain, improve, and operate public recreational facilities appurtenant to facilities operated or contracted to be operated by the district. It may by ordinance provide regulations binding upon all persons to govern the use of such facilities, including regulations imposing reasonable charges for the use thereof. Violation of district regulations relating to vehicle or boat speed limits, defacement of district property, the use, possession or discharge of firearms, weapons or fireworks, the creation of fire hazards, being under the influence of intoxicating beverages or dangerous drugs, or remaining on, or reentering district premises after an authorized district officer or employee has specifically withdrawn consent for a person to utilize district facilities, is a misdemeanor. Violation of any other regulation of the district adopted pursuant to this section is an infraction.

(Amended by Stats. 1978, Ch. 127.)

71661. In addition to the activities authorized by Section 71660, the Big Bear Municipal Water District may construct, maintain, improve, and operate public recreational facilities which are not appurtenant to a water reservoir operated by the district, when such proposal is approved by a majority of the qualified voters of the district voting at a special district election held pursuant to Part 4 (commencing with Section 71450) of Division 20. This section, applicable only to the Big Bear Municipal Water District, is necessary because of the unique and special recreational problems of the area within such district.

(Added by Stats. 1975, Ch. 479.)

71662. A district may utilize any part of its water, and any part of its works, facilities, improvements, and property used for the development, storage, and transportation of water pursuant to Chapter 2 (commencing with Section 71610) to provide, generate, and deliver hydroelectric power, and may acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient for such utilization.

(Added by Stats. 1977, Ch. 146.)

71663. A district may (a) pursuant to contract, provide, sell, and deliver hydroelectric power to the United States of America or any board, department or agency thereof, to the State of California for the purposes of the State Water Resources Development System, and to any public agency, private corporation, or other person or entity, or any combination thereof, engaged in the sale of electric power at retail; or (b) use all or any part of such hydroelectric power directly, or indirectly through exchange, in exercising any of the powers described in Section 71590 or as otherwise provided by law.

For the purposes of this section, "public agency" means a city, county, city and county, district, local agency, public authority, or public corporation.

(Added by Stats. 1977, Ch. 146.)

71663.5.(a) A district may provide, generate, and deliver electric power, and may construct, operate, and maintain any and all works, facilities, improvements, and property, or portion thereof, necessary or convenient for that generation and delivery.

(b) The electric powerplant or plants and transmission lines constructed pursuant to this section may be leased for operation. The power generated shall be used by a district for its own purposes. A district may sell surplus power to a public or private entity that is engaged in the distribution or sale of electricity. For purposes of this section, "for its own purposes" means a district performing only functions in its capacity as a water district, including, but not be limited to, any of the following:

- (1) Pumping operations.
- (2) Water treatment operations.
- (3) Barrier intrusion operations.
- (4) Desalination operations.

(c) Nothing in this section grants to a district the authority to provide, sell, or deliver electric power at retail.

(d) A district may not acquire property employed in the generation or delivery of electric power for public or private utility purposes, except by mutual agreement between the district and the owner of that property.

(e) (1) It is the intent of the Legislature, that each district that has purchased electricity from an electrical corporation on or after February 1, 2001, regardless of whether the district thereafter generates its own electricity, bear a pro rata share of the Department of Water Resources' electricity purchase costs, that are recoverable from electrical corporation customers in commission-approved rates. It is the further intent of the Legislature to prevent any shifting of recoverable costs from districts that generate their own electricity pursuant to this section, to electrical corporation bundled customers.

(2) To the extent that any shifting of recoverable costs would occur, in the determination of the commission, those costs shall be recovered from districts that generate their own electricity, pursuant to this section.

(3) The Legislature finds and declares that the revisions of this subdivision are consistent with the requirements of Chapter 4 of the Statutes of 2001, First Extraordinary Session, and do not constitute a change in, but are declaratory of existing law.

(f) A district that generates its own electricity pursuant to this section shall be responsible for paying the following:

(1) A charge equivalent to the charges that would otherwise be imposed on the district by the commission to recover bond related costs pursuant to any agreement between the commission and the Department of Water Resources pursuant to Section 80110 of the Water Code, which charges shall be payable until all obligations of the Department of Water Resources pursuant to Division 27 (commencing with Section 80000) of the Water Code are fully paid or otherwise discharged. All bond charges are the property of the Department of Water Resources.

(2) If a district generates new offsite power, it shall be responsible for the additional costs of the Department of Water Resources, equal to the share of the Department of Water Resources' estimated net unavoidable electricity purchase contract costs attributable to the district as determined by the commission, for the period commencing with the district's initial generation of its offsite electricity, through the expiration of all then existing electricity purchase contracts entered into by the Department of Water Resources.

(g) A district generating its own electricity pursuant to this section shall reimburse the electrical corporation that previously served the district for all of the following:

(1) The electrical corporation's unrecovered past undercollections for electricity purchases, including any financing costs, attributable to that district, that the commission lawfully determines may be recovered in rates.

(2) Any additional costs of the electrical corporation recoverable in commission approved rates, equal to the share of the electrical corporation's estimated net unavoidable electricity purchase contract costs attributable to the district, as determined by the commission, for the period commencing with the district's initial generation of electricity pursuant to this section, through the expiration of all then existing electricity purchase contracts entered into by the electrical corporation.

(h) (1) Any charges imposed pursuant to subdivision (f) shall be the property of the Department of Water Resources. Any charges imposed pursuant to subdivision (g) shall be the property of the particular electrical corporation. The commission shall establish sufficient mechanisms, including agreements with, or orders with respect to, electrical corporations as are necessary to ensure that charges payable pursuant to this section shall be promptly remitted to the party entitled to the payment.

(2) Charges imposed pursuant to this section shall be nonbypassable.

(i) Prior to implementing this section, the commission shall submit a report certifying its satisfaction of the provisions of this section to the Senate Energy, Utilities and Communications Committee, or its successor, and the Assembly Committee on Utilities and Commerce, or its successor.

(Added by Stats. 2002, Ch. 848, Sec. 2. Effective January 1, 2003.)

71664. The Marin Municipal Water District may construct, maintain, and operate one or more plants for the generation of power from wind or solar radiation, and the transmission lines for the conveyance thereof, and in connection therewith shall have all the powers set forth in Sections 71662 and 71663 for the generation and transmission of hydroelectric power.

(Added by Stats. 1983, Ch. 657, Sec. 1.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 3. OTHER FUNCTIONS [71660 - 71689.27]
ARTICLE 2. SEWAGE, WASTE, AND STORM WATER DISPOSAL [71670 - 71674]

71670. A district may acquire, construct, and operate facilities for the collection, treatment, and disposal of sewage, waste, and storm water of the district and its inhabitants.

For purposes of this article, “waste” is as defined in subdivision (d) of Section 13050, and also includes any and all aquatic vegetation, except riparian vegetation, which threatens or adversely affects the quality of the waters within the district. “Quality of the waters” is as defined in subdivision (g) of Section 13050. “Disposal of sewage” includes the sale or resale of treated effluent for any purpose.

The district may prescribe, revise, and collect rates or other charges for the services and facilities furnished pursuant to this article.

The amendment to this section enacted at the 1977–78 Regular Session of the Legislature is declaratory of and does not constitute a change in existing law.

(Amended by Stats. 1978, Ch. 418.)

71670.5. A district may supply sewage and waste services to property not subject to district taxes at special rates, terms and conditions as are determined by the board for such services.

(Added by Stats. 1965, Ch. 1864.)

71671. The revenues from the rates and charges for services and facilities furnished pursuant to this article may be used for the following purposes:

- (a) To pay the operating and maintenance expenses of the facilities.
- (b) To provide a reasonable surplus for improvements, extensions, and enlargements.
- (c) To pay the interest on any bonded debt for the facilities.
- (d) To provide a sinking or other fund for the payment of the principal of such bonded debt as it becomes

due.

(Added by Stats. 1963, Ch. 156.)

71672. The district may provide that the rates and charges for services and facilities furnished pursuant to this article may be collected with the water rates of the district, that all rates shall be billed upon the same bill and collected as one item, and that in the event of failure to pay the whole or any part of the bill, the district may discontinue any or all service for which the bill is rendered. This section shall not be construed to prohibit the collection of rates or charges by the district in any other lawful manner.

(Added by Stats. 1963, Ch. 156.)

71674. A district may fix, levy and collect a sewage and waste water service standby or availability charge in the same manner and under the same terms and conditions as are provided for a water standby or availability charge in Articles 2 (commencing with Section 71630) and 2.5 (commencing with Section 71638) of Chapter 2 of this part.

(Amended by Stats. 1976, Ch. 139.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 3. OTHER FUNCTIONS [71660 - 71689.27]
ARTICLE 3. FIRE PROTECTION [71680- 71680.]

71680. (a) A district may exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code.

(b) If the district includes any part of any local agency which provides fire protection service to any territory in the district, the district shall have no authority regarding the prevention or suppression of fires, in that territory unless the district has obtained the consent of the other local agency.

(Amended by Stats. 1987, Ch. 1013, Sec. 20.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 3. OTHER FUNCTIONS [71660 - 71689.27]
ARTICLE 4. WATER REPLENISHMENT ASSESSMENT [71682 - 71689.9]

71682. The provisions of this article apply only to districts in which the producers of a majority of the production of ground water within the boundaries of the district are or will within one year from the enactment of this article be subject to a court judgment requiring the delivery of makeup water to downstream users.

(Added by Stats. 1965, Ch. 1725.)

71682.1. For the purpose of replenishing the ground water supplies within such district and to provide such makeup water, a district may cause assessments to be levied as provided in this article. Provided, that:

(a) This article shall not apply to a district 80 percent of the area of which is included within the boundaries of a water replenishment district organized pursuant to Division 18 (commencing with Section 60000) of this code or 80 percent of the area of which is included within the boundaries of any other special district of any kind or type having replenishment powers and the power to levy an assessment on the ground water extractions.

(b) This article shall cease to apply to a district as of the end of any water year during which 80 percent of the area thereof becomes included within the boundaries of such a water replenishment district or any such other special district denoted in subdivision (a) of this section.

(Added by Stats. 1965, Ch. 1725.)

71683. As used in this article:

“Include,” except when used in relation to the inclusion of land into a district, does not necessarily exclude matters not enumerated.

“Person” means any public agency or public corporation, whether federal, state, or local, or any private corporation, firm, partnership, individual, or group of individuals and includes a district levying a water replenishment assessment hereunder.

“Water year” means the period commencing on October 1st of one calendar year and ending on September 30th of the calendar year immediately following.

“Fiscal year” means the period commencing on July 1st of one calendar year and ending on June 30th of the calendar year immediately following.

“Ground water” means nonsaline water beneath the surface of the ground, whether or not flowing through known and definite channels.

“Nonsaline water” means water which has less than 1,000 parts of chlorides to 1,000,000 parts of water.

“Production” or “producing” means the extraction or extracting of ground water, by pumping or any other method, from shafts, tunnels, wells (including, but not limited to, abandoned oil wells), excavations, or other sources of such ground water, for domestic, municipal, irrigation, industrial, or other beneficial use, except that such terms shall not mean or include the extraction or extracting of ground water incidentally produced with oil in the production of oil or gas nor the extraction or extracting of ground water incidentally produced in a bona fide mining operation or in the bona fide construction of a tunnel for railroad, highway, aqueduct, pipeline, or other useful purpose (except the production of ground water for use or sale) unless the ground water so extracted shall be used or sold by the producer for domestic, municipal, irrigation, industrial, or other beneficial purpose.

“Water-producing facility” means any device or method, mechanical or otherwise, for the production of ground water from the ground water supplies within the district.

“Owner” means the person or persons owning any water-producing facility or any interest therein other than a lien to secure the payment of a debt or other obligation.

“Operator” means the person or persons operating a water-producing facility; the owner thereof shall be conclusively presumed to be such operator unless satisfactory showing be made to the board of directors of the district that such water-producing facility actually is operated by some other person or persons. “Operator” shall mean any “person” mentioned in Section 71683 who is operating a water-producing facility, it being the purpose of this article to include any such person within the provisions hereof.

“Producer” means any person or operator producing ground water within the boundaries of the district.

“Annual overdraft” means the amount, as determined by the board, by which the quantity of ground water removed by any natural or artificial means from the ground water supplies within the district during the water year exceeds the quantity of nonsaline water replaced therein by the replenishment of such ground water supplies in such

water year by any natural or artificial means other than replenishment under the provisions of this article or by any other governmental agency or entity.

“Accumulated overdraft” means the aggregate amount, as determined from time to time by the board, by which the quantity of ground water removed by any natural or artificial means from the ground water supplies within the district during all preceding water years shall have exceeded the quantity of nonsaline water replaced therein by the replenishment of such ground water supplies in such water years by any natural or artificial means, the respective determination to be based upon reports, records, and other data or evidence found by the board to be adequate for the purpose of making such determination.

“Makeup water” means water of useable quality for ground water recharge required to be delivered to downstream users pursuant to a court judgment.

(Added by Stats. 1965, Ch. 1725.)

71684. Proceeds raised by the water replenishment assessments hereunder may only be used for the purchase of water for replenishment of the ground waters of the district and for the purchase, in whole or in part, of makeup water requirements.

(Added by Stats. 1965, Ch. 1725.)

71685. Not later than the second Tuesday in February each year the board shall order an engineering survey and report to be made regarding the ground water supplies of the district. The same shall include, among all other information and data which the board may require, the following:

(a) Records, data and other information for the consideration of the board in its determination of the annual overdraft.

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

(c) A report, with supporting data, as to the total production of ground water from the ground water supplies within the district during the preceding water year.

(d) A report, with supporting data, as to the changes during the preceding water year in the ground water levels and pressure levels or piezometric heights of the ground water contained within pressure-level areas of the district, and as to the effects thereof upon the ground water supplies within the district.

(e) An estimate of the annual overdraft for the current water year and for the ensuing water year.

(f) An estimate of the accumulated overdraft as of the last day of the current water year.

(g) An estimate of the total production of ground water from the ground water supplies within the district for the current water year and for the ensuing water year.

(h) An estimate of the changes during the current water year in the ground water levels, pressure levels or piezometric heights of the ground water contained within pressure-level areas of the district, and of the effects thereof upon the ground water supplies and makeup water requirements of the district.

(i) An estimate of the quantity, source, and cost of water available for replenishment of the ground water supplies and meeting the makeup water requirements of the district during the ensuing water year under the provisions of Section 71687.

(j) Records, data, estimates and other information for the consideration of the board in its determination of the makeup water requirements for the preceding, current and ensuing water years.

(Added by Stats. 1965, Ch. 1725.)

71686. On or before the second Tuesday in March of each year, and provided the survey and report called for by Section 71685 has been made, the board, by resolution, shall declare whether funds shall be raised to purchase water for replenishment and makeup water for the next ensuing water year pursuant to this article and whether the replenishment assessment will benefit, directly or indirectly, all of the persons or real property and improvements within the district.

(Added by Stats. 1965, Ch. 1725.)

71686.1. If the board, by resolution, determines that the funds needed to purchase replenishment or makeup water shall be raised by the levy of a replenishment assessment, then the board shall immediately publish a notice that a public hearing will be held on the second Tuesday of April for the purpose of determining whether and to what extent the estimated cost of purchasing water for replenishment and makeup requirements for the ensuing water year shall be paid for by a replenishment assessment. Such notice shall contain a copy of the board’s resolution, the time and place of the hearing, and an invitation to all interested parties to attend and be heard in support of or opposition

to the proposed assessment, the engineering survey and report, and the board's determination, and shall invite inspection of the engineering survey and report upon which the board acted. The notice shall be published in each affected county pursuant to Section 6061 of the Government Code, at least 10 days before the hearing date.

(Added by Stats. 1965, Ch. 1725.)

71686.2. The hearing shall be held before the board and a quorum shall be present. The hearing may be adjourned from time to time by the president or presiding officer or hearing officer but shall be completed by the first Tuesday in May next following.

(Added by Stats. 1965, Ch. 1725.)

71686.3. The board may appoint a qualified registered engineer familiar with water problems as a hearing officer to conduct the hearing.

(Added by Stats. 1965, Ch. 1725.)

71686.4. All evidence relevant to the engineering survey and report and the board's determination that such a replenishment assessment shall be levied may be introduced.

(Added by Stats. 1965, Ch. 1725.)

71687. Upon completing the hearing, but no later than the second Tuesday in May, the board shall, by resolution, find:

- (a) The annual overdraft for the preceding water year.
- (b) The estimated annual overdraft for the current water year.
- (c) The estimated annual overdraft for the ensuing water year.
- (d) The accumulated overdraft as of the last day of the preceding water year.
- (e) The estimated accumulated overdraft as of the last day of the current water year.
- (f) The total production of ground water from the ground water supplies within the district during the preceding water year.
- (g) The estimated total production of ground water from the ground water supplies within the district for the current water year.
- (h) The estimated total production of ground water from the ground water supplies within the district for the ensuing water year.
- (i) The changes during the preceding water year in the ground water levels, pressure levels or piezometric heights of the ground water contained within pressure-level areas of the district, and the effects thereof upon the ground water supplies and makeup water requirements of the district.
- (j) The estimated changes during the current water year in the ground water levels, pressure levels or piezometric heights of the ground water contained within pressure-level areas of the district, and the estimated effects thereof upon the ground water supplies within the district.
- (k) The quantity of water which should be purchased for the replenishment of the ground water supplies and makeup water requirements of the district during the ensuing water year.
- (l) The source and estimated cost of water available for such replenishment and makeup water requirements.
- (m) The estimated costs of replenishing such ground water supplies and meeting makeup water requirements of the district with such water so purchased.
- (n) The estimated costs of purchasing, in water years succeeding the ensuing water year, that portion of the quantity of water which should be purchased for the replenishment of the ground water supplies and meeting the makeup water requirements of the district during the ensuing water year, but which is estimated to be unavailable for purchase during said ensuing water year; the estimated costs shall be based on the estimated price of water for replenishment and makeup purposes during the ensuing water year.
- (o) The estimated rate of the replenishment assessment required to be levied upon the production of ground water from the ground water supplies within the district during the ensuing fiscal year for the purposes of accomplishing such replenishment makeup water requirements and providing a reserve fund to purchase in future years, when available, that portion of the quantity of water which should be purchased for the replenishment of the ground water supplies and meeting the makeup water requirements of the district during the ensuing water year, but which is estimated to be unavailable for purchase during such ensuing water year.

(p) That persons extracting in the aggregate in excess of 50 percent of the water which would be subject to the water replenishment assessment, based upon production during the preceding fiscal year, have not filed their written objections to a proposed water replenishment assessment for the next succeeding fiscal year. Without the specific finding required by this subdivision (p), no further steps shall be taken to establish such water replenishment assessment for the next succeeding fiscal year.

(Added by Stats. 1965, Ch. 1725.)

71687.1.Based on such findings the board shall, by resolution, determine what portion, if any, of the estimated cost of purchasing water for replenishment and makeup for the ensuing fiscal year shall be paid for by a replenishment assessment, and what portion, not exceeding 25 percent of the said portion, of the estimated cost of purchasing in the future that quantity of water which should be purchased during the ensuing water year, but which is estimated to be unavailable during that year, should be raised by a replenishment assessment.

(Added by Stats. 1965, Ch. 1725.)

71687.2.If the board determines that a replenishment assessment should be levied upon the production of ground water from ground water supplies within the district during the ensuing fiscal year, then immediately following the making of such determination the board shall levy a replenishment assessment on the production of ground water from the ground water supplies within the district during the fiscal year commencing on July 1st next, and such replenishment assessment shall be fixed by the board at a uniform rate per acre-foot of ground water so produced. The producers of such ground water shall pay such replenishment assessment to the district at the times and in the manner hereinafter in this article provided.

(Added by Stats. 1965, Ch. 1725.)

71688. The district, after the levying of the replenishment assessment, shall give notice thereof to the operators of all water-producing facilities in the district as disclosed by the records of such district, which notice shall state the rate of replenishment assessment for each acre-foot of ground water to be produced during the ensuing fiscal year. The notice may be sent by postal card or by other first-class mail with postage prepaid by the district.

(Added by Stats. 1965, Ch. 1725.)

71688.1.The operator of each water-producing facility within the district, on or before the last day of the month immediately following the respective quarterly periods ending March 31st, June 30th, September 30th, and December 31st of each year, shall file with the district a sworn statement setting forth the total production in acre-feet of ground water from such water-producing facility during the respective quarterly periods immediately preceding the filing of the respective statements, a general description or number locating such water-producing facility, and the method or basis of the computation of such ground water production. Each statement also shall contain such other information as the district may require.

If the board by its resolution determines that additional reports or statements are necessary or useful to carry out the purposes of this article and to administer the replenishment of the ground water supplies and meet the makeup water requirements of the district, then the board shall by its resolution so declare and shall give notice of the adoption of the resolution by immediately publishing the same in each affected county pursuant to Section 6061 of the Government Code. Effective 30 days after such publication, the operator of each water-producing facility in such district shall file with the district the report or statement required by such resolution, at such times and in such manner and form as are provided in such resolution.

(Added by Stats. 1965, Ch. 1725.)

71688.2.Any replenishment assessment levied pursuant to this article shall be due and payable to the district by each producer in quarterly installments on the last day for filing the statement of the production of ground water from the water-producing facility operated by such producer during the quarterly period required to be covered by such statement. The amount so due and payable shall be computed by multiplying the production in acre-feet of ground water so produced from such water-producing facility, as reported in such statement, by the rate of the replenishment assessment fixed and levied by the board for the fiscal year in which such production shall occur.

(Added by Stats. 1965, Ch. 1725.)

71688.3.The board shall authorize, and the district shall make, refunds in whole or in part of replenishment assessments theretofore paid, to any producer who has erroneously overstated his production of ground water in any sworn statement for a quarterly period required under the provisions of Section 71688.1, and who has overpaid his

replenishment assessment for that quarter, but only upon compliance by the producer with the procedure hereinafter set forth and within the time hereinafter provided.

Any such producer, within one year of the last day for filing of the said sworn statement for the quarterly period in question, may file a verified application with the district on a form to be furnished by the district, containing such information as the district may require, requesting a refund of that portion of any replenishment assessment claimed to have been paid by reason of that producer's erroneous overstatement of ground water production. If incomplete information is contained in said application, or if the board desires other or further information than called for by that application, the same shall also be furnished by a verified statement within 30 days of mailing of written notice of request therefor to the producer at his address as shown by the district's records, or the application shall be deemed abandoned. Such request by the board shall not cause any application otherwise timely filed to be considered as not filed within said one-year period. The board may authorize, and the district may pay, any refund claimed without a hearing thereon, but no application shall be denied in whole or in part without a hearing being accorded to the applicant in which he shall have the burden of proof. Any determination by the board on any matter in connection with said application shall be final and conclusive upon the producer.

