

**LOCAL AGENCY FORMATION COMMISSION  
COUNTY OF SAN BERNARDINO**

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**DATE:** April 15, 2013

**FROM:**  KATHLEEN ROLLINGS-McDONALD, Executive Officer

**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** AGENDA ITEM #11- PENDING LEGISLATION REPORT

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**RECOMMENDATION:**

Staff recommends that the Commission:

1. Take the following positions on pending legislations:
  - a. Take no position on AB 743 (Logue) which proposes to eliminate sunset for Island Annexation procedures for areas that are 150 acres or less without right of protest;
  - b. Support AB 1427 (Assembly Local Government Committee) CALAFCO sponsored Omnibus bill making non-substantive changes to Cortese-Knox-Hertzberg Local Government Reorganization Act;
  - c. Support SB 56 (Roth/Emmerson) which proposes to return funding lost through SB 89 (vehicle license fee revenue) by a change to the ERAF calculation;
  - d. Oppose SB 772 (Emmerson) which proposes a new unfunded mandate to require a detailed review of private water companies during Service Review considerations and imposes a new requirement to provide each private water company a sphere of influence; and,
  - e. Support AB 774 (Donnelly) which proposes to provide a mechanism to provide notification on the removal of road maintenance service when a County Service Area or Zone of a CSA are proposed for dissolution.
2. Direct staff to return at the May hearing with a more detailed review of SB 246 (Fuller) related to an update to the special act governing the Bighorn-Desert View

2. Direct staff to return at the May hearing with a more detailed review of SB 246 (Fuller) related to an update to the special act governing the Bighorn-Desert View Water Agency.
3. Note the numerous bills related to CEQA reform and infrastructure finance reform and direct staff to watch and apprise the Commission of actions.
4. Direct the Executive Officer to prepare the legislative position letters outlining the Commission's positions taken at this hearing for signature by the Commission Chair and forward them to the appropriate legislative committee, CALAFCO, CCL and the Commission's local legislative delegation.

### **BACKGROUND:**

The new legislative session is in full tilt with all bills needing to move out of their house of origin by the end of April to the next house for discussion. Attachment #1 to this report is the CALAFCO Daily Legislative Report as of April 15, 2013 which outline bills of interest to LAFCOs throughout the State and the position, if any, taken by the CALAFCO Board of Directors. Several bills are of importance to the operations of the Commission as well as some which, if approved, will impose new unfunded mandates. There is an ongoing emphasis to address CEQA reform this session and possibly new methods for infrastructure financing now that redevelopment agencies have been dissolved. The information which follows outlines the staff's analysis and recommendation on some of these bills.

1. AB 743 – This legislation proposes to eliminate the sunset clause for the special island annexation procedures (Govt. Code Section 56375.3 -- areas 150 acres or less, totally or substantially surrounded, etc) (copy included as Attachment #2). The intent of this legislation is to make island annexation procedures a permanent part of the law while establishing the effective date of the island creation as January 1, 2014. San Bernardino LAFCO has a strong history of advocating for the elimination of these islands and had policies to require that a city address their islands when proposing a development related annexation. All of that changed upon the passage of SB 89 and the removal of the motor vehicle in-lieu discretionary funding to provide service to these developed island areas. In August 2012 the Commission took a specific policy action to say that it would no longer condition its approval of a development-related annexation that the City addresses its islands because they were no longer sustainable, in the Commission and staff view, with the removal of this discretionary funding. CALAFCO has taken a position in support of this bill (copy included as part of attachment).

The benefit for removing these areas where service delivery is inefficient and oftentimes expensive to provide remains a pursuit of the Commission. Therefore

staff cannot recommend an oppose position on this legislation. However, problems remain in regard to the funding issues; therefore, staff is recommending that the Commission take no position, or a neutral position, on AB 743.

2. AB 1427 – This is the CALAFCO sponsored Omnibus Bill to provide for clean-up, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act (copy included as Attachment #3). The April 1, 2013 version of the bill identifies that it will correct some internal code citations; it will correct references to “resident voter” to “registered voter”. Staff is recommending support for this legislation.
3. SB 56 – This is legislation is attempting to restore the motor vehicle in-lieu funds for newly incorporated cities and those cities annexing inhabited territory removed by SB 89 (copy included as Attachment #4). In San Bernardino County this affects the City of Fontana (32 islands) Loma Linda (4 islands), Montclair (3 islands) and Barstow (2 islands). However, the bill does not correct this funding inequity for future incorporations or inhabited annexations. CALAFCO has taken a position in support of this bill (copy included as the attachment). Staff is recommending support for this legislation.
4. SB 772 is a bill introduced by Senator Emmerson at the request of the Eastern Municipal Water District to address issues related to the operations of private water companies which are managed by the California Public Utilities Commission (PUC) (copy included as Attachment #5). The stated intent of the bill, as identified by the sponsors, is to increase communication and data awareness between regulatory authorities for water purveyors. While this is a position that this Commission has always advocated, as evidenced by its inclusion of information on private water companies in its service reviews, this bill places a number of new unfunded mandates upon LAFCOs that are not supportable, in the staff’s opinion:
  - a. This bill requires that a “sphere of influence” be developed for all private water companies (in this bill private encompasses PUC governed private companies and mutual water companies under the auspices of the Department of Corporations). This contradicts the definition of a sphere of influence as identified in Govt. Code Section 56076 which states “..means a plan for the probable physical boundaries and service area of a local agency..”. Local agency is defined in Govt. Code Section 56054 as a city, county or district.
  - b. Such a sphere of influence designation would, by statutory necessity, require a service review which would require the submission of information that private corporations are reluctant to share. Again, as the Commission is well aware there is no funding source for these service review efforts except through the mandatory apportionment process in which these

private entities do not participate. Staff is opposed to the introduction of another drain on these limited resources.

- c. There is no tangible benefit shown at this time for providing a sphere of influence to a private corporation. A sphere of influence is to define the probable physical boundary and service area for use in the evaluation of a future boundary change. LAFCOs have no jurisdiction over the boundary or extension of service for these private corporations.

Staff believes in the value of sharing information and the better understanding of service delivery patterns, especially for retail water service. However, the methods identified in SB 772 are not practical and should be directed at the PUC, State Department of Health, and the Department of Corporations, all of whom have the responsibility for oversight for these private corporations and have the revenues to support their regulation of these entities. CALAFCO has taken a position in opposition to this legislation and staff recommends that the Commission also oppose.

5. AB 774 -- This legislation is sponsored by the County of San Bernardino to address service liability issues when considering the dissolution of a County Service Area or Zone of County Service Area that had been providing road maintenance services (copy included as Attachment #6). As the service review for the Mountain Region Roads illuminates, presented at the April Hearing, there are concerns related to the County's liability when removing these services for lack of funding. AB 774 establishes a process to provide notification of the removal of service as well as notification that the County would not be liable for injury or loss after dissolution. Staff is recommending that the Commission support this legislation.
6. SB 246 – This bill was introduced by Senator Fuller at the request of the Bighorn-Desert View Water Agency to address the language of the District's special act (included as Attachment #7). As identified in the service review for this agency, its special act has not been thoroughly reviewed since the consolidation of the Desert View County Water District and Bighorn Mountains Water Agency. The bill, as presented, rewrites the legislation providing for uniform methods of operation, repeals the sections which address the completed consolidation, and make other statutory updates. Ms. Marina West, General Manager of Bighorn Desert View, has submitted a letter requesting that discussion of this bill be deferred to the May hearing so that she may be present to answer questions (copy included).

In addition, the CALAFCO Legislative Report identifies a number of bills directed at CEQA reform or the provision of a new funding stream for infrastructure development. Staff is recommending that the Commission direct it to watch these various efforts and apprise the Commission when moving forward.

Staff is recommending that the Commission review the materials presented, take the positions of opposition or support as identified in this report or as modified at the hearing, and direct that position letters be drafted for the Chairman's signature reflecting those positions. Staff will be happy to answer any questions prior to or at the hearing.

KRM:

**ATTACHMENTS:**

1. CALAFCO Legislative Report Dated April 15, 2013
2. AB 743: Bill Language as of April 3, 2013 and CALAFC Position Letter in Support
3. AB 1427: CALAFCO Omnibus Bill dated April 1, 2013
4. SB 56: Bill Language as of March 4, 2013 and CALAFCO Position Letter in Support
5. SB 772: Bill Language as of February 22, 2013 and CALAFCO Position Letter in Opposition
6. AB 774: Bill Language as of March 19, 2013
7. SB746: Bill Language as of April 4, 2013 and Letter from Marina West Requesting the Discussion be Deferred to May Hearing

**CALAFCO Legislative Report Dated  
April 15, 2013**

**Attachment 1**

# CALAFCO Daily Legislative Report as of Monday, April 15, 2013

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**AB 453 (Mullin D) Sustainable communities.**
**Current Text:** Introduced: 2/19/2013 [pdf](#) [html](#)
**Introduced:** 2/19/2013

**Status:** 4/4/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8, Noes 1.) (April 3). Re-referred to Com. on APPR.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/17/2013 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GATTO, Chair

**Summary:**

The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

**Position:** Sponsor

**Subject:** Sustainable Community Plans

**CALAFCO Comments:** This would allow LAFcos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts.

**AB 678 (Gordon D) Health care districts: community health needs assessment.**
**Current Text:** Introduced: 2/21/2013 [pdf](#) [html](#)
**Introduced:** 2/21/2013

**Status:** 4/12/2013-In committee: Hearing postponed by committee. (Refers to 4/8/2013 hearing)

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would require that the health care district conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. The bill would require that the annual report be made in the context of the assessment. This bill contains other related provisions and other existing laws.

**Position:** Support

**Subject:** LAFco Administration, Service Reviews/Spheres

**CALAFCO Comments:** This bill requires Health Care Districts that do not operate their own facilities to create every 5 years, an assessment of the community health needs with public input. The bill requires LAFcos to include in a Municipal Service Review (MSR) the Health Care District's 5-year assessment.

**AB 743 (Logue R) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.****Current Text:** Amended: 4/3/2013 [pdf](#) [html](#)**Introduced:** 2/21/2013**Last Amended:** 4/3/2013**Status:** 4/4/2013-Re-referred to Com. on L. GOV.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Calendar:**

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This provision applies only to territory that does not exceed 150 acres. This Bill would delete the January 1, 2014, date and make conforming changes. This bill contains other related provisions and other existing laws.

**Position:** Support**Subject:** Annexation Proceedings, CKH General Procedures

**CALAFCO Comments:** As amended, this bill removes the sunset date provision for towa aive protest proceedings for certain island annexations. The size of the island areas for the purposes of annedaction under this provision has been amended back to 150 acres.

Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFCOs additional time to implement island annexation programs. The unforeseen economic downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire at the beginning of next year, cities and LAFCOs have yet to complete the work that the law intended them to do. Over the twelve year period since the law was established, hundreds of islands have been annexed, yet hundreds more remain.

Additionally, the bill was amended to reset the effective island creation date from January 1, 2000 to January 1, 2014 thus allowing smaller islands of less than 150 acres created after 2000 to be annexed under these provisions. Many of these current islands remained as remnants of larger substantially surrounded island areas that had irregular boundaries or were affected by the annexation of territory for newer development.

**AB 1427 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.****Current Text:** Introduced: 4/1/2013 [pdf](#) [html](#)**Introduced:** 4/1/2013**Status:** 4/4/2013-Referred to Com. on L. GOV.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:**

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would specify that the definition excludes any independent special

district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. This bill contains other related provisions and other existing laws.

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** Cortese-Knox-Hertzberg Omnibus bill.

**SB 56 (Roth D) Local government finance: vehicle license fee adjustments.**

**Current Text:** Amended: 3/4/2013 [pdf](#) [html](#)

**Introduced:** 1/7/2013

**Last Amended:** 3/4/2013

**Status:** 3/19/2013-Set for hearing April 17.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

**Summary:**

Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

**Position:** Support

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

**SB 772 (Emmerson R) Drinking water.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 4/10/2013-Set, second hearing. Hearing canceled at the request of author.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Would require the State Department of Public Health or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission. This bill contains other related provisions and other existing laws.

**Position:** Oppose

**Subject:** LAFCo Administration, Service Reviews/Spheres

**CALAFCO Comments:** Requires LAFCos as part of a MSR, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, including the identification of any retail water suppliers within or contiguous to the responding entity. Further requires LAFCos to provide a copy of the SOI review for retail private and public water suppliers to the Public Utilities Commission and the state department of Public Health.

**AB 21 (Alejo D) Safe Drinking Water Small Community Emergency Grant Fund.****Current Text:** Amended: 2/14/2013 [pdf](#) [html](#)**Introduced:** 12/3/2012**Last Amended:** 2/14/2013**Status:** 4/10/2013-In committee: Set, first hearing. Referred to APPR. suspense file.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Would authorize the Department of Public Health to assess a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and deposit that money into the Safe Drinking Water Small Community Emergency Grant Fund, which the bill would create in the State Treasury. The bill would authorize the department to expend the money for grants for specified water projects that serve disadvantaged and severely disadvantaged communities, thereby making an appropriation.

**Position:** Watch**Subject:** Disadvantaged Communities**AB 37 (Perea D) Environmental quality: California Environmental Quality Act: record of proceedings.****Current Text:** Amended: 3/18/2013 [pdf](#) [html](#)**Introduced:** 12/3/2012**Last Amended:** 3/18/2013**Status:** 3/19/2013-Re-referred to Com. on NAT. RES.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/15/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

**Summary:**

Would require, until January 1, 2017, for specified projects or upon the request of a project applicant and the consent of the lead agency, that the lead agency among other things, prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIRs, or other environmental documents for specified projects. Because the bill would require, for specified projects, a lead agency to prepare the record of proceedings as provided, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch**Subject:** CEQA**AB 115 (Perea D) Safe Drinking Water State Revolving Fund.****Current Text:** Introduced: 1/14/2013 [pdf](#) [html](#)**Introduced:** 1/14/2013**Status:** 4/11/2013-Read second time. Ordered to consent calendar.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/15/2013 #64 ASSEMBLY CONSENT CALENDAR-FIRST LEGISLATIVE DAY ASSEMBLY MEASURES

**Summary:**

Would authorize the State Department of Public Health to fund projects, by grant, loan,

or a combination of the two, where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells, as specified. The bill would authorize funding of a project to benefit a disadvantaged community that is not the applying agency. By authorizing the use of a continuously appropriated fund for new purposes, this bill would make an appropriation. This bill contains other existing laws.

**Position:** Watch

**Subject:** Water

**AB 194 (Campos D) Open meetings: protections for public criticism: penalties for violations.**

**Current Text:** Introduced: 1/28/2013 [pdf](#) [html](#)

**Introduced:** 1/28/2013

**Status:** 2/7/2013-Referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would make it a misdemeanor for a member of a legislative body, while acting as the chairperson of a legislative body of a local agency, to prohibit public criticism protected under the Ralph M. Brown Act. This bill would authorize a district attorney or any interested person to commence an action for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of the protection for public criticism is null and void, as specified. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** Prohibits legislative body from preventing public criticism of the policies, procedures, programs, or services of the agency, or ther acts or omissions of the legislative body. Creates new misdemeanor crime.

**AB 543 (Campos D) California Environmental Quality Act: translation.**

**Current Text:** Amended: 4/8/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Last Amended:** 4/8/2013

**Status:** 4/9/2013-Re-referred to Com. on NAT. RES. In committee: Set, second hearing. Hearing canceled at the request of author.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/29/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

**Summary:**

Would require a lead agency to translate certain notices required by the California Environmental Quality Act and a summary of any negative declaration, mitigated negative declaration, or environmental impact report, when the impacted community has a substantial number of non-English-speaking people, as defined. By requiring a lead agency to translate these notices and documents, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**AB 823 (Eggman D) Environment: California Farmland Protection Act.**

**Current Text:** Amended: 3/11/2013 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 3/11/2013

**Status:** 3/21/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/15/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

**Summary:**

Would enact the California Farmland Protection Act, which would require that an applicant for a project, as defined, that involves the conversion of agricultural land to a permanent or long-term nonagricultural use, including a residential, commercial, civic, industrial, infrastructure, or other similar use, at a minimum, mitigate the identified environmental impacts associated with the conversion of those lands through the permanent protection and conservation of land suitable for agricultural uses, and would require that an adopted mitigation measure providing for the protection of agricultural land meet specified requirements. The act would require the Office of Planning and Research, no later than December 31, 2014, to promulgate regulations covering projects subject to the act. By imposing new duties on a lead agency with regard to the review and approval of the mitigation measures required by the act, the bill would impose a state-mandated local program . This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Ag/Open Space Protection, CEQA

**CALAFCO Comments:** Adds a requirement for lead agencies to require certain mitigation measures for projects that convert ag lands for non-ag land use. These mitigation measures at a minimum require providing replaceent acreage in perpetuity to preserve ag land and ensure the sustainability of ag production capacity.

**AB 1235 (Gordon D) Local agencies: financial management training.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 3/11/2013-Referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

5/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would require that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, all local agency officials, except a member whose term of office ends before January 1, 2015, in local agency service as of January 1, 2014, or thereafter receive training in financial management, as specified. This bill would provide that if any entity develops criteria for the financial management training, then the Treasurer's office and the Controller's office shall be consulted regarding any proposed course content. Because this bill would impose new duties on local governments, it would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** Requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, the member shall receive one-4 hour state mandated Financial Management training per term of office. Effective January 1, 2014 for those in office as of that date (whose term of office extends beyond January 1, 2015). Those elected to more than one legislative body may take the training one time and have it apply to all legislative bodies on which they serve. This would apply to a LAFCo Commissioner who receives a stipend or is reimbursed for expenses in the performance of thier Commissioner duties.

**AB 1248 (Cooley D) Local agencies: internal control guidelines.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 3/11/2013-Referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would require the Controller, on or before January 1, 2015, to develop internal control guidelines applicable to a local agency, as defined, to prevent and detect financial errors and fraud, based on specified standards and with input from any local agency and organizations representing the interests of local agencies. This bill would require a local agency to comply with the guidelines established by the Controller, starting on January 1, 2016. By mandating local agencies to comply with new internal control guidelines established by the Controller, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** None at this time

**Subject:** LAFCo Administration

**SB 167 (Gaines R) Environmental quality: California Environmental Quality Act.**

**Current Text:** Introduced: 2/4/2013 [pdf](#) [html](#)

**Introduced:** 2/4/2013

**Status:** 2/14/2013-Referred to Com. on RLS.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared by contract, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. This bill would make technical, nonsubstantive changes to those provisions.

**Position:** Watch

**Subject:** CEQA

**SB 181 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/6/2013 [pdf](#) [html](#)

**Introduced:** 2/6/2013

**Status:** 4/11/2013-In Assembly. Read first time. Held at Desk.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

This bill would enact the First Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Position:** Support

**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.

**SB 182 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/6/2013 [pdf](#) [html](#)

**Introduced:** 2/6/2013

**Status:** 4/11/2013-In Assembly. Read first time. Held at Desk.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

This bill would enact the Second Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Position:** Support

**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.

**SB 183 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/6/2013 [pdf](#) [html](#)

**Introduced:** 2/6/2013

**Status:** 3/21/2013-In Assembly. Read first time. Held at Desk.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

This bill would enact the Third Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Position:** Support

**CALAFCO Comments:** One of three acts which validate the boundaries of all local agencies.

**SB 617 (Evans D) California Environmental Quality Act.**

**Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 4/1/2013

**Status:** 4/12/2013-Set for hearing May 1.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

5/1/2013 9:30 a.m. - Room 3191 SPECIAL ORDER SENATE ENVIRONMENTAL QUALITY, HILL, Chair

**Summary:**

Would require specified notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. By expanding the services provided by the lead agency and the county clerk, this bill would

impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**CALAFCO Comments:** This bill makes a number of substantive changes including:(1) expanding the definition of "environment" relating to an EIR such that the health and safety of people affected by the physical conditions at the location of a project must also be considered;(2)enhances the definition of "significant effect on the environment" by including exposure of people, either directly or indirectly, to substantial existing or reasonably foreseeable natural hazard or adverse condition of the environment;(3) requires concurrent online filing of notices in a database maintained by the Office of Planning and Research (OPR), and with the office of the County Clerk in which the project is located. Further, any time periods or limitation periods will begin at the time of the later filing of the two offices.(4)Adds to the EIR a requirement to address any significant effects that may result from locating development near, or attracting people to, existing or reasonably foreseeable natural hazards or adverse environmental conditions.

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### 3

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**AB 168 (Wilk R) Local government finance: vehicle license fee revenues: allocations.**

**Current Text:** Introduced: 1/24/2013 [pdf](#) [html](#)

**Introduced:** 1/24/2013

**Status:** 1/25/2013-From printer. May be heard in committee February 24.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Under existing law, the Controller is required to allocate vehicle license fee revenues in the Motor Vehicle License Fee Account according to a specified order, with moneys allocated on or after July 1, 2004, but before July 1, 2011, first to the County of Orange, next to each city and county meeting specified criteria, and on or after July 1, 2011, to the Local Law Enforcement Services Account in the Local Revenue Fund, for allocation to cities, counties, and cities and counties. This bill would make technical, nonsubstantive changes to these provisions.

**Position:** Placeholder - monitor

**AB 262 (Waldron R) Local government: organization.**

**Current Text:** Introduced: 2/7/2013 [pdf](#) [html](#)

**Introduced:** 2/7/2013

**Status:** 2/8/2013-From printer. May be heard in committee March 10.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 makes certain findings and declarations relating to local government organization, including, among other things, that it is the policy of the state to encourage orderly growth and development, and recognition that the logical formation and determination of the boundaries of local agencies is an important factor in promoting orderly development, as specified. This bill would make technical, nonsubstantive changes to these provisions.

**Position:** Placeholder - monitor

**Subject:** CKH General Procedures

**AB 380 (Dickinson D) California Environmental Quality Act: notice requirements**

**Current Text:** Introduced: 2/14/2013 [pdf](#) [html](#)

**Introduced:** 2/14/2013

**Status:** 4/2/2013-From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 6. Noes 2.) (April 1). Re-referred to Com. on L. GOV.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Calendar:**

5/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would require the above mentioned notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. The bill would require the county clerk to post the notices for at least 30 days. The bill would require the Office of Planning and Research to post the notices on a publicly available online database established and maintained by the office. The bill would require the office to stamp the notices with the date on which the notices were actually posted for online review and would require the notices to be posted for at least 30 days. The bill would authorize the office to charge an administrative fee not to exceed \$10 per notice filed. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**AB 495 (Campos D) Community investment.**

**Current Text:** Amended: 3/21/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Last Amended:** 3/21/2013

**Status:** 4/8/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:**

Would establish the California Community Investment Initiative within the Governor's Office of Business and Economic development. The initiative would be governed by a 13 member oversight board comprised of 6 citizens appointed by the Governor, 4 members of the Legislature, the Treasurer, the Controller, and the Secretary of the Business, Consumer Services, and Housing Agency, as specified. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Disadvantaged Communities

**CALAFCO Comments:** Establishes the California Community Investment Initiative focused on serving low income communities through developing community development strategies.

**AB 515 (Dickinson D) Environmental quality: California Environmental Quality Act: judicial review.**

**Current Text:** Amended: 3/11/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Last Amended:** 3/11/2013

**Status:** 3/12/2013-Re-referred to Com. on JUD.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/23/2013 9 a.m. - State Capitol, Room 4202 ASSEMBLY JUDICIARY, WIECKOWSKI, Chair

**Summary:**

Would establish a CEQA compliance division of the superior court in a county in which the Attorney General maintains an office and would vest the division with original jurisdiction over actions of proceedings brought pursuant to CEQA and joined matters related to land use and environmental laws. The bill would require the Judicial Council to adopt rules for establishing, among other things, protocol to govern the administration and efficient operation of the division, so that those judges assigned to the division will be able to hear and quickly resolve those actions or proceedings. This bill contains other existing laws.

**Position:** Watch

**Subject:** CEQA

**CALAFCO Comments:** This bill calls for the creation of at least 2 CEQA compliance court districts in the state, establishes a CEQA compliance court in each of the districts with at least 3 judges (appointed by the Governor). All CEQA compliance cases are to be heard in only these courts and the appeals handled directly by the Supreme Court. The courts will be required to issue a preliminary decision before the opportunity for oral argument is granted, and if the court finds that a determination of a public agency violated CEQA, the court order must specify what action taken by the public agency was in error.

**AB 629 (Wilk R) Local government.**

**Current Text:** Introduced: 2/20/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Status:** 2/21/2013-From printer. May be heard in committee March 23.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Current law authorizes various local entities to adopt rules and regulations to carry out the purposes of those entities. This bill would express the intent of the Legislature to enact legislation that would address the effect of the adoption of rules, regulations, ordinances, or requirements by local entities on the public and other local entities within the same jurisdiction.

**Position:** Placeholder - monitor

**Subject:** LAFCo Administration

**AB 642 (Rendon D) Publication: newspaper of general circulation: Internet Web site.**

**Current Text:** Introduced: 2/20/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Status:** 3/11/2013-Referred to Com. on JUD.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an

Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

**Position:** None at this time

**Subject:** LAFCo Administration

**CALAFCO Comments:** Allows for posting of agendas and meeting material on newspaper websites.

**AB 774 (Donnelly R) County service areas: zone dissolution.**

**Current Text:** Amended: 3/19/2013 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 3/19/2013

**Status:** 3/20/2013-Re-referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would require the county board of supervisors, upon dissolution of a county service area or a specified zone, to post signs indicating which services and facilities are no longer provided within the zone and require the board to provide adequate maintenance to the signs. This bill would provide that, once the signs are posted, the county and the dissolved zone shall not be held liable for death or injury resulting from the termination of services or facilities. This bill would also provide that the county, county service area, and zones would not be responsible for a loss or injury resulting from the failure to provide maintenance of services or facilities if the board is unable to raise revenues.

**Position:** Watch

**AB 792 (Mullin D) Local government: open meetings.**

**Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 4/1/2013

**Status:** 4/8/2013-Read second time. Ordered to third reading.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/15/2013 #31 ASSEMBLY ASSEMBLY THIRD READING FILE

**Summary:**

The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public, and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill, if the local agency is unable to post the agenda or notice on its Internet Web site because of software or hardware, or network services impairment beyond the local agency's reasonable control, would require the local agency to post the agenda or notice immediately upon resolution of the technological problems. This bill contains other related provisions and other existing laws.

**Position:** None at this time

**Subject:** Public Records Act

**CALAFCO Comments:** Relates to public agencies who post their meeting information on their website pursuant to the Ralph M. Brown Act. In the instances where they are unable to post the agenda on the website in the prescribed timeframe due to

technology difficulties, the agency is required to post the meeting agenda and information on the website as soon as the technological difficulties are resolved.

**AB 966 (Bonta D) Local government.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 2/25/2013-Read first time.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Current law generally regulates the governance of cities, counties, and cities and counties. This bill would state the intent of the Legislature to enact legislation that would amend the Government Code.

**Position:** Placeholder - monitor

**AB 1237 (Garcia D) Local government finance.**

**Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 4/1/2013

**Status:** 4/3/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

**Summary:**

Would specifically require the Controller to prescribe uniform accounting procedures for cities, conforming to Generally Accepted Accounting Principles, and in consultation with the Committee on City Accounting Procedures, which would be created by the bill. The bill would specify the composition of the committee. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Financial Viability of Agencies

**CALAFCO Comments:** Establishes uniform accounting practices for special districts and cities.

**AB 1244 (Bradford D) Williamson Act.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 2/25/2013-Read first time.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Summary:**

Current law establishes the California Land Conservation Act of 1965, otherwise known as the Williamson Act, for purposes of preserving agricultural land within the state. This bill would make a technical, nonsubstantive change to these provisions.

**Position:** Watch

**Subject:** Ag Preservation - Williamson

**SB 184 (Committee on Governance and Finance) Local government: omnibus bill.**

**Current Text:** Amended: 4/9/2013 [pdf](#) [html](#)

**Introduced:** 2/6/2013

**Last Amended:** 4/9/2013

**Status:** 4/9/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

2Year Dead	Desk 1st House	Policy Fiscal	Floor	Desk 2nd House	Policy Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered

**Calendar:**

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

**Summary:**

Current law, the Public Cemetery District Law, defines the term "family member" for purposes of that law to include, among others, a person's spouse. This bill would additionally include within the definition of "family member" a person's domestic partner, and would define the term "domestic partner," as specified. This bill contains other related provisions and other current laws.

**Position:** None at this time

**SB 268 (Gaines R) Political Reform Act of 1974.**

**Current Text:** Amended: 3/18/2013 [pdf](#) [html](#)

**Introduced:** 2/13/2013

**Last Amended:** 3/18/2013

**Status:** 4/9/2013-Set for hearing April 30.

2Year Dead	Desk 1st House	Policy Fiscal	Floor	Desk 2nd House	Policy Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered

**Calendar:**

4/30/2013 1:30 p.m. - Room 3191 SENATE ELECTIONS AND CONSTITUTIONAL AMENDMENTS, CORREA, Chair

**Summary:**

The Political Reform Act of 1974 requires candidates and committees to file specified campaign finance reports, including semiannual statements, preelection statements, supplemental preelection statements, and late contribution reports, that include prescribed campaign finance information. This bill would repeal the requirements to file these reports and would, instead, require that a candidate or committee who makes or receives a contribution of \$100 or more to report that contribution to specified filing officers within 24 hours of receiving the contribution. This bill contains other related provisions and other existing laws.