Any refund authorized to be paid under the provisions of this section may be paid only out of moneys realized from replenishment assessments levied pursuant to Section 71687.2, then or thereafter raised. Upon election of the producer, any refund determined by the board to be owing may be credited to the producer against any subsequent replenishment assessments which might become due and owing from him. No refunds shall be made except as authorized by this section.

(Added by Stats. 1965, Ch. 1725.)

71689. If any producer shall knowingly fail to pay a replenishment assessment within 30 days of when due, such producer shall become liable to the district for interest at the rate of 1 percent per month on the delinquent amount of the assessment.

(Added by Stats. 1965, Ch. 1725.)

71689.1. Should any operator of a water-producing facility knowingly fail to register his water-producing facility or knowingly fail to file the ground water production statement, or knowingly fail to file and furnish any other reports or statements required by resolution of the board adopted pursuant to Section 71688.1, he shall, in addition to interest as provided in Section 71689, become liable to the district for a penalty of one hundred fifty dollars (\$150).

(Added by Stats. 1965, Ch. 1725.)

71689.2. The board, at the time of fixing the replenishment assessment rate, may provide by resolution that any producer operating a water-producing facility having a discharge opening not greater than two inches in diameter and providing ground water for domestic or irrigation uses on an area not exceeding one acre in extent, shall pay the amount fixed in such resolution as the replenishment assessment to be paid by such producer. No sworn statement as to the production of ground water from such water-producing facility need be filed.

(Added by Stats. 1965, Ch. 1725.)

71689.3. (a) The superior court of the principal county may issue a temporary restraining order upon the filing by the district with the court of a verified petition or complaint setting forth that the person named therein as defendant is the operator of a water-producing facility which has not been registered with the district or that the defendant is delinquent in the payment of a replenishment assessment. The temporary restraining order shall be returnable to the court on or before 10 days after its issuance.

(b) The court may issue and grant an injunction restraining and prohibiting the named defendant from the operation of any water-producing facility when it is established by the preponderance of the evidence at a hearing that the defendant has failed to register the water-producing facility with the district or that the defendant is delinquent in the payment of a replenishment assessment. The court may provide that the injunction so made and issued shall be stayed for a period not to exceed 10 days to permit the defendant to register the water-producing facility or to pay the delinquent replenishment assessment.

(c) Service of process shall be made by posting a copy of the summons and complaint upon the water-producing facility or the parcel of land upon which the water-producing facility is located and by personal service of summons and complaint upon the named defendant.

(d) The right to proceed for injunctive relief as provided in this section shall be in addition to any other right which may be provided elsewhere in this act or which may be otherwise allowed by law. The procedure provided

in Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure regarding injunctions shall be followed except insofar as it may be otherwise provided in this section.

(Amended by Stats. 1982, Ch. 517, Sec. 410.)

71689.4. If the board shall have probable cause to believe that the production of ground water from any water-producing facility is in excess of that disclosed by the sworn statements covering such water-producing facility, or if no statements are filed covering a water-producing facility, the board may cause an investigation and report to be made concerning the production of ground water from such water-producing facility. The board may fix the amount of ground water production from any such water-producing facility at an amount not to exceed the maximum production capacity of such water-producing facility; provided, however, where a water-measuring device is permanently attached thereto, the record of production as disclosed by such water-measuring device shall be presumed to be accurate and the burden is upon the district to establish to the contrary.

After such determination has been made by the board, a written notice thereof shall be mailed to the operator of such water-producing facility at his address as shown by the district's records. Any such determination made by the district shall be conclusive on the operator, and on any producer producing water from such water-producing facility, and the replenishment assessment based thereon, together with interest and penalties, shall be payable forthwith, unless such operator or producer shall file with the board of directors of the district within 10 days after the mailing of such notice a written protest setting forth the ground or grounds for protesting the amount of production so fixed or the replenishment assessment, interest, and penalties so levied thereon. Upon the filing of such protest, the board shall hold a hearing at which time the total amount of the ground water production and the replenishment assessment thereon shall be determined, and the interest and penalties fixed, which action shall be conclusive if based upon substantial evidence. A notice of such hearing shall be mailed to protestant at least 10 days before the date fixed for the hearing. Notice of the determination by the board shall be mailed to each protestant. The producer shall have 20 days from the date of mailing of such notice to pay the replenishment assessment, interest and penalties so fixed by the board.

(Added by Stats. 1965, Ch. 1725.)

71689.5. The district may bring a suit in the court having jurisdiction against any producer of ground water from the ground water supplies within the district for the collection of any delinquent replenishment assessment, interest, or penalties. The court having jurisdiction of the suit may, in addition to any judgment, award interest and costs on any judgment as allowed by law.

(Amended by Stats. 1974, Ch. 1516.)

71689.6. It shall be unlawful to produce groundwater from any water-producing facility within any district from and after one year following the adoption of the resolution provided for in Section 71686 hereof, unless such water-producing facility shall have a water-measuring device affixed thereto capable of registering the accumulated amount of groundwater produced therefrom.

The board by resolution may extend such date on a year-to-year basis upon its determination that availability, price of water-measuring devices, or other circumstances justify such extension. Should the date be extended, notice thereof shall be published in the district pursuant to Section 6066 of the Government Code, such publication to be completed not less than two months prior to the date so extended.

This section shall not be applicable to any operator of a water-producing facility having a discharge opening two inches or less in diameter and providing groundwater for domestic or irrigation uses on an area not exceeding one acre in extent, who is required to pay a replenishment assessment in an amount fixed by resolution of the board of the district as hereinabove in this part provided.

Violation of this section shall be punishable by a fine not to exceed one thousand dollars (\$1,000), or by imprisonment in the county jail for not to exceed six months, or by both such fine and imprisonment. Each day of operation of a water-producing facility in violation hereof shall constitute a separate offense.

(Amended by Stats. 1983, Ch. 1092, Sec. 418. Effective September 27, 1983. Operative January 1, 1984, by Sec. 427 of Ch. 1092.)

71689.7. Following a final adjudication of all or substantially all of the rights to extract ground water and a determination of the natural safe yield of the ground water supplies within the district, and a determination of the amount or extent to which the rights to extract ground water so adjudicated may be exercised without exceeding the natural safe yield of such ground water supplies, the board shall recognize such judicial determination by exempting from replenishment assessments the amount of water pumped by each person whose rights have been so adjudicated

which does not exceed his proportionate share of the natural safe yield of the ground water supplies of the district, as so adjudicated from time to time by the court having jurisdiction over such adjudication proceeding. The replenishment assessment shall thenceforth be levied on each producer by multiplying the production in acre-feet of ground water so produced by such producer's water-producing facility in excess of his said adjudicated share of the natural safe yield by the rate of the replenishment assessment fixed and levied by the board for the fiscal year in which such production shall occur.

(Added by Stats. 1965, Ch. 1725.)

71689.8.To the extent that the replenishment assessment after adjudication hereunder shifts from all producers to those who extract water in excess of their respective shares of the natural safe yield of the ground water supplies within the district as so adjudicated, such replenishment assessment shall be deemed to benefit those persons who continue to pump and extract ground water in excess of their adjudicated shares of the natural safe yield. Inasmuch as such persons must buy supplemental water or be in contempt of the court's order limiting their extraction of ground water, they shall be deemed to benefit by the payment of a replenishment assessment which is used to purchase water to supplement the natural supplies of ground water available for use.

(Added by Stats. 1965, Ch. 1725.)

71689.9.To the extent that ground water supplies are replenished under this article no person shall acquire any property or other right in the waters provided by the district for replenishment purposes.

(Added by Stats. 1965, Ch. 1725.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 3. OTHER FUNCTIONS [71660 - 71689.27]
ARTICLE 5. SANITATION SERVICE [71689.20 - 71689.27]

71689.20. A district may acquire, construct, and operate facilities for, or may contract with others for, the collection and disposal of the garbage, waste, and trash of the district and its inhabitants. A district may not engage in, or contract with others for, the collection and disposal of garbage, waste, and trash in competition with any existing county franchise for the collection and disposal of garbage, waste, and trash.

(Added by Stats. 1971, Ch. 310.)

71689.21. The district may prescribe, revise, and collect rates or other charges for the services furnished pursuant to this article.

(Added by Stats. 1971, Ch. 310.)

71689.22. The district may provide that such rates or charges may be collected with the water or sewer rates, or both, of the district and that all rates shall be billed upon the same bill and collected as one item, and that in the event of failure to pay the whole or any part thereof, the district may discontinue any and all services for which such bill is rendered.

(Added by Stats. 1971, Ch. 310.)

71689.23. The district may determine whether sanitary service is necessary or feasible for all residents or properties within the district and shall thereupon make a finding as to which type of customer or area shall be excluded from service.

(Added by Stats. 1971, Ch. 310.)

71689.24. The district shall determine the types of wastes to be excluded from service.

(Added by Stats. 1971, Ch. 310.)

71689.25. Any contract with other parties for the supplying of this service for the district shall be granted by public bid for such periods as the district determines is in the best interests of the district. In the event of failure to receive a suitable bid, the district may negotiate a contract for service.

(Added by Stats. 1971, Ch. 310.)

71689.26. A district may adopt ordinances relating to the provision of sanitation services and the regulation of such services. Every such ordinance shall be in full force and effect forthwith upon adoption, but shall be published once in full in a newspaper of general circulation, printed, published and circulated in the district within 10 days after adoption, or if there be no newspaper it shall be posted within such time in three public places within the district.

(Added by Stats. 1971, Ch. 310.)

71689.27. From and after the posting or publication of any ordinance as provided in Section 71689.26, it shall be a misdemeanor for any person to violate any ordinance of the district adopted pursuant to Section 71689.26, and upon conviction thereof, such person shall be punished by being imprisoned in the county jail for not more than 30 days, or by fine of not more than six hundred dollars (\$600), or by both such fine and imprisonment.

(Amended by Stats. 1983, Ch. 1092, Sec. 419. Effective September 27, 1983. Operative January 1, 1984, by Sec. 427 of Ch. 1092.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 4. PROPERTY [71690 - 71700]

71690. A district may, within or without the district:

- (a) Take real and personal property of every kind by grant, purchase, gift, devise, or lease.
- (b) Hold, use, enjoy, lease, or dispose of real and personal property of every kind.

(Added by Stats. 1963, Ch. 156.)

71691. A district may:

(a) Acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights, and privileges.

(b) Construct, maintain, and operate conduits, pipelines, reservoirs, works, machinery, and other property useful or necessary to store, convey, supply, or otherwise make use of water for a waterworks plant or system for the benefit of the district.

(c) Complete, extend, add to, repair, or otherwise improve any waterworks or waterworks system acquired by the district.

(d) Carry on and conduct waterworks or a waterworks system.

(e) Construct, maintain, and operate works, facilities improvements and property of the district useful or necessary for the provision, generation, and delivery of hydroelectric power pursuant to Sections 71662 and 71663.

(Amended by Stats. 1977, Ch. 146.)

71692. A district may lease from any person, or public corporation or agency, with the privilege of purchasing or otherwise, all or any part of water storage, transportation, or distribution facilities, existing waterworks, or a waterworks system.

(Added by Stats. 1963, Ch. 156.)

71693. A district may exercise the right of eminent domain to take any property necessary to supply the district or any portion thereof with water. The district, in exercising such power, shall, in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility which is required to be removed to a new location.

(Amended by Stats. 1975, Ch. 582.)

71694. A district may exercise the right of eminent domain to take any property necessary to carry out any powers of the district. The district, in exercising such right, shall, in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility which is required to be removed to a new location.

A district shall not exercise the right of eminent domain, under this section, for the condemnation of property outside the boundaries of the district for any purpose, unless it first obtains the consent thereto of the board of supervisors of the county in which such property is located; provided, however, that a district may exercise the right of eminent domain, under this section, for the condemnation of property outside the boundaries of the district for the acquisition of rights-of-way in any county in which territory of the district is located or in any county adjacent to such county without obtaining the consent of the board of supervisors thereof.

When a district proposes to exercise the power of eminent domain, under this section, for the condemnation of property outside the boundaries of the district for the acquisition of rights-of-way in any county in which territory of the district is located or in any county adjacent to such county, it shall give written notice, at least two weeks prior to condemning the property, to the board of supervisors of the county in which the property is located. Such written notice shall contain a description of the property to be condemned.

(Amended by Stats. 1975, Ch. 582.)

71695. A district may construct works along and across any stream of water, watercourse, street, avenue, highway, canal, ditch, or flume, or across any railway which the route of the works may intersect or cross. Such works shall be constructed in such manner as to afford security for life and property, and the district shall restore the crossings

and intersections to their former state as near as may be, or in a manner so as not to have impaired unnecessarily their usefulness.

(Added by Stats. 1963, Ch. 156.)

71696. Every company whose right-of-way is intersected or crossed by district works shall unite with the district in forming the intersections or crossings and grant the rights therefor.

(Added by Stats. 1963, Ch. 156.)

71697. (a) A district may locate, construct, and maintain district works along and across any street or public highway and on any lands that are now or hereafter owned by the state; and a district has the same rights and privileges appertaining thereto as have been or may be granted to cities within the state. For districts whose territory includes any portion of the redevelopment project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code, the exercise of this right shall not be subject to any permitting and approval requirements of any local agency other than the municipal water district that is locating, constructing, or maintaining these district works to the extent that this right is exercised for the purpose of providing facilities or services related to development, as defined in subdivision (e) of Section 56426 of the Government Code, to or in that portion of the redevelopment project area that, as of January 1, 2000, meets all of the following requirements:

- (1) Is unincorporated territory.
- (2) Contains at least 100 acres.
- (3) Is surrounded or substantially surrounded by incorporated territory.
- (4) Contains at least 100 acres zoned for commercial or industrial uses or is designated on the

applicable county general plan for commercial or industrial uses.

(b) Facilities or services related to development may be provided by the district to all or any portion of the area defined in paragraphs (1) to (4), inclusive, of subdivision (a). Notwithstanding any other provision of the Government Code, building ordinances, zoning ordinances, and any other local ordinances, rules, and regulations of a city or other political subdivision of the state shall not apply to the location, construction, or maintenance of facilities or services related to development pursuant to this section.

(Amended by Stats. 2000, Ch. 129, Sec. 5. Effective July 14, 2000.)

71698. Any use by the district of a public highway now or hereafter constituted a state highway shall be subject to the provisions of Chapter 3 (commencing with Section 660) of Division 1 of the Streets and Highways Code.

(Added by Stats. 1963, Ch. 156.)

71699. No publicly owned utility shall commence to provide any water service for, on, or to any land within a municipal water district which is subject to (1) the lien of a bonded indebtedness incurred by the district for the purpose of providing a service similar to that which the utility proposes to provide or (2) a lien of an indebtedness arising under any contract between the district and the United States of America incurred or contracted by the district for the purpose of providing water service; provided, that a majority of the voters voting at an election within the district have approved the incurrence of the indebtedness and, provided further, that the district has water available and is ready, able, and willing to serve such land.

However, a publicly owned utility may commence to provide service, otherwise prohibited, upon either of the following conditions:

(a) In any portion of such a municipal water district proposed to be served by the publicly owned utility in which the total number of registered voters residing therein is less than 12, and in which the municipal water district (1) receives the written consent of at least a majority of the owners of real property holding at least a majority in value of the real property and (2) consents to the service by resolution.

(b) In any portion of such a municipal water district proposed to be served by the publicly owned utility in which the total number of registered voters residing therein is 12 or more, and in which at least a majority of the voters voting on the proposition shall have voted at a special municipal water district election to permit such service within that portion of the district. The election shall be called and held within that portion of the district in the same manner as an initiative measure pursuant to Section 71530.

(Added by Stats. 1970, Ch. 1272.)

71700. Any publicly owned utility which commences to provide any water service for, on, or to any land within a municipal water district which is providing service to the land and which land at the commencement of such

service is subject to the lien of a bonded or contract indebtedness with revenues pledged for their payment, shall reimburse the district from the water revenues derived from charges made for service to such land, the amount which would have been paid by the district from water revenues for such bond or contract payments.

(Added by Stats. 1970, Ch. 1272.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 5. CONTRACTS [71720 - 71733]
ARTICLE 1. CONTRACTS WITH OTHER AGENCIES [71720 - 71726]

71720. As used in this article:

(a) "Public agency" means and includes the United States or any department or agency thereof, the State or any department or agency thereof, and a county, city, public corporation, or public district of the State.

(b) "Private corporation" means and includes any private corporation organized under the laws of the United States or of this or any other state thereof.

(Added by Stats. 1963, Ch. 156.)

71721. Contracts mentioned in this article include those made with the United States under the Federal Reclamation Act of June 17, 1902, and all acts amendatory thereof or supplementary thereto, or any other act of Congress heretofore or hereafter enacted permitting co-operation.

(Added by Stats. 1963, Ch. 156.)

71722. A district may join with one or more public agencies, private corporations, or other persons for the purpose of carrying out any of the powers of the district, and for that purpose may contract with such other public agencies, private corporations, or persons to finance acquisitions, constructions and operations.

(Added by Stats. 1963, Ch. 156.)

71723. The contracts with other public agencies, private corporations, or persons may provide for contributions to be made by each party thereto, for the division and apportionment of the expenses of the acquisitions and operations, and for the division and apportionment of the benefits, the services, and products therefrom. Such contracts may also provide for an agency to effect the acquisitions and to carry on the operations, and shall provide in the powers and methods of procedure for such agency the method by which the agency may contract. Such contracts may contain such other and further covenants and agreements as may be necessary or convenient to accomplish the purposes thereof.

(Added by Stats. 1963, Ch. 156.)

71724. Any such contract with the United States or any department or agency thereof, or with any private corporation organized under the laws of the United States, by which the district or an improvement district thereof incurs an indebtedness or liability exceeding in any year the income and revenue for such year, shall not be executed without the assent of a majority of the qualified electors of the district or the improvement district voting at an election to be held for that purpose. Such election shall be called and held, so far as practicable, in the same manner as bond elections for the district or an improvement district.

(Amended by Stats. 1975, Ch. 151.)

71725. The exact final form of a proposed contract required to be approved by the voters of the district or an improvement district need not be available at the time of the special election, but the purpose of the contract, the maximum amount of the indebtedness created thereby, the maximum term of repayment, and the maximum interest rate on such indebtedness shall be known and included in the proposition or measure submitted to the voters of the district or the improvement district at the special election.

(Added by Stats. 1963, Ch. 156.)

71726. Any proposed contract approved by the voters of the Rainbow Municipal Water District, as provided in this article, at a special election held prior to January 1, 1978, shall be an approved contract notwithstanding that the maximum interest rate on such indebtedness was not known at the time of the special election and was not included in the proposition submitted to the voters of the district at the special election.

The provisions of this section are necessary because of special circumstances within the Rainbow Municipal Water District. A special election was held in the Rainbow Municipal Water District at which there was submitted to the voters of the district the proposition to approve a contract with the United States for a loan for the acquisition and construction of water facilities. At the time the proposed contract was submitted to the voters of the district the maximum interest rate on the indebtedness was not known and was not included in the proposition, although the voters

were informed of the approximate rate of interest on the indebtedness. The proposed contract was approved by the voters and the district must enter into the contract in order to provide needed water to the inhabitants of the district. It is therefore hereby declared that a general law cannot be made applicable and that the enactment of this section as a special law is necessary for the solution of problems existing in the Rainbow Municipal Water District.

(Added by Stats. 1978, Ch. 449.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 5. CONTRACTS [71720 - 71733]
ARTICLE 2. CENTRAL BASIN MUNICIPAL WATER DISTRICT [71730 - 71733]

71730. (a) For the purposes of this article, “district” means the Central Basin Municipal Water District.

(b) It is the intent of the Legislature in enacting this article that the district make better use of the funds it spends on services, that it does not unnecessarily use amendments that limit competitive bidding for its contracts, and that its contract amendments reflect the authorization of the district’s board.

(Added by Stats. 2016, Ch. 426, Sec. 1. (SB 953) Effective January 1, 2017.)

71731. (a) The district shall not use sole source contracts unless one of the following conditions is met:

- (1) The contract is limited to an emergency circumstance.
- (2) The circumstances are that only one vendor can meet the district’s needs.

(b) Before executing a sole source contract, the district shall provide written justification demonstrating the reasons for not competitively bidding the services. The justification shall include all of the following information:

- (1) The background of the purchase.
- (2) A description of the vendor’s uniqueness.
- (3) An explanation of the consequences of not purchasing from the vendor.
- (4) Market research to substantiate a lack of competition.
- (5) An analysis of pricing and alternatives.

(Added by Stats. 2016, Ch. 426, Sec. 1. (SB 953) Effective January 1, 2017.)

71732. The district shall rebid a contract if the district significantly changes the scope of work of the contract. Significant changes include, but are not limited to, changes to the nature of the services or work products.

(Added by Stats. 2016, Ch. 426, Sec. 1. (SB 953) Effective January 1, 2017.)

71733. The general manager of the district shall submit a quarterly report to the district’s board detailing all of the district’s contracts, contract amendments, and contract and amendment dollar amounts.

(Added by Stats. 2016, Ch. 426, Sec. 1. (SB 953) Effective January 1, 2017.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 5. POWERS AND PURPOSES [71590 - 71760]
CHAPTER 6. CONTROVERSIES [71750 - 71760]

71750. A district may sue and be sued, except as otherwise provided in this division or by law, in all actions and proceedings in all courts and tribunals of competent jurisdiction.

(Added by Stats. 1963, Ch. 156.)

71751. A district may commence, maintain, intervene in, and compromise, in the name of the district, any action or proceeding involving or affecting the ownership or use of water or water rights within the district, used or useful for any purpose of the district, or a common benefit to lands within the district or inhabitants of the district.

(Added by Stats. 1963, Ch. 156.)

71752. An action to determine the validity of any contract authorized by Article 1 (commencing with Section 71720) of Chapter 5 of this part and any bonds, notes or other evidences of indebtedness may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

(Amended by Stats. 1963, Ch. 1151.)

71753. All claims for money or damages against the district are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable to the district.

(Amended by Stats. 1963, Ch. 1715.)

71757. To carry out the purposes of this division, a district shall have the power to commence, maintain, intervene in, defend and compromise, in the name of the district, or as a class representative of the inhabitants, property owners, taxpayers, water producers or water users within the district, or otherwise, and to assume the costs and expenses of any and all actions and proceedings now or hereafter begun to determine or adjudicate all or substantially all of the water rights of a basin or other hydrologic unit overlain, in whole or in part, by the district, as between owners of or claimants to such rights, to prevent any interference with water or water rights used or useful to the lands, inhabitants, owners, operators, or producers within the district, or to prevent the diminution of the quantity or quality of the water supply of the district or such basin, or to prevent unlawful exportation of water from the district or such basin.

(Added by Stats. 1965, Ch. 1725.)

71758. The district may employ counsel to defend any action brought against it or against any of its officers, agents or employees on account of any claimed action or inaction involving any claimed injury, taking, damage or destruction, and the fees and expenses involved therein shall be a lawful charge against the district.

(Added by Stats. 1967, Ch. 83.)

71759. If any officer, agent or employee of the district is held liable for any act or omission in his official capacity, except in case of actual fraud or actual malice, and any judgment is rendered thereon, the district shall pay the judgment without obligation for repayment by the officer, agent or employee.

(Added by Stats. 1967, Ch. 83.)

71760. (a) (1) The Elsinore Valley Municipal Water District and the Eastern Municipal Water District shall not be held liable for claims by past or existing County Water Company of Riverside customers or those who consumed water provided through the County Water Company of Riverside water system concerning the operation and supply of water from the County Water Company of Riverside water system during the interim operation period specified in subdivision (c) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to the County Water Company of Riverside water system.

(2) The Elsinore Valley Municipal Water District and the Eastern Municipal Water District shall not be held liable for claims by past or existing County Water Company of Riverside customers or by those who consumed water provided through the County Water Company of Riverside water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (c).

(b) (1) (A) The Western Municipal Water District and the Metropolitan Water District of Southern California shall not be held liable for claims by past or existing County Water Company of Riverside customers or by those who consumed water provided through the County Water Company of Riverside water system concerning the provision of supplemental imported water supplies to the County Water Company of Riverside water system during the interim operation period specified in subdivision (c) for any good faith, reasonable effort using ordinary care to supply water to the County Water Company of Riverside water system.

(B) The Western Municipal Water District and the Metropolitan Water District of Southern California shall not be held liable for claims by past or existing County Water Company of Riverside customers or by those who consumed water provided through the County Water Company of Riverside water system concerning the operation and supply of water from the County Water Company of Riverside water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (c).

(2) This subdivision shall only apply if the water supplied by the Western Municipal Water District and the Metropolitan Water District of Southern California through the temporary potable service pipeline to the County Water Company of Riverside water system meets or exceeds federal and state drinking water quality standards.

(c) (1) The interim operation period shall commence upon the connection of a temporary potable service pipeline by either the Elsinore Valley Municipal Water District or the Eastern Municipal Water District to the County Water Company of Riverside water system, or upon the execution of an agreement between the Elsinore Valley Municipal Water District, the Eastern Municipal Water District, the County Water Company of Riverside, and any other signatories to provide service to the customers of the County Water Company of Riverside, whichever occurs first.

(2) (A) Except as provided in subparagraph (B), the interim operation period shall last until permanent replacement facilities are accepted by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District with the concurrence of the State Department of Public Health or December 31, 2015, whichever occurs first.

(B) Upon the showing of good cause, the interim operation period shall be extended by the State Department of Public Health for up to three successive one-year periods at the request of the Elsinore Valley Municipal Water District and the Eastern Municipal Water District.

(3) The acceptance date of permanent replacement facilities shall be publicly noticed by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District.

(d) Subdivision (a) shall only apply if the Elsinore Valley Municipal Water District and the Eastern Municipal Water District provide water to the County Water Company of Riverside water system in accordance with all of the following conditions:

(1) The Elsinore Valley Municipal Water District and the Eastern Municipal Water District shall comply with the special terms and conditions established by the State Department of Public Health for safe drinking water emergency funding pursuant to Section 75021 of the Public Resources Code for the interim operation period.

(2) Water provided by the Elsinore Valley Municipal Water District and the Eastern Municipal Water District through the temporary potable service pipeline to the County Water Company of Riverside water system shall meet or exceed federal and state drinking water quality standards.

(3) Reasonable water system flow and pressure through the temporary potable service pipeline shall be maintained during the interim operation period based upon the condition and integrity of the existing County Water Company of Riverside water system and any disruptions to water delivery resulting from construction related activities associated with the installation of permanent replacement facilities shall be minimal.

(4) The Elsinore Valley Municipal Water District and the Eastern Municipal Water District shall notify Riverside County fire officials serving the County Water Company of Riverside service area of the condition and firefighting support capabilities of the existing County Water Company of Riverside water system and planned improvements with the installation of permanent replacement facilities thereto. The Elsinore Valley Municipal Water District and the Eastern Municipal Water District shall maintain or improve the condition and firefighting support capabilities of the existing County Water Company of Riverside water system during the interim operation period.

(5) Customers of the County Water Company of Riverside shall receive written notice upon any change in possession, control, or operation of the water system.

(e) Nothing in this section shall be construed to do any of the following:

(1) Relieve any water district, water wholesaler, or any other entity from complying with any provision of federal or state law pertaining to drinking water quality.

(2) Impair any cause of action by the Attorney General, a district attorney, a city attorney, or any other public prosecutor, or impair any other action or proceeding brought by or on behalf of a regulatory agency.

(3) Impair any claim alleging the taking of property without compensation within the meaning of either the Fifth Amendment to the United States Constitution or Section 19 of Article I of the California Constitution.

(Added by Stats. 2014, Ch. 173, Sec. 2. (SB 1130) Effective July 21, 2014.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 6. FINANCIAL PROVISIONS [71800 - 71823]
CHAPTER 1. WARRANTS [71800 - 71801]

71800. A district may issue warrants to pay the formation expenses of the district. The warrants may bear interest at a rate not exceeding 8 percent per year from the date of issue until funds are available to pay the warrants.
(Amended by Stats. 1974, Ch. 721.)

71801. Formation expenses may include the fees of attorneys and others employed to conduct the formation proceedings, but shall not include the expenses of holding and conducting the formation election.
(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 6. FINANCIAL PROVISIONS [71800 - 71823]
CHAPTER 2. PROMISSORY NOTES [71810 - 71814]

71810. A district may issue negotiable promissory notes pursuant to Sections 71811 and 71812. Such promissory notes shall bear interest at a rate not to exceed 12 percent per year. They shall be payable from revenues and taxes levied for purposes of the district other than the payment of principal and interest on any bonded debt of the district or of an improvement district therein.

(Amended by Stats. 1981, Ch. 466, Sec. 1.)

71810.5. Notwithstanding the provisions of Section 71810 which limit the rate of interest which promissory notes issued by a district may bear, the Otay Municipal Water District may issue promissory notes which bear interest at a rate not exceeding 15 percent per year. All other provisions of Section 71810 shall be applicable to the issuance of such notes. No promissory notes shall be issued by the Otay Municipal Water District pursuant to this section after five years following the effective date of this section, provided that this provision shall not affect the validity of any such notes issued prior to such date.

(Added by Stats. 1980, Ch. 274, Sec. 1. Effective June 29, 1980.)

71811. A district may issue negotiable promissory notes pursuant to this section to acquire funds for any district purposes. The maturity of the promissory notes shall not be later than five years from the date thereof. The total aggregate amount of the notes outstanding, at any one time, may be at least equal to seventy-five thousand dollars (\$75,000) in any district but shall not exceed the lesser of either five million dollars (\$5,000,000) or 3 percent of the assessed valuation of the taxable property in the district or, if the assessed valuation is not obtainable, 3 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate. Promissory notes issued pursuant to Section 71812 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this section.

(Amended by Stats. 1981, Ch. 464, Sec. 1.)

71812. A district may issue negotiable promissory notes pursuant to this section for the purpose of acquiring funds to finance the construction or acquisition of administrative offices, construction headquarters, commercial offices, or facilities for similar district purposes and for the acquisition of land for district purposes. The maturity of such promissory notes shall not be later than 10 years from the date thereof. The total aggregate amount of such notes outstanding at any one time may be at least equal to fifty thousand dollars (\$50,000) in any district, but shall not exceed the lesser of either three million dollars (\$3,000,000) or 1 percent of the assessed valuation of the taxable property in the district, or, if the assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate. Promissory notes issued pursuant to Section 71811 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this section.

(Amended by Stats. 1981, Ch. 463, Sec. 1.)

71813. A district may borrow money in anticipation of the sale of, but not in excess of the principal amount of, authorized bonds of an improvement district formed pursuant to Chapter 3 (commencing with Section 71870) or Chapter 4 (commencing with Section 71920) of Part 7 of this division which have not yet been sold and delivered, and for that purpose may issue and sell negotiable bond anticipation notes, and may refund such notes as provided in this section. Such notes may be issued in anticipation of the sale of all or any portion of the bonds which are duly authorized at the time the notes are issued. Such notes shall mature within a period not to exceed five years from the date of issuance. In the event that the sale of bonds shall not have occurred prior to the maturity of such notes, the district may issue renewal notes to meet the notes then maturing. There shall be only one renewal of any note issued pursuant to this section and such renewal note shall mature within a period not to exceed three years from the date of issuance. The notes shall be sold in such manner as the board may determine, and such notes and the resolution providing for the issuance of such notes may contain any provision, condition or limitation which a bond, or any resolution or ordinance providing for the issuance of bonds, may contain. The interest on bond anticipation notes shall be payable at the time or times provided in such notes and may be represented by interest coupons attached to the notes and shall be payable from the same funds from which the interest on bonds of the improvement district are payable. The principal of such notes may be paid from any moneys of the improvement district available for such

purpose. If such notes, or any portion thereof, have not been previously paid, they shall be paid from the proceeds of the next sale of bonds in anticipation of which the notes were issued. The resolution providing for the issuance of bond anticipation notes may contain a provision that, if for any reason bonds of the improvement district are not sold in time to provide funds to pay any unpaid note, and, if other funds of the improvement district are not available for such payment, taxes shall be levied upon the taxable property in the improvement district for such payment in the same manner provided for the payment of bonds in such amount each year for such period of years as may be set forth in such resolution. To the extent bond anticipation notes are paid from a tax levy, authorized bonds in a corresponding amount shall be canceled and not issued thereafter. When bonds of the improvement district are issued and any portion of the proceeds of the sale are to be used to pay bond anticipation notes, such bond shall mature not later than the maximum permissible years for such bonds under Section 71951 from the date of such notes as originally issued.

(Amended by Stats. 1975, Ch. 519.)

71814. A district may borrow money in anticipation of the sale of, but not in excess of the principal amount of, authorized bonds of the district which have not yet been sold and delivered, and for that purpose may issue and sell negotiable bond anticipation notes, and may refund such notes from time to time, but the maximum maturity of any such notes, as originally issued or as refunded, shall not exceed five years from the date of the original notes. The notes shall be sold in such manner as the board may determine, and such notes and the resolution providing for the issuance of such notes may contain any provision, condition or limitation which a bond, or any resolution or ordinance providing for the issuance of bonds, may contain. The interest on bond anticipation notes shall be payable at the time or times provided in such notes and may be represented by interest coupons attached to the notes and shall be payable from the same funds from which the interest on bonds of the district are payable. The principal of such notes may be paid from any moneys of the district available for such purpose. If such notes, or any portion thereof, have not been previously paid, they shall be paid from the proceeds of the next sale of bonds in anticipation of which the notes were issued. The resolution providing for the issuance of bond anticipation notes may contain a provision that, if for any reason bonds of the district are not sold in time to provide funds to pay any unpaid note, and, if other funds of the district are not available for such payment, taxes shall be levied upon the taxable property in the district for such payment in the same manner provided for the payment of bonds in such amount each year for such period of years as may be set forth in such resolution. To the extent bond anticipation notes are paid from a tax levy, authorized bonds in a corresponding amount shall be canceled and not issued thereafter. When bonds of the district are issued and any portion of the proceeds of the sale are to be used to pay bond anticipation notes, such bonds shall mature not later than the maximum permissible years for such bonds under Section 71951 from the date of such notes as originally issued.

(Amended by Stats. 1972, Ch. 618.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 6. FINANCIAL PROVISIONS [71800 - 71823]
CHAPTER 3. ADOPTION OF IMPROVEMENT ACTS [71820 - 71823]

71820. A district may use the Improvement Act of 1911, the Municipal Improvement Act of 1913, and the Improvement Bond Act of 1915 for the construction of any facilities authorized to be constructed by a district under the provisions of this division.

(Amended by Stats. 1972, Ch. 378.)

71821. The powers and duties conferred pursuant to Section 71820 on the various boards, officers, and agents of cities shall be exercised by the corresponding boards, officers, and agents of the district.

(Amended by Stats. 1972, Ch. 378.)

71822. In the application of the improvement acts specified in Section 71820 to proceedings instituted by a district, the terms used in such improvement acts have the following meanings:

- (a) "City council," "council," or "legislative body" means the board of directors of the district.
- (b) "Municipality" or "city" means the district.
- (c) "Clerk" or "city clerk" means the secretary of the district.
- (d) "Superintendent of streets," "street superintendent," or "city engineer" means any person appointed by the board to perform such duties.
- (e) "Tax collector" means the county tax collector.
- (f) "Treasurer" or "city treasurer" means the person or officer who has charge of and makes payment of the funds of the district.
- (g) "Mayor" means the president of the board.
- (h) "Right-of-way" means any parcel of land in, on, under, or through which a right-of-way or easement has been granted to the district for the purpose of constructing and maintaining any district works or improvements.
- (i) "Auditor" means the county auditor.

(Amended by Stats. 1972, Ch. 378.)

71823. Any certificates or documents required by the improvement acts specified in Section 71820 to be filed or recorded in the office of the superintendent of streets or street superintendent shall be filed or recorded in the office of the secretary of the district.

(Amended by Stats. 1972, Ch. 378.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 1. IN GENERAL [71852 - 71854]

71852. A district may issue bonds pursuant to Chapters 2 (commencing with Section 71860) and 5 (commencing with Section 71940) of this part for the purpose of providing money required to be paid to any district or authority organized under the Metropolitan Water District Act or the County Water Authority Act by the board of directors of such district or authority as all or part of the terms and conditions upon which the corporate area of the district may be annexed to the metropolitan water district or county water authority. The amount of such bonds may include the expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(Added by Stats. 1963, Ch. 156.)

71853. A district may issue revenue bonds for any purpose for which general obligation bonds may be issued. Such revenue bonds may be issued pursuant to the Revenue Bond Law of 1941 or any other law which by its terms is applicable to districts formed under this division.

(Added by Stats. 1963, Ch. 156.)

71854. A district that has outstanding revenue bonds which were approved by more than two-thirds of the votes cast at the election authorizing such bonds may incur a bonded indebtedness pursuant to this part for the purpose of refunding such revenue bonds, whether or not such revenue bonds are then due, and for the payment of all incidental expenses in connection with the refunding of such revenue bonds. Such general obligation bonds shall be authorized, issued, and sold in all respects as provided in this part for the authorization, issuance, and sale of general obligation bonds of a district.

(Added by Stats. 1978, Ch. 37.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 2. INITIATION OF PROCEEDINGS FOR ISSUANCE OF BONDS FOR ENTIRE DISTRICT
[71860 - 71861]

71860. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this division, the board shall, by resolution, so declare and call an election to be held in the district for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district.

(Added by Stats. 1963, Ch. 156.)

71861. The resolution calling the bond election shall state all of the following:

(a) The purpose for which the proposed debt is to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(b) The amount of debt to be incurred.

(c) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years.

(d) The maximum rate of interest to be paid, which shall not exceed 8 percent per year, payable semiannually, except that interest for the first year may be payable at the end of that year.

(e) The measure to be submitted to the voters.

(f) The date upon which an election shall be held for the purpose of authorizing the bonded indebtedness to be incurred.

(g) The designation of precincts, the location of polling places, and the names of the officers selected to conduct the election, who shall consist of one judge, one inspector, and two clerks in each precinct.

(Amended by Stats. 1975, Ch. 130.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 3. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF BONDS [71870 - 71911]
ARTICLE 1. INITIATION OF PROCEEDINGS [71870 - 71875]

71870. Whenever the board deems it necessary to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this division and to provide for such bonded indebtedness to be payable from taxes levied upon less than all of the district, the board shall, by resolution, declare its intention to form an improvement district and to incur such indebtedness.

(Added by Stats. 1963, Ch. 156.)

71871. The resolution of intention shall state that the board intends to form an improvement district of a portion of the district which in the opinion of the board will be benefited, and to call an election in such proposed improvement district, on a date to be fixed, for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for such improvement district.

(Added by Stats. 1963, Ch. 156.)

71872. The resolution of intention shall also state:

- (a) The purpose for which the proposed debt is to be incurred.
- (b) The amount of debt to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.
- (c) That taxes for the payment of the bonds and the interest thereon will be levied exclusively upon the taxable property in the improvement district.

(Added by Stats. 1963, Ch. 156.)

71873. The resolution of intention shall also state that a general description of the proposed improvement, together with a map showing the exterior boundaries of the proposed improvement district with relation to the territory immediately contiguous thereto and to the proposed improvement is on file with the secretary and is available for inspection by any person or persons interested. This map shall govern for all details as to the extent of the proposed improvement district.

(Added by Stats. 1963, Ch. 156.)

71874. The resolution of intention shall also state:

- (a) The time and place for a hearing by the board on the questions of the formation and extent of the proposed improvement district, the proposed improvement, and the amount of debt to be incurred.
- (b) That at the time and place specified in the resolution any person interested, including all persons owning property in the district or in the proposed improvement district, will be heard.

(Added by Stats. 1963, Ch. 156.)

71875. Notice of the hearing shall be given by publishing a copy of the resolution of intention pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in a newspaper printed and published in the district, if there is a newspaper printed and published in the district. Such notice shall also be given by posting a copy of the resolution of intention in six public places within the proposed improvement district at least two weeks before the time fixed for the hearing.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 3. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF BONDS [71870 - 71911]
ARTICLE 2. HEARING AND CHANGES [71880 - 71883]

71880. At the time and place fixed in the resolution of intention, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property within the district or within the proposed improvement district, may appear and present any matters material to the questions set forth in the resolution of intention.

(Added by Stats. 1963, Ch. 156.)

71881. The board may change the purpose for which the proposed debt is to be incurred or the amount of bonded debt to be incurred, or both. The board may also change the boundaries of the proposed improvement district, but not so as to include any territory that will not, in its judgment, be benefited by the proposed improvement.

(Amended by Stats. 1995, Ch. 91, Sec. 182. Effective January 1, 1996.)

71882. The purpose or amount of bonded debt or the boundaries of the proposed improvement district shall not be changed by the board except after notice of its intention to do so, given by publication pursuant to Section 6061 of the Government Code in a newspaper printed and published in the district, if there is a newspaper printed and published in the district, and by posting in six public places within the proposed improvement district. The notice shall state the changed purpose and debt proposed and that the exterior boundaries as proposed to be changed are set forth on a map on file with the secretary which map shall govern for all details as to the extent of the proposed improvement district, and shall specify the time and place for hearing on such change, which time shall be at least 10 days after publication or posting of the notice.

(Added by Stats. 1963, Ch. 156.)

71883. At the time and place fixed in the notice of intention, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property within the district or the proposed improvement district, may appear and present any matters material to the changes stated in the notice.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 3. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF BONDS [71870 - 71911]
ARTICLE 3. FORMATION [71890 - 71892]

71890. At the conclusion of the hearing, the board shall by resolution determine whether it is deemed necessary to incur the bonded indebtedness. If so, the resolution shall also state:

- (a) The purpose for which the proposed debt is to be incurred.
 - (b) The amount of the proposed debt.
 - (c) That the exterior boundaries of the portion of the district which will be benefited are set forth on a map on file with the secretary, which map shall govern for all details as to the extent of the improvement district.
 - (d) That such portion of the district set forth on the map shall thereupon constitute and be known as "Improvement District No. ____ of ____ Municipal Water District."
- (Added by Stats. 1963, Ch. 156.)

71891. The determinations made in the resolution of formation shall be final and conclusive.
(Added by Stats. 1963, Ch. 156.)

71892. After the formation of the improvement district pursuant to this chapter, all proceedings for the purpose of a bond election shall be limited, and shall apply only, to the improvement district, and taxes for the payment of the bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district.
(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 3. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF BONDS [71870 - 71911]
ARTICLE 4. CALLING ON BOND ELECTION [71900 - 71901]

71900. After the Board has made its determination of the matters required to be determined by the resolution of formation, and if the board deems it necessary to incur the bonded indebtedness, the board shall by a further resolution call a special election in the improvement district for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for the improvement district.

(Added by Stats. 1963, Ch. 156.)

71901. The resolution calling the bond election shall contain all of the statements required by Section 71861 and, in addition, shall state:

- (a) That the board deems it necessary to incur the bonded indebtedness.
- (b) The improvement district to be benefited by the bonded indebtedness, as set forth in the resolution of formation of the improvement district, and that a map showing the exterior boundaries of the improvement district is on file with the secretary, which map shall govern for all details as to the extent of the improvement district.
- (c) That taxes for the payment of such bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 3. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF BONDS [71870 - 71911]
ARTICLE 5. ADVANCE OF FUNDS [71910 - 71911]

71910. The board may advance general funds of the district to accomplish the purposes of an improvement district formed pursuant to this chapter.

(Added by Stats. 1963, Ch. 156.)

71911. The board may repay the district for any advance of funds from the proceeds of the sale of bonds authorized for the purposes of the improvement district or as provided in Section 71616. To the extent that advances made for improvements for which such bonds were authorized are repaid from funds other than the proceeds of the sale of bonds of the improvement district, the authority of the board to issue bonds of the improvement district in a like amount or amounts shall terminate. The treasurer shall maintain proper records and accounts in which there shall be set forth all repayments of advances to the extent that advances are made for the improvements for which such bonds were authorized and, to the extent that such repayments reduce the amount of bonds which may be issued on behalf of any improvement district, the net principal amount of authorized but unissued bonds of such improvement district.

(Amended by Stats. 1969, Ch. 708.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 4. FORMATION OF UNINHABITED IMPROVEMENT DISTRICTS FOR ISSUANCE OF
BONDS [71920 - 71937]
ARTICLE 1. INITIATION OF PROCEEDINGS [71920 - 71924]

71920. Whenever the board deems it necessary to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this division and to provide for such bonded indebtedness to be payable from taxes levied upon an uninhabited portion of the district, the board shall, by resolution, declare its intention to form an uninhabited improvement district in such portion of the district and to incur such indebtedness.

(Added by Stats. 1963, Ch. 156.)

71921. For the purposes of this chapter the portion of a district formed into an uninhabited improvement district shall be deemed uninhabited if less than 12 voters reside therein at the time of the formation thereof.

(Added by Stats. 1963, Ch. 156.)