**Position:** Watch

**SB 298 (Wyland R) Local government: supplemental law enforcement services.**

**Current Text:** Amended: 4/10/2013 [pdf](#) [html](#)

**Introduced:** 2/15/2013

**Last Amended:** 4/10/2013

**Status:** 4/10/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on PUB. S.

2Year Dead	Desk 1st House	Policy Fiscal	Floor	Desk 2nd House	Policy Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered

**Calendar:**

4/30/2013 9 a.m. - John L. Burton Hearing Room (4203) SENATE PUBLIC SAFETY, HANCOCK, Chair

**Summary:**

Current law provides that a board of supervisors of a county, and a legislative body of a city, may contract to provide supplemental law enforcement services to private individuals or entities at special events or occurrences. This bill would authorize a board of supervisors of a county, and a legislative body of a city, to contract to provide

supplemental law enforcement services to a homeowners' association on an occasional or ongoing basis to enforce the Vehicle Code on a homeowners' association's privately owned and maintained road, as specified .

**Position:** None at this time

**CALAFCO Comments:** According to the author, this bill is intended to focus on providing additional law enforcement support relating to vehicle code enforcement and vehicle traffic enforcement on private roads inside gated communities.

**SB 359 (Corbett D) Environment: CEQA exemption: housing projects.**

**Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Last Amended:** 4/1/2013

**Status:** 4/12/2013-Set for hearing May 1.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

5/1/2013 9:30 a.m. - Room 3191 SPECIAL ORDER SENATE ENVIRONMENTAL QUALITY, HILL, Chair

**Summary:**

CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would instead exempt as "residential" a use consisting of residential units and neighborhood-serving goods, services, or retail uses that do not exceed 25% of the total building square footage of the project. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**CALAFCO Comments:** This bill would exempt as "residential" a use consisting of residential units and neighborhood-serving goods, services, or retail uses that do not exceed 25% of the total building square footage of the project.

**SB 436 (Jackson D) California Environmental Quality Act: notice.**

**Current Text:** Amended: 4/3/2013 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 4/3/2013

**Status:** 4/12/2013-Set for hearing May 1.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

5/1/2013 9:30 a.m. - Room 3191 SPECIAL ORDER SENATE ENVIRONMENTAL QUALITY, HILL, Chair

**Summary:**

Would require a lead agency to conduct at least one public scoping meeting for the specified projects and to provide notice to the specified entities of at least one public scoping meeting. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**CALAFCO Comments:** Requires lead agencies to conduct at least one public scoping meeting for proposed projects and increases notification requirements for lead agencies.

**SB 633 (Pavley D) CEQA.**

**Current Text:** Amended: 4/11/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 4/11/2013

**Status:** 4/12/2013-Set for hearing May 1.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Calendar:**

5/1/2013 9:30 a.m. - Room 3191 SPECIAL ORDER SENATE ENVIRONMENTAL QUALITY, HILL, Chair

**Summary:**

The California Environmental Quality Act prohibits a lead agency or responsible agency from requiring a subsequent or supplemental environmental impact report (EIR) when an EIR has been prepared for a project pursuant to its provisions, unless one or more of specified events occurs, including, among other things, that new information, which was not known and could not have been known at the time the EIR was certified as complete, becomes available. This bill would specifically require that the new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the EIR was certified as complete.

**Position:** None at this time

**Subject:** CEQA

**SB 731 (Steinberg D) Environment: California Environmental Quality Act and sustainable communities strategy.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 3/11/2013-Referred to Com. on RLS.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:**

Would state the intent of the Legislature to enact legislation revising CEQA to, among other things, provide greater certainty for smart infill development, streamline the law for specified projects, and establish a threshold of significance for specified impacts. This bill contains other related provisions and other existing laws.

**Position:** Placeholder - monitor

**Subject:** CEQA

**SB 739 (Calderon D) Environmental quality.**

**Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Status:** 3/11/2013-Referred to Com. on RLS.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:**

The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would make a technical, nonsubstantive change to that definition. This bill contains other existing laws.

**Position:** Placeholder - monitor

**Subject:** CEQA

**SCA 11 (Hancock D) Local government: special taxes: voter approval.****Current Text:** Introduced: 1/25/2013 [pdf](#) [html](#)**Introduced:** 1/25/2013**Status:** 4/10/2013-Set for hearing May 15.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

5/15/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

**Summary:**

The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes.

**Position:** Watch

Total Measures: 40

Total Tracking Forms: 40

4/15/2013 10:53:19 AM

**AB 743: Bill Language as of April 3, 2013  
and CALAFC Position Letter in Support**

**Attachment 2**

AMENDED IN ASSEMBLY APRIL 3, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 743**

**Introduced by Assembly Member Logue**

February 21, 2013

An act to amend Sections 56375.3 and 56375.4 of, and to repeal Section 57080 of the Government Code, relating to local government.

### LEGISLATIVE COUNSEL'S DIGEST

AB 743, as amended, Logue. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sets forth the powers and duties of a local agency formation commission. The act authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This provision applies only to territory that does not exceed 150 acres.

This bill would delete the January 1, 2014, date and make conforming changes. ~~The bill would authorize the commission to approve a change of organization or reorganization pursuant to these provisions of a territory that does not exceed 300 acres:~~

*Existing law provides that the authority to initiate, conduct, and complete specified changes in organization or reorganizations does not apply to any territory that, after January 1, 2000, became surrounded or substantially surrounded by the city to which the annexation is proposed, except for islands that were created after January 1, 2000, as a result of boundary adjustments between 2 counties.*

*This bill would instead provide that the authority to initiate, conduct, and complete specified changes in organization or reorganizations does not apply to any territory that, after January 1, 2014, became surrounded or substantially surrounded by the city to which the annexation is proposed, except for islands that were created after January 1, 2014, as a result of boundary adjustments between 2 counties.*

The act additionally authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city that was initiated on or after January 1, 2014, if certain requirements are met, and requires the commission to follow specified procedures in making this approval.

This bill would repeal these provisions.

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

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

P2 1 SECTION 1.

Section 56375.3 of the *Government Code* is amended to read:

56375.3.

(a) In addition to those powers enumerated in Section 56375, a commission shall approve, after notice and hearing, the change of organization or reorganization of a city, and waive protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely, if all of the following are true:

(1) The change of organization or reorganization is initiated on or after January 1, 2000.

(2) The change of organization or reorganization is proposed by resolution adopted by the affected city.

(3) The commission finds that the territory contained in the change of organization or reorganization proposal meets all of the requirements set forth in subdivision (b).

(b) Subdivision (a) applies to territory that meets all of the following requirements:

(1) It does not exceed ~~300~~ 150 acres in area, and that area constitutes the entire island.

P3 (2) The territory constitutes an entire unincorporated island located within the limits of a city, or constitutes a reorganization containing a number of individual unincorporated islands.

(3) It is surrounded in either of the following ways:

(A) Surrounded, or substantially surrounded, by the city to which annexation is proposed or by the city and a county boundary or the Pacific Ocean.

(B) Surrounded by the city to which annexation is proposed and adjacent cities.

(C) This subdivision shall not be construed to apply to any unincorporated island within a city that is a gated community where services are currently provided by a community services district.

(D) Notwithstanding any other provision of law, at the option of either the city or the county, a separate property tax transfer agreement may be agreed to between a city and a county pursuant to Section 99 of the Revenue and Taxation Code regarding an annexation subject to this subdivision without affecting any existing master tax sharing agreement between the city and county.

(4) It is substantially developed or developing. The finding required by this paragraph shall be based upon one or more factors, including, but not limited to, any of the following factors:

(A) The availability of public utility services.

(B) The presence of public improvements.

(C) The presence of physical improvements upon the parcel or parcels within the area.

(5) It is not prime agricultural land, as defined by Section 56064.

(6) It will benefit from the change of organization or reorganization or is receiving benefits from the annexing city.

(c) Notwithstanding any other provision of this subdivision, this subdivision shall not apply to all or any part of that portion of the development project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code 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.

P4 SEC. 2.

Section 56375.4 of the *Government Code* is amended to read:

3       56375.4.  
4       The authority to initiate, conduct, and complete any  
5       proceeding pursuant to subdivision (a) of Section 56375.3 does  
6       not apply to any territory that, after January 1, ~~2000~~ 2014, became  
7       surrounded or substantially surrounded by the city to which  
8       annexation is proposed, except for islands that were created after  
9       January 1, ~~2000~~ 2014, as a result of boundary adjustments between  
10      two counties.

10      SEC. 3.  
      Section 57080 of the *Government Code* is repealed.

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10 April 2013

2013  
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Assembly Member Dan Logue  
California State Assembly  
State Capitol, Room 4158  
Sacramento, CA 95814

RE: AB 743 (Logue) – Island Annexations – SUPPORT

Dear Assembly Member Logue:

The California Association of Local Agency Formation Commissions (CALAFCO) is pleased to support your bill, Assembly Bill 743. The bill would remove the sunset date related to the streamlined process to annex what are known as unincorporated islands into an affected city and reset the effective island creation date to January 1, 2014 thus allowing recently created islands to be annexed under these provisions.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provided cities and Local Agency Formation Commission's (LAFCo) with an expedited process to annex unincorporated islands in keeping with the legislature's directive to create logical boundaries and promote the efficient delivery of government services. Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFCOs additional time to implement island annexation programs. The unforeseen economic downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire on January 1, 2014, cities and LAFCOs have yet to complete the work that the law intended them to do.

CALAFCO appreciates your willingness to work with us in crafting the amendments to reduce the proposed acreage back down to 150 acres, as well as resetting the effective island creation date from January 1, 2000 to January 1, 2014. The latter amendment allows smaller islands of less than 150 acres, created after 2000, to be annexed under these provisions. CALAFCO has been working extensively with our members and external stakeholders on this important piece of legislation and these amendments have greater consensus and support.

The island annexation provisions established were an effective tool in creating more logical local government boundaries, increasing efficiencies in the delivery of government services and improving the services available to low income neighborhoods equal to their neighbors within the city surrounding them. All of these intentions are aligned with CALAFCO's legislative policies.

Thank you for authoring this important legislation.

Yours sincerely,



Pamela Miller  
Executive Director

1215 K Street, Suite 1650  
Sacramento, CA 95814

Voice 916-442-6536  
Fax 916-442-6535

cc: Members, Assembly Local Government Committee  
Misa Yokoi-Shelton, Associate Consultant, Assembly Local Government Committee  
William Weber, Consultant, Assembly Republican Caucus

**AB 1427: CALAFCO Omnibus Bill dated  
April 1, 2013**

**Attachment 3**

## CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL****No. 1427**

**Introduced by Committee on Local Government (Achadjian  
(Chair), Levine (Vice Chair), Alejo, Bradford, Gordon,  
Melendez, Mullin, and Waldron)**

April 1, 2013

An act to amend Sections 56044, 56048, 56332, 56757, 56866, 56870, 57026, and 57118 of the Government Code, relating to local government.

**LEGISLATIVE COUNSEL'S DIGEST**

AB 1427, as introduced, Committee on Local Government. Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts.

For purposes of the act, existing law defines an independent district or independent special district to include any special district having a legislative body all of whose members are elected by registered voters and landowners within the district, or whose members are appointed to fixed terms.

This bill would specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms.

The act specifies the procedures for selecting members for a local agency formation commission in each county. Existing law requires the independent special district selection committee to appoint 2 regular members and one alternate member to the commission. Existing law requires the appointed members to be elected or special district officers residing within the county.

This bill would require the appointed members to be elected or appointed members of the legislative body of an independent special district residing within the county.

The act prohibits a local agency formation commission from reviewing a reorganization that includes an annexation to any city in Santa Clara County of unincorporated territory that is within the urban service area of the city if the reorganization is initiated by resolution of the legislative body of the city and instead appoints the city council of that city as the conducting authority for the reorganization.

This bill would specify that these provisions apply to an annexation or a reorganization proposal.

The act requires petitions for a merger of a district which overlaps a city, or for the establishment of the district as a subsidiary district of the city, to be signed in a specified manner for a resident voter district. Existing law requires petitions for the dissolution of a district to be signed in a specified manner for a resident voter district.

This bill would instead prescribe the manner of signatures for a registered voter district.

The act requires the executive officer of the commission to give specified notice of the

protest hearing to be held for a district formation. Existing law requires the notice to contain specified information including a statement of the time, date, and place of the protest hearing on the proposed change of organization or reorganization and requires the protest hearing to be held on a specific date if the uninhabited territory is proposed to be annexed to a city with specified residents and population.

This bill would delete the requirement that a protest hearing be held on a specific date for such an uninhabited territory and would otherwise make that uninhabited territory subject to the existing non-specific date requirement.

This bill would also make other technical and conforming changes and correct erroneous references.

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

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

P3 1 SECTION 1.  
 2 Section 56044 of the *Government Code* is  
 3 amended to read:  
 4 56044.  
 5 "Independent district" or "independent special district"  
 6 includes any special district having a legislative body all of whose  
 7 members are elected by registered voters or landowners within the  
 8 district, or whose members are appointed to fixed terms, *and*  
 9 *excludes any special district having a legislative body consisting,*  
 10 *in whole or in part, of ex officio members who are officers of a*  
 11 *county or another local agency or who are appointees of those*  
 12 *officers other than those who are appointed to fixed terms.*  
 13 "Independent special district" does not include any district excluded  
 14 from the definition of district contained in Sections 56036 and  
 15 56036.6.  
 16 SEC. 2.  
 17 Section 56048 of the *Government Code* is amended  
 18 to read:  
 19 56048.  
 20 ~~(a)~~ "Landowner" or "owner of land" means any of the  
 21 following:  
 22 (a) Each person shown as the owner of land on the last equalized  
 23 assessment roll prepared by the county at the time the determination  
 24 is required to be made pursuant to the requirements of this division.  
 25 Where that person is no longer the owner, the landowner or owner  
 26 of land is any person entitled to be shown as the owner of land on  
 27 the next equalized assessment roll.  
 28 (b) Where land is subject to a recorded written agreement of  
 29 sale, any person shown in the agreement as the purchaser.  
 30 (c) Any public agency owning land other than highways,  
 31 rights-of-way, easements, waterways, or canals.  
 32 SEC. 3.  
 33 Section 56332 of the *Government Code* is amended  
 34 to read:  
 35 56332.  
 36 (a) The independent special district selection committee  
 37 shall consist of the presiding officer of the legislative body of each  
 38 independent special district. However, if the presiding officer of  
 39 an independent special district is unable to attend a meeting of the  
 40 independent special district selection committee, the legislative  
 41 body of the district may appoint one of its members to attend the  
 42 meeting of the selection committee in the presiding officer's place.  
 43 Those districts shall include districts located wholly within the  
 44 county and those containing territory within the county representing  
 P4 1 50 percent or more of the assessed value of taxable property of the  
 2 district, as shown on the last equalized county assessment roll.

3 Each member of the committee shall be entitled to one vote for  
 4 each independent special district of which he or she is the presiding  
 5 officer. Members representing a majority of the eligible districts  
 6 shall constitute a quorum.

7 (b) The executive officer shall call and give written notice of  
 8 all meetings of the members of the selection committee. A meeting  
 9 shall be called and held under one of the following circumstances:

10 (1) Whenever the executive officer anticipates that a vacancy  
 11 will occur within the next 90 days among the members or alternate  
 12 member representing independent special districts on the  
 13 committee.

14 (2) Whenever a vacancy exists among the members or alternate  
 15 member representing independent special districts upon the  
 16 commission.

17 (3) Upon receipt of a written request by one or more members  
 18 of the selection committee representing districts having 10 percent  
 19 or more of the assessed value of taxable property within the county,  
 20 as shown on the last equalized county assessment roll.

21 (c) (1) If the executive officer determines that a meeting of the  
 22 special district selection committee, for the purpose of selecting  
 23 the special district representatives or for filling a vacancy, is not  
 24 feasible, the executive officer may conduct the business of the  
 25 committee in writing, as provided in this subdivision. The executive  
 26 officer may call for nominations to be submitted in writing within  
 27 30 days. At the end of the nominating period, the executive officer  
 28 shall prepare and deliver, or send by certified mail, to each  
 29 independent special district one ballot and voting instructions. If  
 30 only one candidate is nominated for a vacant seat, that candidate  
 31 shall be deemed selected, with no further proceedings.

32 (2) As an alternative to the delivery by certified mail, the  
 33 executive officer, with the prior concurrence of the district, may  
 34 transmit the ballot and voting instructions by electronic mail,  
 35 provided that the executive officer shall retain written evidence of  
 36 the receipt of that material.

37 (3) The ballot shall include the names of all nominees and the  
 38 office for which each was nominated. The districts shall return the  
 39 ballots to the executive officer by the date specified in the voting  
 P5 1 instructions, which date shall be at least 30 days from the date on  
 2 which the executive officer mailed the ballots to the districts.

3 (4) If the executive officer has transmitted the ballot and voting  
 4 instructions by electronic mail, the districts may return the ballots  
 5 to the executive officer by electronic mail, provided that the  
 6 executive officer retains written evidence of the receipt of the  
 7 ballot.

8 (5) Any ballot received by the executive officer after the  
 9 specified date is invalid. The executive officer shall announce the  
 10 results of the election within seven days of the specified date.

11 (d) The selection committee shall appoint two regular members  
 12 and one alternate member to the commission. The members so  
 13 appointed shall be elected or appointed *members of the legislative*  
 14 *body of an independent* special district-officers residing within the  
 15 county but shall not be members of the legislative body of a city  
 16 or county. If one of the regular district members is absent from a  
 17 commission meeting or disqualifies himself or herself from  
 18 participating in a meeting, the alternate district member may serve  
 19 and vote in place of the regular district member for that meeting.  
 20 ~~The representation Service on the commission by a regular district~~  
 21 ~~member who is a special district officer shall not disqualify, or be~~  
 22 ~~cause for disqualification of, the member from acting on a proposal~~  
 23 ~~proposals affecting the special district on whose legislative body~~  
 24 ~~the member serves.~~ The special district selection committee may,  
 25 at the time it appoints a member or alternate, provide that the

26 member or alternate is disqualified from voting on proposals  
 27 affecting the district of which the member is a representative on  
 28 whose legislative body the member serves.

29 (e) If the office of a regular district member becomes vacant,  
 30 the alternate member may serve and vote in place of the former  
 31 regular district member until the appointment and qualification of  
 32 a regular district member to fill the vacancy.

33 (f) For purposes of this section, "executive officer" means the  
 34 executive officer or designee as authorized by the commission.

35 SEC. 4.

36 Section 56757 of the *Government Code* is amended  
 37 to read:

38 56757.

39 (a) The commission shall not review an *annexation or*  
 40 a reorganization *proposal* that includes an annexation to any city  
 P6 1 in Santa Clara County of unincorporated territory that is within  
 2 the urban service area of the city if the *annexation or* reorganization  
 3 *proposal* is initiated by resolution of the legislative body of the  
 4 city.

5 (b) The city council shall be the conducting authority for the  
 6 *annexation or* reorganization *proposal* and the proceedings for the  
 7 *annexation or* reorganization *proposal* shall be initiated and  
 8 conducted as nearly as may be practicable in accordance with Part  
 9 4 (commencing with Section 57000).

10 (c) The city council, in adopting the resolution approving the  
 11 *annexation or* reorganization *proposal*, shall make all of the  
 12 following findings:

13 (1) That the unincorporated territory is within the urban service  
 14 area of the city as adopted by the commission.

15 (2) That the county surveyor has determined the boundaries of  
 16 the proposal to be definite and certain, and in compliance with the  
 17 road annexation policies of the commission. The city shall  
 18 reimburse the county for the actual costs incurred by the county  
 19 surveyor in making this determination.

20 (3) That the proposal does not split lines of assessment or  
 21 ownership.

22 (4) That the proposal does not create islands or areas in which  
 23 it would be difficult to provide municipal services.

24 (5) That the proposal is consistent with the adopted general plan  
 25 of the city.

26 (6) That the territory is contiguous to existing city limits.

27 (7) That the city has complied with all conditions imposed by  
 28 the commission for inclusion of the territory in the urban service  
 29 area of the city.

30 (d) All *annexations or* reorganizations which involve territory  
 31 for which the land use designation in the general plan of the city  
 32 has changed from the time that the urban service area of the city  
 33 was last adopted by the commission, and which are processed by  
 34 a city pursuant to this section shall be subject to an appeal to the  
 35 commission upon submission of a petition of appeal, signed by at  
 36 least 50 registered voters in the county.

37 (e) An appeal to the commission may also be made by  
 38 submission of a resolution of appeal adopted by the legislative  
 39 body of a special district solely for the purpose of determining  
 40 whether some or all of the territory contained in the *annexation*  
 or reorganization proposal should also be annexed or detached  
 from that special district.

P7 1 (f) Any petition submitted under subdivision (d) or resolution  
 2 submitted under subdivision (e) shall be submitted to the executive  
 3 officer within 15 days of the adoption by the city council of the  
 4 resolution approving the annexation. The executive officer shall  
 5 schedule the hearing for the next regular meeting of the commission

6 as is practicable. The commission may set a reasonable appeal fee.

7 SEC. 5.

Section 56866 of the *Government Code* is amended

8 to read:

9 56866.

10 Petitions for a merger of a district which overlaps a  
11 city, or for the establishment of the district as a subsidiary district  
12 of the city, shall be signed as follows:

13 (a) For a ~~resident~~ *registered* voter district, by either of the  
14 following:

15 (1) Five percent of the registered voters of the district.

16 (2) Five percent of the registered voters residing within the  
17 territory of the city outside the boundaries of the district.

18 (b) For a landowner-voter district, by either of the following:

19 (1) Five percent of the number of landowner-voters within the  
20 district who also own not less than 5 percent of assessed value of  
21 land within the district.

22 (2) Five percent of the registered voters residing within the  
23 territory of the city outside the boundaries of the district.

24 SEC. 6.

Section 56870 of the *Government Code* is amended

25 to read:

26 56870.

27 Except as otherwise provided in Section 56871, petitions  
28 for the dissolution of a district shall be signed as follows:

29 (a) For ~~resident~~ *registered* voter districts, by either of the  
30 following:

31 (1) Not less than 10 percent of the registered voters within the  
32 district.

33 (2) Not less than 10 percent of the number of landowners within  
34 the district who also own not less than 10 percent of the assessed  
35 value of land within the district.

36 (b) For landowner-voter districts, by not less than 10 percent  
37 of the number of landowner-voters within the district who also  
38 own not less than 10 percent of the assessed value of land within  
the district.

SEC. 7.

Section 57026 of the *Government Code* is amended

39 to read:

P8 1 57026.

2 The notice required to be given by Section 57025 shall  
3 contain all of the following information:

4 (a) A statement of the distinctive short form designation assigned  
5 by the commission to the proposal.

6 (b) A statement of the manner in which, and by whom,  
7 proceedings were initiated. However, a reference to the proponents,  
8 if any, shall be sufficient where proceedings were initiated by a  
9 petition.

10 (c) A description of the exterior boundaries of the subject  
11 territory.

12 (d) A description of the particular change or changes of  
13 organization proposed for each of the subject districts or cities and  
14 new districts or new cities proposed to be formed, and any terms  
15 and conditions to be applicable. The description may include a  
16 reference to the commission's resolution making determinations  
17 for a full and complete description of the change of organization  
18 or reorganization, and the terms and conditions.

19 (e) A statement of the reason or reasons for the change of  
20 organization or reorganization as set forth in the proposal submitted  
21 to the commission.

(f) ~~(1) Except as otherwise provided in paragraph (2), a-A~~

22 statement of the time, date, and place of the protest hearing on the  
23 proposed change of organization or reorganization.

24 ~~(2) Notwithstanding paragraph (1), if inhabited territory is~~  
25 ~~proposed to be annexed to a city with more than 100,000 residents~~  
26 ~~which is located in a county with a population of over 4,000,000~~  
27 ~~the date shall be at least 90 days, but not more than 105 days, after~~  
28 ~~the date of adoption of the resolution initiating the proceedings.~~  
29 ~~The resolution shall specify a date 90 days prior to the hearing~~  
30 ~~when registered voters may begin to file protests.~~

31 (g) If the subject territory is inhabited and the change of  
32 organization or reorganization provides for the submission of  
33 written protests, a statement that any owner of land within the  
34 territory, or any registered voter residing within the territory, may  
35 file a written protest against the proposal with the executive officer  
36 of the commission at any time prior to the conclusion of the hearing  
37 by the commission on the proposal.

38 (h) If the subject territory is uninhabited and the change of  
39 organization or reorganization provides for submission of written  
40 protests, a statement that any owner of land within the territory  
P9 1 may file a written protest against the proposal with the executive  
2 officer of the commission at any time prior to the conclusion of  
3 the hearing by the commission on the proposal.

4 **SEC. 8.**

5 Section 57118 of the *Government Code* is amended  
6 to read:

6 **57118.**

7 In any resolution ordering a change of organization or  
8 reorganization subject to the confirmation of the voters, the  
9 commission shall determine that an election will be held:

10 (a) Within the territory of each city or district ordered to be  
11 incorporated, formed, disincorporated, dissolved or consolidated.

12 (b) Within the entire territory of each district ordered to be  
13 merged with or established as a subsidiary district of a city, or both  
14 within the district and within the entire territory of the city outside  
15 the boundaries of the district.

16 (c) If the executive officer certifies a petition pursuant to Section  
17 57108 or 57109, within the territory of the district ordered to be  
18 merged with or established as a subsidiary district of a city.

19 (d) Within the territory ordered to be annexed or detached.

20 (e) If ordered by the commission pursuant to Section 56876 or  
21 56759, both within the territory ordered to be annexed or detached  
22 and within all or the part of the city or district which is outside of  
23 the territory.

24 (f) If the election is required by Section ~~57114~~ *subdivision (b)*  
25 *of Section 57077.4*, separately within the territory of each affected  
26 district that has filed a petition meeting the requirements of  
*subdivision (b) of Section ~~57114~~ 57077.4.*

**SB 56: Bill Language as of March 4, 2013  
and CALAFCO Position Letter in Support**

**Attachment 4**

AMENDED IN SENATE MARCH 4, 2013

**SENATE BILL****No. 56****Introduced by Senators Roth and Emmerson**

January 7, 2013

*An act to amend Section 97.70 of the Revenue and Taxation Code, relating to local government finance.*

**LEGISLATIVE COUNSEL'S DIGEST**

SB 56, as amended, Roth. Local government finance: *finance: vehicle license fee adjustments.*

*The Vehicle License Fee Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state. Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Existing law requires that these amounts be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities.*

*This bill would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided.*

*By imposing additional duties upon local tax officials with respect to the allocation of ad valorem property tax revenues, this bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

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

~~Existing law required, on and after July 1, 2004, and before July 1, 2011, that a specified portion of the motor vehicle license fee revenues deposited to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund be allocated first to the County of Orange and next to each city and county meeting specified criteria, including each city that was incorporated from unincorporated territory after August 5, 2004. Existing law requires, on or after July 1, 2011, that the same portion of revenues be deposited into the Local Law Enforcement Services Account in the Local Revenue Fund 2011 for allocation to cities, counties, and cities and counties.~~

~~This bill would state the Legislature's intent to enact legislation that would restore funding to cities that either were incorporated or annexed territory after 2004.~~

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

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

P2 1        **SECTION 1.**  
           Section 97.70 of the Revenue and Taxation Code  
 2        is amended to read:  
 3        97.70.  
           Notwithstanding any other provision of law, for the  
 4        2004-05 fiscal year and for each fiscal year thereafter, all of the  
 5        following apply:  
 6        (a) (1) (A) The auditor shall reduce the total amount of ad  
 7        valorem property tax revenue that is otherwise required to be  
 8        allocated to a county’s Educational Revenue Augmentation Fund  
 9        by the countywide vehicle license fee adjustment amount.  
 10        (B) If, for the fiscal year, after complying with Section 97.68  
 11        there is not enough ad valorem property tax revenue that is  
 12        otherwise required to be allocated to a county Educational Revenue  
 13        Augmentation Fund for the auditor to complete the allocation  
 14        reduction required by subparagraph (A), the auditor shall  
 15        additionally reduce the total amount of ad valorem property tax  
 16        revenue that is otherwise required to be allocated to all school  
 P3 1        districts and community college districts in the county for that  
       2        fiscal year by an amount equal to the difference between the  
       3        countywide vehicle license fee adjustment amount and the amount  
       4        of ad valorem property tax revenue that is otherwise required to  
       5        be allocated to the county Educational Revenue Augmentation  
       6        Fund for that fiscal year. This reduction for each school district  
       7        and community college district in the county shall be the percentage  
       8        share of the total reduction that is equal to the proportion that the  
       9        total amount of ad valorem property tax revenue that is otherwise  
 10        required to be allocated to the school district or community college  
 11        district bears to the total amount of ad valorem property tax revenue  
 12        that is otherwise required to be allocated to all school districts and  
 13        community college districts in a county. For purposes of this  
 14        subparagraph, “school districts” and “community college districts”  
 15        do not include any districts that are excess tax school entities, as  
 16        defined in Section 95.  
       17        (2) The countywide vehicle license fee adjustment amount shall  
       18        be allocated to the Vehicle License Fee Property Tax Compensation  
       19        Fund that shall be established in the treasury of each county.  
       20        (b) (1) The auditor shall allocate moneys in the Vehicle License  
       21        Fee Property Tax Compensation Fund according to the following:  
       22        (A) Each city in the county shall receive its vehicle license fee  
       23        adjustment amount.  
       24        (B) Each county and city and county shall receive its vehicle  
       25        license fee adjustment amount.  
       26        (2) The auditor shall allocate one-half of the amount specified  
       27        in paragraph (1) on or before January 31 of each fiscal year, and  
       28        the other one-half on or before May 31 of each fiscal year.  
       29        (c) For purposes of this section, all of the following apply:  
       30        (1) “Vehicle license fee adjustment amount” for a particular  
       31        city, county, or a city and county means, subject to an adjustment  
       32        under paragraph (2) and Section 97.71, all of the following:  
       33        (A) For the 2004-05 fiscal year, an amount equal to the  
       34        difference between the following two amounts:  
       35        (i) The estimated total amount of revenue that would have been  
       36        deposited to the credit of the Motor Vehicle License Fee Account  
       37        in the Transportation Tax Fund, including any amounts that would  
       38        have been certified to the Controller by the auditor of the County  
       39        of Ventura under subdivision (j) of Section 98.02, as that section  
       40        read on January 1, 2004, for distribution under the law as it read  
 P4 1        on January 1, 2004, to the county, city and county, or city for the  
       2        2004-05 fiscal year if the fee otherwise due under the Vehicle  
       3        License Fee Law (Pt. 5 (commencing with Section 10701) of Div.  
       4        2) was 2 percent of the market value of a vehicle, as specified in

5 Section 10752 and 10752.1 as those sections read on January 1,  
6 2004.

7 (ii) The estimated total amount of revenue that is required to be  
8 distributed from the Motor Vehicle License Fee Account in the  
9 Transportation Tax Fund to the county, city and county, and each  
10 city in the county for the 2004-05 fiscal year under Section 11005,  
11 as that section read on the operative date of the act that amended  
12 this clause.