71922. The resolution of intention shall state that the board intends to form an improvement district of an uninhabited portion of the district which in the opinion of the board will be benefited, and to call an election in such proposed improvement district, on a date to be fixed, for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for such uninhabited improvement district.

(Amended by Stats. 1974, Ch. 385.)

71923. The resolution of intention shall also state:

- (a) The purpose for which the proposed debt is to be incurred.
- (b) The amount of debt to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.
- (c) That taxes for the payment of the bonds and the interest thereon will be levied exclusively upon the taxable property in the uninhabited improvement district.

(Added by Stats. 1963, Ch. 156.)

71924. The resolution of intention shall also state that a general description of the proposed improvement, together with a map showing the exterior boundaries of the proposed uninhabited improvement district with relation to the territory immediately contiguous thereto and to the proposed improvement is on file with the secretary and is available for inspection by any person or persons interested. This map shall govern for all details as to the extent of the proposed uninhabited improvement district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 4. FORMATION OF UNINHABITED IMPROVEMENT DISTRICTS FOR ISSUANCE OF
BONDS [71920 - 71937]
ARTICLE 2. BOND ELECTION [71930 - 71934]

71930. After the board has made its determination of the matters required to be determined by the resolution of intention, and if the board deems it necessary to form the improvement district and to incur the bonded indebtedness, the board shall by a formation resolution call a special election in the proposed uninhabited improvement district for the purpose of submitting to the voters thereof the proposition of forming the uninhabited improvement district and incurring indebtedness by the issuance of bonds of the district for the uninhabited improvement district.

(Repealed and added by Stats. 1974, Ch. 385.)

71930.5. The provisions of this article apply only to bond elections called pursuant to this chapter. The provisions of Section 2502 of the Elections Code, relating to mandatory consolidation of elections, shall not apply to this chapter.

(Amended by Stats. 1994, Ch. 923, Sec. 265. Effective January 1, 1995.)

71931. Voter means a person who is a holder of title. Each voter shall have one vote for each dollar's worth of assessed value of land to which he holds title. The last equalized assessment roll of the county is conclusive evidence of ownership and of the value of the land so owned. Where title is held by two or more persons in undivided interests, the manner in which such interest may be voted shall be provided in the resolution calling the election.

(Repealed and added by Stats. 1974, Ch. 385.)

71931.5. The form and type of ballot to be used in the election and the manner of distribution thereof, to the voters, will be determined by the board.

(Added by Stats. 1974, Ch. 385.)

71932. All ballots shall be returned to the secretary of the district at the office of the district on or before the last date established for the return of the ballots by the board.

(Repealed and added by Stats. 1974, Ch. 385.)

71932.5. Within 10 days after the date on which all ballots must be received by the district, the board shall canvass the votes and declare the result.

(Added by Stats. 1974, Ch. 385.)

71933. Each ballot will give the voter the option of voting in favor of or in opposition to the formation of the improvement district and incurring indebtedness by the issuance of bonds of the district for the improvement district.

(Repealed and added by Stats. 1974, Ch. 385.)

71933.5. If a majority of the votes cast are in favor of the formation of the improvement district and incurring indebtedness by the issuance of bonds of the district for the improvement district, the improvement district shall be formed and bonds may be issued pursuant to Chapter 6 (commencing with Section 71950) of this part. If a majority of the votes cast are against the formation of the improvement district and incurring indebtedness by the issuance of bonds of the district for the improvement district, the improvement district shall not be formed and no bonds shall be issued.

(Added by Stats. 1974, Ch. 385.)

71934. Voting may be by proxy and every appointment of a proxy is revocable at the pleasure of the person executing it by giving written notice to the district any time before the person appointed as proxy shall cast a ballot representing the votes for which the proxy was given.

(Repealed and added by Stats. 1974, Ch. 385.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 4. FORMATION OF UNINHABITED IMPROVEMENT DISTRICTS FOR ISSUANCE OF
BONDS [71920 - 71937]
ARTICLE 3. ADVANCE OF FUNDS [71936 - 71937]

71936. The board may advance general funds of the district to accomplish the purposes of an improvement district formed pursuant to this chapter.

(Added by Stats. 1963, Ch. 1151.)

71937. The board may repay the district for any advance of funds from the proceeds of the sale of bonds authorized for the purposes of the improvement district or as provided in Section 71616. To the extent that advances made for improvements for which such bonds were authorized are repaid from the funds other than the proceeds of the sale of bonds of the improvement district, the authority of the board to issue bonds of the improvement district in a like amount or amounts shall terminate. The treasurer shall maintain proper records and accounts in which there shall be set forth all repayments of advances to the extent that advances are made for the improvements for which such bonds were authorized and, to the extent that such repayments reduce the amount of bonds which may be issued on behalf of any improvement district, the net principal amount of authorized but unissued bonds of such improvement district.

(Amended by Stats. 1969, Ch. 708.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 5. BOND ELECTION [71940 - 71947]

71940. The board shall provide for holding the bond election on the day fixed in the resolution calling the election and in accordance with the provisions of the Elections Code, so far as they shall be applicable, except as otherwise provided in this division.

(Added by Stats. 1963, Ch. 156.)

71941. Notice of the holding of the bond election shall be given by publishing, pursuant to Section 6066 of the Government Code, the resolution calling the election in at least one newspaper published in the district. The last publication shall be made not less than two weeks prior to the date of the proposed election. If there is no newspaper published in the district, then the resolution shall be posted in three public places in the district not less than two weeks prior to the date of the proposed election. No other notice of the election need be given.

(Added by Stats. 1963, Ch. 156.)

71942. If the bond election is to be held in an improvement district, notice of the holding of such election shall be given by publishing, pursuant to Section 6066 of the Government Code, the resolution calling the election prior to the date of the proposed election in at least one newspaper printed and published in the municipal water district, if there is a newspaper printed and published in the district. Such resolution shall also be posted in three public places in the improvement district not less than two weeks prior to the date of the proposed election. No other notice of the election need be given.

(Added by Stats. 1963, Ch. 156.)

71943. The returns of the bond election shall be made, the votes canvassed by the board within seven days following the election, and the results thereof ascertained and declared in accordance with the provisions of the Elections Code, so far as they may be applicable, except as otherwise provided in this division.

(Added by Stats. 1963, Ch. 156.)

71944. The secretary, as soon as the result of the bond election is declared, shall enter in the records of the board a statement of such results.

(Added by Stats. 1963, Ch. 156.)

71945. No irregularities or informalities in conducting the bond election shall invalidate it, if the election has otherwise been fairly conducted.

(Added by Stats. 1963, Ch. 156.)

71946. Any action or proceeding in which the validity of any bonds or of the proceedings in relation thereto (including the formation of an improvement district for which bonds are authorized to be issued by the voters thereof at a bond election) is contested, questioned, or denied shall be commenced within three months from the date of the bond election; otherwise the bonds and all proceedings in relation thereto (including the formation of the improvement district) shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1963, Ch. 156.)

71947. If bonds have been authorized at an election held pursuant to this chapter prior to January 1, 1960, a portion of which bonds have not yet been issued, and the board determines that the sale of such unissued portion would be insufficient to finance the completion of the improvement for which the bonds were authorized, the board by resolution adopted prior to January 1, 1972, may modify the improvement and may authorize the issuance of bonds in an amount not exceeding the amount of such unissued portion for the purpose of paying the cost of the improvement as modified, without any further election, but only after notice and hearing in the same manner as provided in Article 2 (commencing with Section 71880) of Chapter 3 of this part and Article 6 (commencing with Section 53520) of Chapter 3, Part 1, Division 2, Title 5 of the Government Code, and provided that at the conclusion of the hearing the board shall by resolution determine that the territory within the district or improvement district will be benefited by the improvement as modified. Bonds so authorized may be issued and sold in the same manner as bonds authorized by an election under this chapter.

(Added by Stats. 1971, Ch. 790.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 6. ISSUANCE AND SALE OF BONDS [71950 - 71975]
ARTICLE 1. ISSUANCE AND TERMS [71950 - 71960]

71950. If from the bond election returns it appears that more than two-thirds of the votes cast in such election were in favor of and assented to the incurring of the indebtedness, the board may, by resolution, at such time or times as it deems proper, issue bonds of the district for the whole or any part of the amount of the indebtedness so authorized, and may from time to time provide for the issuance of such amounts as the necessity thereof may appear, until the full amount of such bonds authorized has been issued.

(Added by Stats. 1963, Ch. 156.)

71951. The full amount of the authorized bonds may be divided into two or more series and different dates fixed for the bonds of each series. The maximum term which the bonds of any series shall run before maturity shall not exceed 40 years from the date of the series.

(Added by Stats. 1963, Ch. 156.)

71952. The board shall, by resolution, prescribe the form of the bonds and of the coupons attached thereto and fix the time when the whole or any part of the principal shall become due and payable. The payment of the first installment of principal may be deferred for a period of not more than five years from the date of the bonds or the date of the bonds of each series respectively.

(Added by Stats. 1963, Ch. 156.)

71953. The bonds shall bear interest at a rate or rates not to exceed 8 percent per year, payable semiannually, except that interest for the first year may be payable at the end of that year.

(Amended by Stats. 1975, Ch. 130.)

71954. The board may provide for the call and redemption of bonds prior to maturity at such times and prices and upon such other terms as it may specify. A bond shall not be subject to call or redemption prior to maturity unless it contains a recital to that effect or unless a statement to that effect is printed thereon.

(Added by Stats. 1963, Ch. 156.)

71955. The denomination of the bonds shall be stated in the resolution providing for their issuance but shall not be less than one hundred dollars (\$100).

(Added by Stats. 1963, Ch. 156.)

71956. The principal and interest on the bonds shall be payable in lawful money of the United States at the office of the treasurer of the district or such other place or places as may be designated, or at either place or places at the option of the holder of the bond.

(Added by Stats. 1963, Ch. 156.)

71957. The bonds shall be dated, numbered consecutively, signed by the president and treasurer of the district, countersigned by the secretary, and the official seal of the district attached. The interest coupons of the bonds shall be signed by the treasurer of the district. All such signatures and countersignatures may be printed, lithographed, or mechanically reproduced, except that one of the signatures or countersignatures to the bonds shall be manually affixed.

(Added by Stats. 1963, Ch. 156.)

71958. If the bond election proceedings have been limited to and have applied only to an improvement district, the bonds are bonds of the district, shall be issued in the name of the district, and shall be designated "Bonds of ____ Municipal Water District for Improvement District No. ____." Each bond and all interest coupons thereof shall state that taxes levied for the payment thereof will be levied exclusively upon the taxable property in the improvement district.

(Added by Stats. 1963, Ch. 156.)

71959. Any bonds issued by a district have the same force, value, and use as bonds issued by a city and are exempt from all taxation within the State.
(Added by Stats. 1963, Ch. 156.)

71960. The board may, without a vote of the electors, provide for the issuance of, and issue, general obligation bonds of the district or for an improvement district thereof if:

(a) The principal amount of such bonds do not exceed the then unissued balance of the principal amount of bonds authorized at an election held in the district, or in such improvement district, prior to May 9, 1967;

(b) The bonds are issued for the same purpose as that for which said unissued bonds were authorized;
and

(c) The bonds are issued in accordance with the provisions of this article, except for the requirement of a bond election.

Bonds issued pursuant to this section may bear interest at a rate or rates not to exceed 8 percent per year, payable semiannually, except that interest for the first year may be payable at the end of that year. When bonds are issued pursuant to this section, unissued bonds as referred to in (a) and (b) above in a principal amount at least equal to the principal amount of bonds issued pursuant to this section, shall be canceled by order of the board and shall not be issued.

(Amended by Stats. 1975, Ch. 130.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 6. ISSUANCE AND SALE OF BONDS [71950 - 71975]
ARTICLE 2. SALE OF BONDS AND USE OF PROCEEDS [71970 - 71975]

71970. Before selling the bonds, or any part thereof, the board shall give notice inviting sealed bids in such manner as it may prescribe. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received, or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, it may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

(Added by Stats. 1963, Ch. 156.)

71971. The proceeds from the sale of bonds shall be paid into the treasury of the district, placed to the credit of a special improvement fund, and expended only for the purpose for which the indebtedness was created. When such purpose has been accomplished, any moneys remaining in the special improvement fund may be transferred to the fund to be used for the payment of principal of and interest on the bonds.

(Added by Stats. 1963, Ch. 156.)

71972. Any moneys remaining in the special improvement fund from the sale of bonds of the district after the purpose for which the indebtedness was created has been accomplished may also be used for any other municipal water district purpose. Such moneys remaining from the sale of bonds of the district for an improvement district therein may also be used for any purpose which will benefit the property in the improvement district.

Such moneys may not be used for such other municipal water district purpose or improvement district purpose until two-thirds of the qualified voters of the district or improvement district have consented thereto at a special election called in the district or improvement district by the board. Notice of the election shall be given in the manner provided for bond elections in the district or improvement district, as the case may be, and in other respects the election shall be conducted as are other district elections.

(Added by Stats. 1963, Ch. 156.)

71973. Interest on any bonds issued by the district coming due before the proceeds of a tax levied at the next general tax levy after the sale of the bonds are available, and interest on any bonds issued by the district coming due before the expiration of one year following completion of the acquisition and construction of the works and improvements for which the bonds were issued may be paid from the proceeds of the sale of the bonds.

(Amended by Stats. 1967, Ch. 105.)

71974. The proceeds from the sale of bonds of the district issued for an improvement district thereof may be expended for the purpose for which the indebtedness was created in any territory annexed to the improvement district after the authorization of the bonds.

(Added by Stats. 1963, Ch. 156.)

71975. Notwithstanding any other provision of law, within the Rainbow Municipal Water District, if bonds have been authorized or issued pursuant to Chapter 4 (commencing with Section 71920) of this part, and thereafter, due to a change in conditions or circumstances, the board determines that the improvement, generally described in the resolution of intention No. 438, adopted October 27, 1969, pursuant to Section 71924, should be significantly modified, the board by resolution may so modify such improvement and may issue authorized but unissued bonds or, to the extent the rights of bondholders are not impaired, expend the proceeds of bonds issued for the purpose of paying the cost of the improvement as modified, without any further election or without taking proceedings pursuant to Chapter 4 (commencing with Section 71920) of this part, provided that such modification shall not change the purpose for which the sale of bonds was originally authorized, and only after notice and hearing in the same manner as provided in Article 2 (commencing with Section 71880) of Chapter 3 of this part and Article 6 (commencing with Section 53520) of Chapter 3, Part 1, Division 2, Title 5 of the Government Code, and provided that at the conclusion of the hearing the board, four-fifths of the members concurring, shall by resolution determine that the territory within the improvement district will be benefited by the improvement as modified. Notwithstanding the foregoing, the board, by resolution, may make minor modifications in the plans for the acquisition and construction of improvements and the determination made in such resolution shall be final and conclusive.

(Added by Stats. 1972, Ch. 285.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 7. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF REVENUE BONDS
[71980 - 71996]
ARTICLE 1. INITIATION OF PROCEEDINGS [71980 - 71985]

71980. Whenever the board deems it necessary to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works or property mentioned in this division, and to provide for such bonded indebtedness payable exclusively from the revenues of an enterprise acquired, constructed, improved or financed for the benefit of an area less than all of the district, the board shall, by resolution, declare its intention to form a revenue improvement district and to incur such indebtedness.

(Added by Stats. 1975, Ch. 229.)

71981. The resolution of intention shall state that the board intends to form a revenue improvement district of a portion of the district which in the opinion of the board will be benefited, and to call an election in such proposed revenue improvement district, on a date to be fixed, for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of revenue bonds of the district for such revenue improvement district.

(Added by Stats. 1975, Ch. 229.)

71982. The resolution of intention shall also state:

(a) The purpose for which the proposed debt is to be incurred and a general description of the enterprise.
(b) The estimated amount of debt to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(c) That the bonds are to be revenue bonds, and shall be payable exclusively from the revenues of the enterprise within such revenue improvement district and that the bonds are not to be secured by the taxing power of the district.

(Added by Stats. 1975, Ch. 229.)

71983. The resolution of intention shall also state that a general description of the proposed enterprise, together with a map showing the exterior boundaries of the proposed revenue improvement district with relation to the territory immediately contiguous thereto and to the proposed enterprise is on file with the secretary and is available for inspection by any person or persons interested. This map shall govern for all details as to the extent of the proposed revenue improvement district.

(Added by Stats. 1975, Ch. 229.)

71984. The resolution of intention shall also state:

(a) The time and place for a hearing by the board on the questions of the formation and extent of the proposed revenue improvement district and the proposed enterprise.

(b) That at the time and place specified in the resolution any person interested including all persons owning property in the district or in the proposed revenue improvement district, will be heard.

(Added by Stats. 1975, Ch. 229.)

71985. Notice of the hearing shall be given by publishing a copy of the resolution of intention pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in a newspaper printed and published in the district, if there is a newspaper printed and published in the district. Such notice shall also be given by posting a copy of the resolution of intention in six public places within the proposed revenue improvement district at least two weeks before the time fixed for the hearing.

(Added by Stats. 1975, Ch. 229.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 7. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF REVENUE BONDS
[71980 - 71996]
ARTICLE 2. HEARING AND CHANGES [71986- 71986.]

71986. Except as otherwise provided in this article, the board shall proceed with the hearing, conduct the hearing, make changes to the enterprise or the estimated amount of the proposed debt and hold hearings on the changes pursuant to Sections 71880 to 71883, inclusive.

(Added by Stats. 1975, Ch. 229.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 7. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF REVENUE BONDS
[71980 - 71996]

ARTICLE 3. FORMATION OF REVENUE IMPROVEMENT DISTRICT [71987 - 71990]

(a) The purpose for which the proposed debt is to be incurred.
(b) The estimated amount of the proposed debt.
(c) That the exterior boundaries of the portion of the district which will be benefited are set forth on a map on file with the secretary, which map shall govern for all details as to the extent of the revenue improvement district.

(d) That such portion of the district set forth on the map shall thereupon be formed and be known as "Revenue Improvement District No. ____ of ____ Municipal Water District."

(Added by Stats. 1975, Ch. 229.)

71988. The determinations made in the resolution of formation shall be final and conclusive.

(Added by Stats. 1975, Ch. 229.)

71989. After the formation of the revenue improvement district pursuant to this chapter, all proceedings for the purpose of a revenue bond election by the revenue improvement district shall be limited, and shall apply only to the revenue improvement district.

(Added by Stats. 1975, Ch. 229.)

71990. Except as otherwise provided by this chapter, after the formation of the improvement district pursuant to this chapter, the improvement district shall be a local agency for the purposes of the Revenue Bond Law of 1941 and the terms defined in the Revenue Bond Law of 1941 shall have the meaning therein set forth unless the context requires a different meaning.

(Added by Stats. 1975, Ch. 229.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 7. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF REVENUE BONDS
[71980 – 71996]
ARTICLE 4. CALLING OF REVENUE BOND ELECTION [71991 - 71994]

71991. After the board has made its determination of the matters required to be determined by the resolution of formation, and if the board deems it necessary to incur the bonded indebtedness, the board shall, by a further resolution, call a special election in the revenue improvement district for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of revenue bonds of the district for the revenue improvement district. The election shall be held and the votes canvassed pursuant to law for municipal water district elections.

(Added by Stats. 1975, Ch. 229.)

71992. The resolution calling the revenue bond election shall be adopted, contain the statement, be published and provide for issuance of the revenue bonds in accordance with Article 3 (commencing with Section 54380 of the Government Code) of the Revenue Bond Law of 1941, except as otherwise required by law and this chapter, and, in addition, the resolution shall state:

(a) That the board deems it necessary to incur the bonded indebtedness.

(b) The revenue improvement district to be benefited by the bonded indebtedness, as set forth in the resolution of formation of the revenue improvement district, and that a map showing the exterior boundaries of the revenue improvement district is on file with the secretary, which map shall govern for all details as to the extent of the revenue improvement district.

(c) That the votes of a majority of all voters voting on the proposition are required to authorize the issuance of the revenue bond.

(Added by Stats. 1975, Ch. 229.)

71993. If the issuance of the revenue bonds is authorized at the election, the board shall provide for their issuance, sale, authentication, form and redemption in the manner provided in the Revenue Bond Law of 1941.

(Added by Stats. 1975, Ch. 229.)

71994. It is the intent of the Legislature that the provisions of this article shall be in addition to, and not exclusive of, the powers and duties of the revenue improvement district as a local agency under the Revenue Bond Law of 1941, except that where this chapter is inconsistent with the Revenue Bond Law of 1941, the Revenue Bond Law of 1941 is controlling. The municipal water district may do any act for or on behalf of the revenue improvement district authorized by law and the Revenue Bond Law of 1941 not inconsistent with the provisions of this chapter or in derogation of the security of the bondholders.

(Added by Stats. 1975, Ch. 229.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 7. BONDS [71852 - 71996]
CHAPTER 7. FORMATION OF IMPROVEMENT DISTRICTS FOR ISSUANCE OF REVENUE BONDS
[71980 - 71996]
ARTICLE 5. ADVANCE OF FUNDS [71995 - 71996]

71995. The board may advance general funds of the district to accomplish the purposes of a revenue improvement district formed pursuant to this chapter.

(Added by Stats. 1975, Ch. 229.)

71996. The board may repay the district for any advance of funds from the proceeds of the sale of revenue bonds authorized for the purposes of the improvement district.

(Added by Stats. 1975, Ch. 229.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 1. INITIATION OF PROCEEDINGS [72000 - 72004]

72000. Whenever the board deems it necessary to form an improvement district of a portion of the district for a purpose other than the incurring of bonded indebtedness, the board shall by resolution declare that it intends to form an improvement district of a portion of the district which in its opinion will be benefited.

(Added by Stats. 1963, Ch. 156.)

72001. The resolution of intention shall also state:

- (a) The purpose for which the proposed improvement district is to be formed.
- (b) The estimated expense of carrying out such purpose.
- (c) That taxes for carrying out such purpose will be levied exclusively upon the taxable property in the proposed improvement district.

(Added by Stats. 1963, Ch. 156.)

72002. The resolution of intention shall also state that a map showing the exterior boundaries of the proposed improvement district, with relation to the territory immediately contiguous thereto, is on file with the secretary and is available for inspection by any person or persons interested. This map shall govern for all details as to the extent of the proposed improvement district.

(Added by Stats. 1963, Ch. 156.)

72003. The resolution of intention shall also state:

- (a) The time and place for a hearing by the board on the questions of the formation and extent of the proposed improvement district, the purpose for which it is to be formed, and the estimated expense of carrying out such purpose.
- (b) That at such time and place any person interested, including all persons owning property in the district or in the proposed improvement district, will be heard.

(Added by Stats. 1963, Ch. 156.)

72004. Notice of the hearing shall be given by publishing a copy of the resolution of intention, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing in a newspaper circulated in the municipal water district, if there is a newspaper circulated in the district. Such notice shall also be given by posting a copy of the resolution of intention, in three public places within the proposed improvement district for at least two weeks before the time fixed for the hearing.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 2. HEARING AND ADOPTION OF RESOLUTION OF FORMATION [72010 - 72014]

72010. At the time and place so fixed in the resolution of intention, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property in the district, or in the proposed improvement district, may appear and present any matters material to the questions set forth in the resolution of intention.

(Added by Stats. 1963, Ch. 156.)

72011. At the conclusion of the hearing, the board shall by resolution determine whether it is necessary to form the improvement district. If so, the resolution shall also state:

- (a) The purpose for which the proposed improvement district is to be formed.
- (b) The estimated expense of carrying out such purpose.
- (c) That the exterior boundaries of the portion of the district which will be benefited are set forth on a map on file with the secretary, which map shall govern for all details as to the extent of the improvement district.
- (d) That such portion of the district set forth on the map, shall thereupon constitute and be known as "Improvement District (A, B, C, or other letter designation)____ of ____ Municipal Water District."

(Added by Stats. 1963, Ch. 156.)

72012. The determinations made in the resolution of formation shall be final and conclusive.

(Added by Stats. 1963, Ch. 156.)

72013. After the formation of the improvement district pursuant to this part, all taxes levied for the carrying out of its purpose shall be levied exclusively upon the taxable property in the improvement district.

(Added by Stats. 1963, Ch. 156.)

72014. A copy of the resolution of formation shall be published pursuant to Section 6066 of the Government Code in a newspaper printed and published in the district, if there is a newspaper printed and published in the district. A copy of the resolution shall also be posted in three public places within the proposed improvement district for at least two weeks.

The resolution of formation shall not be effective until the 31st day after completion of the publication and posting.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 3. FORMATION ELECTION [72020 - 72027]

72020. If a petition signed by not less than 10 percent of the voters of the proposed improvement district requesting that an election be held on the formation thereof is presented to the board before the effective date of the resolution of formation, the board shall by resolution call a special election in the proposed improvement district for the purpose of submitting the question of the formation of the improvement district to the voters of the proposed improvement district.

(Added by Stats. 1963, Ch. 156.)

72020.5. In addition to the provisions of Section 72020, in the Casitas Municipal Water District, the board may by resolution call a special election in the proposed improvement district for the purpose of submitting the question of the formation of the improvement district to the voters of the proposed improvement district. This special provision for Casitas Municipal Water District is necessary because the Legislature recognizes that certain proposed improvement districts in the Casitas Municipal Water District are controversial, that an election should be called, and that to require a petition to be circulated for recognized controversial improvement districts would constitute an unnecessary hardship. This problem is not common to all districts formed under this division. It is therefore hereby declared that a general law cannot be made applicable and that the enactment of this section as a special law is necessary for the solution of problems existing in the Casitas Municipal Water District.

(Added by Stats. 1976, Ch. 1273.)

72021. The board shall provide for holding the special election on the day fixed in the resolution calling the election and in accordance with the provisions of the Elections Code so far as they shall be applicable, except as otherwise provided in this division.

(Added by Stats. 1963, Ch. 156.)

72022. Notice of the holding of the special election shall be given by publishing the resolution calling the election, pursuant to Section 6066 of the Government Code, prior to the date of the proposed election in at least one newspaper printed and published in the municipal water district, if there is a newspaper printed and published in the district. The resolution shall also be posted in three public places in the proposed improvement district not less than two weeks prior to the date of the proposed election. No other notice of the election need be given.

(Added by Stats. 1963, Ch. 156.)

72023. The returns of the special election shall be made, the votes canvassed by the board within seven days following the election, and the results thereof ascertained and declared in accordance with the provisions of the Elections Code, so far as they may be applicable, except as otherwise provided in this division.

(Added by Stats. 1963, Ch. 156.)

72024. The secretary, as soon as the result of the special election is declared, shall enter in the records of the board a statement of such results.

(Added by Stats. 1963, Ch. 156.)

72025. If from the special election returns it appears that a majority of the votes cast at such election were in favor of the formation of the improvement district, the formation of the improvement district shall be complete.

(Added by Stats. 1963, Ch. 156.)

72026. No irregularities or informalities in conducting the special election shall invalidate it, if the election has otherwise been fairly conducted.

(Added by Stats. 1963, Ch. 156.)

72027. Any action or proceeding in which the validity of the formation of the improvement district or of any of the proceedings in relation thereto is contested, questioned, or denied shall be commenced within three months from the effective date of the resolution of formation, or, if an election is held, within three months from the date of

such election; otherwise the formation of the improvement district and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 3.5. APPORTIONMENT OF EXTRAORDINARY COSTS OF WATER DELIVERY [72028 -
72028.4]

72028. Whenever the board determines that it is necessary to equitably apportion any extraordinary costs of water delivery, including, but not limited to, filtration costs, to the benefited improvement districts within the district, the board shall, by resolution, declare its intent to impose the proportional share of such costs on the improvement districts within the district.

(Added by Stats. 1974, Ch. 830.)

72028.1. The resolution of intention shall include the nature of the extraordinary costs of water delivery, the amount of the cost which is to be borne by each benefited improvement district, and the calling of a combined election within all of the improvement districts affected on a date to be fixed for the purpose of submitting to the voters thereof the proposition of imposing additional debt on the improvement district.

(Added by Stats. 1974, Ch. 830.)

72028.2. The election called by the resolution of intention shall be held in accordance with the provisions of Chapter 5 (commencing with Section 71940) of Part 7 of this division for the holding of bond elections.

(Added by Stats. 1974, Ch. 830.)

72028.3. If the majority of the registered voters in all of the combined improvement districts in which the election is held voting on the proposition vote to impose the additional debt on the improvement districts, it shall be imposed; otherwise it shall not.

(Added by Stats. 1974, Ch. 830.)

72028.4. When additional debt is imposed on improvement districts pursuant to this chapter, the board shall take action at the time and in the manner required by law to require the board of supervisors to levy, in addition to any other tax it levies, a tax upon the property within the affected improvement districts at a rate or rates fixed by the board.

(Added by Stats. 1974, Ch. 830.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 4. ADVANCE OF FUNDS [72030 - 72031]

72030. The board may advance general funds of the district to accomplish the purposes of an improvement district formed pursuant to this part.
(Added by Stats. 1963, Ch. 156.)

72031. The board may provide that the district shall be repaid for any advance of funds, with interest at a rate not to exceed the interest value of money to the district, from the taxes levied exclusively upon the taxable property in the improvement district.
(Amended by Stats. 1969, Ch. 708.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 1. GENERAL PROVISIONS [72060 - 72061]

72060. The provisions of this chapter apply only to the Pomona Valley Municipal Water District.
(Added by Stats. 1974, Ch. 791.)

72061. Notwithstanding any other provisions of law, within the Pomona Valley Municipal Water District, bonds may be issued by such district and the debt service thereon paid in and for the purpose and in the manner provided in this chapter. Except as provided otherwise in this chapter, such bonds shall be issued and the debt service thereon paid in and for the purpose and in the manner otherwise provided by this division.
(Added by Stats. 1974, Ch. 791.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 2. BOND ELECTION, ISSUANCE, AND SALE [72062 - 72064.1]

72062. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this division, the board shall, by resolution, so declare and call an election to be held in the district for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of the bonds of the district pursuant to the provisions of this chapter.

(Added by Stats. 1974, Ch. 791.)

72063. The resolution calling the bond election shall state all of the following:

(a) The purpose for which the proposed debt is to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of bonds.

(b) The amount of debt to be incurred by the district, and the initial percentage of the debt service on the debt to be incurred which is to be paid by each improvement district, subject to annual adjustment of such amount pursuant to Water Code Sections 72073 through 72076 hereof.

(c) The full amount of the authorized bonds may be divided into two or more series and different dates fixed for the bonds of each series. The maximum term, which the bonds of any series shall run before maturity shall not exceed 40 years from the date of the series.

(d) The bonds shall bear interest at a rate or rates not to exceed 8 percent per year, payable semiannually, except that interest for the first year may be payable at the end of that year.

(e) The measure to be submitted to the voters, which measure shall state that the bonds are to be issued and paid for in the manner set forth in this chapter and in the resolution calling the bond election.

(f) The principal of, or interest on, the bonded debt shall be paid from taxes levied and collected in the entire district as provided in Part 9 (commencing with Section 72090) of this division, except to the extent revenues of the district, or revenues raised by the alternative methods provided by this chapter in the improvement districts established pursuant to Article 3 (commencing with Section 72065) of this chapter are sufficient to pay the amount of such principal and interest that will become due before the proceeds of a tax levied at the next general tax levy will be available.

(g) The date upon which an election shall be held for the purpose of authorizing the bonded indebtedness to be incurred.

(h) The designation of precincts and the location of polling places.

(Amended by Stats. 1975, Ch. 291.)

72064. If, from the bond election returns, it appears that more than one-half of the votes cast in such election were in favor of, and assented to, the incurring of the indebtedness, the board may, by resolution, at such time or times as it deems proper, issue bonds of the district for the whole or any part of the amount of the indebtedness so authorized, and may from time to time provide for the issuance of such amounts as the necessity therefor may appear, until the full amount of such bonds authorized has been issued.

(Added by Stats. 1974, Ch. 791.)

72064.1. Except as provided otherwise herein, such election, issuance, and sale of bonds shall be governed by the provisions of this division.

(Added by Stats. 1974, Ch. 791.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 3. IMPROVEMENT DISTRICTS [72065- 72065.]

72065. For the purpose of issuing bonds pursuant to the provisions of this chapter, nine improvement districts, the designations and boundaries of which are described as follows, are hereby established upon the authorization of such bonds by the electorate of such district pursuant to the provisions of this chapter:

CLAREMONT IMPROVEMENT DISTRICT

Beginning at a point in the Northerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974, said point also being the Southwest corner of the Northeast Quarter of Section 21, T.1N.—R.8W. S.B.B.M.; thence Easterly and Southerly along said District boundary to the point of intersection with the most Southerly boundary of the City of Claremont as same existed on July 1, 1974; thence Westerly and Northerly along said corporate boundary to a point of intersection with the center line of Towne Avenue as same existed on July 1, 1974; thence North along said center line to the point of intersection with the center line of Briarcroft Road; thence Westerly along said center line and its Westerly prolongation to its intersection with the center line of the Los Angeles County Flood Control District Thompson Creek Wash Right of Way as same existed on July 1, 1974; thence Northerly along said center line to the point of intersection with the center line of Baseline Road as same existed on July 1, 1974; thence Westerly along said center line of Baseline Road to the point of intersection with the center line of Webb Canyon Road as same existed on July 1, 1974; thence Northerly along the center line of Webb Canyon Road to the point of intersection with the North/South center line of Section 32 T.1N.—R.8W. S.B.B.M.; thence Northerly along said center line of Section 32 and Section 29 T.1N.—R.8W. S. B.B.M. to the Northwest corner of the Southwest Quarter of the Northeast Quarter of said Section 29; thence Easterly along the East/West center line of the said Northeast Quarter of Section 29 to the Easterly line of Section 29; thence North to the point of intersection with the Easterly boundary of the Marshall Canyon Regional Park as same existed on July 1, 1974; thence Northerly and Easterly along said boundary to the point of beginning.

LA VERNE IMPROVEMENT DISTRICT

Beginning at the most Northwesterly corner of the Claremont Improvement District, as described above; thence Southerly and Westerly along the Westerly edge of said Claremont Improvement District to the intersection with the center line of Briarcroft Road as same existed on July 1, 1974; thence Westerly along said center line and its Westerly prolongation to its intersection with the center line of Williams Avenue as same existed on July 1, 1974; thence Southerly along the center line of Williams Avenue to the intersection with the center line of Foothill Boulevard as same existed on July 1, 1974; thence Northwesterly along said center line of Foothill Boulevard to its intersection with the Easterly boundary of the City of La Verne as same existed on July 1, 1974; thence generally Southerly, Westerly, and Northerly along the said corporate city boundary to the center line of Puddingstone Drive as same existed on July 1, 1974; thence Westerly along the center line of Puddingstone Drive to its intersection with the Easterly boundary of the Los Angeles County Flood Control District Puddingstone Channel Right of Way as same existed on July 1, 1974; thence Northerly along said Right of Way boundary to its intersection with the Southeasterly boundary of the Los Angeles County Flood Control District San Dimas Wash Reservoir site; thence Northerly along said Reservoir site Easterly boundary and its Northeasterly prolongation to the center line of Section 36, T.1N., R.9W.; thence North along said center line to the Northerly line of said Section 36; thence West along said Northerly line to its intersection with the center line of San Dimas Canyon Road as same existed on July 1, 1974; thence Northerly on the centerline of San Dimas Canyon Road to its point of intersection with the Northerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974; thence Easterly along said Northerly boundary to the point of beginning.

SAN DIMAS IMPROVEMENT DISTRICT

Beginning at a point in the Northerly boundary of the Pomona Valley Municipal Water District, said point also being the center of Section 27, T.1N.—R.9W. S.B.B.M.; thence Easterly along said District boundary to the Northwesterly corner of the La Verne Improvement District as described above; thence Southerly along said Westerly La Verne Boundary and its Southeasterly prolongation to the Northerly Right of Way of Ganesha Boulevard as same existed on July 1, 1974; thence Southwesterly along said Northerly Right of Way of Ganesha Boulevard to the Northerly Right of Way of U.S. 10 (San Bernardino Freeway) as same existed on July 1, 1974; thence Southwesterly along said Northerly Right of Way to the Westerly boundary of the Rancho San Jose, said point also being the point

of intersection with the Northerly prolongation of the Northwesterly property line of the California Polytechnic University (Kellogg Campus); thence Southeasterly along said prolongation to the most Northerly and Westerly corner of the California State Polytechnic University property as same existed on July 1, 1974; thence Southerly and Westerly along the Northwesterly property lines of the California Polytechnic University and Mt. San Antonio Junior College properties to its intersection with the Easterly Right of Way of Grand Avenue as same existed on July 1, 1974; thence Northerly along the Southerly prolongation of the Northwesterly corporate boundary of the City of Walnut as same existed on July 1, 1974; thence continuing Northwesterly and Northeasterly along said corporate boundary to the most Northerly point of the City of Walnut as same existed on July 1, 1974, said point also being the Westerly property line of the Forest Lawn Memorial Park as same existed on July 1, 1974; thence North along said Westerly property line and its prolongation to the intersection with the Northerly Right of Way of U.S. 10 (San Bernardino Freeway) as same existed on July 1, 1974; thence Easterly along said Right of Way to its intersection with the corporate boundary of the City of San Dimas as same existed on July 1, 1974; thence Northwesterly and Northeasterly along said corporate boundary to its intersection with the Covina corporate boundary as same existed on July 1, 1974; thence Northeasterly, Westerly, and North along said Covina boundary and its Northerly prolongation to the center line of Badillo Street as same existed on July 1, 1974; thence Westerly on the center line of Badillo Street to its intersection with the center line of Banna Avenue as same existed on July 1, 1974; thence North along the center line of Banna Avenue to the center line of Ruddock Street as same existed on July 1, 1974; thence Westerly along the center line of Ruddock Street to the intersection of the center line of Glendora Avenue as same existed on July 1, 1974; thence North on the center line of Glendora Avenue to the Northerly line of the Southern Pacific Railroad Right of Way as same existed on July 1, 1974; thence Southwesterly along said Right of Way to its intersection with the Westerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974; thence generally Northerly, Westerly, and Northerly along the District boundary to its intersection with the center line of Arrow Highway as same existed on July 1, 1974; thence East on the center line of Arrow Highway to its intersection with the corporate boundary of the City of San Dimas as same existed on July 1, 1974; thence generally Northerly, Easterly, and Northerly along said corporate boundary to the point of beginning.

GLENDORA IMPROVEMENT DISTRICT

Beginning at a point on the Northerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974, said point also being the center of Section 27, T.1N., R.9W. S.B.B.M; thence Southerly and Westerly along the Westerly boundary of the above mentioned San Dimas Improvement District to the Westerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974; thence Northerly and Easterly around said Pomona Valley Municipal Water District's Westerly and Northerly boundary to the point of beginning.

COVINA IMPROVEMENT DISTRICT

Beginning at a point in the Westerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974, said point also being the center line of U.S. 10 (San Bernardino Freeway); thence North and East along said District boundary to its point of intersection with the Northerly Right of Way line of the Southern Pacific Railroad as same existed on July 1, 1974; thence Northerly and Southerly along the San Dimas Improvement District boundary as described above to the most Northerly point in the corporate boundary of the City of Walnut as same existed on July 1, 1974; thence Southerly and Westerly along said corporate boundary to the Westerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974; thence North along said Westerly boundary to the point of beginning.

POMONA IMPROVEMENT DISTRICT

Beginning at a point on the Easterly boundary of the Pomona Valley Municipal Water District, said point being the most Southeasterly corner of the Claremont Improvement District as herein described above; thence Southerly, Westerly, and Southerly along said Easterly District boundary and the Southerly and Westerly boundary of the city of Pomona to its point of intersection with the Easterly corporate boundary of the City of Walnut as same existed on July 1, 1974; thence Northerly along said corporate boundary to its point of intersection with the Southerly boundary of the San Dimas Improvement district as described above; thence Easterly along said above described Southerly San Dimas, La Verne, and Claremont Improvement District boundaries to the point of beginning.

DIAMOND BAR IMPROVEMENT DISTRICT

Beginning at a point in the Easterly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974, said point also being the intersection of the Southerly corporate boundary of the City of Pomona as same existed on July 1, 1974, with the Los Angeles County boundary; thence Southerly and Westerly along the Easterly and Southerly boundary of the District to its intersection with the center line of the California No. 57 Right of Way (Orange Freeway) as same existed on July 1, 1974; thence Northeasterly along said center line to the Westerly boundary of Sections 32, 29, and 20, T.2S.-R.9W. S.B.B.M.; thence North along said Westerly boundary lines to the

North boundary line of Section 20, T.2S.-R.9W. S.B.B.M.; thence East along said North line to the center line of said mentioned California No. 57 Right of Way (Orange Freeway) as same existed on July 1, 1974; thence Northeasterly along said center line to the West boundary of Sections 10 and 3, T.2S.-R.9W. S.B.B.M.; thence North along said Westerly boundary to its intersection with the corporate boundary of the City of Pomona, said line also being a point in the Southerly boundary of Pomona Improvement District as same existed on July 1, 1974; thence Northeasterly and Southeasterly along said Southern boundary of Pomona Improvement District to the point of beginning.

WALNUT IMPROVEMENT DISTRICT

Beginning at the point on the Westerly boundary of the Pomona Valley Municipal Water District, said point also being the intersection of the corporate boundary of the City of Walnut as same existed on July 1, 1974, and the most Southwesterly point of Covina Improvement District as described above; thence Easterly along the Southerly and Westerly boundaries of the Covina, San Dimas, Pomona, and Diamond Bar Improvement Districts to the point of intersection with the Southerly boundary of the Walnut Valley Water District as same existed on July 1, 1974; thence Westerly and Northerly along the Southerly and Westerly boundary of said Walnut Valley Water District to the point of intersection with the Southerly projection of the center line of Nogales Avenue as same existed on July 1, 1974; thence North on said center line of Nogales Avenue and its Northerly prolongation to its intersection with the Easterly Corporate boundary of the City of West Covina as same existed on July 1, 1974; thence Northerly along said Easterly boundary to its intersection with the Westerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974; thence Northerly along said District boundary to the point of beginning.

ROWLAND IMPROVEMENT DISTRICT

Beginning at a point in the Southerly boundary of the Pomona Valley Municipal Water District as same existed on July 1, 1974, said point also being the center line of the California No. 57 Right of Way (Orange Freeway) and the Southwesterly corner of the Diamond Bar Improvement District as described above; thence Westerly, Northerly, and Easterly along said Southwesterly boundary of the Pomona Valley Municipal Water District to the point of intersection with the Walnut Improvement District as described above; thence Southerly along the Westerly boundary of the Walnut and Diamond Bar Improvement Districts to the point of beginning.

(Amended by Stats. 1975, Ch. 291.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 4. DEFINITIONS [72066 - 72066.6]

72066. As used in this chapter, the following terms shall have the meaning described in this article:
(Repealed and added by Stats. 1975, Ch. 291.)

72066.1. “Board” shall mean the Board of Directors of the Pomona Valley Municipal Water District.
(Added by Stats. 1975, Ch. 291.)

72066.2. “Charges” shall mean charges made for metered water or for minimum charges for services, including customers’ charges, service charges, demand charges, and capacity charges, but shall not include charges made for water which is to be resold and delivered through mains or pipes.
(Added by Stats. 1975, Ch. 291.)

72066.3. “Month” shall mean a calendar month.
(Added by Stats. 1975, Ch. 291.)

72066.4. “Person” shall mean any domestic or foreign corporation, association, syndicate, joint stock company, partnership of any kind, joint venture, club, Massachusetts business or common law trust, society, individual, municipal corporation, and the state and any political subdivision thereof.
(Added by Stats. 1975, Ch. 291.)

72066.5. “Service user” shall mean any person required to pay a tax imposed under the provisions of this chapter.
(Added by Stats. 1975, Ch. 291.)

72066.6. “Service supplier” shall mean any person required to collect a tax under the provisions of this chapter.
(Added by Stats. 1975, Ch. 291.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 5. POWERS—GENERALLY [72067 - 72071.1]

72067. The board may exercise all of its powers and duties in regard to improvement districts established by this chapter in the same manner as to improvement districts otherwise formed under the provisions of this division, in addition to the manner otherwise provided in this chapter.

(Repealed and added by Stats. 1975, Ch. 291.)

72068. Any portion of the district, whether contiguous or not to an improvement district established by this chapter, may be annexed to such improvement district in the manner provided in Chapter 1 (commencing with Section 72670) of Part 11 of this division.

(Repealed and added by Stats. 1975, Ch. 291.)

72069. Any portion of the district may be excluded from an improvement district established by this chapter in the manner provided in Chapter 5 (commencing with Section 72040) of this part.

(Added by Stats. 1975, Ch. 291.)

72070. The board may advance general funds of the district to accomplish the purposes of an improvement district performed pursuant to this chapter.

(Added by Stats. 1975, Ch. 291.)