13 (B) (i) Subject to an adjustment under clause (ii), for the  
14 2005-06 fiscal year, the sum of the following two amounts:

15 (I) The difference between the following two amounts:

16 ~~(Ia)~~

17 (ia) The actual total amount of revenue that would have been  
18 deposited to the credit of the Motor Vehicle License Fee Account  
19 in the Transportation Tax Fund, including any amounts that would  
20 have been certified to the Controller by the auditor of the County  
21 of Ventura under subdivision (j) of Section 98.02, as that section  
22 read on January 1, 2004, for distribution under the law as it read  
23 on January 1, 2004, to the county, city and county, or city for the  
24 2004-05 fiscal year if the fee otherwise due under the Vehicle  
25 License Fee Law (Part 5 (commencing with Section 10701) of  
26 Division 2) was 2 percent of the market value of a vehicle, as  
27 specified in Sections 10752 and 10752.1 as those sections read on  
28 January 1, 2004.

29 ~~(Ib)~~

30 (ib) The actual total amount of revenue that was distributed  
31 from the Motor Vehicle License Fee Account in the Transportation  
32 Tax Fund to the county, city and county, and each city in the county  
33 for the 2004-05 fiscal year under Section 11005, as that section  
34 read on the operative date of the act that amended this  
35 sub-subclause.

36 (II) The product of the following two amounts:

37 ~~(IIa)~~

38 (ia) The amount described in subclause (I).

39 ~~(IIb)~~

P5 1 (ib) The percentage change from the prior fiscal year to the  
2 current fiscal year in gross taxable assessed valuation within the  
3 jurisdiction of the entity, as reflected in the equalized assessment  
4 roll for those fiscal years. For the first fiscal year for which a  
5 change in a city's jurisdictional boundaries first applies, the  
6 percentage change in gross taxable assessed valuation from the  
7 prior fiscal year to the current fiscal year shall be calculated solely  
8 on the basis of the city's previous jurisdictional boundaries, without  
9 regard to the change in that city's jurisdictional boundaries. For  
10 each following fiscal year, the percentage change in gross taxable  
11 assessed valuation from the prior fiscal year to the current fiscal  
12 year shall be calculated on the basis of the city's current  
13 jurisdictional boundaries.

14 (ii) The amount described in clause (i) shall be adjusted as  
15 follows:

16 (I) If the amount described in subclause (I) of clause (i) for a  
17 particular city, county, or city and county is greater than the amount  
18 described in subparagraph (A) for that city, county, or city and  
19 county, the amount described in clause (i) shall be increased by  
20 an amount equal to this difference.

21 (II) If the amount described in subclause (I) of clause (i) for a  
22 particular city, county, or city and county is less than the amount  
23 described in subparagraph (A) for that city, county, or city and  
24 county, the amount described in clause (i) shall be decreased by  
25 an amount equal to this difference.

26 (C) ~~For-Except as otherwise provided under subparagraph (D),~~  
27 for the 2006-07 fiscal year and for each fiscal year thereafter, the

28 sum of the following two amounts:

29 (i) The vehicle license fee adjustment amount for the prior fiscal

30 year, if Section 97.71 and clause (ii) of subparagraph (B) did not

31 apply for that fiscal year, for that city, county, and city and county.

32 (ii) The product of the following two amounts:

33 (I) The amount described in clause (i).

34 (II) The percentage change from the prior fiscal year to the

35 current fiscal year in gross taxable assessed valuation within the

36 jurisdiction of the entity, as reflected in the equalized assessment

37 roll for those fiscal years. For the first fiscal year for which a

38 change in a city’s jurisdictional boundaries first applies, the

39 percentage change in gross taxable assessed valuation from the

40 prior fiscal year to the current fiscal year shall be calculated solely

P6 1 on the basis of the city’s previous jurisdictional boundaries, without

2 regard to the change in that city’s jurisdictional boundaries. For

3 each following fiscal year, the percentage change in gross taxable

4 assessed valuation from the prior fiscal year to the current fiscal

5 year shall be calculated on the basis of the city’s current

6 jurisdictional boundaries.

7 (D) Notwithstanding subparagraph (C), for the 2013-14 fiscal

8 year, the vehicle license fee adjustment amount shall be equal to

9 the sum of the following two amounts:

10 (i) The amount described in clause (i) of subparagraph (B) if

11 Section 97.71 and clause (ii) of subparagraph (B) did not apply

12 for that fiscal year, for that city, county, and city and county.

13 (ii) The product of the following two amounts:

14 (I) The amount described in clause (i).

15 (II) The percentage change from the 2004-05 fiscal year to the

16 2013-14 fiscal year, inclusive, in gross taxable assessed valuation

17 within the jurisdiction of the entity, as reflected in the equalized

18 assessment roll for those fiscal years.

19 (2) Notwithstanding paragraph (1), “vehicle license fee

20 adjustment amount,” for a city incorporating after January 1,

21 2011, but before January 1, 2013, means the following:

22 (A) For the 2013-14 fiscal year, the sum of the following two

23 amounts:

24 (i) The quotient derived from the following fraction:

25 (I) The numerator is the product of the following two amounts:

26 (ia) The sum of the most recent vehicle license fee adjustment

27 amounts determined for all cities in the county incorporated prior

28 to 2005.

29 (ib) The population of the incorporating city.

30 (II) The denominator is the sum of the populations of all cities

31 in the county incorporated prior to 2005.

32 (ii) Fifty percent of the amount determined in clause (i).

33 (B) For the 2014-15 fiscal year, the sum of the following two

34 amounts:

35 (i) The product of the following two amounts:

36 (I) The amount described in clause (i) of subparagraph (A).

37 (II) The percentage change from the prior fiscal year to the

38 current fiscal year in gross taxable assessed valuation within the

39 jurisdiction of the entity, as reflected in the equalized assessment

40 roll for those fiscal years.

P7 1 (ii) Forty percent of the amount determined in clause (i).

2 (C) For the 2015-16 fiscal year, the sum of the following two

3 amounts:

4 (i) The product of the following two amounts:

5 (I) The amount described in clause (i) of subparagraph (B).

6 (II) The percentage change from the prior fiscal year to the

7 current fiscal year in gross taxable assessed valuation within the

8 jurisdiction of the entity, as reflected in the equalized assessment

9 roll for those fiscal years.

- 10 (ii) Thirty percent of the amount determined in clause (i).
- 11 (D) For the 2016-17 fiscal year, the sum of the following two
- 12 amounts:
- 13 (i) The product of the following two amounts:
- 14 (I) The amount described in clause (i) of subparagraph (C).
- 15 (II) The percentage change from the prior fiscal year to the
- 16 current fiscal year in gross taxable assessed valuation within the
- 17 jurisdiction of the entity, as reflected in the equalized assessment
- 18 roll for those fiscal years.
- 19 (ii) Twenty percent of the amount determined in clause (i).
- 20 (E) For the 2017-18 fiscal year, the sum of the following two
- 21 amounts:
- 22 (i) The product of the following two amounts:
- 23 (I) The amount described in clause (i) of subparagraph (D).
- 24 (II) The percentage change from the prior fiscal year to the
- 25 current fiscal year in gross taxable assessed valuation within the
- 26 jurisdiction of the entity, as reflected in the equalized assessment
- 27 roll for those fiscal years.
- 28 (ii) Ten percent of the amount determined in clause (i).
- 29 (F) For the 2018-19 fiscal year, the sum of the following two
- 30 amounts:
- 31 (i) The amount described in clause (i) of subparagraph (E).
- 32 (ii) The product of the following two amounts:
- 33 (I) The amount described in clause (i).
- 34 (II) The percentage change from the prior fiscal year to the
- 35 current fiscal year in gross taxable assessed valuation within the
- 36 jurisdiction of the entity, as reflected in the equalized assessment
- 37 roll for those fiscal years.
- 38 (G) For the 2019-20 fiscal year, and for each fiscal year
- 39 thereafter, the sum of the following two amounts:
- PB 1 (i) The vehicle license fee adjustment amount for the prior fiscal
- 2 year.
- 3 (ii) The product of the following two amounts:
- 4 (I) The amount described in clause (i).
- 5 (II) The percentage change from the prior fiscal year to the
- 6 current fiscal year in gross taxable assessed valuation within the
- 7 jurisdiction of the entity, as reflected in the equalized assessment
- 8 roll for those fiscal years.
- 9 (3) Notwithstanding paragraph (1), "vehicle license fee
- 10 adjustment amount," for a city incorporating after January 1,
- 11 2010, but before January 1, 2011, means the following:
- 12 (A) For the 2013-14 fiscal year, the sum of the following two
- 13 amounts:
- 14 (i) The quotient derived from the following fraction:
- 15 (I) The numerator is the product of the following two amounts:
- 16 (ia) The sum of the most recent vehicle license fee adjustment
- 17 amounts determined for all cities in the county incorporated prior
- 18 to 2005.
- 19 (ib) The population of the incorporating city.
- 20 (II) The denominator is the sum of the populations of all cities
- 21 in the county incorporated prior to 2005.
- 22 (ii) Forty percent of the amount determined in clause (i).
- 23 (B) For the 2014-15 fiscal year, the sum of the following two
- 24 amounts:
- 25 (i) The product of the following two amounts:
- 26 (I) The amount described in clause (i) of subparagraph (A).
- 27 (II) The percentage change from the prior fiscal year to the
- 28 current fiscal year in gross taxable assessed valuation within the
- 29 jurisdiction of the entity, as reflected in the equalized assessment
- 30 roll for those fiscal years.
- 31 (ii) Thirty percent of the amount determined in clause (i).
- 32 (C) For the 2015-16 fiscal year, the sum of the following two

33 amounts:

34 (i) The product of the following two amounts:

35 (I) The amount described in clause (i) of subparagraph (B).

36 (II) The percentage change from the prior fiscal year to the

37 current fiscal year in gross taxable assessed valuation within the

38 jurisdiction of the entity, as reflected in the equalized assessment

39 roll for those fiscal years.

40 (ii) Twenty percent of the amount determined in clause (i).

P9 1 (D) For the 2016-17 fiscal year, the sum of the following two

2 amounts:

3 (i) The product of the following two amounts:

4 (I) The amount described in clause (i) of subparagraph (C).

5 (II) The percentage change from the prior fiscal year to the

6 current fiscal year in gross taxable assessed valuation within the

7 jurisdiction of the entity, as reflected in the equalized assessment

8 roll for those fiscal years.

9 (ii) Ten percent of the amount determined in clause (i).

10 (E) For the 2017-18 fiscal year, the sum of the following two

11 amounts:

12 (i) The amount described in clause (i) of subparagraph (D).

13 (ii) The product of the following two amounts:

14 (I) The amount described in clause (i).

15 (II) The percentage change from the prior fiscal year to the

16 current fiscal year in gross taxable assessed valuation within the

17 jurisdiction of the entity, as reflected in the equalized assessment

18 roll for those fiscal years.

19 (F) For the 2018-19 fiscal year, and for each fiscal year

20 thereafter, the sum of the following two amounts:

21 (i) The vehicle license fee adjustment amount for the prior fiscal

22 year.

23 (ii) The product of the following two amounts:

24 (I) The amount described in clause (i).

25 (II) The percentage change from the prior fiscal year to the

26 current fiscal year in gross taxable assessed valuation within the

27 jurisdiction of the entity, as reflected in the equalized assessment

28 roll for those fiscal years.

29 (4) Notwithstanding paragraph (1), "vehicle license fee

30 adjustment amount," for a city incorporating after January 1,

31 2008, but before January 1, 2009, means the following:

32 (A) For the 2013-14 fiscal year, the sum of the following two

33 amounts:

34 (i) The quotient derived from the following fraction:

35 (I) The numerator is the product of the following two amounts:

36 (ia) The sum of the most recent vehicle license fee adjustment

37 amounts determined for all cities in the county incorporated prior

38 to 2005.

39 (ib) The population of the incorporating city.

P10 1 (II) The denominator is the sum of the populations of all cities

2 in the county incorporated prior to 2005.

3 (ii) Twenty percent of the amount determined in clause (i).

4 (B) For the 2014-15 fiscal year, the sum of the following two

5 amounts:

6 (i) The product of the following two amounts:

7 (I) The amount described in clause (i) of subparagraph (A).

8 (II) The percentage change from the prior fiscal year to the

9 current fiscal year in gross taxable assessed valuation within the

10 jurisdiction of the entity, as reflected in the equalized assessment

11 roll for those fiscal years.

12 (ii) Ten percent of the amount determined in clause (i).

13 (C) For the 2015-16 fiscal year, the sum of the following two

14 amounts:

15 (i) The amount described in clause (i) of subparagraph (B).

16 (ii) The product of the following two amounts:  
 17 (I) The amount described in clause (i).  
 18 (II) The percentage change from the prior fiscal year to the  
 19 current fiscal year in gross taxable assessed valuation within the  
 20 jurisdiction of the entity, as reflected in the equalized assessment  
 21 roll for those fiscal years.  
 22 (D) For the 2016-17 fiscal year, and for each fiscal year  
 23 thereafter, the sum of the following two amounts:  
 24 (i) The vehicle license fee adjustment amount for the prior fiscal  
 25 year.  
 26 (ii) The product of the following two amounts:  
 27 (I) The amount described in clause (i).  
 28 (II) The percentage change from the prior fiscal year to the  
 29 current fiscal year in gross taxable assessed valuation within the  
 30 jurisdiction of the entity, as reflected in the equalized assessment  
 31 roll for those fiscal years.  
 32 ~~(2)~~  
 33 (5) "Countywide vehicle license fee adjustment amount" means,  
 34 for any fiscal year, the total sum of the amounts described in  
 35 ~~paragraph (1)~~ paragraphs (1) to (4), inclusive, for a county or city  
 36 and county, and each city in the county.  
 37 ~~(3)~~  
 38 (6) On or before June 30 of each fiscal year, the auditor shall  
 39 report to the Controller the vehicle license fee adjustment amount  
 40 for the county and each city in the county for that fiscal year.  
 P11 1 (d) For the 2005-06 fiscal year and each fiscal year thereafter,  
 2 the amounts determined under subdivision (a) of Section 96.1, or  
 3 any successor to that provision, shall not reflect, for a preceding  
 4 fiscal year, any portion of any allocation required by this section.  
 5 (e) For purposes of Section 15 of Article XI of the California  
 6 Constitution, the allocations from a Vehicle License Fee Property  
 7 Tax Compensation Fund constitute successor taxes that are  
 8 otherwise required to be allocated to counties and cities, and as  
 9 successor taxes, the obligation to make those transfers as required  
 10 by this section shall not be extinguished nor disregarded in any  
 11 manner that adversely affects the security of, or the ability of, a  
 12 county or city to pay the principal and interest on any debts or  
 13 obligations that were funded or secured by that city's or county's  
 14 allocated share of motor vehicle license fee revenues.  
 15 (f) This section shall not be construed to do any of the following:  
 16 (1) Reduce any allocations of excess, additional, or remaining  
 17 funds that would otherwise have been allocated to county  
 18 superintendents of schools, cities, counties, and cities and counties  
 19 pursuant to clause (i) of subparagraph (B) of paragraph (4) of  
 20 subdivision (d) of Sections 97.2 and 97.3 or Article 4 (commencing  
 21 with Section 98) had this section not been enacted. The allocations  
 22 required by this section shall be adjusted to comply with this  
 23 paragraph.  
 24 (2) Require an increased ad valorem property tax revenue  
 25 allocation or increased tax increment allocation to a community  
 26 redevelopment agency.  
 27 (3) Alter the manner in which ad valorem property tax revenue  
 28 growth from fiscal year to fiscal year is otherwise determined or  
 29 allocated in a county.  
 30 (4) Reduce ad valorem property tax revenue allocations required  
 31 under Article 4 (commencing with Section 98).  
 32 (g) Tax exchange or revenue sharing agreements, entered into  
 33 prior to the operative date of this section, between local agencies  
 34 or between local agencies and nonlocal agencies are deemed to be  
 35 modified to account for the reduced vehicle license fee revenues  
 36 resulting from the act that added this section. These agreements  
 37 are modified in that these reduced revenues are, in kind and in lieu

38 thereof, replaced with ad valorem property tax revenue from a  
39 Vehicle License Fee Property Tax Compensation Fund or an  
40 Educational Revenue Augmentation Fund.

P12 1 **SEC. 2.**

2 *If the Commission on State Mandates determines that*  
3 *this act contains costs mandated by the state, reimbursement to*  
4 *local agencies and school districts for those costs shall be made*  
5 *pursuant to Part 7 (commencing with Section 17500) of Division*  
6 *4 of Title 2 of the Government Code.*

6 ~~SECTION 1.~~

7 ~~It is the intent of the Legislature to enact~~  
8 ~~legislation that would restore funding to cities that either were~~  
~~incorporated or annexed territory after 2004.~~

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98

9 April 2013

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Senator Richard Roth  
California State Senate  
State Capital Room 4034  
Sacramento, CA 95814

Subject: **Support of SB 56**

Dear Senator Roth:

The California Association of Local Agency Formation Commissions is pleased to support SB 56 authored by yourself and Senator Emmerson. The bill reinstates allocations to recently incorporated cities and cities which annexed inhabited areas, consistent with the allocation formula those communities relied upon when making the decision to incorporate or annex the affected territory.

The CALAFCO Board believes the VLF gap created by SB 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. Further, it created severe fiscal penalties for those communities which chose to annex inhabited territories, particularly unincorporated islands. In several previous legislative acts the Legislature had directed LAFCos to work with cities to annex unincorporated inhabited islands. SB 89 also created severe penalties for those communities which have recently voted to incorporate themselves. While SB 56 does not eliminate these disincentives and penalties for future incorporations and annexations, it makes whole the cities incorporated since 2005, and avoids the likely disincorporation or bankruptcies of these cities.

Reinstating revenues for incorporations and annexations is consistent with the CALAFCO legislative policy of providing communities with local governance and efficient service delivery options, including the ability to incorporate or annex.

Because SB 56 reinstates a critical funding component to incorporations and inhabited annexations, CALAFCO supports this bill.

Thank you to you and Senator Emmerson for carrying this important legislation.

Sincerely yours,



Pamela Miller  
Executive Director

Cc: Senator Bill Emmerson  
Committee Members, Senate Local Governance and Finance Committee  
Samantha Lui, Consultant, Senate Local Governance and Finance Committee  
Ryan Eisberg, Consultant, Senate Republican Caucus

**SB 772: Bill Language as of February 22, 2013  
and CALAFCO Position Letter in Opposition**

**Attachment 5**

**SENATE BILL****No. 772****Introduced by Senator Emmerson**

February 22, 2013

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

**LEGISLATIVE COUNSEL'S DIGEST**

SB 772, as introduced, Emmerson. Drinking water.

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

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

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

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

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

This bill would require the commission to require the above-described statement, and would require the statement also to be filed with the local agency formation committee

for the county in which the water corporation is located.

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

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

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

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

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

P3 1 SECTION 1.

The Legislature finds and declares all of the following:

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

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

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

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

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

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

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

P4 1 SEC. 2.

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

3 56430.

4 (a) In order to prepare and to update spheres of  
5 influence in accordance with Section 56425, the commission shall  
6 conduct a service review of the municipal services provided in the  
county or other appropriate area designated by the commission.

7 The commission shall include in the area designated for service  
 8 review the county, the region, the subregion, or any other  
 9 geographic area as is appropriate for an analysis of the service or  
 10 services to be reviewed, and shall prepare a written statement of  
 11 its determinations with respect to each of the following:

12 (1) Growth and population projections for the affected area.

13 (2) The location and characteristics of any disadvantaged  
 14 unincorporated communities within or contiguous to the sphere  
 15 of influence.

16 (3) Present and planned capacity of public facilities, adequacy  
 17 of public services, and infrastructure needs or deficiencies including  
 18 needs or deficiencies related to sewers, municipal and industrial  
 19 water, and structural fire protection in any disadvantaged,  
 20 unincorporated communities within or contiguous to the sphere  
 21 of influence.

22 (4) Financial ability of agencies to provide services.

23 (5) Status of, and opportunities for, shared facilities.

24 (6) Accountability for community service needs, including  
 25 governmental structure and operational efficiencies.

26 (7) Any other matter related to effective or efficient service  
 27 delivery, as required by commission policy.

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

36 (c) In conducting a service review, the commission may include  
 37 a review of whether the agencies under review, including any  
 38 public water system as defined in Section 116275, are in  
 39 compliance with the California Safe Drinking Water Act (Chapter  
 40 4 (commencing with Section 116270) of Part 12 of Division 104  
 P5 1 of the Health and Safety Code). A public water system may satisfy  
 2 any request for information as to compliance with that act by  
 3 submission of the consumer confidence or water quality report  
 4 prepared by the public water system as provided by Section 116470  
 5 of the Health and Safety Code.

6 (d) The commission ~~may~~ shall request information, as part of  
 7 a service review under this section, from identified public or private  
 8 entities that provide wholesale or retail supply of drinking water,  
 9 including mutual water companies formed pursuant to Part 7  
 10 (commencing with Section 14300) of Division 3 of Title 1 of the  
 11 Corporations Code, and private utilities, as defined in Section 1502  
 12 of the Public Utilities Code. *The information submitted shall*  
 13 *include the identification of any retail water supplier within or*  
 14 *contiguous to the responding entity for the purpose of aiding the*  
 15 *commission in creating a comprehensive review of retail water*  
 16 *suppliers in the county.*

17 (e) The commission shall conduct a service review before, or  
 18 in conjunction with, but no later than the time it is considering an  
 19 action to establish a sphere of influence in accordance with Section  
 20 56425 or 56426.5 or to update a sphere of influence pursuant to  
 21 Section 56425.

22 (f) *The commission shall provide a copy of its sphere of influence*  
 23 *review for retail private and public water suppliers to the Public*  
 24 *Utilities Commission and the State Department of Public Health.*

25 SEC. 3.

26 Section 116453 is added to the *Health and Safety Code*,  
 to read:

27 116453.

28 The department or the local health agency, where  
 29 applicable, annually shall provide the following:  
 30 (a) The address and telephone number for each public water  
 31 system and state small water system to the Public Utilities  
 32 Commission.  
 33 (b) The address and telephone number for each public water  
 34 system and state small water system in a county to the local agency  
 35 formation commission for that county.

SEC. 4.

Section 2709 of the *Public Utilities Code* is amended  
 to read:

2709.

(a) The commission ~~may~~ shall require any water  
 corporation to file with the commission a statement in writing  
 defining and describing the lands and territory to be supplied by  
 the corporation with water.

P6 1 (b) A water corporation shall also file the statement described  
 2 in subdivision (a) with a local agency formation commission  
 3 formed pursuant to Division 3 (commencing with Section 56000)  
 4 of Title 5 for the county in which the water corporation is located.

SEC. 5.

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

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10 April 2013

**2013  
Board of Directors**

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Amador LAFCo

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SAMUEL MARTINEZ  
Deputy Executive Officer

JENI TICKLER  
Executive Assistant

Senator Bill Emmerson  
California State Senate  
State Capital Room 5082  
Sacramento, CA 95814

**Subject: Opposition of SB 772**

Dear Senator Emmerson:

On behalf of the California Association of Local Agency Formation Commissions (CALAFCO), I write to express our respectful opposition to your bill, SB 772. Local Agency Formation Commissions (LAFCo) are aware of and concerned about issues relating to the delivery of adequate and safe drinking water. CALAFCO supports your efforts to address these problems which persist in many counties, and we thank you for your willingness to meet with us and continue dialogue on how to achieve the best possible piece of legislation to accomplish our mutual goal of increased sharing of information among public agencies for improved delivery of these public services.

Of primary concern is that the outcome of this legislation, while producing studies in each county over time, does not result in any changes to community services or facilities. Further, a LAFCo on its own has no authority or ability to implement any of the recommendations that may come from the studies required by this legislation. This authority currently lies with the Public Utilities Commission (PUC) and Department of Public Health (DPH). Specific concerns include:

- 1. Creates a Significant Unfunded Mandate to LAFCo and Local Agencies.** The studies, analysis and preparation of recommendations that would be required, impose an unfunded mandate on all LAFCos. By law LAFCo is forced to pass those costs on to cities, counties – and in 30 counties – special districts which fund the commissions. In these severe economic times for local agencies this is a difficult proposition. LAFCos have no other revenue source to fund the required studies. With limited staff, many of these studies will require outside consultants at an added cost. The PUC and DPH, who currently have responsibility for regulatory oversight and compliance of these private water agencies, have access to a far greater pool of resources to continue their oversight than LAFCos. The legislation is particularly difficult for small agencies such as the LAFCo in each county. Most have fewer than two staff members and have had their budgets and staffing cut by the local agencies which fund LAFCo.
- 2. Changes Service Review Information Gathering for Public and Private Agencies from May to Shall.** The amended language requires LAFCo to request information, as part of a service review, from identified public or private entities that provide wholesale or retail supply of drinking water. This will add costly, time consuming studies to every review. As LAFCos begin to implement the requirements of AB 54 (Solario), they are finding that obtaining the information from these agencies is difficult at best, and in many cases the requests go unanswered.

3. **Requirement of a Sphere of Influence for Private Water Agencies.** In the case of a private water agency, it is the PUC that provides oversight to the boundaries of the water agencies. A Sphere Of Influence (SOI) does nothing to determine service levels. As boundaries are regulated by the PUC, it serves no benefit for LAFCo to be involved with a private water agency's SOI. Creating a SOI for each private water agency would mean a Municipal Service Review for each agency. This is a significant increase in workload and responsibility for LAFCOs as there could be hundreds of these agencies in a given County.

The sponsor states that AB 54 established a precedent for LAFCOs to request information from and establish a sphere of influence and municipal service review for mutual water companies. Under AB 54, the mutual water agencies are to provide maps of their service area to LAFCo. Many LAFCOs have gone beyond that to assist them to comply with this requirement; however they are not developing a SOI from that information, as that was not the intention of LAFCOs role as stated in AB 54.

Furthermore, the bill's sponsor indicates that some private water agencies have failed to provide required information to the agencies that currently regulate them. CALAFCO believes that if these agencies are unresponsive to the agencies that have punitive authority based on their regulatory oversight position, there will be no response to a LAFCo who will be requesting the same information.

CALAFCO remains committed to help find solutions to the mutual goal of increased sharing of information among public agencies for improved delivery of these public services. We respectfully suggest, however, that simply moving the responsibility of tracking these private water agencies from one government entity to another does little to solve the problem.

Again, we appreciate your willingness to engage CALAFCO in the process and work to address our concerns. We look forward to continue working with you on addressing the issue of increasing information sharing amongst agencies through a process that is efficient and effective for everyone.

Yours sincerely,



Pamela Miller  
Executive Director

cc: Committee Members, Senate Local Governance and Finance Committee  
Samantha Lui, Consultant, Senate Local Governance and Finance Committee  
Ryan Eisberg, Consultant, Senate Republican Caucus

**AB 774: Bill Language as of March 19, 2013**

**Attachment 6**

**ASSEMBLY BILL**

**No. 774**

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**Introduced by Assembly Member Donnelly**

February 21, 2013

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An act to amend Section ~~25217.2~~ 25215 of, and to add Sections 25213.7 and 25217.5 to, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 774, as amended, Donnelly. ~~County-County~~ service areas: zone dissolution.

The County Service Area Law authorizes the county board of supervisors, acting as the governing authority of a county service area, to provide for the collection and enforcement of property-related fees and charges in the same manner that the county collects and enforces property-related fees and charges for the property-related services that the county provides. *Existing law allows the board to raise revenues, as specified, whenever the amount of revenue available to the county service area is inadequate to meet the costs of operating and maintaining the services and facilities that the county service area provides.* Existing law authorizes the dissolution of a county service area and allows the board to change the boundaries of a zone, or to dissolve the zone, by following specified procedures.

This bill would require the board, *upon dissolution of a county service area or a specified zone*, to post signs indicating which services and facilities are no longer provided within the zone and require the board to provide adequate maintenance to the signs. This bill would provide that, once the signs are ~~posted and the action is recorded~~, *posted*, the

county and the dissolved zone shall not be held liable for death or injury resulting from the termination of services or facilities. *This bill would also provide that the county, county service area, and zones would not be responsible for a loss or injury resulting from the failure to provide maintenance of services or facilities if the board is unable to raise revenues. This bill would require the board to mail notice to an owner of property within the county service area, or zones that will no longer be able to maintain the services or facilities.*

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

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

1     SECTION 1. Section 25213.7 is added to the Government Code,  
2     to read:

3     25213.7. (a) Notwithstanding any other law, upon dissolution  
4     of a county service area providing services or facilities for a public  
5     street or divestiture of authority to provide services or facilities  
6     for a public street, the board shall post clearly visible signs within  
7     the zone for which authorized services, levels of service, or  
8     authorized facilities are no longer being provided within the zone.  
9     The sign shall indicate what service or facility is no longer being  
10    provided within the zone and that the county and the zone are not  
11    responsible for any loss or injury resulting from the termination  
12    of services or facilities. The board shall provide adequate  
13    maintenance to ensure that the signs remain posted within the zone  
14    and the message is legible for a period of one year.

15    (b) After the signs are posted pursuant to subdivision (a), the  
16    county and the dissolved zone shall not be held liable for death or  
17    injury resulting from termination of services or facilities.

18    SEC. 2. Section 25215 of the Government Code is amended to  
19    read:

20    25215. (a) Whenever the board determines that the amount  
21    of revenue available to a county service area or any of its zones is  
22    inadequate to meet the costs of operating and maintaining the  
23    services and facilities that the county service area provides, the  
24    board may raise revenues pursuant to this article or any other  
25    provision of law.

26    (b) If the board is unable to raise revenues, the county, county  
27    service area, and the county service area's zones shall not be

1 responsible for a loss or injury resulting from the failure to provide  
2 maintenance of services or facilities that the county service area  
3 or any of its zones provides. The board shall mail notice to any  
4 owner of property within the county service area or any of its zones  
5 that it will no longer be able to maintain the services or facilities.

6 SEC. 3. Section 25217.5 is added to the Government Code, to  
7 read:

8 25217.5. (a) Upon dissolution of a zone providing services or  
9 facilities for a public street, as authorized by Section 25217.2, the  
10 board shall post clearly visible signs within the zone for which  
11 authorized services, levels of service, or authorized facilities are  
12 no longer being provided within the zone. The sign shall indicate  
13 what service or facility is no longer being provided within the zone  
14 and that the county and the zone are not responsible for any loss  
15 or injury resulting from the termination of services or facilities.  
16 The board shall provide adequate maintenance to ensure that the  
17 signs remain posted within the zone and the message is legible for  
18 a period of one year.

19 (b) After the signs are posted pursuant to subdivision (a), the  
20 county and the dissolved zone shall not be held liable for death or  
21 injury resulting from termination of services or facilities.

22 SECTION 1. ~~Section 25217.2 of the Government Code is~~  
23 ~~amended to read:~~

24 25217.2. (a) ~~The board may change the boundaries of a zone~~  
25 ~~or dissolve a zone by following the procedures in Sections 25217~~  
26 ~~and 25217.1, as appropriate.~~

27 ~~(b) Upon dissolution of a zone, the board shall post clearly visible~~  
28 ~~signs within the zone for which authorized services, levels of~~  
29 ~~service, or authorized facilities are no longer being provided within~~  
30 ~~the zone. The sign shall indicate what service or facility is no~~  
31 ~~longer being provided within the zone and that the county and the~~  
32 ~~zone are not responsible for any loss or injury resulting from the~~  
33 ~~termination of services or facilities. The board shall provide~~  
34 ~~adequate maintenance to ensure that the signs remain posted within~~  
35 ~~the zone and the message is legible for a period of one year. Once~~  
36 ~~the signs are posted and the action is duly recorded, the county~~  
37 ~~and the dissolved zone shall not be held liable for death or injury~~  
38 ~~resulting from termination of services or facilities.~~

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**AB 774 – Donnelley  
San Bernardino County Sponsor**

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**Proposed Amendment to AB 774**

Amend Government Code Section 25215 to add:

(b) In the event that the board is unable to raise revenues, neither the County, county service area nor any of its zones shall be responsible for any loss or injury resulting from the failure to provide such maintenance of services and facilities that the county service area or any of its zones provides. The board shall mail notice to all owners of property within the county service area or any of its zones that it will no longer be able to maintain such services or facilities.

Add Government Code Section 25213.7:

Notwithstanding any other provision, upon dissolution of a county service area providing services and facilities for public streets or divestiture of authority to provide services and facilities for public streets, the board shall cause signs to be posted clearly visible within the county service area for which authorized services, levels of service or authorized facilities are no longer being provided within the county service area. The sign shall indicate what services or facilities are no longer being provided and that neither the county nor county service area is responsible for any loss or injury resulting from the termination of services or facilities. The board shall provide adequate maintenance to ensure that the signs remain posted within the county service area and the message is legible for a period of one year. Once such action is taken and duly recorded and the required signs are posted, neither the county nor dissolved county service area shall be held liable for the death of or injury to any person resulting from termination of services or facilities.

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**AB 774 Language Introduced February 21, 2013**

Add mend-Government Code Section 25217.52:

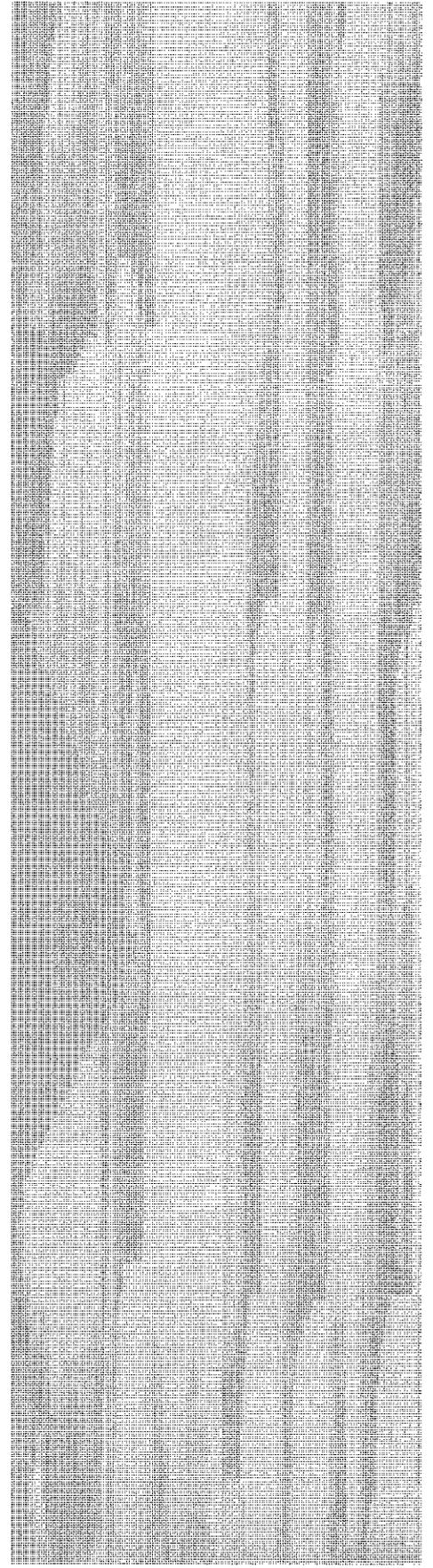
Upon dissolution of a zone providing services and facilities for public streets as authorized by Section 25217.2, the board shall cause signs to be posted clearly visible within the zone for which authorized services, levels of service or authorized facilities are no longer being provided within the zone. The sign shall indicate what services or facilities are no longer being provided and that neither the county nor zone is responsible for any loss or injury resulting from the termination of services or facilities. The board shall provide adequate maintenance to ensure that the signs remain posted within the zone and the message is legible for a period of

02/25/2013

**AB 774 – Donnelley  
San Bernardino County Sponsor**

one year. Once such action is taken and duly recorded and the required signs are posted, neither the county nor dissolved zone shall be held liable for the death of or injury to any person resulting from termination of services or facilities.

02/25/2013



## Rollings-McDonald, Kathleen

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**From:** Rollings-McDonald, Kathleen  
**Sent:** Wednesday, February 27, 2013 10:34 AM  
**To:** 'Carole Cooper'; 'Pamela Miller'; 'Bob Braitman'; 'Carolyn Emery'; 'Clark Alsop'; 'David Church'; Eugene Montanez; 'Gay Jones'; 'George Spiliotis'; 'Harry Ehrlich'; 'Jerome Keene'; 'John Leopold'; 'Juliana Inman'; 'Keene Simonds'; 'Kristina Berry'; 'Lou Ann Texeira'; 'Marjorie Blom'; 'Mary Jane Griego'; Matt Beekman; Michael Kelley; Mike McGill; 'Mona Palacios'; 'Nancy Miller'; 'Neelima Palacherla'; 'Paige Hensley'; 'Paul Novak'; 'Paula de Sousa'; Robert Bergman; 'Scott Browne'; 'Steven Lucas'; 'Ted Novelli'  
**Subject:** RE: CALAFCO Legislation 2012/2013

Morning all,

In the tracking section you should probably add AB 774 Donnelly related to dissolution of zones of County Service Areas. This is related to removal of liability when revenues are inadequate to fund maintenance activities. I understand that Senator Fuller will be introducing a spot bill relate to an agency in my county but I haven't seen it yet. I will let you know if it actually appears.

Kathy

**Kathleen Rollings-McDonald**  
**Executive Officer**

San Bernardino LAFCO  
215 North "D" Street, Suite 204  
San Bernardino, CA 92415  
(909) 383-9900

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**From:** Carole Cooper [mailto:Carole.Cooper@sonoma-county.org]  
**Sent:** Wednesday, February 27, 2013 9:30 AM  
**To:** 'Pamela Miller'; 'Bob Braitman'; 'Carolyn Emery'; 'Clark Alsop'; 'David Church'; Eugene Montanez; 'Gay Jones'; 'George Spiliotis'; 'Harry Ehrlich'; 'Jerome Keene'; 'John Leopold'; 'Juliana Inman'; Rollings-McDonald, Kathleen; 'Keene Simonds'; 'Kristina Berry'; 'Lou Ann Texeira'; 'Marjorie Blom'; 'Mary Jane Griego'; Matt Beekman; Michael Kelley; Mike McGill; 'Mona Palacios'; 'Nancy Miller'; 'Neelima Palacherla'; 'Paige Hensley'; 'Paul Novak'; 'Paula de Sousa'; Robert Bergman; 'Scott Browne'; 'Steven Lucas'; 'Ted Novelli'  
**Subject:** RE: CALAFCO Legislation 2012/2013

Whew!

Thanks for all your work on this, Pamela. Thanks for those responsible for getting sponsors for AB 743 (Steve Lucas, I'm guessing) and AB 453 (Mullin is from San Mateo, so Martha - ? and/or Harry and/or Pamela). One minor comment on CALAFCO Comments on AB 743: instead of the term "disadvantage community areas," why not track the language in 56375(a) (8)(A) and use "disadvantaged unincorporated communities" instead?

Looks to me like there is a lot of interest in water, CEQA and oversight of local agencies. It will be interesting to see what happens as these bills move along. A few comments and questions: (1) re: AB 1235...financial management training...does "local agency" include LAFCO? Wasn't it AB 1234, several years ago, that LAFCO counsel varied their opinions that this training is required for LAFCOs? (2) AB 1248 is interesting about "internal control guidelines;" wonder how such would help inform MSRs; (3) SB 772 seeks greater oversight of water suppliers with language that "requires" LAFCOs to act and suppliers to comply...if our experience, here in Sonoma County, with getting service area maps and information from the @60 mutual water companies (via AB 54) is any example, these folks as well as representatives of small and private water systems are not going to be happy campers: frequently, many don't understand what government has to do with them, and they don't want government to have anything to do with them; this will put more pressure on LAFCOs.

Carole

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**From:** Pamela Miller [<mailto:pmiller@calafco.org>]

**Sent:** Tuesday, February 26, 2013 5:57 PM

**To:** 'Bob Braitman'; Carole Cooper; 'Carolyn Emery'; 'Clark Alsop'; 'David Church'; Eugene Montanez; 'Gay Jones'; 'George Spiliotis'; 'Harry Ehrlich'; 'Jerome Keene'; 'John Leopold'; 'Juliana Inman'; 'Kathleen Rollings-McDonald'; 'Keene Simonds'; 'Kristina Berry'; 'Lou Ann Texeira'; 'Marjorie Blom'; 'Mary Jane Griego'; Matt Beekman; Michael Kelley; Mike McGill; 'Mona Palacios'; 'Nancy Miller'; 'Neelima Palacheria'; 'Paige Hensley'; 'Pamela Miller'; 'Paul Novak'; 'Paula de Sousa'; Robert Bergman; 'Scott Browne'; 'Steven Lucas'; 'Ted Novelli'

**Cc:** [pmiller@calafco.org](mailto:pmiller@calafco.org)

**Subject:** CALAFCO Legislation 2012/2013

Good afternoon Legislative Committee.

The mad rush to submit bills is over, and now that the dust has settled, the total count for 2012/2013 is as follows:

House bills introduced = 1,436

Senate bills introduced = 862

Total bills introduced = 2,298

I've done my best, given it is my first time perusing the bills that impact LAFcos, to extract those bills that need to be tracked by CALAFCO. I could use your help in taking a look at the list to ensure its accuracy and completeness. If there is a bill that you are aware of that is not on this list and you feel it should be tracked, let me know. The bills that are tagged for tracking are attached. You can also find them on the CALAFCO website in the Legislative Committee section under Daily Legislative report, by following this link: <http://calafco.org/index.php/legislation/legislative-committee-members>

Our Omnibus bill is in the pipeline is being reviewed by ALGC staff with the Committee Chair's Chief of Staff for unconditional support prior to being sent formally by the ALGC staff to stakeholders (we are already working with stakeholders ahead of this).

AB 453 (Mullin - D), Sustainable Communities grants is attached, as is AB 743 (Logue - R), Island Annexations.

The annual validation bills, SB 181, SB 182, and SB 183 have typically been supported by CALAFCO with a letter of support sent. Given this was standard past practice, I plan to submit a letter of support on behalf of CALAFCO again this year.

There are a number of CEQA bills, and a couple related to DUCs. In total as of today, there are 36 designated for tracking. Your thoughts are welcome.

*Pamela*

Pamela Miller  
Executive Director  
California Association of Local Agency Formation Commissions  
1215 K Street, Suite 1650  
Sacramento, CA 95814  
916-442-6536

[www.calafco.org](http://www.calafco.org)

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CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 774**

**Introduced by Assembly Member Donnelly**

February 21, 2013

An act to amend Section 25217.2 of the Government Code, relating to local government.

**LEGISLATIVE COUNSEL’S DIGEST**

AB 774, as introduced, Donnelly. Country service areas: zone dissolution.

The County Service Area Law authorizes the county board of supervisors, acting as the governing authority of a county service area, to provide for the collection and enforcement of property-related fees and charges in the same manner that the county collects and enforces property-related fees and charges for the property-related services that the county provides. Existing law allows the board to change the boundaries of a zone, or to dissolve the zone, by following specified procedures.

This bill would require the board to post signs indicating which services and facilities are no longer provided within the zone and require the board to provide adequate maintenance to the signs. This bill would provide that, once the signs are posted and the action is recorded, the county and the dissolved zone shall not be held liable for death or injury resulting from the termination of services or facilities.

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

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

P2 1       **SECTION 1.**  
           Section 25217.2 of the *Government Code* is  
 2 amended to read:  
 3       **25217.2.**  
           (a) The board may change the boundaries of a zone  
 4 or dissolve a zone by following the procedures in Sections 25217  
 5 and 25217.1, as appropriate.  
           (b) Upon dissolution of a zone, the board shall post clearly  
 6 visible signs within the zone for which authorized services, levels  
 7 of service, or authorized facilities are no longer being provided  
 8 within the zone. The sign shall indicate what service or facility is  
 9 no longer being provided within the zone and that the county and  
 10 the zone are not responsible for any loss or injury resulting from  
 11 the termination of services or facilities. The board shall provide  
 12 adequate maintenance to ensure that the signs remain posted within  
 13 the zone and the message is legible for a period of one year. Once  
 14 the signs are posted and the action is duly recorded, the county  
 15 and the dissolved zone shall not be held liable for death or injury  
 16 resulting from termination of services or facilities.  
 17

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**SB746: Bill Language as of April 4, 2013 and Letter  
from Marina West Requesting the Discussion be  
Deferred to May Hearing**

**Attachment 7**

AMENDED IN SENATE APRIL 4, 2013

**SENATE BILL****No. 246****Introduced by Senator Fuller**

February 12, 2013

An act to ~~amend Section 33305~~ *repeal Part 9.2 (commencing with Section 33300) of Division 12 of the Water Code, and to amend Sections 1, 2, 12, and 15 of, to amend and renumber Sections 5, 7, 8, 10, 11, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 42, 48, 50, 52, 53, 53.1, 53.2, and 54 of, to add Sections 8, 10, 11, and 30 to, to repeal Sections 3, 15.1, 15.2, 15.3, 16, 17, 18, 19.5, 21, 22, 36, 40, 41, 45, 46, 49, and 51 of, and to repeal and add Sections 9, 13, and 14 of, the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969), relating to water districts.*

**LEGISLATIVE COUNSEL'S DIGEST**

SB 246, as amended, Fuller. ~~Desert View Water District-Bighorn Mountains-Bighorn-Desert View Water Agency.~~

Existing law, the Desert View Water District-Bighorn Mountains Water Agency Consolidation Law, authorized a consolidation between the Desert View Water District and the Bighorn Mountains Water Agency and required a county water district consolidated with the Bighorn Mountains Water Agency to separately account for and use all funds derived from the operation of the former district system exclusively for the purposes of maintenance, operation, betterments, and bond debt service of the acquired system until all debt of the former system has been paid in full or until a majority vote of the electorate, as prescribed, authorizes other expenditures.

*Under existing law, the Desert View Water District and the Bighorn Mountains Water Agency consolidated forming the Bighorn-Desert View Water Agency. Existing law, the Bighorn-Desert View Water Agency Law, grants to the consolidated successor district specified authorizations, powers, and duties and makes a violation of certain regulations and ordinances a misdemeanor.*

*This bill would ~~instead specify~~ make conforming changes related to the consolidated district and would repeal the provisions under which the consolidation was completed. The bill would revise various provisions relating to the operation of the district, including, but not limited to, specifying procedures for the repayment of bonded indebtedness incurred prior to the consolidation and would prohibit the consolidation from being construed to impair any existing contract consolidation, and eliminating the misdemeanor for ordinance violations and making a violation of certain regulations an infraction instead of misdemeanor, as prescribed.*

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

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

P2 1        **SECTION 1.**  
           *Part 9.2 (commencing with Section 33300) of*  
 2        *Division 12 of the Water Code is repealed.*  
 3        **SEC. 2.**  
           *Section 1 of the Bighorn-Desert View Water Agency*  
 4        *Law (Chapter 1175 of the Statutes of 1969), as amended by Section*  
 5        *2 of Chapter 570 of the Statutes of 1989, is amended to read:*  
 6        Section 1.  
           This act is designated, and may be cited and referred  
 7        to as, the ~~"Bighorn Mountains "~~*Bighorn-Desert View Water*  
 8        *Agency Law."*  
 9        ~~If the Desert View Water District and the Bighorn Mountains~~  
 10       ~~Water Agency consolidate, this act shall thereafter be designated,~~  
 11       ~~and may be cited and referred to, by the full name of the~~  
 12       ~~consolidated successor district, followed by the word "Law."~~  
 13       **SEC. 3.**  
           *Section 2 of the Bighorn-Desert View Water Agency*  
 14       *Law (Chapter 1175 of the Statutes of 1969) is amended to read:*  
 15       Sec. 2.  
           ~~The Bighorn Mountains Bighorn-Desert View Water~~  
 16       *Agency, formed by the consolidation of agencies authorized*  
 17       *pursuant to former Part 9.2 (commencing with Section 33300) of*  
 18       *Division 12 of the Water Code, is hereby created, organized, and*  
 19       *incorporated and shall be managed as herein expressly provided*  
 20       *and may exercise the powers herein expressly granted or*  
 21       *necessarily implied, and may include contiguous or noncontiguous*  
 P3 1       ~~parcels of both unincorporated and incorporated territory, other~~  
 2       ~~than territory included in any public district having identity of~~  
 3       ~~purpose or substantial identity of purpose, without the prior consent~~  
 4       ~~of such public district, evidenced by a resolution duly adopted by~~  
 5       ~~the governing board thereof, territory and shall include all territory~~  
 6       ~~lying within the following described boundaries:~~  
 7       All that real property situate in the County of San Bernardino,  
 8       State of California, more particularly described as follows:  
 9       (a) Township 3 North, Range 4 East, San Bernardino Base and  
 10       Meridian:  
 11       Section 7  
 12       Section 8  
 13       Section 11  
 14       South  $\frac{1}{2}$   $\frac{1}{2}$  Section 2  
 15       Southwest  $\frac{1}{4}$   $\frac{1}{4}$  Section 12  
 16       Section 13, excluding the North  $\frac{1}{2}$   $\frac{1}{2}$  of the Northeast  $\frac{1}{4}$   $\frac{1}{4}$   
 17       Section 14  
 18       Section 15  
 19       Section 16  
 20       Section 17  
 21       East  $\frac{1}{2}$   $\frac{1}{2}$  Section 18  
 22       Northeast  $\frac{1}{4}$   $\frac{1}{4}$ , Northeast  $\frac{1}{4}$   $\frac{1}{4}$ , Section 20  
 23       North  $\frac{1}{2}$   $\frac{1}{2}$  Section 21  
 24       North  $\frac{1}{2}$   $\frac{1}{2}$  Section 22  
 25       (b) Township 3 North, Range 5, East, San Bernardino Base and  
 26       Meridian:  
 27       ~~South  $\frac{1}{2}$ , South  $\frac{1}{2}$ ,  $\frac{1}{2}$ , Southwest  $\frac{1}{4}$ ,  $\frac{1}{4}$ , Section 4~~  
 28       Section 8  
 29       ~~Northwest  $\frac{1}{4}$  and South  $\frac{1}{2}$ , Section 9, excluding the Northeast~~  
 30        ~~$\frac{1}{4}$~~   
 31       Southwest  $\frac{1}{4}$   $\frac{1}{4}$  Section 10  
 32       Section 13  
 33       South  $\frac{1}{2}$   $\frac{1}{2}$  Section 14  
 34       ~~Northwest  $\frac{1}{4}$  and South  $\frac{1}{2}$ , Section 15, excluding the Northeast~~  
 35        ~~$\frac{1}{4}$~~

- 36 Section 16
- 37 Section 17
- 38 Section 18
- 39 Section 21
- 40 Section 22
- P4 1 Section 23
- 2 ~~Northwest 1/4, Northwest 1/4, Section 24~~
- 3 ~~West 1/2 1/2 Section 26~~
- 4 Section 27
- 5 ~~Southeast 1/4 1/4 Section 33~~
- 6 Section 34
- 7 ~~Northwest 1/4 and South 1/2, Section 35, excluding the Northeast~~
- 8 ~~1/4~~
- 9 ~~West 1/2, Northwest 1/4, Southwest 1/4, Section 36~~
- 10 ~~Northeast 1/4, Northwest 1/4, Southwest 1/4, Section 36~~
- 11 (c) Township 2 North, Range 5 East, San Bernardino Base and
- 12 Meridian:
- 13 Section 2
- 14 Section 3
- 15 Section 10
- 16 Section 11
- 17 Section 12
- 18 *Section 13*
- 19 *Section 14*
- 20 *Section 15*
- 21 *Section 22*
- 22 *Section 23*
- 23 *Section 26*
- 24 *Section 27*
- 25 *Section 34*
- 26 (d) Township 2 North, Range 6 East, San Bernardino Base and
- 27 Meridian:
- 28 ~~Section 3~~
- 29 ~~Section 4~~
- 30 Section 5
- 31 Section 6
- 32 Section 7, *except certain parcels described as:*
- 33 *630-032-04 W 1/2 SW 1/4 SW 1/4 SE 1/4 SEC 7 TP 2N R 6E 5 AC*
- 34 *630-032-05 E 1/2 SW 1/4 SW 1/4 SE 1/4 SEC 7 TP 2N R 6E EX*
- 35 *RDS*
- 36 *630-032-09 W 1/2 NE 1/4 NW 1/4 SE 1/4 SEC 7 TP 2N R 6E EX*
- 37 *RD*
- 38 *630-032-10 W 1/2 SE 1/4 NW 1/4 SE 1/4 SEC 7 TP 2N R 6E EX RD*
- 39 *630-032-11 W 1/2 NE 1/4 SW 1/4 SE 1/4 SEC 7 TP 2N R 6E EX RD*
- 40 *630-032-15 E 1/2 SE 1/4 NW 1/4 SE 1/4 SEC 7 TP 2N R 6E 5 AC*
- P5 1 *630-032-49 W 1/2 SE 1/4 SW 1/4 SE 1/4 SEC 7 TP 2N R 6E EX W*
- 2 *100 FT S 422 FT THEREOF AND EX RDS*
- 3 *630-041-26 W 1/2 SE 1/4 NW 1/4 NE 1/4 SEC 7 TP 2N R 6E EX*
- 4 *RD MNL RTS AS RESERVED BY USA 5 AC*
- 5 *630-041-30 E 1/2 SE 1/4 SW 1/4 NE 1/4 SEC 7 TP 2N R 6E 5 AC*
- 6 *630-041-39 W 1/2 SE 1/4 NE 1/4 NE 1/4 SEC 7 TP 2N R 6E 5 AC*
- 7 *630-041-42 N 280 FT W 1/4 SE 1/4 SW 1/4 NE 1/4 SEC 7 TP 2N R*
- 8 *6E EX RD*
- 9 *630-041-54 N 130 FT S 380 FT W 1/4 SE 1/4 SW 1/4 NE 1/4 SEC*
- 10 *7 TP 2N R 6E 5 EX RD*
- 11 *630-041-55 S 250 FT W 1/4 SE 1/4 SW 1/4 NE 1/4 SEC 7 TP 2N R*
- 12 *6E 5 EX RD*
- 13 *630-041-56 N 1/2 E 1/2 SE 1/4 NW 1/4 NE 1/4 SEC 7 TP 2N R 6E*
- 14 *EX RD*
- 15 *630-041-57 S 1/2 E 1/2 SE 1/4 NW 1/4 NE 1/4 SEC 7 TP 2N R 6E*
- 16 ~~Section 8~~
- 17 ~~Section 9~~

18 Section 10  
 19 Section 14  
 20 Section 16  
 21 Section 18, *except certain parcels described as:*  
 22 630-021-18 E 1/2 SW 1/4 NW 1/4 NE 1/4 SEC 18 TP 2N R 6E EX  
 23 RD  
 24 630-021-67 N 1/2 E 1/2 NW 1/4 NW 1/4 NE 1/4 SEC 18 TP 2N R 6E  
 25 EX S 130 FT W 100 FT E 230 FT THEREOF AND EX MNL RTS  
 26 AS RESERVED BY USA EX RDS  
 27 West 1/2 1/2, Section 19

28 Section 22  
 29 Section 30  
 30 North 1/2, Northwest 1/4, Section 31

31 SEC. 4.  
 Section 3 of the Bighorn-Desert View Water Agency  
 32 Law (Chapter 1175 of the Statutes of 1969), as added by Section  
 33 3 of Chapter 570 of the Statutes of 1989, is repealed.

34 ~~Sec. 3.~~  
 If the Desert View Water District and the Bighorn  
 35 Mountains Water Agency consolidate, the board of directors of  
 36 both entities may accept, as a San Bernardino County Local  
 37 Agency Formation Commission condition of that consolidation,  
 38 the selection of a different name for the agency. Thereafter, all  
 39 statutory references to "Bighorn Mountains Water Agency" shall,  
 P6 1 from the effective date of the consolidation, be deemed to refer to  
 2 the name of the consolidated successor district.

3 SEC. 5.  
 Section 5 of the Bighorn-Desert View Water Agency  
 4 Law (Chapter 1175 of the Statutes of 1969), as amended by Section  
 5 4 of Chapter 570 of the Statutes of 1989, is amended and  
 6 renumbered to read:

7 ~~Sec. 5.~~  
 8 Sec. 3.  
 The Board of Directors of the Bighorn Mountains  
 9 Bighorn-Desert View Water Agency organized under this act shall  
 10 consist of five members. The Board of Supervisors of San  
 11 Bernardino County shall appoint the first board of directors  
 12 members, each of whom shall be a resident of the agency, and shall  
 13 hold office until his or her successor is elected. All successors of  
 14 the first board shall be elected or chosen at the time and in the  
 15 manner provided in the Uniform District Election Law (Part 4  
 16 commencing with Section 10500) of Division 10 of the Elections  
 17 Code).

18 If the Desert View Water District and the Bighorn Mountains  
 19 Water Agency consolidate, the board of directors of the  
 20 consolidated successor district shall consist of five members, in  
 21 accordance with Section 33302 of the Water Code. In that event,  
 22 the San Bernardino County Local Agency Formation Commission  
 23 may, pursuant to Section 56844 of the Government Code, change  
 24 or terminate existing elective terms of the directors of both the  
 25 Desert View Water District and the Bighorn Mountains Water  
 26 Agency in a manner approved by actions of the board of each of  
 27 those entities in their respective applications for formation of a  
 28 consolidated successor district.