72071. The board may repay the district for any advance of funds, together with interest, at a rate not to exceed the interest value of money to the district, from any combination of the following sources:

- (a) The proceeds of the sale of bonds authorized for the purposes of the improvement district.
- (b) The taxes levied exclusively upon the taxable property in the improvement district.
- (c) Revenue derived from any source set forth in Section 72077 hereof.

(Repealed and added by Stats. 1975, Ch. 291.)

72071.1. The board may levy an ad valorem property tax in each improvement district established pursuant to Article 3 (commencing with Section 72062) of this chapter, sufficient to pay the share of the maintenance and operation costs of any improvements constructed from the proceeds of bonds authorized pursuant to this chapter, for each such improvement district. The authorization of the bonds by the voters shall constitute authorization of the ad valorem property tax herein provided and no election need be held as provided in Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation Code.

(Added by Stats. 1975, Ch. 291.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 6. POWERS—UTILITY TAX [72072 - 72072.12]

72072. In addition to the powers otherwise provided for improvement districts under this division, the board shall have the power to levy a utility tax, as provided by this article, on every person using water within any of the improvement districts established by this chapter or on every person using water within the service area of any retail water purveyor within any such improvement district.

(Repealed and added by Stats. 1975, Ch. 291.)

72072.1. Nothing in this article shall be construed as imposing a tax upon any person when the imposition of such tax upon that person would be in violation of the Constitution of the United States or the Constitution of this state.

(Added by Stats. 1975, Ch. 291.)

72072.2. Notwithstanding any other provision of law to the contrary, persons subject to the jurisdiction of the Public Utilities Commission need not obtain an authorization from the commission to comply with the provisions of this article.

(Added by Stats. 1975, Ch. 291.)

72072.3. The board hereby is authorized to impose a tax upon every person using water within any of the improvement districts established by this chapter or on every person using water within the service area of any retail water purveyor within any such improvement district, at the rate and in the manner provided in this article. The tax imposed by this section shall be a percentage of the charges made for such use of water and shall be paid by the person paying for such water.

(Added by Stats. 1975, Ch. 291.)

72072.4. The tax imposed in this article shall be collected from the service user by the service supplier. The amount collected in one month shall be remitted to the board on or before the last day of the following month.

(Added by Stats. 1975, Ch. 291.)

72072.5. The taxes imposed by this article shall be collected, insofar as practicable, at the same time as, and along with, the charges made in accordance with the regular billing practice of the service supplier. If the amount paid by a service user to a service supplier is less than the full amount of the charge and the tax which has accrued for the billing period, a proportionate share of both the charge and the tax shall be deemed to have been paid.

(Added by Stats. 1975, Ch. 291.)

72072.6. Taxes collected from the service user which are not remitted to the board on or before the due dates provided in this article are delinquent.

(Added by Stats. 1975, Ch. 291.)

72072.7. Interest and penalties for delinquency in remittance of any tax collected by a service supplier and not remitted to the board shall be assessed as follows:

(a) Any service supplier who fails to remit any tax imposed by this article within 30 days after receipt of written notice from the board of such failure shall pay a penalty of 10 percent of the amount of the tax.

(b) If the board determines that the nonpayment of any remittance due under this article is due to fraud, a penalty of 25 percent of the amount of the tax shall be added thereto in addition to the penalty stated in subdivision (a).

(c) In addition to the penalties imposed in this section, any service supplier who fails to remit any tax imposed by this part, shall pay interest at the rate of 1 percent per month, or fraction thereof, on the amount of the tax exclusive of penalties, from the date on which the remittance first became delinquent until paid.

(Added by Stats. 1975, Ch. 291.)

72072.8. Failure by a service user to pay any tax imposed by this article shall result in the following interest and penalties on the service user:

(a) Any service user who fails to pay any tax imposed by this article within 90 days of the date of receipt of notice of the amount of tax due from the service supplier shall pay a penalty of 10 percent of the amount of the unpaid tax.

(b) In addition to the penalty imposed in this section, any service user who fails to pay any tax imposed by this article, shall pay interest at the rate of 6 percent per annum, exclusive of penalties, from the date on which the remittance first became delinquent until paid, and a collection charge of five dollars (\$5) for each delinquent account.

(c) The penalties, interest, and collection charges imposed by this section shall not be billed or collected by the service supplier, but shall be determined and collected by the board.

(Added by Stats. 1975, Ch. 291.)

72072.9. Any tax required to be paid by a service user under the provisions of this article shall be deemed a debt owed by the service user to the district. Any tax collected from a service user which has not been remitted to the board shall be deemed a debt owed to the district by the person required to collect and remit such tax. Nothing in this article shall impose any obligation upon a service supplier to take any legal action to enforce the collection of the utility users tax imposed by this article. Amounts uncollected by a service supplier shall be referred to the board for collection.

(Added by Stats. 1975, Ch. 291.)

72072.10. The board shall enforce the provisions of this article and may prescribe, adopt and enforce rules and regulations relating to the administration and enforcement of this article. The board shall not prescribe, adopt or enforce any rule or regulation which has the effect, directly or indirectly, of altering the terms and conditions of service of a service supplier serving the general public. Rules and regulations prescribed and adopted by the board shall not be inconsistent with procedures established from time to time by a service supplier serving the general public for the purpose of billing, collecting and accounting for charges in the conduct of its business.

(Added by Stats. 1975, Ch. 291.)

72072.11. Whenever the amount of any tax has been overpaid or paid more than once or had been erroneously or illegally collected or received by the board, it may be refunded, provided that a claim therefor in writing is filed with the board within two years of the date of payment.

(Added by Stats. 1975, Ch. 291.)

72072.12. Notwithstanding the provisions of Section 72072.11, a service supplier may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once, or erroneously or illegally collected or received when it is established in a manner prescribed by the board that the service user from whom the tax has been collected did not owe the tax; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the tax so collected has either been refunded to the service user or credited to charges subsequently payable by the service user to the person required to collect and remit.

(Added by Stats. 1975, Ch. 291.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8. FORMATION OF IMPROVEMENT DISTRICTS FOR PURPOSES OTHER THAN ISSUANCE
OF BONDS [72000 - 72077]
CHAPTER 6. ISSUANCE OF BONDS AND PAYMENT OF DEBT SERVICE BY THE POMONA VALLEY
MUNICIPAL WATER DISTRICT [72060 - 72077]
ARTICLE 7. DETERMINATION OF AND ALTERNATIVE METHODS OF PAYMENT OF DEBT
SERVICE AND COSTS OF MAINTENANCE AND OPERATION [72073 - 72077]

72073. The board annually shall cause to be prepared a written report stating the reasons for and conclusions of the board upon the following, together with any additional information deemed by the board to be relevant to such conclusions:

(a) The amount of the total debt service payable by the district for the following fiscal year on any bonded indebtedness incurred pursuant to this chapter, and the estimated maintenance and operation costs of the improvements for such fiscal year.

(b) The amount of such total debt service and maintenance and operation costs proposed to be raised in each of the improvement districts established under the provisions of this chapter, in accordance with the estimated benefits to be received by the landowners, water users, and inhabitants of each such improvement district during the following fiscal year.

(c) The projected retail water sales within each such improvement district for the following fiscal year, stated by volume and anticipated revenue.

Such report shall be mailed at least 20 days before the hearing provided for in Section 72074 to (1) each retail water purveyor with a service area wholly or partly within the district, and (2) any other interested party having made written request therefor at least 20 days before such hearing.

(Repealed and added by Stats. 1975, Ch. 291.)

72074. Annually, prior to approving the annual budget for the district, the board of directors shall hold a public hearing for the purpose of considering the report made pursuant to this article, and to determine the amount of debt service and maintenance and operation costs to be raised in each of the improvement districts established hereby and the method of payment of such amount in each such improvement district.

(Repealed and added by Stats. 1975, Ch. 291.)

72075. Notice of the hearing to be held pursuant to Section 72074 shall be given by publishing a copy, pursuant to Section 6066 of the Government Code, at least 15 days prior to the time fixed for the hearing in a newspaper of general circulation within the district, if there is a newspaper of such circulation within the district. Such notice also shall be given by posting a copy in three public places within each of the improvement districts established under this chapter for at least two weeks before the time fixed for the hearing.

The notice of such hearing shall state the following:

(a) The time and place for the hearing by the board.

(b) The amount of such debt service and maintenance and operation costs proposed to be raised in each improvement district established by this chapter.

(c) That an ad valorem tax will be levied in each improvement district in an amount sufficient to pay the bond debt service and maintenance and operation costs required for the following fiscal year by each improvement district, to the extent that alternative methods of payment are not available for such purpose under the provisions of this chapter.

(d) That at such time and place any person interested will be heard on the questions of such amount of debt service and maintenance and operation costs and the availability of such alternative methods of payment.

(Repealed and added by Stats. 1975, Ch. 291.)

72076. At the conclusion of the hearing, the board shall, by resolution, determine the following:

(a) The amount of the total debt service on any bond indebtedness incurred pursuant to this chapter and the amount of the maintenance and operation costs to be paid by each improvement district established hereunder, in accordance with the estimated benefits to be received by the landowners, water users, and inhabitants of each such improvement district.

(b) The method of payment of such debt service and maintenance and operation costs in each such improvement district.

(Repealed and added by Stats. 1975, Ch. 291.)

72077. The amount of such debt service and maintenance and operation costs to be raised in each improvement district established under this chapter shall be paid by an ad valorem tax, to the extent that such payment is not paid by one or more of the following alternative methods:

(a) Payment of funds to the district from water revenues or other income of the retail water purveyors within each such improvement district pursuant to a contract therefor, which shall constitute a lien upon such revenues and income. Notwithstanding the foregoing, such payment shall not be used unless and until a declaration of a majority of purveyors, stating their intention to use a specified amount of water service revenues or other income as such an alternative method of payment is filed with the board and there is shown to the satisfaction of the board that the financial condition of such purveyor reasonably will assure such payment. Such payment shall be made to the district on or before the date on which it would have received funds if it levied an ad valorem tax in lieu of such alternative method of payment.

If any such purveyor fails to make any or all of such payment, the amount of such delinquency, plus a penalty of 8 percent per annum, shall be paid by such defaulting purveyor through appropriate proceedings brought by the district.

(b) Collection of the utility tax pursuant to Sections 72072 to 72072.12, inclusive.

(c) Water standby or availability charges in any such improvement district fixed pursuant to Article 2 (commencing with Section 71630) of Chapter 2 of Part 5 of this division.

(d) Water revenues of the district derived from sales of water within each such improvement district pursuant to Article 1 (commencing with Section 71610) of Chapter 2 of Part 5 of this division.

The board shall not use any of such alternative methods of payment if a written protest against such use is filed with the board, prior to the conclusion of the hearing held pursuant to this chapter, by the retail water purveyors within each such improvement district providing the majority of retail water service within such improvement district by volume and number of services.

Notwithstanding the foregoing, if such a written protest is filed, the board may nonetheless use any such alternative means of payment, other than that specified in subdivision (a), upon the affirmative vote of four directors.

(Repealed and added by Stats. 1975, Ch. 291.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 8.5. EXCLUSION OF TERRITORY FROM IMPROVEMENT DISTRICTS [72080 - 72089.5]

72080. Proceedings to exclude territory from an improvement district, formed pursuant to this division, may be initiated by the board upon its own motion, or shall be initiated by the board upon receipt of a petition for exclusion signed by not less than 10 percent of the voters of the area proposed to be excluded, which states reasons such exclusion will be beneficial to the district or the improvement district or the territory to be excluded.

(Added by Stats. 1978, Ch. 404.)

72081. Upon adoption of a motion to initiate exclusion proceedings or upon receipt of a petition for exclusion, the board shall adopt a resolution of intention to exclude which shall state:

(a) The method by which the exclusion proceedings were initiated; by motion of the board or by petition of voters.

(b) That taxes for carrying out the purpose of an improvement district formed pursuant to Part 8 (commencing with Section 72000) will not be levied upon taxable property in the excluded territory following such exclusion.

(c) That taxes for the payment of principal and interest on any outstanding bonds of an improvement district will not be levied upon taxable property in the excluded territory following such exclusion, or, at the option of the board, that taxes for the payment of principal and interest on any outstanding bonds of an improvement district will continue to be levied upon taxable property in the excluded territory following such exclusion.

(d) That following such exclusion, the taxable property in the territory remaining in the improvement district shall continue to be levied upon and taxed to provide funds for the purposes of the improvement district.

(Added by Stats. 1978, Ch. 404.)

72082. The resolution of intention to exclude shall also state that a map showing the exterior boundaries of the proposed territory to be excluded, with relation to the territory remaining in the improvement district, is on file with the secretary and is available for inspection by any person or persons interested. The map shall govern for all details as to the extent of the proposed exclusion.

(Added by Stats. 1978, Ch. 404.)

72083. The resolution of intention shall also state:

(a) The time and place for a hearing by the board on the questions of the proposed exclusion and the effect of such exclusion upon the district, the improvement district and the territory to be excluded.

(b) That at such time and place any person interested, including all persons owning property in the district or in the improvement district, will be heard.

(Added by Stats. 1978, Ch. 404.)

72084. Notice of the hearing shall be given by publishing a copy of the resolution of intention to exclude, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing in a newspaper circulated in the municipal water district, if there is a newspaper circulated in the district. Such notice shall also be given by posting a copy of the resolution of intention to exclude in three public places within the affected improvement district for at least two weeks before the time fixed for the hearing.

(Added by Stats. 1978, Ch. 404.)

72085. At the time and place so fixed in the resolution of intention to exclude, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing.

At the hearing any person interested, including any person owning property in the district, or in the improvement district may appear and present any matters material to the questions set forth in the resolution of intention to exclude.

(Added by Stats. 1978, Ch. 404.)

72086. At the conclusion of the hearing, the board shall by resolution determine whether it is necessary or desirable to exclude the territory. If so, the resolution shall also state:

(a) The reasons why such exclusion is necessary or desirable.

(b) That the exterior boundaries of the improvement district following such exclusion are set forth on a map on file with the secretary, which map shall govern all details as to the extent of the then existing improvement district.

(Added by Stats. 1978, Ch. 404.)

72087. The determinations made in the resolution of exclusion shall be final and conclusive.

(Added by Stats. 1978, Ch. 404.)

72088. After the exclusion of territory from the improvement district pursuant to this division, all taxes levied for the carrying out of the improvement district's purpose shall be levied exclusively upon the taxable property in the improvement district as then constituted, except that taxes shall continue to be levied upon the taxable property in the territory excluded for the payment of principal and interest on any outstanding bonds of the improvement district, if the board so determines in the resolution of exclusion.

(Added by Stats. 1978, Ch. 404.)

72089. A copy of the resolution of exclusion shall be published pursuant to Section 6066 of the Government Code in a newspaper printed and published in the district, if there is a newspaper printed and published in the district. A copy of the resolution shall also be posted in three public places within the improvement district for at least two weeks.

The resolution of exclusion shall not be effective until the 31st day after completion of the publication and posting.

This section shall not apply if the board has received the written consent of the owners of all the territory to be excluded therefrom. The written consent shall include the terms and conditions of exclusion, if any.

(Added by Stats. 1978, Ch. 404.)

72089.5. Any action or proceeding in which the validity of the exclusion of territory from the improvement district or of any of the proceedings in relation thereto is contested, questioned, or denied shall be commenced within three months from the effective date of the resolution of exclusion; otherwise, the exclusion and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1978, Ch. 404.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 1. TAXES GENERALLY [72090 - 72102]

72090. A district may cause taxes to be levied, in the manner provided in this part, for the purpose of paying any obligation of the district, including its formation expenses and any warrants issued therefor. The amount of this levy shall not exceed the amount permitted by any maximum property tax rate limitation in the Revenue and Taxation Code, provided, however, that if no tax was levied by the district in either the 1971–1972 or 1972–1973 fiscal year and the district incurred expenses in such years, which expenses were paid from revenues other than taxes, then the maximum levy shall not exceed fifty cents (\$0.50) per one hundred dollars (\$100) of assessed valuation per year.

(Amended by Stats. 1974, Ch. 830.)

72090.5. A district may impose a special tax pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code. The special taxes shall be applied uniformly to all taxpayers or all real property within the district, except that unimproved property may be taxed at a lower rate than improved property.

(Added by Stats. 1991, Ch. 70, Sec. 15.)

72091. If the revenues of the district, or of any improvement district therein, are or in the judgment of the board will probably be inadequate for any cause to pay the principal of or interest on any bonded debt of the district, or any improvement district thereof, as it becomes due and also the amounts set forth in Section 71616, the board shall cause a tax to be levied, as provided in this part, sufficient to provide for such deficit and to pay the amount of such principal and interest that will become due before the proceeds of a tax levied at the next general tax levy will be available.

(Added by Stats. 1963, Ch. 156.)

72092. If, in the opinion of the board of a municipal water district, the corporate area of which has been included in or annexed to a metropolitan water district as a unit, the revenues of the municipal water district will be inadequate for any cause to pay the operating expense of such district, to provide for repairs and depreciation of works owned or operated by it, and to meet all of its obligations the board shall provide for the levy and collection of a tax, in the manner provided in this part, sufficient to raise the amount of money determined by the board to be necessary for the purpose of paying the operating expenses of such district, providing for repairs and depreciation of works owned or operated by it, and meeting all of its obligations.

(Added by Stats. 1963, Ch. 156.)

72093. The board shall determine the amounts necessary to be raised by taxation during the fiscal year and shall fix the rate or rates of tax to be levied which will raise the amounts of money required by the district. These acts by the board are a valid assessment of the property and a valid levy of the taxes so fixed. The amount of this levy shall not exceed the amounts permitted by any maximum property tax rate limitation in the Revenue and Taxation Code, provided, however, that if no tax was levied by the district for either the 1971–1972 or the 1972–1973 fiscal year, and the district incurred expenses in such years, which expenses were paid from revenues other than taxes, then the maximum levy shall not exceed fifty cents (\$0.50) per one hundred dollars (\$100) of assessed valuation per year.

(Amended by Stats. 1974, Ch. 830.)

72094. On or before September 1, the board shall certify to the board of supervisors and county auditor the tax rate or rates fixed for the district and shall furnish a statement of any delinquent and unpaid charges for water and other services, or either, requested in writing by the owner of the property that remain delinquent and unpaid for 60 days or more on July 1st.

(Amended by Stats. 1983, Ch. 564, Sec. 7.)

72095. The county auditor shall compute and enter in the county assessment roll the respective sums to be paid as a district tax on the property in the district, using the rate or rates of levy as fixed by the board and the assessed value as found on the assessment roll for the property subject to the particular tax.

(Repealed and added by Stats. 1970, Ch. 17.)

72096. Taxes for the payment of the interest on or principal of any bonded debt shall be levied on the property within the district, or improvement district therein, that is benefited by the bonded debt, as determined by the board in the resolution declaring the necessity to incur the debt. Taxes for other purposes of the district shall be levied on all property in the district or portion thereof subject to the particular tax.

(Added by Stats. 1963, Ch. 156.)

72096.5. Notwithstanding any other provisions of law, a mobilehome which occupies a rental space and is not permanently attached to the land is not property subject to ad valorem property taxes for debt service of the district or of any improvement district therein.

(Added by Stats. 1983, Ch. 109, Sec. 1.)

72097. All county officers charged with the duty of collecting taxes shall collect district taxes at the same time and in the same form and manner as county taxes are collected, and shall pay the collected district taxes to the district.

(Added by Stats. 1963, Ch. 156.)

72098. Taxes for the payment of a bonded debt and the interest thereon shall be a lien on all the property benefited thereby as stated in the resolution of the board declaring the necessity to incur the debt. All taxes for other purposes of the district shall be a lien on all the property in the district subject to the particular tax.

(Added by Stats. 1963, Ch. 156.)

72099. Liens for district taxes, whether for payment of a bonded indebtedness and the interest thereon or for other purposes, shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

(Added by Stats. 1963, Ch. 156.)

72100. The amount of any charges for water and other services or either included in the statement of delinquent and unpaid charges pursuant to subdivision (c) of Section 72094 shall be added to and become a part of the annual taxes next levied upon the property upon which the water for which the charges are unpaid was used and upon the property subject to the charges for any other district services and shall constitute a lien on that property as of the same time and in the same manner as does the tax lien securing such annual taxes. All laws applicable to the levy, collection and enforcement of municipal ad valorem taxes shall be applicable to such charges, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the charges relating to such property shall be transferred to the unsecured roll for collection. The county shall deduct from the charges collected an amount sufficient to compensate the county for costs incurred in collecting such delinquent and unpaid charges. The amount of such compensation shall be fixed by agreement between the board of supervisors and the district's board of directors.

(Amended by Stats. 1973, Ch. 861.)

72101. A district shall notify the holder of title to land whenever delinquent and unpaid charges for water and other services or either which could become a lien on such property pursuant to Section 72100 remain delinquent and unpaid for 60 days.

(Added by Stats. 1971, Ch. 1211.)

72102. In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the district be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county

and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

(Added by Stats. 1979, Ch. 335.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 2. APPORTIONMENT OF TAXES IN MULTICOUNTY DISTRICTS AND IMPROVEMENT
DISTRICTS [72110 - 72112]

72110. If a district contains lands situated in more than one county, the duties imposed upon the board of supervisors and county officers by Chapter 1 (commencing with Section 72090) of this part shall be performed by the board of supervisors and county officers of each affected county.

(Added by Stats. 1963, Ch. 156.)

72111. In a district containing lands situated in more than one county, the auditor of each affected county shall immediately after equalization and not later than the 15th day of August of each year, prepare and deliver to the secretary of the district, or such other officer thereof as may be designated by the board, a certificate showing the assessed valuation of all property within the district lying within the county. Thereafter, the board shall make the certification and statement, and issue the directions, as required by Sections 72094 and 72095. After collection of taxes by the proper county officers at the rate specified, such officers shall pay the moneys received therefrom to the district.

(Added by Stats. 1963, Ch. 156.)

72112. Whenever an improvement district within a municipal water district is itself located in two or more counties, the method and procedure for the apportionment of district taxes between counties shall apply to such improvement district.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 3. PAYMENTS BY PUBLIC AGENCIES IN LIEU OF TAXES [72125 - 72132]

72125. “Public agency,” as used in this chapter, means any city, county, district, other local authority or public body of, or within, this state.

(Added by Stats. 1971, Ch. 550.)