29 SEC. 6.  
 Section 7 of the Bighorn-Desert View Water Agency  
 30 Law (Chapter 1175 of the Statutes of 1969) is amended and  
 31 renumbered to read:

32 ~~Sec. 7.~~  
 33 Sec. 4.  
 No person shall vote at any Bighorn Mountains

34 ~~*Bighorn-Desert View Water Agency election held under the*~~  
 35 ~~*provisions of this act who is not a voter within the meaning of the*~~  
 36 ~~*Elections Code. For the purpose of registering voters who shall be*~~  
 37 ~~*entitled to vote at Bighorn Mountains Water Agency elections, the*~~  
 38 ~~*county clerk or registrar of voters is authorized, in any county in*~~  
 39 ~~*which there is the Bighorn Mountains Water Agency to indicate*~~  
 P7 1 ~~*upon the affidavit of registration whether the voter is a voter of*~~  
 2 ~~*the Bighorn Mountains Water Agency.*~~

3 ~~*In case the boundary line of the Bighorn Mountains*~~  
 4 ~~*Bighorn-Desert View Water Agency crosses the boundary line of*~~  
 5 ~~*a county election precinct only those voters within such Bighorn*~~  
 6 ~~*Mountains the Bighorn-Desert View Water Agency and within*~~  
 7 ~~*such the precinct who are registered as being voters within the*~~  
 8 ~~*Bighorn Mountains Bighorn-Desert View Water Agency shall be*~~  
 9 ~~*permitted to vote, and for that purpose the county clerk or registrar*~~  
 10 ~~*of voters is hereby empowered to provide two sets of ballots within*~~  
 11 ~~*such these precincts, one containing the names of candidates for*~~  
 12 ~~*office in said Bighorn Mountains the Bighorn-Desert View Water*~~  
 13 ~~*Agency, and the other not containing such the names, and it shall*~~  
 14 ~~*be the duty of the election officers in such these precincts to furnish*~~  
 15 ~~*only those persons registered as voters within such Bighorn*~~  
 16 ~~*Mountains the Bighorn-Desert View Water Agency with the ballots*~~  
 17 ~~*upon which are printed the names of the candidates for office in*~~  
 18 ~~*the Bighorn Mountains Bighorn-Desert View Water Agency.*~~

19 *SEC. 7.*

20 *Section 8 of the Bighorn-Desert View Water Agency*  
 21 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 22 *renumbered to read:*

22 ~~*Sec. 8.*~~

23 *Sec. 5.*

24 *The provisions of the Elections Code so far as they may*  
 25 *be applicable shall govern all general Bighorn Mountains and*  
 26 *special Bighorn-Desert View Water Agency elections and all*  
 27 *special Bighorn Mountains Water Agency elections, except as in*  
 28 *this act or otherwise provided in this act.*

28 *SEC. 8.*

29 *Section 8 is added to the Bighorn-Desert View Water*  
 30 *Agency Act (Chapter 1175 of the Statutes of 1969), to read:*

30 *Sec. 8.*

31 *For attending a meeting of the board of directors, each*  
 32 *of the members of the board of directors shall receive compensation*  
 33 *in an amount not to exceed the maximum amount authorized by*  
 34 *Chapter 2 (commencing with Section 20200) of Division 10 of the*  
 35 *Water Code.*

35 *SEC. 9.*

36 *Section 9 of the Bighorn-Desert View Water Agency*  
 37 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

37 ~~*Sec. 9.*~~

38 ~~*The Board of Directors of Bighorn Mountains Water*~~  
 39 ~~*Agency shall call and canvass all elections involving matters of*~~  
 40 ~~*initiative, recall and referendum and shall call all other elections*~~  
 40 ~~*which it is authorized to canvass.*~~

P8 1 *SEC. 10.*

2 *Section 9 is added to the Bighorn-Desert View Water*  
 3 *Agency Law (Chapter 1175 of the Statutes of 1969), to read:*

3 *Sec. 9.*

4 *Any vacancy in the board of directors shall be filled*  
 5 *pursuant to Article 2 (commencing with Section 1770) of Chapter*  
 6 *4 of Division 4 of Title 1 of the Government Code.*

6 *SEC. 11.*

*Section 10 of the Bighorn-Desert View Water Agency*

7 Law (Chapter 1175 of the Statutes of 1969) is amended and  
 8 renumbered to read:

9 ~~Sec. 10.~~  
 10 Sec. 6.

11 Every incumbent of an elective office, whether elected  
 12 by popular vote for a full term, or chosen by the board of directors  
 13 to fill a vacancy, is subject to recall by the voters of the ~~Bighorn~~  
 14 ~~Mountains Bighorn-Desert View Water Agency organized under~~  
 15 ~~the provisions of this act~~ in accordance with the recall provisions  
 16 of the Elections Code of the state with reference to cities.

17 **SEC. 12.**  
 Section 10 is added to the Bighorn-Desert View Water  
 18 Agency Law (Chapter 1175 of the Statutes of 1969), to read:  
 Sec. 10.

19 By a majority vote of the board of directors, the board  
 20 shall appoint an attorney, chief engineer, general manager, and  
 21 auditor, define their duties, and fix their compensations. The  
 22 attorney, chief engineer, general manager, and auditor each shall  
 23 serve at the pleasure of the board of directors. A member of the  
 24 board of directors shall not serve as the appointed attorney, chief  
 25 engineer, general manager, or auditor.

26 **SEC. 13.**  
 Section 11 of the Bighorn-Desert View Water Agency  
 27 Law (Chapter 1175 of the Statutes of 1969) is amended and  
 28 renumbered to read:

29 ~~Sec. 11.~~  
 Sec. 7.

30 The board of directors shall be the governing body of  
 31 the ~~Bighorn Mountains Bighorn-Desert View Water Agency. It~~  
 32 ~~shall hold its first meeting as soon as possible after the appointment~~  
 33 ~~and certification of the first board of directors; it~~ The board of  
 34 directors shall, by resolution, provide for the date, time, and place  
 35 of holding of its meetings. All meetings of the board of directors,  
 36 whether regular or special, shall be open to the public. A majority  
 37 of the board of directors shall constitute a quorum for the  
 38 transaction of business. At its first meeting in the month of January  
 39 in each even-numbered year, the board of directors shall choose  
 40 one of from among its members a president, and shall thereupon  
 P9 1 provide for the time and place of holding its meetings and the  
 2 manner in which its special meetings may be called. All legislative  
 3 sessions of the board of directors whether regular or special shall  
 4 be open to the public. A majority of the board of directors shall  
 5 constitute a quorum for the transaction of business. At its first  
 6 meeting in the month of January of each even-numbered year, the  
 7 board of directors shall choose one of its members president, vice  
 8 president, and secretary.

9 **SEC. 14.**  
 Section 11 is added to the Bighorn-Desert View Water  
 10 Agency Law (Chapter 1175 of the Statutes of 1969), to read:  
 Sec. 11.

11 The general manager shall:  
 12 (a) Have full charge and control of the maintenance, operation,  
 13 and construction of the waterworks of the agency.  
 14 (b) Have full power and authority to employ and discharge all  
 15 employees and assistants at pleasure.  
 16 (c) Prescribe the duties of employees and assistants.  
 17 (d) Fix and alter the compensation of employees and assistants  
 18 subject to approval by the board of directors.  
 19 (e) Perform other duties imposed by the board of directors.  
 20 (f) Report to the board of directors in accordance with rules  
 and regulations adopted by the board.

21        *SEC. 15.*

22        *Section 12 of the Bighorn-Desert View Water Agency*  
 23        *Law (Chapter 1175 of the Statutes of 1969), as amended by Section*  
 24        *2 of Chapter 696 of the Statutes of 1984, is amended to read:*

24        *Sec. 12.*

25        The board of directors shall act only by ordinance,  
 26        ~~resolution, or motion. On all ordinances, the roll shall be called~~  
 27        ~~and the ayes and noes recorded in the journal of the proceedings~~  
 28        ~~of the board of directors. Resolutions and orders may be adopted~~  
 29        ~~by voice vote, but, on demand of any member, the roll shall be~~  
 30        ~~called *minute order*. No ordinance, motion, or resolution, or *minute*~~  
 31        ~~order shall be passed or become effective without the affirmative~~  
 32        ~~vote of a majority of the members of the board; board. The~~  
 33        ~~enacting clause of all ordinances passed by the board shall be: "Be~~  
 34        ~~it ordained by the Board of Directors of the Bighorn Mountains~~  
 35        ~~*Bighorn-Desert View Water Agency* as follows:" Except as~~  
 36        ~~*otherwise required by law, ordinances shall be adopted by one of*~~  
 37        ~~*the following procedures:*~~

38        ~~Each of the members of the board of directors shall receive for~~  
 39        ~~each attendance at the meetings of the board compensation in an~~  
 40        ~~amount not to exceed the then-current maximum amount which~~  
 P10 1        ~~may be received by directors of a county water district organized~~  
 2        ~~under Division 12 (commencing with Section 30000) of the Water~~  
 3        ~~Code for attendance at meetings of the board of directors. No~~  
 4        ~~directors, however, shall receive pay for more than three meetings~~  
 5        ~~in any calendar month. A director shall be compensated for a~~  
 6        ~~meeting of the board if, at the time of the holding of the meeting,~~  
 7        ~~the director is on other business of the district, at the request of~~  
 8        ~~the board. Any vacancy in the board of directors shall be filled by~~  
 9        ~~a majority of the remaining directors, the person so chosen shall~~  
 10        ~~be a resident of, and otherwise qualified to be a director of, the~~  
 11        ~~agency and shall hold office for the remainder of the unexpired~~  
 12        ~~term.~~

13        *(a) A copy of the full text of the ordinance shall be posted in the*  
 14        *office of the agency at least five days prior to the board meeting*  
 15        *at which the ordinance is to be amended. Within 21 days after*  
 16        *passage of an ordinance, the general manager shall cause the*  
 17        *ordinance to be published at least once in a newspaper of general*  
 18        *circulation published and circulated within the agency's*  
 19        *boundaries and shall cause the ordinance to be posted in at least*  
 20        *three public places. An ordinance shall not be published in a*  
 21        *newspaper if the charge exceeds the customary rate charged by*  
 22        *the newspaper for publication of private legal notices, but*  
 23        *summaries of the ordinance shall be published as provided in*  
 24        *subdivision (b) or (c).*

25        *(b) The general manager may cause a summary of the ordinance*  
 26        *or amendment to be published at least once in a newspaper of*  
 27        *general circulation, and a copy of the full text of the ordinance or*  
 28        *amendment shall be posted in the office of the agency at least five*  
 29        *days prior to the board meeting at which the ordinance or*  
 30        *amendment is to be adopted. Within 15 days after adoption of the*  
 31        *ordinance or amendment, the general manager shall cause the*  
 32        *ordinance or amendment to be published at least once in a*  
 33        *newspaper of general circulation, published, and circulated within*  
 34        *the agency's boundaries, and shall cause the ordinance or*  
 35        *amendment to be posted in at least three public places.*

36        *(c) If the general manager determines that it is not feasible to*  
 37        *prepare a fair and adequate summary of the ordinance or*  
 38        *amendment, the general manager shall cause a display*  
 39        *advertisement of the full text of the ordinance or amendment of at*  
 40        *least one-sixth of a page to be published in a newspaper of general*  
        *circulation and a copy of the full text of the ordinance or*

P11 1 *amendment to be posted in the office of the agency at least five*  
 2 *days prior to the board meeting at which the ordinance or*  
 3 *amendment is to be adopted. Within 21 days after adoption, a*  
 4 *display advertisement of a similar size shall be published and the*  
 5 *full text posted in at least three public places.*

6 **SEC. 16.**

7 *Section 13 of the Bighorn-Desert View Water Agency*  
 8 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

9 ~~**Sec. 13.**~~

10 ~~No informality in any proceeding not substantially~~  
 11 ~~affecting adversely the legal rights of any citizen, shall be held to~~  
 12 ~~invalidate the legal existence of said Bighorn Mountains Water~~  
 13 ~~Agency and all proceedings in respect thereto shall be held to be~~  
 14 ~~valid and in every respect legal and incontestable.~~

15 **SEC. 17.**

16 *Section 13 is added to the Bighorn-Desert View Water*  
 17 *Agency Law (Chapter 1175 of the Statutes of 1969), to read:*

18 **Sec. 13.**

19 *The voters of the Bighorn-Desert View Water Agency*  
 20 *may pass an initiative in accordance with the methods provided*  
 21 *by Chapter 3 (commencing with Section 9200) of Division 9 of the*  
 22 *Elections Code for a city.*

23 **SEC. 18.**

24 *Section 14 of the Bighorn-Desert View Water Agency*  
 25 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

26 ~~**Sec. 14.**~~

27 ~~The board of directors shall at its first meeting, or as~~  
 28 ~~soon thereafter as practicable, appoint by a majority vote a vice~~  
 29 ~~president, secretary, treasurer, attorney, chief engineer, general~~  
 30 ~~manager and auditor, define their duties and fix their compensation,~~  
 31 ~~and each shall serve at the pleasure of the board, and may employ~~  
 32 ~~such additional assistants and employees as they may deem~~  
 33 ~~necessary to efficiently maintain and operate said agency. Said~~  
 34 ~~board may consolidate the office of secretary and treasurer, and~~  
 35 ~~the offices of chief engineer and general manager.~~

36 **SEC. 19.**

37 *Section 14 is added to the Bighorn-Desert View Water*  
 38 *Agency Law (Chapter 1175 of the Statutes of 1969), to read:*

39 **Sec. 14.**

40 *The voters of the Bighorn-Desert View Water Agency*  
 41 *may disapprove and thereby veto an ordinance by proceeding in*  
 42 *accordance with the methods provided by Chapter 3 (commencing*  
 43 *with Section 9200) of Division 9 of the Elections Code for a*  
 44 *referendum in a city.*

45 **SEC. 20.**

46 *Section 15 of the Bighorn-Desert View Water Agency*  
 47 *Law (Chapter 1175 of the Statutes of 1969), as amended by Section*  
 48 *1 of Chapter 950 of the Statutes of 1985, is amended to read:*

P12 1 **Sec. 15.**

2 ~~The Bighorn Mountains Bighorn-Desert View Water~~  
 3 ~~Agency, which is incorporated as provided in this act may exercise~~  
 4 ~~only the powers expressly granted and those necessarily implied~~  
 5 ~~by this act, has all of the following powers:~~

6 1. To have perpetual succession.

7 2. To sue and be sued, ~~except as otherwise provided in this act~~  
 8 ~~or by law, sued~~ in all actions and proceedings in all courts and  
 9 tribunals of competent jurisdiction.

10 3. To adopt a seal and alter it at pleasure.

11 4. To take by grant, purchase, gift, devise, *condemnation*, or  
 12 lease, hold, use, enjoy, and to lease, *with or without the privilege*  
 of purchase, sell, or dispose of real and personal property of every

13 kind, within or without the ~~Bighorn Mountains Water Agency~~  
 14 ~~agency.~~

15 5. To acquire, or contract to acquire, waterworks or a waterworks  
 16 system, waters, water rights, lands, rights and privileges, and  
 17 construct, maintain, and operate *water wells*, conduits, pipelines,  
 18 reservoirs, works, machinery, and other property useful or  
 19 necessary to *produce*, store, convey, supply, or otherwise make  
 20 use of water for a waterworks plant or system for the benefit of  
 21 the agency, and to complete, extend, *enlarge*, add to, repair, or  
 22 otherwise improve any waterworks or waterworks system acquired  
 23 by it as authorized ~~the agency.~~

24 6. To construct, maintain, improve, and operate public  
 25 recreational facilities appurtenant to any water reservoir operated  
 26 or contracted to be operated by the Bighorn Mountains Water  
 27 Agency; ~~waterworks~~ and to ~~provide, by ordinance, provide~~  
 28 regulations binding upon all persons to govern the use of those  
 29 facilities, including regulations imposing reasonable charges for  
 30 the use thereof. Violation of any such regulation is a ~~misdemeanor,~~  
 31 ~~an infraction punishable by a fine of not more than three hundred~~  
 32 ~~dollars (\$300).~~

33 ~~7. To lease of and from any person, firm, or public or private~~  
 34 ~~corporation, or public agency, with the privilege of purchasing or~~  
 35 ~~otherwise, all or any part of water storage, transportation, or~~  
 36 ~~distribution facilities, existing waterworks or a waterworks system,~~  
 37 ~~and to carry on and conduct waterworks or a waterworks system;~~  
 38 ~~also to sell water under the control of the agency to cities, and to~~  
 39 ~~other public corporations and public agencies within the agency,~~  
 40 ~~and to the inhabitants of those cities and of other territory within~~  
 P13 1 ~~the agency, and to persons, corporations, and other private agencies~~  
 2 ~~within the agency for use within the agency without any preference;~~  
 3 ~~and it may, whenever the board finds that there is a surplus of~~  
 4 ~~water above that which may be required by consumers within the~~  
 5 ~~agency, sell or otherwise dispose of surplus water to any persons,~~  
 6 ~~firms, public or private corporations or public agencies, or other~~  
 7 ~~consumers.~~

8 7. To sell water to other public agencies within the  
 9 Bighorn-Desert View Water Agency and to the inhabitants of the  
 10 territory of those public agencies for use within the Bighorn-Desert  
 11 View Water Agency. The Bighorn-Desert View Water Agency may,  
 12 whenever the board of directors finds that there is a surplus of  
 13 water above that which may be required by consumers within the  
 14 Bighorn-Desert View Water Agency, sell or otherwise dispose of  
 15 surplus water to any persons, firms, public or private corporations,  
 16 public agencies, or other consumers.

17 8. ~~The agency may~~ To supply and deliver water to property not  
 18 subject to agency taxes at special rates, terms, and conditions as  
 19 determined by the board ~~for that service of directors.~~

20 9. ~~To exercise the right of eminent domain to take any property~~  
 21 ~~necessary to supply the agency, or any portion thereof, with water.~~  
 22 ~~In lieu of compensation and damages for the taking or damaging~~  
 23 ~~of any public utility facility which is required to be replaced by~~  
 24 ~~the public utility to provide service to the public equivalent to that~~  
 25 ~~provided by the facility taken or damaged, the agency shall pay to~~  
 26 ~~the public utility owning the facility its actual cost incurred to~~  
 27 ~~replace in kind the facility so taken or damaged, less property~~  
 28 ~~deductions for depreciation, together with its actual cost incurred~~  
 29 ~~to rearrange or rehabilitate the facilities of the public utility not~~  
 30 ~~taken or damaged, but required to be rearranged or rehabilitated~~  
 31 ~~by reason of the taking or damaging.~~

32 10. ~~To issue bonds, borrow money, and incur indebtedness as~~  
 33 ~~authorized by law or in this act; also to refund (by the issuance of~~  
 34 ~~the same obligations following the same procedure) or retire any~~

35 indebtedness or lien that may exist against the agency or property  
 36 thereof, also to issue warrants to pay the formation expenses of  
 37 the agency, which warrants may bear interest at a rate not  
 38 exceeding 6 percent per annum from the date of issue until funds  
 39 are available to pay the warrants, and which formation expenses  
 P14 1 may include fees of attorneys and others employed to conduct the  
 2 formation proceedings.  
 3 ~~11. To issue negotiable promissory notes bearing interest at a~~  
 4 ~~rate not exceeding 7 percent per annum; provided, however, that~~  
 5 ~~the notes shall be general obligations of the agency payable from~~  
 6 ~~revenues and taxes in the same manner as bonds of the agency;~~  
 7 ~~and provided further that the maturity shall not be later than five~~  
 8 ~~years from the date thereof and that the total aggregate amount of~~  
 9 ~~the notes outstanding at any one time may be at least equal to~~  
 10 ~~seventy five thousand dollars (\$75,000) in the Bighorn Mountains~~  
 11 ~~Water Agency, but shall not otherwise exceed the lesser of either~~  
 12 ~~one million five hundred thousand dollars (\$1,500,000) or 3 percent~~  
 13 ~~of the assessed valuation of the taxable property in the Bighorn~~  
 14 ~~Mountains Water Agency or, if the assessed valuation is not~~  
 15 ~~obtainable, 3 percent of the county auditor's estimate of the~~  
 16 ~~assessed valuation of the taxable property in the agency evidenced~~  
 17 ~~by his or her certificate. Promissory notes issued pursuant to~~  
 18 ~~Section 51 may be disregarded in computing the aggregate amount~~  
 19 ~~of notes that may be issued pursuant to this subdivision.~~  
 20 ~~12. To cause taxes to be levied, in the manner provided, for the~~  
 21 ~~purpose of paying any obligation of the agency, including its~~  
 22 ~~formation expenses and any warrants issued therefor.~~  
 23 ~~13.~~  
 24 9. To restrict the use of agency water during any emergency  
 25 caused by drought, or other threatened or existing water shortage,  
 26 and to prohibit the wastage of agency water or the *improper* use  
 27 of agency water during those periods, for any purpose other than  
 28 household uses or such other restricted uses as may be determined  
 29 to be necessary by the agency; to prohibit the use of water during  
 30 those periods for specific uses which the agency may, from time  
 31 to time, find to be nonessential *in accordance with Chapter 3*  
 32 *(commencing with Section 350) of Division 1 of the Water Code.*  
 33 ~~14. To prescribe and define, by ordinance, the restrictions;~~  
 34 ~~prohibitions, and exclusions referred to in subdivision 13 of this~~  
 35 ~~section. Every ordinance relating to the matters referred to in this~~  
 36 ~~subdivision shall be in full force and effect immediately upon~~  
 37 ~~adoption, but shall be published pursuant to Section 6061 of the~~  
 38 ~~Government Code in full in a newspaper of general circulation;~~  
 39 ~~printed, published, and circulated in the agency within 10 days~~  
 P15 1 ~~after adoption or, if there be no such newspaper, shall be posted~~  
 2 ~~within that time in three public places within the agency.~~  
 3 ~~15.~~  
 4 10. To make contracts, employ labor, and do all acts necessary  
 5 for the full exercise of the above powers.  
 6 ~~16.~~  
 7 11. To provide, by ordinance of its board of directors, for the  
 8 pensioning of officers or employees and the creation of a special  
 9 fund for the purpose of paying the pensions, and the accumulation  
 10 of contributions to the fund from the revenues of the agency, the  
 11 wages of officers or employees, voluntary contributions, gifts,  
 12 donations, or any source of revenue not inconsistent with the  
 13 general powers of the board, and to contract with any insurance  
 14 corporation or any other insurance carrier for the maintenance of  
 15 a service covering the pension of the officers or employees, and  
 16 to provide in the ordinance for the terms and conditions under  
 17 which pensions shall be awarded, and for the time and extent of  
 18 service of officers or employees before pensions shall be available

19 to them.

20 ~~17-~~

21 12. To acquire, control, distribute, store, spread, sink, treat,  
22 purify, reclaim, *capture*, recapture, and salvage any water,  
23 including sewage and ~~storm waters~~ *stormwaters*, for the beneficial  
24 use and protection of the agency or its inhabitants or the owners  
25 of right to water therein.

26 ~~18- Subject to the limitations in subdivision 9 of this section, to~~  
27 ~~join with one or more~~

28 13. To contract with the federal government, the state, any state  
29 agency, a county, or other public agencies agency, a private  
30 corporations corporation, or other persons person for the purpose  
31 of carrying out any of the powers of the agency and, for that  
32 purpose, to contract with the other public agencies, private  
33 corporations, or persons for the purpose of financing acquisitions,  
34 constructions, and operations. ~~The contracts may provide for~~  
35 ~~contributions to be made by each party thereto and for the division~~  
36 ~~and apportionment of the expenses of the acquisitions and~~  
37 ~~operations, and the division and apportionment of the benefits, the~~  
38 ~~services and products therefrom, and may provide for any agency~~  
39 ~~to effect the acquisitions and to carry on the operations, and shall~~  
40 ~~provide in the powers and methods of procedure for the agency~~  
P16 1 the method by which the agency may contract. The contracts with  
2 other public agencies, private corporations, or persons may contain  
3 such other and further covenants and agreements as may be  
4 necessary or convenient to accomplish the purposes thereof. The  
5 term "public agency," as used in this subdivision, means and  
6 includes the United States of America or any department or agency  
7 thereof, the State of California or any department or agency thereof,  
8 a county, city, public corporation, or other public district of this  
9 state. The term "private corporation," as used in this subdivision,  
10 means and includes any private corporation organized under the  
11 laws of the United States of America or of this or any other state  
12 thereof. Contracts include those made with the United States, under  
13 the Federal Reclamation Act of June 17, 1902,<sup>1</sup> and all acts  
14 amendatory thereof or supplementary thereto or any other act of  
15 Congress previously or hereafter enacted permitting cooperation.  
16 Any contract with the United States of America or any department  
17 or agency thereof, or with any private corporation organized under  
18 the laws of the United States of America, by which the agency, or  
19 an improvement district thereof, incurs an indebtedness or liability  
20 exceeding in any year the income and revenue for that year shall  
21 not be executed without the assent of two-thirds of the qualified  
22 electors of the agency, or the improvement district thereof, voting  
23 at a special election to be held for that purpose, the election to be  
24 called and held, so far as practicable, in the same manner as bond  
25 elections for the agency. The exact form of the contract need not  
26 be available at the time of the special election, but the (a) purpose  
27 of the contract, (b) maximum amount of indebtedness created  
28 thereby, (c) maximum term of repayment, and (d) maximum  
29 interest rate on the indebtedness shall be known and included in  
30 the proposition or measure submitted to the qualified electors of  
31 the agency, or the improvement district thereof, at the special  
32 election. *These contracts may contain any other and further*  
33 *covenants and agreements as may be necessary or convenient to*  
34 *accomplish the purposes of the contract.*

35 ~~19-~~

36 14. To commence, maintain, intervene in, defend and  
37 compromise, in the name of the agency, or as a class representative  
38 of the inhabitants, property owners, taxpayers, or water producers  
39 or water users within the agency, or otherwise, and to assume the  
40 costs and expenses of any and all actions and proceedings, now

P17 1 or hereafter begun, involving or affecting the ownership or use of  
 2 water or water rights, used or useful for any purpose, of the agency,  
 3 or a common benefit to the lands within the agency or its  
 4 inhabitants.

5 ~~20.~~

6 15. To commence, maintain, intervene in, defend and  
 7 compromise, in the name of the agency, or as a class representative  
 8 of the inhabitants, property owners, taxpayers, water producers or  
 9 water users within the agency ~~or otherwise~~, and to assume the costs  
 10 and expenses of any and all actions ~~or proceedings, now or~~  
 11 ~~hereafter begun, proceedings~~ to prevent, control, or abate the  
 12 pollution of water used or useful for any purpose of the agency,  
 13 or to *protect or provide* a common benefit to lands within the  
 14 ~~agency, agency~~ or to the inhabitants of the agency, or to *protect*  
 15 *or control* any watershed or basin overlain, in whole or in part, by  
 16 the agency or which contributes *or may contribute* to the water  
 17 supply of the agency.

18 ~~21. Distribute water to persons in exchange for ceasing or~~  
 19 ~~reducing groundwater extractions and to fix the terms and~~  
 20 ~~conditions of any contract under which producers may agree~~  
 21 ~~voluntarily to use replenishment water from a nontributary source~~  
 22 ~~in lieu of groundwater, and to that end the agency may become a~~  
 23 ~~party to such a contract and pay from the agency funds that portion~~  
 24 ~~of the cost of the replenishment waters that will encourage the~~  
 25 ~~purchase and use of replenishment water in lieu of pumping so~~  
 26 ~~long as the persons or property within the agency are directly or~~  
 27 ~~indirectly benefited by the resulting replenishment.~~

28 ~~22. To issue revenue bonds for any purpose for which general~~  
 29 ~~obligation bonds may be issued, and for any purpose for which~~  
 30 ~~revenue bonds could be issued under the Revenue Bond Law of~~  
 31 ~~19412 or any other law which by its terms is applicable to this~~  
 32 ~~agency.~~

33 ~~23. To use the Improvement Act of 1911 (Division 7~~  
 34 ~~(commencing with Section 5000) of the Streets and Highways~~  
 35 ~~Code) for the construction of any facilities authorized to be~~  
 36 ~~constructed under this act. The powers and duties conferred by the~~  
 37 ~~Improvement Act of 1911 on the various boards, officers, and~~  
 38 ~~agents of cities shall be exercised by the respective boards, officers,~~  
 39 ~~and agents of the Bighorn Mountains Water Agency. In the~~  
 40 ~~application of the Improvement Act of 1911 to proceedings~~

P18 1 ~~instituted by the Bighorn Mountains Water Agency, the terms used~~  
 2 ~~in the Improvement Act of 1911 have the following meanings:~~

3 (a) ~~"City council" and "council" mean the Board of Directors~~  
 4 ~~of the Bighorn Mountains Water Agency.~~

5 (b) ~~"Municipality" and "city" mean the Bighorn Mountains~~  
 6 ~~Water Agency.~~

7 (c) ~~"Clerk" and "city clerk" mean the secretary.~~

8 (d) ~~"Superintendent of streets," "street superintendent," and~~  
 9 ~~"city engineer" mean the chief engineer of the agency.~~

10 (e) ~~"Tax collector" means the county tax collector.~~

11 (f) ~~"Treasurer" and "city treasurer" mean the treasurer of the~~  
 12 ~~Bighorn Mountains Water Agency.~~

13 (g) ~~"Mayor" means the president of the board of directors of~~  
 14 ~~the Bighorn Mountains Water Agency.~~

15 (h) ~~"Right-of-way" means any parcel of land in, on, under, or~~  
 16 ~~through which a right-of-way or easement has been granted to the~~  
 17 ~~agency for the purpose of constructing and maintaining any works~~  
 18 ~~or improvements of the Bighorn Mountains Water Agency.~~

19 Any certificates or documents required to be filed or recorded  
 20 in the office of the superintendent of streets or street superintendent  
 21 shall be filed and recorded in the office of the secretary of the  
 22 Bighorn Mountains Water Agency.

23 ~~24. To use the Improvement Bond Act of 1915 (Division 10~~  
 24 ~~(commencing with Section 8500) of the Streets and Highways~~  
 25 ~~Code) for the construction of any facilities authorized to be~~  
 26 ~~constructed under this act. The powers and duties conferred by the~~  
 27 ~~Improvement Bond Act of 1915 on the various boards, officers,~~  
 28 ~~and agents of cities or counties shall be exercised by the respective~~  
 29 ~~boards, officers, and agents of the Bighorn Mountains Water~~  
 30 ~~Agency. In the application of the Improvement Bond Act of 1915~~  
 31 ~~to proceedings instituted by the agency, the terms used in the~~  
 32 ~~Improvement Bond Act of 1915 have the following meanings:~~  
 33 ~~(a) "City" means the Bighorn Mountains Water Agency.~~  
 34 ~~(b) "Clerk" means the secretary of the Bighorn Mountains Water~~  
 35 ~~Agency.~~  
 36 ~~(c) "Legislative body" means the Board of Directors of the~~  
 37 ~~Bighorn Mountains Water Agency.~~  
 38 ~~(d) "Mayor" means the president of the board of directors of~~  
 39 ~~the agency.~~  
 P19 1 ~~(e) "Right-of-way" means any parcel of land in, on, under, or~~  
 2 ~~through which a right-of-way or easement has been granted to the~~  
 3 ~~agency for the purpose of constructing and maintaining any works~~  
 4 ~~or improvements of the agency.~~  
 5 ~~(f) "Street superintendent," "superintendent of streets," and~~  
 6 ~~"engineer" mean, respectively, the officers or entities designated,~~  
 7 ~~from time to time, by the board of directors to perform the duties~~  
 8 ~~imposed on the street superintendent, superintendent of streets,~~  
 9 ~~and the engineer.~~  
 10 ~~(g) "Tax collector" and "auditor" mean the county tax collector~~  
 11 ~~and county auditor, unless otherwise designated by the board of~~  
 12 ~~directors.~~  
 13 ~~(h) "Treasurer" means the treasurer of the Bighorn Mountains~~  
 14 ~~Water Agency, or the county treasurer if so designated by the board~~  
 15 ~~of directors.~~  
 16 ~~Any certificates or documents to be filed or recorded in the office~~  
 17 ~~of the superintendent of streets or street superintendent shall be~~  
 18 ~~filed and recorded in the office of the secretary of the agency.~~  
 19 ~~16. To borrow money, incur indebtedness, and issue bonds or~~  
 20 ~~other evidences of indebtedness at the rate permitted by Article 7~~  
 21 ~~(commencing with Section 53530) of Chapter 3 of Part 1 of~~  
 22 ~~Division 2 of Title 5 of the Government Code and to refund or~~  
 23 ~~retire any indebtedness or lien against the agency or its property.~~  
 24 ~~17. To issue negotiable promissory notes that shall be general~~  
 25 ~~obligations of the agency payable from revenues and taxes in the~~  
 26 ~~same manner as bonds of the agency, at the rate permitted by~~  
 27 ~~Article 7 (commencing with Section 53530) of Chapter 3 of Part~~  
 28 ~~1 of Division 2 of Title 5 of the Government Code.~~  
 29 ~~18. To cause taxes to be levied, in the manner provided by the~~  
 30 ~~California Constitution and state law, for the purpose of paying~~  
 31 ~~any obligation of the agency.~~  
 32 ~~19. To issue improvement bonds in accordance with, and~~  
 33 ~~pursuant to, the Improvement Act of 1911 (Division 7 (commencing~~  
 34 ~~with Section 5000) of the Streets and Highways Code), the~~  
 35 ~~Improvement Bond Act of 1915 (Division 10 (commencing with~~  
 36 ~~Section 8500) of the Streets and Highways Code), the Municipal~~  
 37 ~~Improvement Act of 1913 (Division 12 (commencing with Section~~  
 38 ~~10000) of the Streets and Highways Code), the Refunding~~  
 39 ~~Assessment Bond Act of 1935 (Chapter 732 of the Statutes of 1935),~~  
 40 ~~and the Revenue Bond Law of 1941 (Chapter 6 (commencing with~~  
 P20 1 ~~Section 54300) of Part 1 of Division 2 of Title 5 of the Government~~  
 2 ~~Code).~~  
 3 ~~25-~~  
 4 ~~20. To prescribe, by ordinance, a system of revise, and collect~~  
 5 ~~water system connection charges and, if deemed appropriate by~~

6 the board of directors, a refunding mechanism through water rates  
7 or pursuant to contract and capacity charges in the manner  
8 provided by the California Constitution and state law.

9 21. To record a certificate in the office of the county recorder  
10 of any county specifying the amount of unpaid charges for water  
11 or other services, plus interest and penalties. From the time of  
12 recordation of the certificate, the amount required to be paid,  
13 together with interest and penalty, constitutes a lien upon all real  
14 property in the county owned by the person or afterwards, and  
15 before the lien expires, acquired by the person. The lien shall have  
16 the force, priority, and effect of a judgment lien and shall continue  
17 for 10 years from the date of the filing of the certificate unless  
18 sooner released or otherwise discharged. Within 10 years from  
19 the filing of the certificate or within 10 years of the date of the last  
20 extension of the lien, the lien may be extended by filing for record  
21 a new certificate in the office of the county recorder of any county  
22 and from the time of that filing the lien shall be extended to the  
23 real property in the county for 10 years unless sooner released or  
24 otherwise discharged.

25 22. To construct, operate, and maintain works to develop  
26 hydroelectric energy, for use by the agency in the operation of its  
27 works or as a means of assisting in financing the construction,  
28 operation, and maintenance of its projects for the control,  
29 conservation, diversion, and transmission of water, and to enter  
30 into contracts for the sale of this energy.

31 23. To contract for the sale of the right to use falling water for  
32 electric energy purposes with any public agency or private entity  
33 engaged in the retail distribution of electric energy.

34 24. To prosecute an action to determine the validity of any bonds,  
35 warrants, promissory notes, contracts, or other evidences of  
36 indebtedness, including those of the kind authorized by paragraphs  
37 16, 17, and 19, brought pursuant to Chapter 9 (commencing with  
38 Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

39 25. In addition to the powers granted in this section, the agency  
40 may exercise all powers previously or hereafter granted to or  
P21 1 possessed by county water districts organized and governed under  
2 the County Water District Law (Division 12 (commencing with  
3 Section 30000) of the Water Code) to finance the acquisition of,  
4 and to acquire, waterworks and waterworks systems, waters, water  
5 rights, lands, rights, or privileges, and may exercise all those  
6 powers to fund construction, maintenance, or operation of  
7 waterworks and waterworks systems.

8 **SEC. 21.**

9 Section 15.1 of the Bighorn-Desert View Water  
Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.

10 ~~Sec. 15.1.~~

11 The agency shall have the power to construct, operate  
12 and maintain works to develop hydroelectric energy, for use by  
13 the agency in the operation of its works or as a means of assisting  
14 in financing the construction, operation and maintenance of its  
15 projects for the control, conservation, diversion and transmission  
16 of water and to enter into contracts for the sale of such energy for  
17 a term not to exceed 50 years. Such energy may be marketed only  
18 at wholesale to any public agency or private entity, or both, or the  
19 federal or state government.

19 **SEC. 22.**

20 Section 15.2 of the Bighorn-Desert View Water  
Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.

21 ~~Sec. 15.2.~~

22 In connection with the construction and operation  
23 of the works of the agency, the agency shall have the power to  
contract for the sale of the right to use falling water for electric

24 ~~energy purposes with any public agency or private entity engaged~~  
25 ~~in the retail distribution of electric energy, for a term not to exceed~~  
26 ~~50 years.~~

27 ~~SEC. 23.~~

~~Section 15.3 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969), as amended by Section 5 of Chapter 570 of the Statutes of 1989, is repealed.~~

30 ~~Sec. 15.3.~~

~~In addition to the powers granted in Section 15, the agency may exercise all powers previously or hereafter granted to or possessed by county water districts organized and governed under the County Water District Law (Division 12 (commencing with Section 30000) of the Water Code) to finance the acquisition of waterworks or waterworks systems, waters, water rights, lands, rights or privileges, and may exercise all those powers to fund construction, maintenance, or operation of new waterworks systems constructed after January 1, 1986.~~

39 ~~The board of directors may, with respect to any improvement, assessment, special tax, or taxation district or area originally~~  
P22 1 ~~formed or existing under the County Water District Law, continue~~  
2 ~~to exercise all of the powers held by a board organized under that~~  
3 ~~law to fund, set, levy, or collect moneys, taxes, fees, or assessments~~  
4 ~~reasonably required to be raised and collected from the~~  
5 ~~improvement, assessment, special tax, or taxation district or area.~~

6 ~~SEC. 24.~~

~~Section 16 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969), as amended by Section 176 of Chapter 1128 of the Statutes of 1984, is repealed.~~

9 ~~Sec. 16.~~

~~All powers, privileges and duties vested in or imposed upon the Bighorn Mountains Water Agency incorporated hereunder shall be exercised and performed by and through the board of directors; provided, however, that the exercise of any and all executive, administrative and ministerial powers may be by said board of directors delegated and redelegated to any of the officers created hereby and by the board of directors acting hereunder.~~

16 ~~The board of directors shall have the power:~~

17 ~~(1) To fix the time and place or places at which its regular~~  
18 ~~meetings shall be held, and shall provide for the calling and holding~~  
19 ~~of special meetings.~~

20 ~~(2) To fix the location of the principal place of business of the~~  
21 ~~agency and the location of all offices and departments maintained~~  
22 ~~hereunder.~~

23 ~~(3) To prescribe by ordinance a system of business~~  
24 ~~administration and to create any and all necessary offices and to~~  
25 ~~establish and reestablish the powers and duties and compensation~~  
26 ~~of all officers and employees and to require and fix the amount of~~  
27 ~~all official bonds necessary for the protection of the funds and~~  
28 ~~property of the agency;~~

29 ~~(4) To prescribe by ordinance a system of civil service.~~

30 ~~(5) To delegate and redelegate by ordinance to officers of the~~  
31 ~~agency power to employ clerical, legal, and engineering assistants~~  
32 ~~and labor, and under such conditions and restrictions as shall be~~  
33 ~~fixed by the directors, power to bind the agency by contract.~~

34 ~~(6) To prescribe a method of auditing and allowing or rejecting~~  
35 ~~claims and demands.~~

36 ~~(7) To fix the rates at which water should be sold, and to~~  
37 ~~establish different rates for different classes or conditions of~~  
38 ~~service; provided, that rates shall be uniform for like classes or~~  
39 ~~conditions of service throughout the agency, but any special water~~  
40 ~~rate fixed in accordance with terms and conditions of annexation,~~  
P23 1 ~~shall be deemed to be a rate for a different class or condition of~~

2 service:

3 *SEC. 25.*

4 *Section 17 of the Bighorn-Desert View Water Agency*  
 5 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

6 ~~Sec. 17.—~~

7 ~~A finding by the board of directors upon the existence,~~  
 8 ~~threat, or duration of an emergency or shortage of water or upon~~  
 9 ~~the matter of necessity or any other matter or condition referred~~  
 10 ~~to in subdivisions 13 or 14 of Section 15 of this act, shall be made~~  
 11 ~~by resolution or ordinance, and shall be prima facie evidence of~~  
 12 ~~the fact or matter so found, and such fact or matter shall be~~  
 13 ~~presumed to continue unchanged unless and until a contrary finding~~  
 14 ~~shall have been made by the board by resolution or ordinance.~~  
 15 ~~Such finding shall be received in evidence in any civil or criminal~~  
 16 ~~proceeding in which it may be offered, and shall be proof and~~  
 17 ~~evidence of the fact or matter found until rebutted or overcome by~~  
 18 ~~other sufficient evidence received in such proceeding. Copy of~~  
 19 ~~any resolution or ordinance setting forth such finding shall, when~~  
 20 ~~certified by the secretary of the agency, be evidence that the finding~~  
 21 ~~was made by the agency as shown by the resolution or ordinance~~  
 22 ~~and certification.~~

23 *SEC. 26.*

24 *Section 18 of the Bighorn-Desert View Water Agency*  
 25 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

26 ~~Sec. 18.—~~

27 ~~From and after the publication or posting of any~~  
 28 ~~ordinance as provided in subdivision 14 of Section 15 of this act,~~  
 29 ~~it is hereby declared to be and it shall be a misdemeanor for any~~  
 30 ~~person, firm or corporation to use or apply water received from~~  
 31 ~~the agency contrary to or in violation of such restriction or~~  
 32 ~~prohibition, until such ordinance shall have been repealed or such~~  
 33 ~~emergency or threatened emergency shall have ceased, and upon~~  
 34 ~~conviction thereof such person, firm or corporation shall be~~  
 35 ~~punished by being imprisoned in the county jail for not more than~~  
 36 ~~30 days or by fine of not more than three hundred dollars (\$300),~~  
 37 ~~or by both such fine and imprisonment.~~

38 *SEC. 27.*

39 *Section 19.5 of the Bighorn-Desert View Water*  
 40 *Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.*

41 ~~Sec. 19.5.—~~

42 ~~An action to determine the validity of any contract~~  
 43 ~~authorized by paragraph 19 of Section 15 may be brought pursuant~~  
 44 ~~to Chapter 9 (commencing with Section 860) of Title 10 of Part 2~~  
 45 ~~of the Code of Civil Procedure.~~

P24 1 *SEC. 28.*

2 *Section 21 of the Bighorn-Desert View Water Agency*  
 3 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*

4 ~~Sec. 21.—~~

5 ~~The president, vice president and secretary in addition~~  
 6 ~~to the respective duties imposed on them by law shall perform~~  
 7 ~~such duties as may be imposed on them by the board of directors.~~  
 8 ~~The treasurer, or such other person or persons as may be authorized~~  
 9 ~~by the board of directors, shall draw checks or warrants to pay~~  
 10 ~~demands when such demands shall have been audited and approved~~  
 11 ~~in the manner prescribed by the board of directors.~~

12 ~~If the president is absent or unable to act, the vice president shall~~  
 13 ~~exercise the powers of the president granted by this act.~~

14 ~~The general manager shall have full charge and control of the~~  
 15 ~~maintenance, operation and construction of the waterworks or~~  
 16 ~~waterworks system of the agency with full power and authority to~~  
 17 ~~employ and discharge all employees and assistants at pleasure,~~

16 prescribe their duties, fix their compensation, subject to the  
 17 approval of the board of directors.  
 18 The general manager shall perform such duties as may be  
 19 imposed on him by the board of directors. The general manager  
 20 shall report to the board of directors in accordance with such rules  
 21 and regulations as they may direct.  
 22 The chief engineer shall be the engineering adviser of the agency  
 23 and shall perform such other duties as may be prescribed by the  
 24 board of directors.  
 25 The attorney shall be the legal adviser of the agency and shall  
 26 perform such other duties as may be prescribed by the board of  
 27 directors.  
 28 The board of directors shall designate a depository or depositories  
 29 to have the custody of the funds of the agency, all of which  
 30 depositories shall give security sufficient to secure the agency  
 31 against possible loss, and who shall pay the warrants drawn by the  
 32 treasurer for demands against the agency under such rules as the  
 33 directors may prescribe.  
 34 The general manager, secretary and treasurer, and all other  
 35 employees or assistants of said agency who may be required so to  
 36 do by the board of directors, shall give such bonds to the agency  
 37 conditioned for the faithful performance of their duties as the board  
 38 of directors from time to time may provide. The premiums on such  
 39 bonds shall be paid by the agency.

P25 1 *SEC. 29.*  
 2 *Section 22 of the Bighorn-Desert View Water Agency*  
 3 *Law (Chapter 1175 of the Statutes of 1969) is repealed.*  
 4 ~~Sec. 22.~~  
 5 The board of directors shall have power to construct  
 6 works along and across any stream of water, watercourse, street,  
 7 avenue, highway, canal, ditch or flume, or across any railway  
 8 which the route of said works may intersect or cross; provided,  
 9 such works are constructed in such manner as to afford security  
 10 for life and property, and said board of directors shall restore the  
 11 crossings and intersections to their former state as near as may be,  
 12 or in a manner not to have impaired unnecessarily their usefulness.  
 13 Every company whose right-of-way shall be intersected or crossed  
 14 by said works shall unite with said board of directors in forming  
 15 said intersections and crossings and grant the rights therefor. The  
 16 right-of-way is hereby given, dedicated and set apart to locate,  
 17 construct and maintain such works along and across any street or  
 18 public highway and over and through any of the lands which are  
 19 now or may be the property of this state, and to have the same  
 20 rights and privileges appertaining thereto as have been or may be  
 21 granted to cities within the state. Any use, under this section, of a  
 22 public highway now or hereafter constituted a state highway shall  
 23 be subject to the provisions of Chapter 3 of Division 1 of the Streets  
 24 and Highways Code.  
 25 *SEC. 30.*  
 26 *Section 23 of the Bighorn-Desert View Water Agency*  
 27 *Law (Chapter 1175 of the Statutes of 1969), as amended by Section*  
 28 *12 of Chapter 104 of the Statutes of 1970, is amended and*  
 29 *renumbered to read:*  
 30 ~~Sec. 23.~~  
 31 *Sec. 16.*  
 32 All claims for money or damages against this the  
 33 agency are governed by Part 3 (commencing with Section 900)  
 34 and Part 4 (commencing with Section 940) of Division 3.6 of Title  
 35 1 of the Government Code, except as provided therein, or by other  
 36 statutes or regulations expressly applicable thereto.  
 37 *SEC. 31.*

*Section 25 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is amended and renumbered to read:*

~~Sec. 25.~~

Sec. 17.

The board of directors, ~~so far as practicable, in compliance with the applicable provisions of the California Constitution and state law~~, shall fix such rate or rates for water in the agency and in each improvement district therein as will result in revenues which will pay the operating expenses of the agency, and the improvement district, provide for repairs and depreciation of works, provide a reasonable surplus for *replacements*, improvements, extensions, and enlargements, pay the interest on any ~~bonded~~ debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due. Said rates for water in each improvement district may vary from the rates of the agency and from other improvement districts therein.

SEC. 32.

*Section 26 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is amended and renumbered to read:*

~~Sec. 26.~~

Sec. 19.

If the revenues of the agency, or any improvement district therein, will be inadequate for any cause to pay the operating expenses of the agency, provide for repairs and depreciation of works owned or operated by it, and to meet all obligations of the agency, including *payment of principal* ~~of or interest on any bonded debt of the agency~~; or any improvement district thereof, as it becomes due, then the board of directors of ~~this the agency must~~ shall provide, *in accordance with the provisions of the California Constitution and state law*, for the levy and collection of a *special tax* sufficient to raise the amount of money determined by ~~such the~~ board of directors to be necessary for the purpose of paying ~~such charges and the expenses, as well as providing in addition to~~ the funds required under Section ~~25 17~~ of this act.

SEC. 33.

*Section 27 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is amended and renumbered to read:*

~~Sec. 27.~~

Sec. 20.

The board of directors 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 agency, ~~and within by continuing to impose any ad valorem taxes or any other special taxes, or by levying assessments, in accordance with the provisions of the California Constitution and state law. Subject to Section 4 of Article XIII C of the California Constitution, the agency may impose new special taxes in accordance with Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code.~~ Within a reasonable time ~~previous to the time when~~ before the board of supervisors is required by law to fix its tax rate, the board of directors shall certify to the board of supervisors the rate or rates so fixed and shall furnish to the board of supervisors a statement in writing containing the following: (a) an estimate of the minimum amount of money required to be raised by taxation during the fiscal year for the payment of the principal of and interest on any ~~bonded~~ debt of the

9 agency, or of an improvement district thereof, as will become due  
 10 before the proceeds of a tax levied at the next general tax levy will  
 11 be available; (b) an estimate of the minimum amount of money  
 12 required to be raised by taxation during the fiscal year for all other  
 13 purposes of the agency. The board of directors shall direct that, at  
 14 the time and in the manner required by law for the levying of taxes  
 15 for county purposes, ~~such the~~ board of supervisors shall levy to  
 16 collect, in addition to ~~such any~~ other tax as may be levied by ~~such~~  
 17 the board of supervisors, at the rate or rates so fixed and determined  
 18 by the board of directors, a tax upon the property within the agency,  
 19 or improvement district thereof benefited by the ~~bonded~~ debt, as  
 20 the case may be, and it is made the duty of the officer or body  
 21 having authority to levy taxes within each county to levy the tax  
 22 so required be. Taxes for the payment of the interest on or principal  
 23 of any ~~bonded debts~~ debt shall be levied on the property within  
 24 the agency, or improvement district thereof, benefited by the  
 25 ~~bonded~~ debt, as determined by the board of directors in the  
 26 resolution declaring the necessity to incur the debt. Taxes for other  
 27 purposes of the agency shall be levied on all property in the *agency*  
 28 or *improvement* district or portion thereof subject to the particular  
 29 tax. ~~And it~~ It shall be the duty of all county officers charged with  
 30 the duty of collecting taxes to collect such tax in *the* time, form,  
 31 and manner as county taxes are collected, and when collected to  
 32 pay the same to the agency. Taxes for the payment of a ~~bonded~~  
 33 debt and the interest thereon shall be a lien on all the property  
 34 benefited thereby as stated in the resolution of the board of  
 35 directors declaring the necessity to incur the debt. All taxes for  
 36 other purposes of the agency shall be a lien on all the property in  
 37 the agency subject to the respective tax. Agency taxes, whether  
 38 for payment of a ~~bonded~~ indebtedness and the interest thereon or  
 39 for other purposes, shall be of the same force and effect as other  
 40 liens for taxes, and their collection may be enforced by the same  
 P28 1 means as provided for the enforcement of liens for state and county  
 2 taxes.

3 **SEC. 34.**

4 *Section 28 of the Bighorn-Desert View Water Agency*  
 5 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 6 *renumbered to read:*

7 ~~Sec. 28:~~

8 **Sec. 21.**

9 (a) Whenever the board of directors ~~deem~~ *deems* it  
 10 necessary for the agency to incur a bonded indebtedness for the  
 11 acquisition, construction, completion, *replacement*, or repair of  
 12 any or all improvements, works, or property mentioned in this act,  
 13 the board shall, by resolution, so declare and call an election to be  
 14 held in ~~said~~ *the* agency for the purpose of submitting to the  
 15 qualified voters thereof the proposition of incurring indebtedness  
 16 by the issuance of bonds of ~~said~~ *the* agency. ~~Said~~ *The* resolution  
 17 shall state: ~~(a) the state all of the following:~~

18 (1) *The purpose for which the proposed debt is to be incurred,*  
 19 *which may include expenses of all proceedings for the*  
 20 *authorization, issuance, and sale of the bonds;* ~~(b) the bonds.~~

21 (2) *The amount of debt to be* ~~incurred;~~ *incurred.*

22 (3) *The maximum term the bonds proposed to be issued shall*  
 23 *run before maturity, which shall not exceed 40* ~~years;~~ *years.*

24 (4) *The maximum rate of interest to be paid, which shall not*  
 25 *exceed 7 percent per annum; the rate permitted by Article 7*  
 26 *(commencing with Section 53530) of Chapter 3 of Part 1 of*  
 27 *Division 2 of Title 5 of the Government Code, which shall be*  
 28 *payable semiannually, except that interest for the first year may*  
*be payable at the end of* ~~said year;~~ *the year or payable on a*  
*fixed or variable basis, on the dates specified in the resolution.*

29 (5) ~~The measure to be submitted to the voter ; (f) the voters.~~

30 (6) ~~The date upon which an election shall be held for the purpose~~  
 31 ~~of authorizing said the bonded indebtedness to be incurred ; and~~  
 32 ~~(g) the designation of precincts, the location of polling places, and~~  
 33 ~~the names of the officers selected to conduct the election, who~~  
 34 ~~shall consist of one judge, one inspector and two clerks in each~~  
 35 ~~precinct. The incurred.~~

36 (b) ~~The board of directors shall provide for holding such the~~  
 37 ~~special election on the day so date fixed and in accordance with~~  
 38 ~~the applicable provisions of the Elections Code so far as the same~~  
 39 ~~shall be applicable, except as herein otherwise provided. Notice~~  
 40 of the holding of ~~such the~~ election shall be given by publishing  
 P29 1 pursuant to Section 6066 of the Government Code the resolution  
 2 calling the election, the last publication to be made not less than  
 3 two weeks prior to the date of the proposed election, in at least  
 4 one newspaper published in ~~such the~~ agency, if there is a newspaper  
 5 published in the agency, ~~then such and the~~ resolution shall be  
 6 posted in three public places in ~~such the~~ agency not less than two  
 7 weeks prior to the date of the proposed election. No other notice  
 8 of ~~such the~~ election need be given. The returns of ~~such the~~ election  
 9 shall be made, the votes canvassed ~~by said board of directors within~~  
 10 ~~seven days following said election, and the results thereof~~  
 11 ~~ascertained and declared in accordance with the provisions of the~~  
 12 ~~Elections Code, so far as they may be applicable, except as in this~~  
 13 ~~act otherwise provided. The secretary of the board of directors, as~~  
 14 ~~soon as the result is declared, shall enter in the records of such the~~  
 15 ~~board a statement of such the results. No irregularities or~~  
 16 ~~informalities in conducting such the election shall invalidate the~~  
 17 ~~same result, if the election shall have has otherwise been fairly~~  
 18 ~~conducted.~~

19 Any

20 (c) ~~Any action or proceeding, wherein proceeding contesting,~~  
 21 ~~questioning, or denying the validity of any such these bonds, or~~  
 22 ~~of the proceedings in relation thereto is contested, questioned or~~  
 23 ~~denied to these bonds, shall be commenced within three months~~  
 24 ~~30 days from the date of such election; otherwise, said the election,~~  
 25 ~~or the bonds and all proceedings in relation thereto to these bonds~~  
 26 ~~shall be held to be valid and in every respect legal and~~  
 27 ~~incontestable.~~

28 SEC. 35.

29 Section 29 of the Bighorn-Desert View Water Agency  
 30 Law (Chapter 1175 of the Statutes of 1969) is amended and  
 31 renumbered to read:

31 ~~Sec. 29.~~

32 Sec. 22.

33 (a) Whenever the board of directors deems it necessary  
 34 to incur ~~a~~ bonded indebtedness for the acquisition, construction,  
 35 completion, *replacement*, or repair of any or all improvements,  
 36 works, or property mentioned in this act and to provide for ~~such~~  
 37 ~~that~~ bonded indebtedness to be payable from taxes levied upon  
 38 less than all of the agency, the board shall, by resolution, so declare  
 38 and ~~state: (a) the state all of the following:~~

39 (1) ~~The purpose for which the proposed debt is to be incurred ;~~  
 40 ~~(b) the incurred.~~

P30 1 (2) ~~The amount of debt to be incurred, which may include~~  
 2 ~~expenses of all proceedings for the authorization, issuance, and~~  
 3 ~~the sale of the bonds ; (c) that bonds.~~

4 (3) ~~That~~ the board intends to form an improvement district of  
 5 a portion of the agency which in the opinion of the board will be  
 6 benefited, the exterior boundaries of which portion are set forth  
 7 on a map on file with the secretary of the agency, which map shall  
 8 govern for all details as to the extent of the proposed improvement

9 district, and to call an election in ~~such that~~ proposed improvement  
 10 district on a date to be fixed, for the purpose of submitting to the  
 11 qualified voters thereof the proposition of incurring indebtedness  
 12 by the issuance of bonds of the agency for ~~said that~~ improvement  
 13 ~~district; (d) that~~ district.

14 (4) ~~That~~ taxes for the payment of ~~said the~~ bonds and the interest  
 15 thereon shall be levied exclusively upon the taxable property in  
 16 the improvement ~~district; (e) that~~ district.

17 (5) ~~That~~ a general description of the proposed ~~improvement;~~  
 18 ~~improvements,~~ together with a map showing the exterior boundaries  
 19 of ~~said the~~ proposed improvement district with relation to the  
 20 territory immediately contiguous thereto and to the proposed  
 21 improvement ~~improvements,~~ is on file with the secretary of the  
 22 agency and is available for inspection by any person or persons  
 23 ~~interested; (f) the~~ interested.

24 (6) ~~The~~ time and place for a hearing by the board on the  
 25 ~~questions~~ question of the formation of ~~said the~~ proposed  
 26 improvement district, the extent thereof, the proposed ~~improvement~~  
 27 ~~improvements~~ and the amount of debt to be ~~incurred; and (g) that~~  
 28 ~~incurred.~~

29 (7) ~~That~~ at the time and place specified in the resolution any  
 30 person interested, including all persons owning property in the  
 31 agency or in the proposed improvement district, will be ~~heard.~~  
 32 ~~Notice heard.~~

33 (b) ~~Notice of~~ ~~said the~~ hearing shall be given by publishing a  
 34 copy of the resolution pursuant to Section 6066 of the Government  
 35 Code prior to the time fixed for the hearing in a newspaper printed  
 36 and published in the agency, if there is a newspaper printed and  
 37 published in ~~such the~~ agency. ~~Such~~ This notice shall also be given  
 38 by posting a copy of ~~said the~~ resolution in ~~six three~~ public places  
 39 within the proposed improvement district at least two weeks before  
 40 the time fixed for ~~said the~~ hearing.

P31 1 At

2 (c) ~~At~~ the time and place ~~so~~ fixed for the hearing, or at any time  
 3 and place to which ~~the hearing~~ it is adjourned, the board shall  
 4 proceed with the hearing. At the hearing, any person interested,  
 5 including any person owning property within the agency or within  
 6 any proposed improvement district, may appear and present any  
 7 matters material to the questions set forth in the resolution declaring  
 8 the necessity for incurring the bonded indebtedness. The board  
 9 shall have the power to change the purpose for which the proposed  
 10 debt is to be incurred, or the amount of bonded debt to be incurred,  
 11 or the boundaries of ~~said the~~ proposed improvement district, or  
 12 ~~one or all of said matters~~ any combination of these; provided,  
 13 however, that ~~said the~~ board shall not change ~~such the~~ boundaries  
 14 so as to include any territory ~~which that~~ will not, in its judgment,  
 15 be benefited by ~~said the~~ improvement.

16 The

17 (d) ~~The~~ purpose, amount of bonded debt, or boundaries shall  
 18 not be changed by ~~said the~~ board except after notices of its intention  
 19 to do so, given by publication pursuant to Section 6061 of the  
 20 Government Code in a newspaper printed and published in ~~said~~  
 21 ~~Bighorn Mountains the Bighorn-Desert View Water Agency,~~ if  
 22 there is a newspaper printed and published in ~~such the~~ agency, and  
 23 by posting in ~~six three~~ public places within ~~said the~~ proposed  
 24 improvement district. ~~Said~~ The notice shall state the changed  
 25 purpose and debt proposed and that the exterior boundaries as  
 26 proposed to be changed are set forth on a map on file with the  
 27 secretary of the agency, which map shall govern for all details as  
 28 to the extent of the proposed improvement district, and specify the  
 29 time and place for hearing on ~~such the~~ change, which time shall  
 30 be at least 10 days after publication or posting of ~~said the~~ notice.