72126. On or before July 1st of each year, a district by resolution may authorize public agencies, located wholly or partially within the boundaries of the district, to pay all or any portion of the taxes levied by the district for the fiscal year commencing on July 1st of such year. Following the adoption of such resolution, any public agency located wholly or partially within the boundaries of the district may, as provided in this chapter, utilize funds derived from the sale of water or other funds not appropriated to some other use to pay a district within whose boundaries such public agency is wholly or partially situated such amounts in avoidance of taxes of the district as may be determined annually by the governing body of such public agency. Any such payment shall be credited to the taxable property of the public agency within the district and shall be deducted from the amount of taxes which would otherwise be levied by the district against such property. If any such payment exceeds the amount of taxes which would otherwise have been levied against such property, the amount of such excess, with interest, shall be carried over and applied in reduction of taxes levied on such property during the ensuing year or years.

(Added by Stats. 1971, Ch. 550.)

72127. On or before the first day of September, in any year the governing body of a public agency located wholly or partially within a district may declare its intention to utilize its funds to pay the whole or a portion of the taxes to be next paid to such district.

(Added by Stats. 1971, Ch. 550.)

72128. All such declarations shall be made by order and resolution of the governing body of the public agency and shall state that payment shall be made in cash directly to the district in equal installments on December 10th in the year of the declaration and on April 10th in the year next following.

(Added by Stats. 1971, Ch. 550.)

72129. Immediately upon the adoption of such declaration a certified copy shall be filed by such public agency with the secretary of the district to whom the taxes would inure, the county assessor and county auditor of the county wherein the public agency is situated and the State Board of Equalization.

(Added by Stats. 1971, Ch. 550.)

72130. Upon receipt of a certified copy of such declaration, the board of directors of the district may reject such declaration whenever the public agency has, in the preceding five-year period, declared its intention to utilize its funds in lieu of taxes and has failed to meet its obligations thereunder in a timely manner.

(Added by Stats. 1971, Ch. 550.)

72131. Upon receipt of a certified copy of such declaration, the county assessor, county auditor, or other responsible officer shall reduce the amount of taxes to be collected within the boundaries of the public agency for the benefit of the district by the amount which the public agency has declared its intent to pay, provided, the board of directors of the district does not notify such officers of rejection of such declaration pursuant to Section 72130.

(Added by Stats. 1971, Ch. 550.)

72132. A public agency which exercises its right to utilize its funds in avoidance of taxes shall retain its rights to state, county, or other public agency reimbursement to the same extent that the public agency would have enjoyed had the taxes of the district been carried on the county assessment roll.

(Added by Stats. 1971, Ch. 550.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 1. GENERAL PROVISIONS [72140 - 72140.2]

72140. This chapter shall be known and may be cited as the Chino Basin Production Assessment Law.
(Added by Stats. 1975, Ch. 165.)

72140.1. As used in this chapter:

- (a) "Annual" or "year" means a calendar year unless the context indicates a contrary meaning.
- (b) "Assessing district" means any Chino Basin district which levies a production assessment under this chapter.
- (c) "Board" means the board of directors of the primary district.
- (d) "Chino Basin" means the groundwater basin situated within the Counties of Los Angeles, Riverside, and San Bernardino and which is described in the complaint for general adjudication of water rights in the matter of Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court No. 164327, filed January 2, 1975.
- (e) "Chino Basin districts" means the primary district, the Western Municipal Water District of Riverside County, and the Pomona Valley Municipal Water District, the boundaries of each of which incorporate land overlying, in part, the Chino Basin.
- (f) "Fiscal year" means the period July 1 through June 30, following.
- (g) "Groundwater" means water beneath the surface of the ground and within the zone of saturation.
- (h) "Minimal pumper" means any person whose total production from the Chino Basin does not exceed 10 acre-feet per year.
- (i) "Person" means any public agency or public corporation, or any private corporation, firm, partnership, limited liability company, individual, or group of individuals, excluding the State of California and its agencies.
- (j) "Primary district" means the Chino Basin Municipal Water District, which overlies a majority of the Chino Basin.
- (k) "Production" or "produce" means the extraction of groundwater by pumping or any other method, except for gravity flow tunnels which intercept the subsurface flow of defined streams.
- (l) "Producer" means any person who produces groundwater within the Chino Basin, excluding minimal pumpers.
- (m) "Secretary" means the secretary of the primary district.
- (n) "Supplemental water" means water from the State Water Resources Development System.
- (o) "Water producing facility" means any device or method, mechanical or otherwise, for the production of groundwater within the Chino Basin.
- (p) "Annual report" means the report required of each producer pursuant to Section 72143.
(Amended by Stats. 1994, Ch. 1010, Sec. 227. Effective January 1, 1995.)

72140.2. The powers conferred by this chapter are in addition to, and not in place of, any other powers conferred upon the Chino Basin districts. Production assessments levied pursuant to this chapter shall be deemed necessary to further the activities of the Chino Basin districts in the protection of the ground water supplies of the Chino Basin for the public health, safety, and welfare. Production assessments are authorized to be levied upon the production of ground water from the Chino Basin for the benefit of all members of the public who rely directly or indirectly upon such ground water supplies.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 2. ASSESSMENT [72141- 72141.]

72141. To accomplish the purposes of this chapter, the primary district shall cause a production assessment or assessments to be levied each year at a uniform annual rate of two dollars (\$2) per acre-foot of production from the Chino Basin, or in such lesser amount as may be determined pursuant to Section 72142. The authorized purposes for such production assessments are as follows:

(a) To purchase supplemental water to be used in the aid of studies and investigations authorized under subdivision (b), provided that the total expenditures for such purpose from all production assessments levied pursuant to this chapter shall not exceed the sum of four hundred thousand dollars (\$400,000).

(b) To pay the costs and expenses incurred during or after the 1974–75 fiscal year for studies and investigations, including systems analysis, to develop a management plan for the water resources of the Chino Basin, including studies and investigations incident to actions and proceedings authorized under subdivision (c).

(c) To pay costs and expenses incurred during or after the 1974–75 fiscal year for actions and proceedings authorized by the primary district under Sections 71751 and 71757 and related to the development and implementation of such water management plan for the Chino Basin.

(d) To pay costs and expenses incurred during or after the 1974–75 fiscal year for the administration of this chapter, including advisory committee expenses, and to pay or reimburse costs and expenses of the Chino Basin districts incurred for the administration of this chapter.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 3. LEVY OF ASSESSMENT [72142 - 72142.4]

72142. On or before 60 days after the effective date of this chapter, and on or before the third Wednesday in April of each year after 1975, the board shall adopt a budget and by resolution levy such two-dollar (\$2)-per-acre-foot assessment, unless the board determines that the purposes of this chapter can be accomplished with a lesser assessment, in which case the board may, by resolution, levy such lesser assessment. Such assessment shall be applicable to all production within the Chino Basin during the fiscal year in which such assessment is levied.

(Added by Stats. 1975, Ch. 165.)

72142.1. Immediately after adopting its resolution levying the assessment, which levy shall thereupon be effective as to all production from the Chino Basin within the primary district, the board shall notify and direct the other Chino Basin districts to levy similar assessments on production from the Chino Basin within each Chino Basin district at an identical rate. The boards of directors of each Chino Basin district other than the primary district shall on or before 30 days after receipt of such notice levy such assessment against all production from the Chino Basin within its boundaries within 30 days after the final date for receipt of annual reports and the payments of assessments, all net assessment proceeds collected by any Chino Basin district, less all costs of administration and collection, shall be delivered to the primary district.

(Added by Stats. 1975, Ch. 165.)

72142.2. After the levy of a production assessment pursuant to this chapter the Chino Basin districts shall give notice thereof to all affected producers within the Chino Basin, within each of their respective boundaries, which notice shall state the rate of each assessment and shall require filing of the annual report of each affected producer, together with payment of the assessment, by the deadline specified in Section 72143. The notice may be sent by postal card or by other first-class mail with postage prepaid by the assessing district.

(Added by Stats. 1975, Ch. 165.)

72142.3. Payment of the assessment shall accompany the filing of the annual report.

(Added by Stats. 1975, Ch. 165.)

72142.4. If any producer after having been given notice as required by Section 72142.2 fails to pay a production assessment when due, such producer shall become liable to the assessing district for interest at the rate of 1 percent per month on the delinquent amount of the assessment.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 4. REPORTS [72143 - 72143.1]

72143. On or before 120 days after the effective date of this chapter, and on or before the last day of July of each year after 1975, each producer within the Chino Basin shall furnish the assessing district with an annual report of production for the preceding fiscal year, on a form to be prescribed by the board. On or before 150 days after the effective date of this chapter, and on or before the last day of August of each year after 1975, each Chino Basin district shall deliver a copy of such annual reports to the primary district.

(Added by Stats. 1975, Ch. 165.)

72143.1. If any producer subject to production assessments, after having been given notice as required by Section 72142.2, fails to file an annual report on production, such producer shall, in addition to the liability for interest provided in Section 72142.4, become liable to the assessing district for a penalty of two dollars (\$2) per acre-foot produced during the fiscal year subject to such report.

If the board of the assessing district has probable cause to believe that the production by any producer is unreported or, if reported, is substantially in excess of that disclosed by the annual report of such producer, such board shall cause an investigation and report to be made concerning such production. Such board shall determine and fix the correct amount of production for any such producer, not to exceed the maximum production capacity of such producer's water producing facilities; provided, however, where a water measuring device is permanently attached thereto, the record of production as disclosed by such water measuring device shall be presumed to be accurate, and the burden shall be upon such board to establish to the contrary.

After such determination has been made by such board, a written notice thereof shall be mailed to the producer by such assessing district at his address as shown by the primary district's records. Any such determination made by such board shall be conclusive on the producer, and production assessments based thereon, together with interest and penalties, shall be payable immediately, unless such producer shall file with such board within 10 days after the mailing of such notice a written protest setting forth the ground or grounds for protesting the amount of production so determined or the production assessment, interest, and penalties so levied thereon. Upon the filing of such protest, such board shall hold a hearing at which time the total amount of production and the production assessment thereon shall be determined, and the interest and penalties fixed, which action shall be conclusive if based upon substantial evidence. A notice of such hearing shall be mailed to the protestant at least 10 days before the date fixed for the hearing. Notice of the determination by such board shall be mailed to each protestant. Such producer shall have 20 days from the date of mailing of such notice to pay the production assessment, interest, and penalties so fixed by such board. Within 30 days after the conclusion of the proceedings under this section, such assessing district shall deliver a copy of the notice of the determination to the primary district.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 5. ADVISORY COMMITTEE [72144 - 72144.2]

72144. The board shall appoint an advisory committee representative of the various categories of water use and institutional concern, including each city which is a producer, each water district whose boundaries include lands within the Chino Basin, and representatives of water companies and industrial and agricultural interests.

(Added by Stats. 1975, Ch. 165.)

72144.1. The advisory committee shall organize, elect officers, and adopt reasonable rules for conduct of its affairs; provided, that all meetings of the committee shall be conducted in compliance with Chapter 9 (commencing with Section 54950) of Part 1, Division 2, Title 5 of the Government Code.

(Added by Stats. 1975, Ch. 165.)

72144.2. The advisory committee shall review all proposed studies, programs, and expenditures of proceeds of production assessments under this chapter and shall advise and consult with the board in the administration of this chapter.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 6. REMEDIES [72145- 72145.]

72145. Any assessing district may bring a suit in the court having jurisdiction against any producer for the collection of any delinquent production assessments, interest, or penalties. The court having jurisdiction of the suit may, in addition award interest, costs, and attorney's fees on any judgment.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 9. TAXES [72090 - 72146]
CHAPTER 4. CHINO BASIN PRODUCTION ASSESSMENTS [72140 - 72146]
ARTICLE 7. TERMINATION [72146- 72146.]

72146. The assessment authority conferred pursuant to this chapter shall not extend beyond fiscal year 1976–77 production, and the power to collect production assessments shall cease and terminate after exhaustion of all remedies of the assessing districts as to such 1976–77 production. Nothing in this section shall preclude the commitment or expenditure of assessment proceeds remaining after the termination of such assessment authority.

(Added by Stats. 1975, Ch. 165.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 10. CHANGES IN ORGANIZATION [72150 - 72303]
CHAPTER 1. EXCLUSION [72150 - 72151]
ARTICLE 1. IN GENERAL [72150 - 72151]

72150. Territory included within a district may be excluded from the district. When any part of the corporate area of a city is included in the territory proposed to be excluded from the district, the entire corporate area of the city, or part thereof, then included within the district shall be included in the territory proposed to be excluded from the district except that when the boundaries of the corporate area of a city are also within a metropolitan water district, a portion of such city may be excluded from a district if at the conclusion of the exclusion proceedings such portion of the city will still remain within the boundaries of such metropolitan water district.

(Amended by Stats. 1965, Ch. 132.)

72151. The territory proposed to be excluded may consist of one or more parcels which need not be contiguous to each other and may consist of parcels situated in more than one county if the district contains such parcels.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 10. CHANGES IN ORGANIZATION [72150 - 72303]
CHAPTER 3. AUTOMATIC EXCLUSION OF CITIES [72280 - 72285]

72280. If, prior to the effective date of the formation of a municipal water district, any territory included therein is annexed to a metropolitan water district organized under the Metropolitan Water District Act, the governing body of the municipal water district, within 90 days after the effective date of the formation of such district, may adopt an ordinance which:

- (a) Recites that the territory has been annexed to the metropolitan water district.
- (b) Refers to the applicable statutes and to the date and place of the filing of the certificate or certificates evidencing such annexation.
- (c) Describes the territory.
- (d) Determines and declares that the territory is excluded from the municipal water district.

Such ordinance shall be effective immediately upon its adoption.

(Added by Stats. 1963, Ch. 156.)

72281. The board or the secretary of the municipal water district shall file a certified copy of the ordinance adopted pursuant to Section 72280 with the Secretary of State.

(Added by Stats. 1963, Ch. 156.)

72282. Upon receipt of the certified copy of the ordinance, the Secretary of State shall, within 10 days, issue his certificate reciting the passage of the ordinance and the exclusion of the area from the municipal water district.

(Added by Stats. 1963, Ch. 156.)

72283. A copy of the Secretary of State's certificate shall be transmitted to and filed with the county clerk of the county in which the municipal water district is situated if the district is situated in a single county, or shall be submitted to and filed with the secretary if the district contains lands situated in more than one county.

(Added by Stats. 1963, Ch. 156.)

72284. From and after the date of the Secretary of State's certificate, the area described therein is excluded from, and no longer forms a part of, the municipal water district.

(Added by Stats. 1963, Ch. 156.)

72285. The taxable property within the excluded area shall remain subject to any taxes theretofore levied by the municipal water district and shall continue to be taxable by the municipal water district for the purpose of paying the bonded or other indebtedness of the municipal water district, if any, outstanding or contracted for at the time of such exclusion and until such bonded or other indebtedness is satisfied, to the same extent that such property would be taxable for such purpose if the exclusion had not occurred.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 10. CHANGES IN ORGANIZATION [72150 - 72303]
CHAPTER 4. INCLUSION [72300 - 72303]
ARTICLE 1. IN GENERAL [72300 - 72303]

72300. Any portion of a county, or any city situated within such county, or both, may be added to a district. Such portion or city need not be within a county in which the existing district is situated.
(Added by Stats. 1963, Ch. 156.)

72301. The cities need not be contiguous, and the unincorporated territory, inhabited or uninhabited, may consist of one or more parcels which need not be contiguous to each other or to any such cities. The annexing area or areas need not be contiguous to the district.
(Amended by Stats. 1965, Ch. 2043.)

72302. Any district whose territory is included within a metropolitan water district may nonetheless annex territory outside of the metropolitan water district without the consent of, or necessity that such annexed land be included within, the metropolitan water district; but the district may not serve water purchased from the metropolitan water district to such territory outside of the boundaries of the metropolitan water district without the consent of the metropolitan water district.
(Added by Stats. 1974, Ch. 775.)

72303. Any district, the territory, or any portion thereof, of which is included within a metropolitan water district, shall be entitled, without penalty or sanction from the metropolitan water district, to purchase or acquire water to serve any territory within the district, whether or not the territory is within the metropolitan water district, from the following specified sources without the water being deemed an acquisition or purchase of water from the State Water Resources development system:

- (a) Recycled water, as defined in Section 13050, regardless of the source of the water prior to its use and recycling.
- (b) Water produced incidentally to the exercise of bona fide property rights to divert or pump local waters, regardless of the origin of the waters.

(Amended by Stats. 2004, Ch. 183, Sec. 367. Effective January 1, 2005.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11. CHANGES IN ORGANIZATION OF IMPROVEMENT DISTRICTS [72670 - 72741.2]
CHAPTER 1. INCLUSION OF TERRITORY [72670 - 72711]
ARTICLE 1. INCLUSION PROCEEDINGS INITIATED BY PETITION [72670 - 72689]

72670. Any portion of a district, whether contiguous or not to an improvement district thereof, may be annexed to such improvement district in the manner provided in this chapter.
(Added by Stats. 1963, Ch. 156.)

72671. Annexation proceedings may be initiated by petition. A petition, which may consist of any number of separate instruments, shall be filed with the secretary.
(Added by Stats. 1963, Ch. 156.)

72672. The petition shall be signed by the holders of title to at least 60 percent of the land in the portion proposed to be annexed, which land shall have an assessed valuation of not less than 50 percent of the land proposed to be annexed.
(Added by Stats. 1963, Ch. 156.)

72673. The petition for annexation shall contain all of the following:

- (a) A description of the area proposed to be annexed. Such description may be made by reference to a map on file with the secretary of the district, which map shall govern for all details as to the extent of the area proposed to be annexed, or may be made in any other definite manner.
- (b) The terms and conditions upon which the proposed area may be annexed as theretofore determined by resolution of the board.
- (c) A prayer that the board declare such area to be annexed to the improvement district.

(Added by Stats. 1963, Ch. 156.)

72674. The petition for annexation shall be accompanied by a certified check payable to the order of the district in a sufficient amount to reimburse the district for the expenses of processing and publishing the petition and preparing and making the filings required by law.
(Added by Stats. 1963, Ch. 156.)

72675. Within 10 days of the date of the filing of the petition for annexation, the secretary shall examine the petition and determine whether it is signed by the required number of property owners. Upon request of the secretary, the board shall authorize him to employ persons specially for this purpose, in addition to the persons regularly employed in his office, and shall provide for their compensation.
(Added by Stats. 1963, Ch. 156.)

72676. When the secretary has completed his examination of the petition for annexation, he shall attach to it his certificate, properly dated, showing the result of such examination.
(Added by Stats. 1963, Ch. 156.)

72677. If the secretary finds from the examination that the petition for annexation is signed by the requisite number of property owners he shall certify that the petition is sufficient. If he finds it is not so signed, he shall certify that the petition is insufficient.
(Added by Stats. 1963, Ch. 156.)

72678. If the secretary certifies in his certificate that the petition for annexation is insufficient, the petition may be amended by filing a supplemental petition or petitions within 10 days of the date of such certificate.
(Added by Stats. 1963, Ch. 156.)

72679. Within 10 days after the filing of any supplemental petition or petitions, the secretary shall examine them and certify to the result of such examination as provided in Sections 72675 to 72677, inclusive.
(Added by Stats. 1963, Ch. 156.)

72680. After the time for filing supplemental petitions has expired and all supplemental petitions have been examined, if the secretary's certificate shows that the petition for annexation is sufficient, the secretary shall cause notice of hearing on the petition to be published and posted without delay.

(Added by Stats. 1963, Ch. 156.)

72680.1. In the event the petition for annexation is signed by all of the holders of title of land in the portion proposed to be annexed, the board may proceed and act thereon without notice and hearing, but shall otherwise comply with the applicable provisions of this article.

(Added by Stats. 1967, Ch. 83.)

72681. The text of the petition for annexation shall be published, pursuant to Section 6066 of the Government Code, prior to the time at which it is to be presented to the board, in at least one newspaper printed and published in the district, if there is a newspaper printed and published in the district, together with a notice stating the time and place of the meeting at which the petition will be presented. If the petition is contained upon one or more instruments, only one copy of the petition need be published.

(Added by Stats. 1963, Ch. 156.)

72682. No more than five of the names attached to the petition for annexation need appear in the publication of the petition and notice, but the number of signers shall be stated.

(Added by Stats. 1963, Ch. 156.)

72683. The petition and notice shall also be posted in three public places in the improvement district and three public places in the area proposed to be annexed at least two weeks prior to the hearing.

(Added by Stats. 1963, Ch. 156.)

72684. The board shall proceed to hear the petition at the time and place fixed therefor, and any person residing within the district or improvement district or owning taxable property in the district or improvement district may appear and be heard at such hearing. Such hearing may be continued from time to time by the board.

(Added by Stats. 1963, Ch. 156.)

72685. At the conclusion of the hearing, if the board finds and determines from the evidence presented at the hearing that the area proposed to be annexed to an improvement district will be benefited thereby, and that the improvement district to which the area proposed to be annexed will also be benefited thereby and will not be injured thereby, the board may, by resolution, approve the annexation.

The resolution shall describe the annexed territory, which may be made by reference to a map on file with the secretary, which map shall govern for all details as to the extent of the annexed area, or may be made in any other definite manner. The resolution shall also state the terms and conditions of annexation as theretofore determined by resolution of the board.

(Added by Stats. 1963, Ch. 156.)

72686. From and after the date of the adoption of the resolution approving the annexation, the area named therein is added to and forms a part of the improvement district.

(Added by Stats. 1963, Ch. 156.)

72687. The taxable property in the annexed areas shall be subject to taxation after the annexation thereof for the purposes of the improvement district, including the payment of the principal of and interest on bonds and other obligations of the improvement district authorized and outstanding at the time of the annexation. If the terms and conditions established by the board specifically so provide, the taxable property in the annexed area shall be subject to taxation as if the annexed property had always been a part of the improvement district.

(Amended by Stats. 1969, Ch. 71.)

72688. The board may do all things necessary to enforce and make effective the terms and conditions of annexation fixed by it.

(Added by Stats. 1963, Ch. 156.)

72689. Any action or proceeding in which the validity of an annexation to an improvement district pursuant to this article is contested, questioned, or denied shall be commenced within three months after the date of the resolution approving such annexation; otherwise the annexation shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11. CHANGES IN ORGANIZATION OF IMPROVEMENT DISTRICTS [72670 - 72741.2]
CHAPTER 1. INCLUSION OF TERRITORY [72670 - 72711]
ARTICLE 2. INCLUSION PROCEEDINGS INITIATED BY THE BOARD [72700 - 72711]

72700. The board, by resolution, may initiate proceedings for the annexation of territory within the district whether contiguous or not to an improvement district to such improvement district.
(Amended by Stats. 1965, Ch. 132.)