31 At the time and place ~~so~~ fixed, or at any time and place to which  
 32 the hearing is adjourned, the board shall proceed with the hearing.  
 33 At the hearing any person interested, including any person owning  
 34 property within the agency or the proposed improvement district,  
 35 may appear and present any matters material to the changes stated  
 36 in the notice. At the conclusion of the hearing, the board shall, by  
 37 resolution, determine whether it is deemed necessary to incur the  
 38 bonded indebtedness, and, if so, the resolution shall also state the  
 39 purpose for which ~~said the~~ proposed debt is to be incurred, the  
 40 amount of the proposed debt, that the exterior boundaries of the  
 P32 1 portion of the agency ~~which that~~ will be benefited are set forth on  
 2 a map on file with the secretary of the agency which map shall  
 3 govern for all details as to the extent of the improvement district,  
 4 and that ~~said the~~ portion of the agency set forth on ~~said the~~ map  
 5 shall thereupon constitute and be known as "Improvement District  
 6 No. ... of ~~Bighorn Mountains~~ Bighorn-Desert View Water Agency,"  
 7 and the determinations made in ~~said the~~ resolution shall be final  
 8 and conclusive. After the formation of ~~such an~~ improvement district  
 9 within the ~~Bighorn Mountains~~ Bighorn-Desert View Water Agency  
 10 pursuant to this section, all proceedings for the purpose of a bond  
 11 election shall be limited, and shall apply only to the improvement  
 12 district, and taxes for the payment of ~~said the~~ bonds and the interest  
 13 thereon shall be levied exclusively upon the taxable property in  
 14 the improvement district.  
 15 *After*  
 16 (e) After the board has made its determination of the matters  
 17 required to be determined by ~~said the~~ last mentioned resolution,  
 18 and if the board deems it necessary to incur the bonded  
 19 indebtedness, the board shall by a further resolution call a special  
 20 election in ~~said the~~ improvement district for the purpose of  
 21 submitting to the qualified voters thereof the proposition of  
 22 incurring indebtedness by the issuance of bonds of the agency for  
 23 ~~said the~~ improvement district. ~~Said The~~ resolution shall state: ~~(a)~~  
 24 ~~that state all of the following:~~  
 25 (1) ~~That~~ the board deems it necessary to incur the bonded  
 26 indebtedness; ~~(b) the indebtedness.~~  
 27 (2) ~~The~~ purpose for which the bonded indebtedness will be  
 28 incurred; ~~(c) the incurred.~~  
 29 (3) ~~The~~ amount of debt to be incurred; ~~(d) the incurred.~~  
 30 (4) ~~The~~ improvement district to be benefited by ~~said the~~  
 31 indebtedness, as set forth in the resolution making determinations,  
 32 and that a map showing the exterior boundaries of ~~said the~~  
 33 improvement district is on file with the secretary of the agency,  
 34 which map shall govern for all details as to the extent of the  
 35 improvement district; ~~(e) that district.~~  
 36 (5) ~~That~~ taxes for the payment of ~~such the~~ bonds and the interest  
 37 thereon shall be levied exclusively upon the taxable property in  
 38 ~~said the~~ improvement district; ~~(f) the district.~~  
 39 (6) ~~The~~ maximum term the bonds proposed to be issued shall  
 40 run before maturity, which shall not exceed 40 years; ~~(g) the years.~~  
 P33 1 (7) ~~The~~ maximum rate of interest to be paid, which shall not  
 2 exceed 7 percent per annum; ~~the rate permitted by Article 7~~  
 3 ~~(commencing with Section 53530) of Chapter 3 of Part 1 of~~  
 4 ~~Division 2 of Title 5 of the Government Code,~~ payable  
 5 semiannually, except that interest for the first year may be payable  
 6 at the end of the ~~said year;~~ ~~(h) the year or payable on a fixed or~~  
 7 ~~variable basis, on dates specified in the resolution.~~  
 8 (8) ~~The~~ measure to be submitted to the voters; ~~(i) the voters.~~  
 9 (9) ~~The~~ date upon which an election shall be held for the purpose  
 10 of authorizing ~~said the~~ bonded indebtedness to be incurred; and  
 11 ~~(j) the designation of precincts, the location of polling places, and~~  
 12 ~~the names of the officers selected to conduct the election, who~~

13 shall consist of one judge, one inspector and two clerks in each  
14 precinct incurred.

15 The

16 (f) The board of directors shall provide for holding such the  
17 special election on the day so fixed and in accordance with the  
18 provisions of the Elections Code so far as the same shall be, as  
19 applicable, except as herein otherwise provided. Notice of the  
20 holding of such the election shall be given by publishing pursuant  
21 to Section 6066 of the Government Code the resolution calling the  
22 election prior to the date of the proposed election in at least one  
23 newspaper printed and published in the agency, if there is a  
24 newspaper printed and published in such the agency. Such The  
25 resolution shall also be posted in three public places in such the  
26 improvement district not less than two weeks prior to the date of  
27 the proposed election. No other notice of such the election need  
28 be given.

29 The

30 (g) The returns of such the election shall be made, the votes  
31 canvassed by said board of directors within seven days following  
32 said election, canvassed, and the results thereof ascertained and  
33 declared in accordance with the provisions of the Elections Code  
34 so far as they may be applicable, except as in this act otherwise  
35 provided applicable. The secretary of the board of directors, as  
36 soon as the result is declared, shall enter in the records of such the  
37 board a statement of such the results. No irregularities or  
38 informalities in conducting such the election shall invalidate the  
39 same it, if the election shall have otherwise been fairly conducted.

40 Any

P34 1 (h) Any action or proceeding, wherein proceeding contesting,  
2 questioning, or denying the validity of the formation of the  
3 improvement district or, of any such the bonds, or of the  
4 proceedings in relation thereto is contested, questioned or denied;  
5 to the bonds shall be commenced within three months 30 days  
6 from the date of such election, otherwise, said election, or the  
7 bonds and all proceedings in relation thereto to the bonds, including  
8 the formation of the improvement district, shall be held to be valid  
9 and in every respect legal and incontestable.

10 SEC. 36.

11 Section 30 of the Bighorn-Desert View Water Agency  
12 Law (Chapter 1175 of the Statutes of 1969) is amended and  
13 renumbered to read:

14 Sec. 30:

15 Sec. 23.

16 (a) Any portion of the Bighorn Mountains  
17 Bighorn-Desert View Water Agency, whether contiguous or not  
18 to an improvement district thereof, may be annexed to said the  
19 improvement district in the following manner. A petition, which  
20 may consist of any number of separate instruments, shall be filed  
21 with the secretary of the agency, signed by holders of title to sixty  
22 percent (60%) 60 percent or more of the land in the portion  
23 proposed to be annexed, which land as so represented in said the  
24 petition shall have an assessed valuation of not less than fifty  
25 percent (50%) 50 percent of the land so proposed to be annexed.  
26 The petition shall contain all of the following: (a) a

27 (1) A description of the area proposed to be annexed, which  
28 may be made by reference to a map on file with the secretary of  
29 the agency, which map shall govern for all details as to the extent  
30 of the area proposed to be annexed, or in any other definite manner;  
31 (b) the manner.

32 (2) The terms and conditions upon which said the proposed area  
may be annexed as theretofore determined by resolution adopted  
by the board of directors of the agency; and (c) a prayer that

33        *agency.*

34        (3) ~~A request that the board of directors declare such the area~~

35        ~~to be annexed to the improvement district.-Said~~

36        (b) ~~The petition shall be accompanied by a certified check~~

37        ~~payable to the order of the agency in sufficient sum to reimburse~~

38        ~~said the agency for expenses of processing and publishing the~~

39        ~~petition and preparing and making the filings required by law.~~

40        ~~Within~~

P35 1        (c) ~~Within 10 days of the date of the filing of such petition the~~

2        ~~petition, the secretary of the agency shall examine the same it and~~

3        ~~ascertain whether or not such the petition is signed by the required~~

4        ~~number of property owners; and, if requested by the secretary of~~

5        ~~the agency, the board of directors shall authorize him the general~~

6        ~~manager to employ persons especially for that purpose, in addition~~

7        ~~to the persons regularly employed in his or her office, and shall~~

8        ~~provide for their compensation. When the secretary of the agency~~

9        ~~general manager has completed his or her examination of the~~

10        ~~petition, he or she shall attach to the same his it his or her~~

11        ~~certificate, properly dated, showing the result of such the~~

12        ~~examination; and if from such the examination he shall find that~~

13        ~~said he or she finds the petition is signed by the requisite number~~

14        ~~of property owners, or is not so signed, he or she shall certify that~~

15        ~~the same petition is sufficient, or insufficient, as the case may be.~~

16        ~~if~~

17        (d) ~~If by the certificate of the secretary of the agency general~~

18        ~~manager, the petition is found to be insufficient, said the petition~~

19        ~~may be amended by filing a supplemental petition or petitions~~

20        ~~within 10 days of the date of such the certificate. The secretary of~~

21        ~~the agency general manager shall, within 10 days after the filing~~

22        ~~of such the supplemental petition or petitions, make like~~

23        ~~examination of the same examine them and certify to the result of~~

24        ~~such the examination as hereinbefore provided.~~

25        ~~if~~

26        (e) ~~If by the certificate of the secretary such general manager,~~

27        ~~the petition, or petition as amended, is shown to be sufficient, the~~

28        ~~secretary shall cause notice of hearing on the petition to be~~

29        ~~published and posted without delay.~~

30        ~~The~~

31        (f) ~~The text of said the petition shall be published pursuant to~~

32        ~~Section 6066 of the Government Code prior to the time at which~~

33        ~~the same it is to be presented to the board of directors of the agency~~

34        ~~in at least one newspaper printed and published in the Bighorn~~

35        ~~Mountains Bighorn-Desert View Water Agency, if there is a~~

36        ~~newspaper printed and published in such agency; the agency,~~

37        ~~together with a notice stating the time and place of the meeting at~~

38        ~~which the same the petition will be presented. When contained~~

39        ~~upon one or more instruments, only one copy only of such the~~

40        ~~petition need be published. No more than five of the names attached~~

P36 1        ~~to said the petition need appear in said the publication of said the~~

2        ~~petition and notice, but the number of signers shall be stated.-Said~~

3        ~~The notice and petition shall also be posted in three public places~~

4        ~~in the improvement district and three public places in the area~~

5        ~~proposed to be annexed, at least two weeks prior to the hearing.~~

6        ~~The~~

7        (g) ~~The board of directors of the agency shall proceed to hear~~

8        ~~the petition at the time and place fixed therefor and any person~~

9        ~~residing within the agency or improvement district or owning~~

10        ~~taxable property in said the agency or improvement district shall~~

11        ~~be entitled to appear and be heard at such the hearing.-Such The~~

12        ~~hearing may be continued from time to time by the board of~~

13        ~~directors of the agency. At the conclusion of the hearing, and if~~

14        ~~the board of directors finds and determines from the evidence~~

15 presented at ~~said~~ the hearing that the area proposed to be annexed  
 16 to an improvement district will be benefited thereby, and that the  
 17 improvement district to which ~~said area~~ *the area is* proposed to be  
 18 annexed will also be benefited thereby and will not be injured  
 19 thereby, ~~then and in such case~~ the board of directors of the agency  
 20 may, by resolution, approve ~~such~~ *the* annexation, describing the  
 21 territory so annexed, which may be by reference to a map on file  
 22 with the secretary of the agency, *which* shall govern for all details  
 23 as to the extent of the annexed area, or in any other definite manner,  
 24 and the terms and conditions of annexation as theretofore  
 25 determined by resolution of the board of directors.

26 ~~From~~

27 *(h) From* and after the date of the adoption of ~~such the~~  
 28 resolution, the area named therein shall be deemed added to and  
 29 shall form a part of ~~said the~~ improvement district and the taxable  
 30 property therein shall be subject to taxation thereafter for the  
 31 purposes of ~~said the~~ improvement district, including the payment  
 32 of the principal of and interest on bonds and other obligations of  
 33 ~~such the~~ improvement district at the time authorized and  
 34 outstanding at the time of ~~said the~~ annexation as if ~~said the~~ annexed  
 35 property had always been a part of ~~said the~~ improvement district,  
 36 and the board of directors of the ~~Bighorn Mountains~~  
 37 *Bighorn-Desert View Water Agency* shall be empowered to do all  
 38 things necessary to enforce and make effective the terms and  
 39 conditions of annexation fixed as ~~hereinabove~~ *authorized in this*  
 40 *section.*

P37 1 ~~Any~~

2 *(i) Any* action or proceeding wherein the validity of ~~any such~~  
 3 *an* annexation is contested, questioned or denied must be  
 4 commenced within ~~three months~~ *30 days* after the date of ~~issuance~~  
 5 ~~by the Secretary of State of his certificate; otherwise said adoption~~  
 6 ~~of the resolution approving the annexation, or the annexation shall~~  
 7 ~~be held to be valid and in every respect legal and incontestable.~~

8 **SEC. 37.**

9 *Section 31 of the Bighorn-Desert View Water Agency*  
 10 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 11 *renumbered to read:*

11 ~~Sec. 31.~~

12 **Sec. 24.**

13 *(a) If from such the* returns it appears that more than  
 14 two-thirds of the votes cast in ~~such the~~ election held pursuant to  
 15 the provisions of Section ~~28 21~~ or of Section ~~29 22~~ of this ~~act, act~~  
 16 were in favor of and assented to the incurring of ~~such the proposed~~  
 17 indebtedness, then the board of directors may, by resolution, at  
 18 such time or times as it deems proper, issue bonds of the agency  
 19 for the whole or any part of the amount of the indebtedness so  
 20 authorized, and may from time to time provide for the issuance of  
 21 such amounts as ~~the necessity thereof may appear~~ *are needed*, until  
 22 the full amount of ~~such the~~ bonds authorized ~~shall have~~ *has* been  
 23 issued. ~~Said full amount of bonds~~ *Bonds* may be divided into two  
 24 or more series and different dates *may be* fixed for each of the  
 25 series. The maximum term ~~which that~~ the bonds of any series shall  
 26 run before maturity shall not exceed 40 years from the date of ~~each~~  
 27 ~~series respectively the series.~~

27 ~~The~~

28 *(b) The* board of directors shall, by resolution, prescribe the  
 29 form of the bonds ~~and the form of the coupons attached thereto~~  
 30 and fix the time when the whole or any part of the principal shall  
 31 become due and payable. The payment of the first installment of  
 32 principal may be deferred for a period of not more than five years  
 33 from the date of the bonds ~~or the date of the bonds~~ of each series  
 34 ~~respectively.~~ The bonds shall bear interest at a rate or rates not to

35 ~~exceed 7 percent per annum, payable semiannually, except that~~  
 36 ~~interest for the first year may be payable at the end of said year~~  
 37 ~~the rate permitted by Article 7 (commencing with Section 53530)~~  
 38 ~~of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government~~  
 39 ~~Code, payable on a fixed or variable basis, or payable on the dates~~  
 40 ~~specified in the resolution.~~ The board of directors may also provide  
 P38 1 for call and redemption of bonds prior to maturity at such times  
 2 and prices and upon such other terms as it may specify. A bond  
 3 shall not be subject to call or redemption prior to maturity unless  
 4 it contains a recital to that effect or unless a statement to that effect  
 5 is printed thereon.

6 ~~The~~  
 7 (c) ~~The~~ denomination of the bonds shall be stated in the  
 8 resolution providing for their issuance, but shall not be less than  
 9 one hundred dollars (\$100). The principal and interest shall be  
 10 payable in lawful money of the United States at the office of the  
 11 treasurer of the district or such other place or places as may be  
 12 designated, or at either place or places at the option of the holder  
 13 of the bond.

14 ~~The~~  
 15 (d) ~~The~~ bonds shall be dated, numbered consecutively, and be  
 16 signed by the president and treasurer of the agency, countersigned  
 17 by the secretary of the agency, and the official seal of the agency  
 18 attached. ~~The interest coupons of such bonds shall be signed by~~  
 19 ~~the treasurer of said agency. All such of these~~ signatures and  
 20 countersignatures may be printed, lithographed, or mechanically  
 21 reproduced, except that one of ~~said these~~ signatures or  
 22 countersignatures ~~to said bonds~~ shall be manually affixed.

23 ~~if~~  
 24 (e) ~~If~~ the bond election proceedings have been limited to and  
 25 have applied only to an improvement district within ~~said the~~  
 26 agency, ~~said the~~ bonds are bonds of the agency and shall be issued  
 27 in the name of the agency and shall be designated "Bonds of the  
 28 ~~Bighorn Mountains Bighorn-Desert View~~ Water Agency for  
 29 Improvement District No. \_\_\_\_" and each bond ~~and all interest~~  
 30 ~~coupons thereof~~ shall state that taxes levied for the payment thereof  
 31 shall be levied exclusively upon the taxable property in ~~said that~~  
 32 improvement district.

33 ~~Before~~  
 34 (f) ~~Before~~ selling the bonds, or any part thereof, the board of  
 35 directors shall give notice inviting sealed bids in such manner as  
 36 it may prescribe. If satisfactory bids are received, the bonds offered  
 37 for sale shall be awarded to the highest responsible bidder. If no  
 38 bids are received, or if ~~said the~~ board determines that the bids  
 39 received are not satisfactory as to price or responsibility of the  
 40 bidders, it may reject all bids received, if any, and either readvertise  
 P39 1 ~~or sell the bonds at private sale negotiate the sale of the bonds.~~  
 2 ~~The board of directors may determine by a two-thirds vote of the~~  
 3 ~~total vote of the board that the interest of the district and the public~~  
 4 ~~interest or necessity require that the bonds may be sold at private~~  
 5 ~~sale upon those terms and conditions as the board may deem~~  
 6 ~~necessary, convenient, or desirable. In addition to interest paid~~  
 7 ~~on a bond or evidence of indebtedness of the district, the board,~~  
 8 ~~in its discretion, may sell the bonds or evidence of indebtedness~~  
 9 ~~at less than its par or face value, but not at less than 94 percent~~  
 10 ~~of the par or face value thereof.~~

11 (g) The proceeds arising from the sale of bonds shall be paid  
 12 into the treasury of the agency and placed to the credit of a special  
 13 improvement fund and expended only for the purpose for which  
 14 the indebtedness was created; provided, however, that when ~~said~~  
 15 ~~that~~ purpose has been accomplished any moneys remaining in ~~said~~  
 16 ~~the~~ special improvement fund may be transferred to the water

17 ~~operating~~ fund to be used for the payment of principal of and  
 18 interest on the bonds. ~~Said remaining~~ The moneys remaining from  
 19 the sale of bonds of the agency may also be used for some other  
 20 agency purpose. ~~Such moneys~~ Moneys remaining from the sale of  
 21 bonds of the agency for an improvement district therein may also  
 22 be used for any purpose ~~which~~ that will benefit the property in the  
 23 improvement district. ~~Said moneys may not be used for said other~~  
 24 ~~agency purpose or improvement district purpose until two-thirds~~  
 25 ~~of the qualified voters of said agency or improvement district have~~  
 26 ~~consented thereto at a special election called in said agency or~~  
 27 ~~improvement district by the board of directors. Notice of said~~  
 28 ~~election shall be given in the manner provided for bond elections~~  
 29 ~~in said agency or improvement district, as the case may be, and in~~  
 30 ~~other respects the election shall be conducted as are other agency~~  
 31 ~~elections:~~

32 (h) *The bonds of the district shall be legal investment for all*  
 33 *trust funds and for the funds of all insurance companies, banks,*  
 34 *both commercial and savings, and trust companies, for state school*  
 35 *funds, and, whenever any moneys or funds may by law now or*  
 36 *hereafter enacted be invested in bonds of a city, county, or city*  
 37 *and county, school districts, and municipalities in the state, the*  
 38 *moneys or funds may be invested in bonds of the district, issued*  
 39 *in accordance with the provisions of this act. Whenever bonds of*  
 40 *a city, county, city and county, school district, or municipality may*  
 P40 1 *by law be used as security for the performance of any act, the*  
 2 *bonds of the district may be so used.*

3 **SEC. 38.**

4 *Section 32 of the Bighorn-Desert View Water Agency*  
 5 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 6 *renumbered to read:*

7 ~~Sec. 32.~~

8 **Sec. 25.**

9 Any bonds issued by the ~~Bighorn Mountains~~  
 10 *Bighorn-Desert View Water Agency* are hereby given the same  
 11 force, value and use as bonds issued by any city and shall be  
 12 exempt from all taxation within the State of California.

13 **SEC. 39.**

14 *Section 33 of the Bighorn-Desert View Water Agency*  
 15 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 16 *renumbered to read:*

17 ~~Sec. 33.~~

18 **Sec. 26.**

19 (a) Whenever the board of directors deems it necessary  
 20 to form an improvement district of a portion of the agency for a  
 21 purpose other than the incurring of bonded indebtedness under  
 22 Section 29 22 of this act it shall by resolution so declare and ~~state:~~

23 ~~(a) the state all of the following:~~

24 (1) *The purpose for which the proposed improvement district*  
 25 *is to be formed,* ~~(b) the formed.~~

26 (2) *The estimated expense of carrying out said purpose,* ~~(c) that~~  
 27 *the purpose.*

28 (3) *That the board intends to form an improvement district of*  
 29 *a portion of the agency which that in the opinion of the board will*  
 30 *be benefited, the exterior boundaries of which portion are set forth*  
 31 *on a map on file with the secretary of the agency, which map shall*  
 32 *govern for all details as to the extent of the proposed improvement*  
 33 *district,* ~~(d) that district.~~

(4) *That taxes for carrying out said the purpose shall be levied*  
 34 *exclusively upon the taxable property in said the proposed*  
 35 *improvement district,* ~~(e) that district.~~

(5) *That a map showing the exterior boundaries of said the*

34 proposed improvement district, with relation to the territory  
 35 immediately contiguous thereto, is on file with the secretary of the  
 36 agency and is available for inspection by any person or persons  
 37 interested, ~~(f) the interested.~~

38 (6) The time and place for a hearing by the board on the  
 39 questions of the formation of ~~said the~~ proposed improvement  
 40 district, the extent thereof, the purpose for which it is to be formed,  
 P41 1 and the estimated expense of carrying out ~~said purpose and (g)~~  
 2 ~~that the purpose.~~

3 (7) That at ~~said the~~ time and place *specified*, any person  
 4 interested, including all persons owning property in the agency or  
 5 in the proposed improvement district, will be ~~heard.~~ *Notice heard.*

6 (b) Notice of ~~said the~~ hearing shall be given by publishing a  
 7 copy of the resolution pursuant to Section 6066 of the Government  
 8 Code prior to the time fixed for the hearing in a newspaper  
 9 circulated in the ~~Bighorn Mountains~~ *Bighorn-Desert View Water*  
 10 Agency, if there is a newspaper circulated therein. ~~Said This~~ notice  
 11 shall also be given by posting a copy of ~~said the~~ resolution in three  
 12 public places within the proposed improvement district for at least  
 13 two weeks before the time fixed for ~~said the~~ hearing.

14 *At*

15 (c) At the time and place ~~so fixed of the hearing~~, or at any time  
 16 or place to which the hearing is adjourned, the board shall proceed  
 17 with the hearing, at which ~~hearing~~ any person interested, including  
 18 all persons owning property in the agency, or in the proposed  
 19 improvement district, may appear and present any matters material  
 20 to the questions set forth in the resolution. At the conclusion of  
 21 the hearing the board shall, by resolution, determine whether it is  
 22 necessary to form ~~said the proposed~~ improvement district, and, if  
 23 so, the resolution shall also state the purpose for which the  
 24 proposed improvement district is to be formed, *the* estimated  
 25 expense of carrying out ~~said the~~ purpose, that the exterior  
 26 boundaries of the portion of the agency ~~which that~~ will be benefited  
 27 are set forth on a map on file with the secretary of the agency,  
 28 which map shall govern for all details as to the extent of the  
 29 improvement district, and that ~~said the~~ portion of the agency set  
 30 forth on ~~said map~~, *the map* shall thereupon constitute and be known  
 31 as "Improvement District (A, B, C, or other letter designation) of  
 32 the ~~Bighorn Mountains~~ *Bighorn-Desert View Water Agency*," and  
 33 the determinations made in ~~said the~~ resolution shall be final and  
 34 conclusive. After the formation of ~~such the~~ improvement district  
 35 within the ~~Bighorn Mountains~~ *Bighorn-Desert View Water Agency*  
 36 pursuant to this section all taxes levied for the ~~carrying out of said~~  
 37 purpose *for which the improvement district is formed* shall be  
 38 levied exclusively upon the taxable property in the improvement  
 39 district.

40 *A*

P42 1 (d) A copy of the resolution forming the improvement district  
 2 shall be published pursuant to Section 6066 of the Government  
 3 Code in a newspaper printed and published in the agency, if there  
 4 is a newspaper printed and published in the agency, and a copy of  
 5 ~~said the~~ resolution shall also be posted in three public places within  
 6 the proposed improvement district for at least two weeks. ~~Said The~~  
 7 resolution shall not be effective until the 31st day after completion  
 8 of ~~said publication and/or this~~ posting, *and, if applicable,*  
 9 *publication.* If, before ~~said effective this~~ date, a petition signed by  
 10 not less than 10 percent of the voters of the improvement district  
 11 requesting that an election be held on the formation thereof is  
 12 presented to the board of directors, ~~said the~~ board shall call a  
 13 special election in the improvement district for the purpose of  
 14 submitting the question of the formation of the improvement  
 15 district to the voters of ~~said the proposed~~ improvement district.

16       The  
 17       (e) ~~The board of directors shall provide for holding such~~ *fix a*  
 18 *date for this special election on the day so fixed and in accordance*  
 19 *with the applicable provisions of the Elections Code so far as the*  
 20 ~~same shall be applicable~~, except as herein otherwise provided.  
 21 Notice of the holding of ~~such the~~ *the* election shall be given by  
 22 publishing the resolution calling the election pursuant to Section  
 23 6066 of the Government Code prior to the date of the proposed  
 24 ~~election;~~ *election* in at least one newspaper printed and published  
 25 in the ~~Bighorn Mountains Bighorn-Desert View Water Agency~~, if  
 26 there is a newspaper printed and published in ~~such the~~ *the* agency.  
 27 ~~Such~~ *The* resolution shall also be posted in three public places in  
 28 ~~such the~~ *the* improvement district not less than two weeks prior to the  
 29 date of the proposed election. No other notice of ~~such the~~ *the* election  
 30 need be given.

31       The  
 32       (f) ~~The returns of such the election shall be made, the votes~~  
 33 ~~canvassed by said board of directors within seven days following~~  
 34 ~~said election, canvassed,~~ and the results thereof ascertained and  
 35 declared in accordance with the *applicable* provisions of the  
 36 Elections Code ~~so far as they may be applicable~~, except as in this  
 37 act otherwise provided. The secretary of the board of directors, as  
 38 soon as the result is declared, shall enter in the records of ~~such the~~  
 39 board a statement of ~~such the~~ *the* results. No irregularities or  
 40 informalities in conducting ~~such the~~ *the* election shall invalidate ~~the~~

P43 1       ~~same it~~, if the ~~elections~~ *election* shall have otherwise been fairly  
 2 conducted.

3       if  
 4       (g) ~~If from such the returns it appears that a majority of the votes~~  
 5 ~~cast at such the election were in favor of the formation of such the~~  
 6 ~~improvement district, the formation of such the~~ *improvement*  
 7 ~~district shall be complete.~~

8       Any  
 9       (h) ~~Any action or proceeding wherein questioning, contesting,~~  
 10 ~~or denying the validity of the formation of the improvement district,~~  
 11 ~~or of any of the proceedings in relation thereto is contested,~~  
 12 ~~questioned or denied to that formation,~~ shall be commenced within  
 13 ~~three months~~ *30 days* from the effective date of the resolution  
 14 forming ~~such the~~ *the* district, or, if an election is held, within ~~three~~  
 15 ~~months~~ *30 days* from the date of ~~such the~~ *the* election, ~~otherwise or~~  
 16 the formation of the improvement district, and all proceedings in  
 17 relation thereto, shall be held to be valid and in every respect legal  
 18 and incontestable.

19       SEC. 40.  
 Section 34 of the Bighorn-Desert View Water Agency  
 20 Law (Chapter 1175 of the Statutes of 1969) is amended and  
 21 renumbered to read:

22       ~~Sec. 34.~~  
 23       Sec. 27.