72701. The resolution proposing annexation shall:

- (a) Declare that proceedings have been initiated by the board pursuant to this article.
- (b) State the reason for proposing the annexation.
- (c) Set forth a description of the area proposed to be annexed, which may be made by reference to a map on file with the secretary of the district which map shall govern for all details as to the extent of the area proposed to be annexed.
- (d) State the terms and conditions of the annexation.
- (e) State that the holders of title to any of the land sought to be annexed may file written protests with the secretary to the annexation or the annexation upon such terms and conditions.
- (f) Fix the time and place of a meeting at which the board will receive written protests theretofore filed with the secretary, receive additional written protests, and hear from any and all persons interested in the annexation.

(Added by Stats. 1963, Ch. 156.)

72702. The text of the resolution proposing annexation shall be published, pursuant to Section 6066 of the Government Code, prior to the time of hearing in at least one newspaper printed and published in the district, if there is a newspaper published and printed in the district.
(Added by Stats. 1963, Ch. 156.)

72703. A copy of the resolution proposing annexation shall also be posted in three public places within the improvement district and three public places in the area proposed to be annexed at least two weeks prior to the hearing.
(Added by Stats. 1963, Ch. 156.)

72704. The board shall proceed with the hearing at the time and place fixed therefor and may continue the hearing, if need be, from time to time. All interested persons will be heard at the hearing.
(Added by Stats. 1963, Ch. 156.)

72705. If written protests are filed by the holders of title of one-half of the value of the territory proposed to be annexed as shown by the last equalized assessment roll of each county in which the territory is situated, further proceedings shall not be taken, and the board shall refuse the annexation by a resolution so stating.
(Added by Stats. 1963, Ch. 156.)

72706. If written protest is not made by the owners of one-half of the value of the territory proposed to be annexed, and if, at the conclusion of the hearing, the board finds and determines from the evidence presented at the hearing that the area proposed to be annexed to an improvement district will be benefited thereby, and that the improvement district to which the area proposed to be annexed will also be benefited thereby and will not be injured thereby, the board may, by resolution, approve such annexation.

The resolution shall describe the territory annexed, which may be by reference to a map on file with the secretary, which map shall govern for all details as to the extent of the annexed area. The resolution shall also state the terms and conditions of annexation as theretofore determined by resolution of the board.
(Added by Stats. 1963, Ch. 156.)

72707. If the board finds and determines that either the area proposed to be annexed to the improvement district will not be benefited thereby or that the improvement district to which the area is proposed to be annexed will not be benefited thereby and will be injured thereby, the board shall by resolution disapprove such annexation.
(Added by Stats. 1963, Ch. 156.)

72708. From and after the date of the adoption of the resolution approving the annexation, the area described therein is added to and forms a part of the improvement district.
(Added by Stats. 1963, Ch. 156.)

72709. The taxable property in the annexed area shall be subject to taxation after the annexation thereof for the purposes of the improvement district, including the payment of the principal of and interest on bonds and other obligations of the improvement district authorized and outstanding at the time of the annexation. If the terms and conditions established by the board specifically so provide, the taxable property in the annexed area shall be subject to taxation as if the annexed property had always been a part of the improvement district.
(Amended by Stats. 1969, Ch. 71.)

72710. The board may do all things necessary to enforce and make effective the terms and conditions of annexation fixed by it.
(Added by Stats. 1963, Ch. 156.)

72711. Any action or proceeding in which the validity of an annexation to an improvement district pursuant to this article is contested, questioned, or denied shall be commenced within three months after the date of the resolution of the board approving the annexation of the territory to an improvement district; otherwise, the annexation shall be held valid and in every respect legal and incontestable.
(Added by Stats. 1963, Ch. 156.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11. CHANGES IN ORGANIZATION OF IMPROVEMENT DISTRICTS [72670 - 72741.2]
CHAPTER 2. DISSOLUTION OF IMPROVEMENT DISTRICTS [72730 - 72738]

72730. Notwithstanding the provisions of Section 72738, whenever the board deems it necessary for any improvement district formed pursuant to this division to be dissolved, it shall by resolution declare its intention to dissolve the improvement district.

As used in this chapter, "improvement district" includes an uninhabited improvement district formed pursuant to Chapter 4 (commencing with Section 71920) of Part 7 of this division.

(Amended by Stats. 1963, Ch. 1151.)

72731. The resolution of intention shall state:

(a) The reason why the improvement district should be dissolved.

(b) If the improvement district was formed pursuant to Chapter 3 (commencing with Section 71870) or Chapter 4 (commencing with Section 71920) of Part 7 of this division, that no bonds have been issued for the improvement district or are outstanding.

(c) If the improvement district was formed pursuant to Part 8 (commencing with Section 72000) of this division, that no indebtedness or liability was incurred for the improvement district or is outstanding.

(d) That a map showing the exterior boundaries of the improvement district, with relation to the territory immediately contiguous thereto, is on file with the secretary and is available for inspection by any person or persons interested.

(e) The time and place for a hearing by the board on the question of the dissolution of the improvement district.

(f) That at such time and place any person interested, including all persons owning property in the district or in the improvement district will be heard.

(Added by Stats. 1963, Ch. 156.)

72732. Notice of the hearing shall be given by publishing a copy of the resolution, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing in a newspaper circulated in the district, if there is a newspaper circulated in the district. Such notice shall also be given by posting a copy of the resolution in three public places within the improvement district for at least two weeks before the time fixed for the hearing.

(Added by Stats. 1963, Ch. 156.)

72733. At the time and place fixed in the resolution of intention, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including all persons owning property in the district, or in the improvement district, may appear and present any matters material to the proposed dissolution.

(Added by Stats. 1963, Ch. 156.)

72734. At the conclusion of the hearing, the board shall by ordinance determine whether it is necessary to dissolve the improvement district. If so, the ordinance shall state that the exterior boundaries of the improvement district are set forth on a map on file with the secretary and shall declare the improvement district dissolved. The determinations made in the ordinance shall be final and conclusive.

(Added by Stats. 1963, Ch. 156.)

72735. When the ordinance declaring an improvement district dissolved becomes effective, the dissolution of such improvement district is complete.

(Added by Stats. 1963, Ch. 156.)

72736. The taxable property within the boundaries of the dissolved improvement district shall continue to be taxed for any indebtedness of the district contracted for such dissolved improvement district until the indebtedness has been satisfied, to the same extent that such property would be taxable for such purpose if the dissolution had not occurred.

(Added by Stats. 1963, Ch. 156.)

72737. Any action or proceeding in which the validity of the dissolution of an improvement district, or of any of the proceedings in relation thereto, is contested, questioned, or denied shall be commenced within three months from the effective date of the ordinance dissolving the improvement district; otherwise, the dissolution of the improvement district and, all proceedings in relation thereto, shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1963, Ch. 156.)

72738. After a bond election has been held in an improvement district formed pursuant to Chapter 3 (commencing with Section 71870) of Part 7 of this division and less than two-thirds of the votes cast in such election were in favor of the measure the board may within one year of the date of such election call and hold another election as provided in Part 7 of this division for the purpose of resubmitting said measure to the electors of said improvement district. If said measure is not so resubmitted said improvement district, on the anniversary date of the election, is dissolved without further action by the board. If said measure is resubmitted and fails to receive more than two-thirds of the votes cast in such election in favor of said measure said improvement district is dissolved following the canvass of the election returns.

(Added by Stats. 1963, Ch. 1151.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11. CHANGES IN ORGANIZATION OF IMPROVEMENT DISTRICTS [72670 - 72741.2]
CHAPTER 3. CONSOLIDATION OF IMPROVEMENT DISTRICTS [72740 - 72741.2]

72740. Two or more improvement districts formed for a purpose other than the incurring of bonded indebtedness, whose powers and purposes are limited to those specified in Article 3 (commencing with Section 71680) of Chapter 3 of Part 5, and which are portions of the same district, may be consolidated for a purpose other than the incurring of bonded indebtedness, as provided in this chapter, whether their boundaries are contiguous or not.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.1. Whenever the board intends to consolidate two or more improvement districts in accordance with this chapter, the board shall adopt a resolution of intention which states all of the following:

(a) The board intends to consolidate the improvement districts.
(b) The purpose for which the improvement districts are to be consolidated.
(c) The estimated expense of carrying out that purpose.
(d) Taxes for carrying out that purpose will be levied exclusively upon the taxable property in the consolidated improvement district.

(e) The board's determination as to the apportionment to the land in the respective improvement districts to be consolidated of any outstanding indebtedness and liabilities as it deems equitable.

(f) The taxable property within the boundaries of each participating improvement district shall continue to be taxed and assessed for any indebtedness and liabilities of the district contracted for that participating improvement district to the same extent that the property would be taxable and assessable for that purpose if the consolidation did not occur.

(g) A map showing the exterior boundaries of the proposed consolidated improvement district, with relation to the territory immediately contiguous thereto, is on file with the secretary and is available for inspection by any person or persons interested.

(h) The time and place for a hearing by the board on the questions of the consolidation and extent of the proposed consolidated improvement district, the purpose for which the improvement districts is to be consolidated, the estimated expense of carrying out that purpose, and the board's determination as to the apportionment of any outstanding indebtedness and liabilities in the respective improvement districts to be consolidated.

(i) The fact that at the hearing any person interested, including all persons owning property in the district or in the proposed consolidated improvement district, may be heard.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.2. Notice of the hearing shall be given by publishing a copy of the resolution of intention, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing, in a newspaper circulated in the improvement districts to be consolidated. The notice shall also be given by posting a copy of the resolution of intention in three public places within each of the improvement districts to be consolidated for at least two weeks before the time fixed for the hearing.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.3. At the time and place fixed in the resolution of intention, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing, any person interested, including any person owning property in each improvement district or in the proposed consolidated improvement district, may appear and present any matters material to the questions set forth in the resolution of intention.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.4. At the conclusion of the hearing, if the board determines that it is necessary to consolidate the improvement districts, the board shall adopt a resolution of consolidation which states all of the following:

(a) The board deems it necessary to consolidate the improvement districts.
(b) The purpose for which the improvement districts are to be consolidated.
(c) The estimated expense of carrying out that purpose.
(d) Taxes for carrying out that purpose will be levied exclusively upon the taxable property in the consolidated improvement district.

(e) The board's determination as to the apportionment to the land in the respective improvement districts to be consolidated of any outstanding indebtedness and liabilities as it deems equitable.

(f) The taxable property within the boundaries of each participating improvement district shall continue to be taxed and assessed for any indebtedness and liabilities of the district contracted for that participating improvement district, to the same extent that the property would be taxable and assessable for that purpose if the consolidation had not occurred.

(g) The exterior boundaries of the consolidated improvement district are set forth on a map on file with the secretary, which map shall govern all details as to the extent of the consolidated improvement district.

(h) The portion of the district set forth on the map shall thereupon constitute and be known as "Improvement District (A, B, C, or other letter designation) _____ of _____ Municipal Water District."

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.5. A copy of the resolution of consolidation shall be published, pursuant to Section 6066 of the Government Code, in a newspaper circulated in the improvement districts being consolidated. A copy of the resolution shall also be posted in three public places within each of the improvement districts being consolidated for at least two weeks.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.6. The determinations made in the resolution of consolidation shall be final and conclusive, and the resolution of consolidation shall be effective on the 91st day after completion of the publication and posting.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.7. Upon completion of the consolidation, a statement of consolidation, certified by the secretary of the district, shall be filed with the Secretary of State.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.8. After the consolidation of the improvement districts pursuant to this chapter, all taxes levied for the carrying out of its purpose shall be levied exclusively upon the taxable property in the consolidated improvement district. The taxable property within the boundaries of each participating improvement district shall continue to be taxed for any indebtedness and liabilities of the district contracted for that participating improvement district, to the same extent that the property would be taxable for that purpose if the consolidation had not occurred.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72740.9. When consolidated, the consolidated improvement district, under the name specified for it in the resolution of consolidation, succeeds to all of the rights, privileges, functions, and properties of all of the improvement districts participating in the consolidation, is subject to all of their indebtedness as respectively apportioned, and is subject to the same limitations that are applicable to each participating improvement district to levy taxes and to impose fees and assessments, within their respective areas.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72741. When consolidated, the consolidated improvement district possesses all of the powers of, is governed by, and is subject to all of the provisions of this division, except as otherwise provided in this chapter, as though originally formed pursuant to Part 8 (commencing with Section 75350).

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72741.1. Nothing contained in this chapter shall impair the rights of creditors of an improvement district participating in the consolidation, and each creditor may enforce against and through the consolidated improvement district all the creditor's rights against any improvement district participating in the consolidation in the same manner and with the same effect, except for the substitution of the consolidated improvement district for the improvement district participating in the consolidation, as if the consolidation had never been effected.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

72741.2. Any action or proceeding in which the validity of the consolidation of the improvement districts, or of any of the proceedings in relation thereto, is contested, questioned, or denied, shall be commenced within three months from the effective date of the resolution of consolidation; otherwise, the consolidation of the improvement districts and all proceedings in relation thereto, shall be held to be valid and in every respect legal and incontestable.

(Added by Stats. 1986, Ch. 555, Sec. 4. Effective August 22, 1986.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11.5. MARIN MUNICIPAL WATER DISTRICT [72750 - 72760]
CHAPTER 1. SUPPLEMENTAL WATER SUPPLIES [72750- 72750.]

72750. The Marin Municipal Water District, in addition to or in conjunction with any provision of this division, may do any of the following in order to implement the acquisition, storage, transportation, and distribution of water for such district:

(a) Fix such rates for water in the district, and in each improvement district therein, as will result in revenues which will pay the amounts payable by the district without limitation, pursuant to contracts or leases entered into by the district.

(b) Contract with any person, political subdivision, public corporation or agency, for the purchase of water and water supply, or for the right to use, or for capacity in, all or any part of water storage, transportation, or distribution facilities, existing waterworks or a waterworks system.

(c) Lease from any person, political subdivision, public corporation or agency, with the privilege of purchasing or otherwise, all or any part of, or the right to use, or for capacity in, all or any part of water storage, transportation, or distribution facilities, existing waterworks, or a waterworks system.

(Added by Stats. 1971, Ch. 771.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11.5. MARIN MUNICIPAL WATER DISTRICT [72750 - 72760]
CHAPTER 2. TAXES AND OTHER REVENUES [72755- 72755.]

72755. If the revenues of the district, or of any improvement district therein, are, or in the judgment of the board will probably be, inadequate for any cause to pay the principal of, or interest on, any bonded debt of the district, or any improvement district thereof, as it becomes due and also the amounts set forth in Section 71616, and also any amounts pursuant to contracts or leases referred to in this part applicable to the Marin Municipal Water District, the board shall cause a tax to be levied, sufficient to provide for such deficit and to pay the amount of such principal and interest that will become due before the proceeds of a tax levied at the next general tax levy will be available.

(Added by Stats. 1971, Ch. 771.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11.5. MARIN MUNICIPAL WATER DISTRICT [72750 - 72760]
CHAPTER 3. ELECTIONS [72760- 72760.]

72760. The Marin Municipal Water District in Marin County shall not exercise any powers under this part by which the district incurs an indebtedness or liability exceeding in any year the income or revenue for that year, without the approval of a majority of the voters of the district voting at an election held within the district for that purpose. The election may be combined with any other election held within the district. If a majority of the votes cast at the election is in favor of the proposition, the county elections official shall immediately cause to be filed with the Secretary of State a certificate reciting that fact. Notwithstanding any provision of law to the contrary, Article 3 (commencing with Section 9160) of Chapter 2 of Division 9 of the Elections Code shall apply to that election.

(Amended by Stats. 1994, Ch. 923, Sec. 266. Effective January 1, 1995.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 11.6. CENTRAL BASIN MUNICIPAL WATER DISTRICT [72770- 72770.]

72770. Notwithstanding Section 71274, no ordinance, motion, or resolution relating to the ethics, compensation, or benefits of the members of the Central Basin Municipal Water District board of directors shall be passed or become effective without the affirmative votes of two-thirds of the members of the board.

(Added by Stats. 2016, Ch. 426, Sec. 2. (SB 953) Effective January 1, 2017.)

WATER CODE
DIVISION 20. MUNICIPAL WATER DISTRICTS [71000 - 73001]
PART 12. REPEALS [73000 - 73001]

73000. Chapter 671 of the Statutes of 1911 is repealed.
(Added by Stats. 1963, Ch. 156.)

73001. The repeal effected by this part shall not be construed to deprive any district or person or any other entity of any substantial right which would have existed or hereafter exists had such repeal not been effected.
(Added by Stats. 1963, Ch. 156.)



DATE: July 9, 2020

TO: Board of Directors Workshop – Resources

FROM: Kristeen Farlow, Manager of Water Use Efficiency/External Affairs

SUBJECT: Consider Resolution for Western Municipal Water District Director Robert Stockton

The Board of Directors is asked to consider a resolution honoring the service of Western Municipal Water District Director, Mr. Robert Stockton.

Background

Mr. Robert “Bob” Stockton was elected to the Western Municipal Water District (Western) Board of Directors in December 2014, representing Division 1. Director Stockton died suddenly on May 13, 2020, after serving the local region in a number of capacities as a public servant.

During his time on the Western Board, Director Stockton served on the Chino Basin Watermaster Board, the Chino Basin Desalter Authority, the Riverside and Murrieta Advisory Committee, and the Joint Committees for Eastern Municipal Water District and Western. Director Stockton served as the President of the Western Board of Directors in 2019.

Director Stockton had more than 41 years of experience designing infrastructure projects as a certified civil engineer and served as the principal-in-charge at Rick Engineering’s Riverside office. In addition to this, Director Stockton volunteered in a number of capacities to serve the Riverside area. These include serving as the past Chairman of the Board for the Greater Riverside Chambers of Commerce, past chair for the Riverside Public Utilities Board, President of the Board for the Path of Life Ministries, Board Member of the Riverside YWCA Board, and a member of the California Baptist University School of Engineering Advisory Committee. Director Stockton was very supportive of the many collaborations between Western and Valley District

including the Upper Santa Ana River Habitat Conservation Plan, the Santa Ana River Conservation and Conjunctive Use Project, and the Santa Ana River Integrated Model. His vocal support for these projects provided leadership within the watershed, promoting investment in visionary long-term planning efforts for the good of the region.

Western will be honoring Director Stockton's family at their Board Meeting on August 5, 2020 (tentative). Western has recommended that any agencies that would like to honor Director Stockton by presenting a resolution to his family, do so at this meeting.

Fiscal Impact

There is no fiscal impact related to preparing and issuing this Resolution.

Recommended Action

The Board of Directors is asked to discuss this item and provide direction to Staff.

Attachment

DRAFT Resolution for Director Robert Stockton

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
HONORING THE LIFE AND SERVICE OF
DIRECTOR ROBERT STOCKTON.

WHEREAS, Robert “Bob” Stockton was elected to the Western Municipal Water District (Western) Board of Directors (Board) in December 2014 to represent Division 1, which includes a portion of the City of Riverside located north of Highway 91 and extending to the San Bernardino County line; and

WHEREAS, Director Stockton had recently served as Western’s Board President for the year of 2019; and

WHEREAS, in his official role on behalf of Western, Director Stockton served as a member of the Riverside and Murrieta Advisory Committees, the representative for the Chino Desalter Authority, the alternate representative for Chino Basin Watermaster Board, and served on the District Joint Committees for Eastern Municipal Water District and Rancho California Water District; and

WHEREAS, Director Stockton was an avid supporter of regional water access and sustainability for the entire service area while also considering the voice of the district he served; and

WHEREAS, Director Stockton had more than 41 years of experience designing infrastructure projects as a certified civil engineer and had been the principal-in-charge at Rick Engineering’s Riverside office for more than 30 years; and

WHEREAS, In 2012, Governor Brown appointed him to the California Board for Professional Engineers, Land Surveyors and Geologists; and

WHEREAS, Director Stockton also volunteered as the President of the Board for Path of Life Ministries, was a past Chairman of the Board for the Greater Riverside Chambers of Commerce, a past Chair for the Riverside Public Utilities Board, a Board Member of the Riverside YWCA Board, and a member of the California Baptist University School of Engineering Advisory Committee; and

WHEREAS, Director Stockton also served as a Planning Commissioner for the City of Riverside, was a past Chair of the Leadership Riverside program, and was the Chair of the Monday Morning Group of Western Riverside County's Water Committee; and

WHEREAS, Director Stockton held a bachelor's degree in construction engineering from California State Polytechnic University, Pomona, was a registered civil engineer in both California and Arizona, and held and LEED accreditation; and

WHEREAS, on May 13, 2020, Director Stockton was suddenly, unexpectedly, and tragically taken from this world, leaving a major hole in the heart of Riverside and San Bernardino water communities.

NOW, THEREFORE BE IT RESOLVED on this __th day of _____, 2020, that the San Bernardino Valley Municipal Water District Board of Directors hereby recognizes Director Stockton's life and service not only to Western, but to the greater Riverside and San Bernardino communities; and

BE IT FURTHER RESOLVED that San Bernardino Valley Municipal Water District's Board of Directors gives their sincere condolences to Director Stockton's family and friends, as he has touched the lives of so many people throughout his life and career of serving others.

ADOPTED this __th day of _____, 2020.

T. Milford Harrison
Board President

____ __, 2020

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution _____ adopted by the Board of Directors of San Bernardino Valley Municipal Water District at its regular meeting held _____ __, 2020.

INSERT SIGNATURE
INSERT NAME
Secretary-Treasurer



DATE: July 9, 2020
TO: Board of Directors Workshop – Policy
FROM: Heather Dyer, CEO/General Manager
SUBJECT: Discuss August 2020 Meeting Schedule

President Harrison has requested the Board of Directors discuss the August 2020 Meeting schedule.

Recommended Action

Discuss and provide direction to Staff.



DATE: July 9, 2020
TO: Board of Directors' Workshop - Policy
FROM: Heather Dyer, Chief Executive Officer/General Manager
SUBJECT: Director Requests for Consideration

On April 21, 2020, the Board approved a standardized process for consideration of individual Director requests. The process to submit requests is intended to promote discussion and consensus by the Board regarding activities that are appropriate uses of staff time and other District resources.

The attached forms have been submitted by one or more Directors requesting activities or discussion topics that require either dedicated staff time or District resources in order to carry out. These activities will be considered by the Board and further direction will be provided to staff.

Fiscal Impact

There is no immediate fiscal impact related to consideration of these items.

Staff Recommendation

Staff recommends that the Board consider the following requests and provide direction to staff on each item.



DATE:

TO: Board of Directors

FROM:

SUBJECT: Director's Request for Consideration by Board

I. **Director's Requested Activity to be Considered by the Board:**

II. **Discussion of Activity's Value to Valley District and/or the Board:**

III. **Estimated Staff Time Required (to be completed by Staff):**

IV. **Estimated Cost or Use of District Resources (to be completed by Staff):**

V. **Possible Modification or Suggested Alternative:**