The board of directors may advance general funds of  
 24 the agency to accomplish the purposes of an improvement district  
 25 ~~formed in accordance with Sections 29 or 33 and, if the~~  
 26 ~~improvement district is formed under Section 29, may and the~~  
 27 ~~district may~~ repay the agency from the proceeds of the sale of  
 28 bonds authorized for ~~such purpose those purposes, or if the~~  
 29 ~~improvement district is formed under Section 33 may, in the~~  
 30 ~~formation of such improvement district, provide that the agency~~  
 31 ~~shall be repaid with interest at not to exceed 7 percent from the~~  
 32 ~~special taxes levied exclusively upon the taxable property in said~~  
 33 ~~the improvement district, at the rate of interest authorized by~~  
 34 ~~Article 7 (commencing with Section 53530) of Chapter 3 of Part~~  
 35 ~~1 of Division 2 of Title 5 of the Government Code.~~

- 36        *SEC. 41.*  
           *Section 35 of the Bighorn-Desert View Water Agency*  
 37        *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 38        *renumbered to read:*
- P44 1        ~~Sec. 35.~~  
 2        *Sec. 28.*  
           Interest on any bonds issued by the agency coming  
 3        due before the proceeds of a tax levied at the next ~~general~~ tax levy  
 4        after the sale of ~~said~~ the bonds are available, and interest on any  
 5        bonds issued by the agency coming due before the expiration of  
 6        one year following completion of the acquisition and construction  
 7        of the works and improvements for which the bonds were issued  
 8        may be paid from the proceeds of the sale of ~~such~~ those bonds.
- 9        *SEC. 42.*  
           *Section 36 of the Bighorn-Desert View Water Agency*  
 10        *Law (Chapter 1175 of the Statutes of 1969) is repealed.*
- 11        ~~Sec. 36.~~  
           ~~Land not a part of the agency whether or not~~  
 12        ~~contiguous to it or to other portions added to the agency, and~~  
 13        ~~consisting of any portion of the county wherein the agency was~~  
 14        ~~formed or of any municipality therein, or of land in any county~~  
 15        ~~contiguous to the county wherein the agency was formed or of any~~  
 16        ~~municipality therein, may be included within the agency.~~
- 17        *SEC. 43.*  
           *Section 40 of the Bighorn-Desert View Water Agency*  
 18        *Law (Chapter 1175 of the Statutes of 1969) is repealed.*
- 19        ~~Sec. 40.~~  
           ~~Ordinances may be passed by the voters of the Bighorn~~  
 20        ~~Mountains Water Agency organized under the provisions of this~~  
 21        ~~act in accordance with the methods provided by the Elections Code~~  
 22        ~~for direct legislation in cities.~~
- 23        *SEC. 44.*  
           *Section 41 of the Bighorn-Desert View Water Agency*  
 24        *Law (Chapter 1175 of the Statutes of 1969) is repealed.*
- 25        ~~Sec. 41.~~  
           ~~Ordinances may be disapproved and thereby vetoed~~  
 26        ~~by the voters of this agency by proceeding in accordance with the~~  
 27        ~~methods provided by the Elections Code for protesting against~~  
 28        ~~legislation in cities.~~
- 29        *SEC. 45.*  
           *Section 42 of the Bighorn-Desert View Water Agency*  
 30        *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 31        *renumbered to read:*
- 32        ~~Sec. 42.~~  
           It is the intention that the Bighorn Mountains Water  
 33        *Sec. 29.*  
           *The Bighorn-Desert View Water Agency shall not be*  
 34        ~~disincorporated dissolved~~ until all ~~bonded~~ indebtedness shall have  
 35        been fully paid.
- 36        *SEC. 46.*  
           *Section 30 is added to the Bighorn-Desert View Water*  
 37        *Agency Law (Chapter 1175 of the Statutes of 1969), to read:*
- 38        *Sec. 30.*  
           *(a) The Bighorn-Desert View Water Agency shall*  
 39        *separately account for and use funds derived from the operation*  
 40        *of the Desert View Water District and the Bighorn Mountains*  
 P45 1        *Water Agency for the purpose of bond debt service for each of the*  
 2        *former systems.*  
 3        *(b) Nothing in this part shall be construed to impair any contract*  
 4        *entered into prior to January 1, 2014.*

5        **SEC. 47.**

*Section 45 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.*

6        ~~Sec. 45.~~

7        ~~Nothing in this act shall be so construed as repealing~~  
 8 ~~or in anywise modifying the provisions of any other act relating~~  
 9 ~~to water or the supply of water to, or the acquisition thereof, by~~  
 10 ~~cities within this state. The term "city," as used in this act, shall~~  
 11 ~~mean and include any city or incorporated town, whether organized~~  
 12 ~~or functioning under a freeholders' charter or under the provisions~~  
 13 ~~of general laws. The word "agency" shall apply, unless otherwise~~  
 14 ~~expressed or used, to the Bighorn Mountains Water Agency formed~~  
 15 ~~under the provisions of this act, and the word "board" and the~~  
 16 ~~words "board of directors" shall apply to the board of directors of~~  
 17 ~~such agency. The term "indebtedness" shall mean all indebtedness~~  
 18 ~~other than bonded indebtedness unless the latter is expressly used.~~  
 19 ~~The meaning of the term "voter," as used in this act, shall be~~  
 20 ~~ascertained by reference to Section 21 of the Elections Code.~~

21        **SEC. 48.**

*Section 46 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.*

22        ~~Sec. 46.~~

23        ~~If there shall be a registrar of voters, other than the~~  
 24 ~~county clerk, in the principal county in which the Bighorn~~  
 25 ~~Mountains Water Agency is hereby incorporated, or incorporated,~~  
 26 ~~under the provisions of this act, is situated, the duties required by~~  
 27 ~~this act to be performed by the county clerk respecting the~~  
 28 ~~nomination of candidates for offices of such water agency and the~~  
 29 ~~holding of elections in such agency, shall be performed by such~~  
 30 ~~registrar of voters.~~

31        **SEC. 49.**

*Section 48 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is amended and renumbered to read:*

32        ~~Sec. 48.~~

33        **Sec. 35.**

34        ~~If any section, subsection, sentence, clause, or phrase~~  
 35 ~~of this act or the application thereof to any person or circumstance~~  
 36 ~~is for any reason held invalid, the validity of the remainder of the~~  
 37 ~~act or the application of such the provision to other persons or~~  
 38 ~~circumstances shall not be affected thereby. The Legislature hereby~~  
 39 ~~declares that it would have passed this act and each section,~~  
 40 ~~subsection, sentence, clause, and phrase thereof irrespective of the~~  
 P46 1 ~~fact that one or more sections, subsections, sentences, clauses, or~~  
 2 ~~phrases or the application thereof to any person or circumstances~~  
 3 ~~may be held invalid.~~

4        **SEC. 50.**

*Section 49 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969) is repealed.*

5        ~~Sec. 49.~~

6        ~~The inclusion in, or annexation or addition to this~~  
 7 ~~agency, of the corporate area of any public corporation or public~~  
 8 ~~agency shall not destroy the identity or legal existence or impair~~  
 9 ~~the powers of any such public corporation or public agency,~~  
 10 ~~notwithstanding the identity of purpose, or substantial identity of~~  
 11 ~~purpose of this agency. No public corporation or public agency~~  
 12 ~~having identity of purpose or substantial identity of purpose shall~~  
 13 ~~be formed partly or entirely within this agency, whether by~~  
 14 ~~incorporation or annexation, without the consent of the board of~~  
 15 ~~directors of this agency.~~

16        **SEC. 51.**

Section 50 of the Bighorn-Desert View Water Agency Law (Chapter 1175 of the Statutes of 1969), as amended by Section 3 of Chapter 950 of the Statutes of 1985, is amended and renumbered to read:

~~Sec. 50.~~

~~The agency,~~

~~Sec. 50.~~

Sec. 18

The board of directors, by ordinance or resolution, may fix and impose, on or before the first day of July in any calendar year, a water standby or availability charge on lands within the agency or in any improvement district thereof to which water is made available by the agency through underground or by surface facilities, whether the water is actually used or not. The standby charge shall not exceed ten dollars (\$10) per acre per year for each acre of land within the agency or any improvement district thereof or ten dollars (\$10) per year for any parcel of less than one acre. ~~The ordinance fixing a~~ Alternatively, the board of directors may fix a water standby charge in accordance with the provisions of the Uniform Standby Charge Procedures Act (Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code). A standby charge shall be adopted by the board only after adoption of a resolution setting forth the particular schedule or schedules of charges proposed to be established by ordinance and after two works' notice and a public hearing. ~~Notice to all landowners whose property may be made subject to a water standby or availability charge shall be by publication pursuant to Section 6061 of the Government Code and by first-class mail addressed to each person or entity to whom land is assessed, as shown on the last equalized roll of the county, at the address shown on the assessment roll in compliance with the applicable provisions of the California Constitution and state law.~~ The ordinance fixing a standby charge board of directors may establish schedules varying the charges according to land uses, water uses, and degree of water availability. ~~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 agency upon which a 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. 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, a standby charge in the amounts for the respective parcels fixed by the board. All county officers charged with the duty of collecting taxes shall collect agency standby charges with the regular tax payments to the county. The board of directors shall certify to the county board of supervisors the charge or charges so fixed in accordance with the applicable procedures of the county.~~ The charges shall be collected in the same form and manner as county taxes are collected and shall be paid to the agency. Charges fixed by the agency shall be a lien on all the property benefited thereby charged pursuant to this section. Liens for the 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.

~~Notwithstanding any other provision, the water standby or availability charge for Improvement District "B" of the agency and the charge for any improvement district of the agency formed after January 1, 1986, shall not exceed thirty dollars (\$30) per year for each acre of land within the improvement district, or thirty dollars (\$30) per year for any parcel of less than one acre within~~

36 the improvement district.

37 *SEC. 52.*

38 *Section 51 of the Bighorn-Desert View Water Agency*  
39 *Law (Chapter 1175 of the Statutes of 1969), as amended by Section*  
40 *5 of Chapter 1035 of the Statutes of 1982, is repealed.*

P48 1 ~~*Sec. 51.*~~

2 ~~The agency may issue negotiable promissory notes~~  
3 ~~pursuant to this section, bearing interest at a rate not to exceed the~~  
4 ~~rate specified in Article 7 (commencing with Section 53530) of~~  
5 ~~Chapter 3 of Part 1 of Division 2 of Title 5 of the Government~~  
6 ~~Code, for the purpose of acquiring funds to finance the construction~~  
7 ~~or acquisition of administrative offices, construction headquarters,~~  
8 ~~commercial offices, or facilities for similar agency purposes and~~  
9 ~~for the acquisition of land for agency purposes. The maturity of~~  
10 ~~such promissory notes shall not be later than 10 years from the~~  
11 ~~date thereof. The total aggregate amount of such notes outstanding~~  
12 ~~at any one time may be at least equal to one hundred thousand~~  
13 ~~dollars (\$100,000), but shall not exceed the lesser of either five~~  
14 ~~hundred thousand dollars (\$500,000) or 1 percent of the assessed~~  
15 ~~valuation of the taxable property in the agency or, if the assessed~~  
16 ~~valuation is not obtainable, 1 percent of the county auditor's~~  
17 ~~estimate of the assessed valuation of the taxable property in the~~  
18 ~~agency evidenced by his certificate. Promissory notes issued~~  
19 ~~pursuant to subdivision 11 of Section 15 may be disregarded in~~  
20 ~~computing the aggregate amount of notes that may be issued~~  
21 ~~pursuant to this section.~~

21 *SEC. 53.*

22 *Section 52 of the Bighorn-Desert View Water Agency*  
23 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
24 *renumbered to read:*

24 ~~*Sec. 52.*~~

25 *Sec. 31.*

26 (a) Whenever the board deems it necessary to incur  
27 a bonded indebtedness for the acquisition, construction, completion,  
28 *replacement*, or repair of any or all improvements, works, or  
29 property mentioned in this law act and to provide for such *that*  
30 bonded indebtedness to be payable from taxes levied upon an  
31 uninhabited portion of the agency, the board shall, by resolution,  
32 declare its intention to form an uninhabited improvement district  
33 in such *that* portion of the agency and to incur such *the*  
34 indebtedness.

34 For

35 (b) For the purposes of this law section, the portion of the  
36 agency formed into an uninhabited improvement district shall be  
37 deemed uninhabited if less than 12 voters reside ~~therein~~ *within the*  
38 *district* at the time of the formation ~~thereof~~ *of the district*.

39 The

P49 1 (c) The resolution of intention shall state that the board of  
2 directors intends to form an improvement district of an uninhabited  
3 portion of the agency which, in the opinion of the board, will be  
4 benefited, and to incur indebtedness by the issuance of bonds of  
5 the agency for such *that* uninhabited improvement district.

6 The resolution of intention shall also state *all of the following*:

7 (a)

8 (1) The purpose for which the proposed debt is to be incurred.

9 (b)

10 (2) The amount of debt to be incurred, which may include  
11 expenses of all proceedings for the authorization, issuance, and  
12 sale of the bonds.

13 (c)

14 (3) That taxes for the payment of the bonds and the interest

15 thereon will be levied exclusively upon the taxable property in the  
 16 uninhabited improvement district.

17 ~~The resolution of intention shall also state that~~

18 (4) That a general description of the proposed improvement,  
 19 together with a map showing the exterior boundaries of the  
 20 proposed uninhabited improvement district with relation to the  
 21 territory immediately contiguous thereto and to the proposed  
 22 improvement is on file with the ~~secretary~~ agency and is available  
 23 for inspection by any person or persons interested. This map shall  
 24 govern for all details as to the extent of the proposed uninhabited  
 25 improvement district.

26 ~~The resolution of intention shall also state:~~

27 ~~(a)~~

28 (5) The time and place for a hearing by the board of directors  
 29 on the questions of the formation and extent of the proposed  
 30 uninhabited improvement district, the proposed improvement, and  
 31 the amount of debt to be incurred.

32 ~~(b)~~

33 (6) That at the time and place specified in the resolution any  
 34 person interested will be heard, and that any owner of property  
 35 within the proposed uninhabited improvement district may file  
 36 with the ~~secretary~~ agency at any time prior to the time set for the  
 37 hearing ~~thereon~~ written protest to the formation of the proposed  
 38 uninhabited improvement district.

39 Notice

P50 1 (d) Notice of the hearing shall be given by publishing a copy  
 2 of the resolution pursuant to Section 6066 of the Government Code  
 3 prior to the time fixed for the hearing in a newspaper circulated in  
 4 the agency, if there is a newspaper circulated in the agency. ~~Such~~  
 5 notice Notice shall also be given by posting a copy of the resolution  
 6 of intention in three public places within the proposed uninhabited  
 7 improvement district for at least two weeks before the time fixed  
 8 for the hearing.

9 A

10 (e) A copy of the resolution of intention shall also be mailed,  
 11 postage prepaid, to each person to whom land in the proposed  
 12 uninhabited improvement district is assessed as shown on the last  
 13 equalized county assessment roll, at his or her address as shown  
 14 upon the roll, and to any person, whether owner in fee or having  
 15 a lien upon, or legal or equitable interest in, any land within the  
 16 proposed uninhabited improvement district, whose name and  
 17 address and a designation of the land in which he or she is  
 18 interested is on file with the ~~secretary~~ agency.

19 At

20 (f) At the time and place fixed in the resolution of intention, or  
 21 at any time or place to which the hearing is adjourned, the board  
 22 shall proceed with the hearing. At the hearing any person interested  
 23 may appear and present any matters material to the questions set  
 24 forth in the resolution. Also at the hearing the board shall hear and  
 25 pass upon all written protests filed by the owners of property within  
 26 the proposed uninhabited improvement district.

27 If

28 (g) If written protests are filed by the owners of one-half of the  
 29 value of the property within the proposed uninhabited improvement  
 30 district, as shown by the last equalized assessment roll of the  
 31 county, further proceedings shall not be taken. ~~If such written~~  
 32 protests are not ~~made~~ filed by the owners of one-half of the value  
 33 of the property, the board shall by resolution determine whether  
 34 it is necessary to incur the bonded indebtedness and if so, the  
 35 resolution shall also state all of the following:

36 ~~(a)~~

37 (1) The purpose for which the proposed debt is to be incurred.

38       ~~(b)~~  
 39       (2) The amount of the proposed debt.  
 40       ~~(c)~~  
 P51 1       (3) That the exterior boundaries of the portion of the agency  
 2       which *that* will be benefited are set forth on a map on file with the  
 3       secretary, which map shall govern for all details as to the extent  
 4       of the uninhabited improvement district.  
 5       ~~(d)~~  
 6       (4) That ~~such~~ *the* portion of the agency set forth on the map  
 7       shall thereupon constitute and be known as "Improvement District  
 8       No. .... of ..... Bighorn Mountains Bighorn-Desert View Water  
 9       Agency". Agency."  
 10       ~~The~~  
 11       (h) The determinations made in the resolution of formation  
 12       shall be final and conclusive.  
 13       ~~After~~  
 14       (i) *After* the formation of the uninhabited improvement district  
 15       pursuant to this law the board may, by resolution, at ~~such~~ *the* time  
 16       or times ~~as that~~ it deems proper, issue bonds of the ~~agency,~~  
 17       pursuant to ~~Section 31 of this law,~~ *agency* for the whole or any  
 18       part of the amount of the indebtedness authorized by the resolution  
 19       of formation. All taxes levied for the payment of the bonds and  
 20       the interest thereon shall be levied exclusively upon the taxable  
 21       property in the uninhabited improvement district.  
 22       ~~Any~~  
 23       (j) *Any* action or proceeding ~~in which contesting, questioning,~~  
 24       or *denying* the validity of the formation of an uninhabited  
 25       improvement district or of any of the proceedings in relation thereto ~~is~~  
 26       ~~contested, questioned, or denied~~ shall be commenced within  
 27       ~~three months~~ *30 days* from the date of the resolution forming  
 28       ~~district; otherwise that district,~~ or the formation of the uninhabited  
 29       improvement district and all proceedings in relation thereto shall  
 30       be held to be valid and in every respect legal and incontestable.  
 31       ~~The~~  
 32       (k) The board may advance general funds of the agency to  
 33       accomplish the purposes of an improvement district formed  
 34       pursuant to this ~~law~~ *section*.  
 35       ~~The~~  
 36       (l) The board may repay the agency for any advance of funds  
 37       from the proceeds of the sale of bonds authorized for the purposes  
 38       of the improvement district.  
 P52 1       SEC. 54.  
 2       Section 53 of the Bighorn-Desert View Water Agency  
 3       Law (Chapter 1175 of the Statutes of 1969) is amended and  
 4       renumbered to read:  
 5       ~~Sec. 53:~~  
 6       Sec. 32.  
 7       (a) The board, by resolution, may initiate proceedings  
 8       for the annexation of territory *to an improvement district* within  
 9       the agency whether contiguous or not ~~to an~~ *the* improvement  
 10       district ~~to such improvement district.~~  
 11       ~~The~~  
 12       (b) The resolution proposing annexation shall *do all of the*  
 13       following:  
 14       ~~(a)~~  
 15       (1) Declare that proceedings have been initiated by the board  
 16       pursuant to this law.  
 17       ~~(b)~~  
 18       (2) State the reason for proposing the annexation.  
 19       ~~(c)~~  
 20       (3) Set forth a description of the area proposed to be annexed,  
 21       which may be made by reference to a map on file with the secretary

20 of the agency which map shall govern for all details as to the extent  
21 of the area proposed to be annexed.

22 ~~(d)~~  
23 (4) State the terms and conditions of the annexation.

24 ~~(e)~~  
25 (5) State that the holders of title to any of the land sought to be  
26 annexed may file written protests with the secretary to the  
27 annexation or the annexation upon ~~such~~ those terms and conditions.

28 ~~(f)~~  
29 (6) Fix the time and place of a meeting at which the board will  
30 receive written protests ~~theretofore~~ filed with the secretary, receive  
31 additional written protests, and hear from any and all persons  
32 interested in the annexation.

33 ~~The~~  
34 (c) The text of the resolution proposing annexation shall be  
35 published, pursuant to Section 6066 of the Government Code, prior  
36 to the time of hearing in at least one newspaper printed and  
37 published in the agency, if there is a newspaper published and  
38 printed in the agency.

39 ~~A~~  
P53 1 (d) A copy of the resolution proposing annexation shall also be  
2 posted in three public places within the improvement district and  
3 three public places in the area proposed to be annexed at least two  
4 weeks prior to the hearing.

5 ~~The~~  
6 (e) The board shall proceed with the hearing at the time and  
7 place fixed therefor and may continue the hearing, if need be, from  
8 time to time. All interested persons ~~will~~ shall be heard at the  
9 hearing.

10 ~~If~~  
11 (f) If written protests are filed by the holders of title of one-half  
12 of the value of the territory proposed to be annexed as shown by  
13 the last equalized assessment roll of each county in which the  
14 territory is situated, further proceedings shall not be taken, and the  
15 board shall refuse the annexation by a resolution so stating.

16 ~~If~~  
17 (g) If written protest is not made by the owners of one-half of  
18 the value of the territory proposed to be annexed, and if, at the  
19 conclusion of the hearing, the board finds and determines for the  
20 evidence presented at the hearing that the area proposed to be  
21 annexed to an improvement district will be benefited thereby, and  
22 that the improvement district to which the area proposed to be  
23 annexed will also be benefited thereby and will not be injured  
24 thereby, the board may, by resolution, approve ~~such~~ the annexation.

25 ~~The~~  
26 (h) The resolution shall describe the territory annexed, which  
27 may be by reference to a map on file with the secretary, which  
28 map shall govern for all details as to the extent of the annexed  
29 area. The resolution shall also state the terms and conditions of  
30 annexation ~~as theretofore~~ determined by resolution of the board.

31 ~~If~~  
32 (i) If the board finds and determines that either the area proposed  
33 to be annexed to the improvement district will not be benefited  
34 thereby or that the improvement district to which the area is  
35 proposed to be annexed will not be benefited thereby ~~and~~ or will  
36 be injured thereby, the board shall by resolution disapprove ~~such~~  
37 the annexation.

38 ~~From~~  
P54 1 (j) From and after the date of the adoption of the resolution  
2 approving the annexation, the area described therein is added to  
3 and forms a part of the improvement district.

4 ~~The~~

5 (k) The taxable property in the annexed area shall be subject to  
 6 taxation after the annexation thereof for the purposes of the  
 7 improvement district, including the payment of the principal of  
 8 and interest on bonds and other obligations of the improvement  
 9 district authorized and outstanding at the time of the annexation  
 10 as if the annexed property had always been a part of the  
 11 improvement district.

12 ~~The~~

13 (l) The board may do all things necessary to enforce and make  
 14 effective the terms and conditions of annexation fixed by it.

15 ~~Any~~

16 (m) Any action or proceeding in which contesting, questioning,  
 17 or denying the validity of an annexation to an improvement district  
 18 pursuant to this section is contested, questioned, or denied shall  
 19 be commenced within ~~three months~~ 30 days after the date of the  
 20 resolution of the board approving the annexation of the territory  
 21 to an improvement ~~district, otherwise,~~ district, or the annexation  
 22 shall be held valid and in every respect legal and incontestable.

23 **SEC. 55.**

24 *Section 53.1 of the Bighorn-Desert View Water*  
 25 *Agency Law (Chapter 1175 of the Statutes of 1969) is amended*  
 26 *and renumbered to read:*

27 ~~Sec. 53.1.~~

28 **Sec. 32.5.**

29 Notwithstanding the provisions of Section ~~53~~ 32, if  
 30 the petition for annexation of land to an improvement district  
 31 formed under Section ~~33~~ 26 is signed by all of the holders of title  
 32 of land in the portion proposed to be annexed, the board may  
 33 proceed and act thereon without notice and hearing, but shall  
 otherwise comply with the applicable provisions of this law.

34 **SEC. 56.**

35 *Section 53.2 of the Bighorn-Desert View Water*  
 36 *Agency Law (Chapter 1175 of the Statutes of 1969) is amended*  
 37 *and renumbered to read:*

~~Sec. 53.2.~~

**Sec. 33.**

(a) Proceedings to exclude territory from an  
 improvement district, formed pursuant to Section ~~33~~ 26, 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.~~ *The petition shall state*  
*reasons that the exclusion will be beneficial to the agency or the*  
 improvement district or the territory to be excluded.

~~Upon~~

(b) Upon adoption of ~~said a~~ motion to initiate exclusion  
 proceedings or upon receipt of ~~said a~~ petition for exclusion, the  
 board shall adopt a resolution of intention to exclude which shall  
 state *all of the following:*

(a)

(1) The method by which ~~said the~~ exclusion proceedings were  
 initiated; by motion of the board or by petition of voters.

(b)

(2) That taxes for carrying out the purpose of the improvement  
 district will not be levied upon taxable property in the excluded  
 territory following ~~such the~~ exclusion in the event ~~such the~~ territory  
 is excluded.

(c)

(3) That following ~~such the~~ exclusion, the taxable property in  
 the territory remaining in ~~said the~~ improvement district shall  
 continue to be levied upon and taxed to provide funds for the

P55

22 purposes of ~~said~~ *the* improvement district.  
 23 ~~The resolution of intention to exclude shall also state that~~  
 24 (4) *That* a map showing the exterior boundaries of the proposed  
 25 territory to be excluded, with relation to the territory remaining in  
 26 ~~said~~ *the* improvement district, is on file with the secretary and is  
 27 available for inspection by any person or persons interested. *This*  
 28 *map shall govern for all details as to the extent of the proposed*  
 29 *exclusion.*  
 30 ~~This map shall govern for all details as to the extent of the~~  
 31 ~~proposed exclusion.~~  
 32 ~~The resolution of intention shall also state:~~  
 33 (a)  
 34 (5) The time and place for a hearing by the board on the  
 35 questions of the proposed exclusion and the effect of ~~such~~ *the*  
 36 exclusion upon the agency, the improvement district and the  
 37 territory to be excluded.  
 38 (b)  
 P56 1 (6) ~~That at such~~ *that* time and place any person interested,  
 2 including all persons owning property in the agency or in the  
 3 improvement district, will be heard.  
 4 ~~Notice~~  
 5 (c) *Notice* of the hearing shall be given by publishing a copy of  
 6 the resolution of intention to exclude, pursuant to Section 6066 of  
 7 the Government Code, prior to the time fixed for the hearing in a  
 8 newspaper circulated in the agency, if there is a newspaper printed  
 9 and published in the agency. ~~Such~~ *This* notice shall also be given  
 10 by posting a copy of the resolution of intention to exclude in three  
 11 public places within the affected improvement district for at least  
 12 two weeks before the time fixed for the hearing.  
 13 ~~At~~  
 14 (d) ~~At~~ the time and place ~~so~~ fixed in the resolution of intention  
 15 to exclude, or at any time or place to which the hearing is  
 16 adjourned, the board shall proceed with the hearing. At the hearing  
 17 any person interested, including any person owning property in  
 18 the agency, or in the improvement district may appear and present  
 19 any matters material to the questions set forth in the resolution of  
 20 intention to exclude.  
 21 ~~At~~  
 22 (e) *At* the conclusion of the hearing, the board shall by resolution  
 23 determine whether it is necessary or desirable to exclude ~~said~~ *the*  
 24 territory. If so, the resolution shall also state *both of the following:*  
 25 (a)  
 26 (1) The reasons why ~~such~~ *the* exclusion is necessary or desirable.  
 27 (b)  
 28 (2) That the exterior boundaries of the improvement district  
 29 following ~~such~~ *the* exclusion are set forth on a map on file with  
 30 the secretary, which map shall govern all details as to the extent  
 31 of ~~said~~, ~~then existing~~, *the resulting* improvement district.  
 32 ~~The~~  
 33 (f) *The* determinations made in the resolution of exclusion shall  
 34 be final and conclusive.  
 35 ~~After~~  
 36 (g) *After* the exclusion of territory from the improvement district  
 37 pursuant to this section, all taxes levied for the carrying out of ~~said~~  
 38 *the* improvement district's purpose shall be levied exclusively  
 39 upon the taxable property in the improvement district as then  
 40 constituted.  
 P57 1 ~~A~~  
 2 (h) *A* copy of the resolution of exclusion shall be published  
 3 pursuant to Section 6066 of the Government Code in a newspaper  
 4 printed and published in the agency, if there is a newspaper printed  
 5 and published in the agency. A copy of the resolution shall also

6 be posted in three public places within the improvement district  
 7 for at least two weeks.

8 ~~The~~

9 (i) ~~The~~ resolution of exclusion shall not be effective until the  
 10 31st day after completion of the publication and posting.

11 ~~Any~~

12 (j) ~~Any~~ action or proceeding ~~in which~~ *contesting, questioning,*  
 13 *or denying* the validity of the exclusion of territory from the  
 14 improvement district or of any of the proceedings in relation thereto  
 15 ~~is contested, questioned, or denied~~ shall be commenced within  
 16 ~~three months~~ 30 days from the effective date of the resolution of  
 17 ~~exclusion; otherwise, exclusion,~~ or the exclusion and all  
 18 proceedings in relation thereto shall be held to be valid and in  
 19 every respect legal and incontestable.

20 *SEC. 57.*

21 *Section 54 of the Bighorn-Desert View Water Agency*  
 22 *Law (Chapter 1175 of the Statutes of 1969) is amended and*  
 23 *renumbered to read:*

23 ~~Sec. 54.~~

24 *Sec. 34.*

25 (a) Notwithstanding any other provision herein,  
 26 whenever the board deems it necessary for any improvement  
 27 district formed pursuant to this act to be dissolved, it shall by  
 28 resolution declare its intention to dissolve the improvement district.

28 ~~As~~

29 (b) As used in this act, "improvement district" includes an  
 30 uninhabited improvement district formed pursuant to Section-52  
 31 31.

32 (c) The resolution of intention shall state:

33 ~~(a)~~

34 (1) The reason why the improvement district should be  
 35 dissolved.

36 ~~(b) If the improvement district was formed pursuant to Section~~  
 37 ~~29 or Section 52 of this act, that~~

38 (2) ~~That no bonds have~~ *bond, indebtedness, or liability* has been  
 39 *issued or incurred* for the improvement district ~~or are that remains~~  
 40 *outstanding.*

P58 1 ~~(c) If the improvement district was formed pursuant to Section~~  
 2 ~~33 of this act, that no indebtedness or liability was incurred for the~~  
 3 ~~improvement district or is outstanding.~~

4 ~~(d)~~

5 (3) That a map showing the exterior boundaries of the  
 6 improvement district, with relation to the territory immediately  
 7 contiguous thereto, is on file with the secretary and is available  
 8 for inspection by any person or persons interested.

9 ~~(e)~~

10 (4) The time and place for a hearing by the board on the question  
 11 of the dissolution of the improvement district.

12 ~~(f)~~

13 (5) ~~That at such~~ *that* time and place *for the hearing* any person  
 14 interested, including all persons owning property in the agency or  
 15 in the improvement district will be heard.

16 *Notice*

17 (d) *Notice* of the hearing shall be given by publishing a copy of  
 18 the resolution, pursuant to Section 6066 of the Government Code,  
 19 prior to the time fixed for the hearing in a newspaper circulated in  
 20 the agency, if there is a newspaper circulated in the agency. ~~Such~~  
 21 *This* notice shall also be given by posting a copy of the resolution  
 22 in three public places within the improvement district for at least  
 23 two weeks before the time fixed for the hearing.

24 ~~At~~

25 (e) *At* the time and placed fixed in the resolution of intention,

26 or at any time or place to which the hearing is adjourned, the board  
 27 shall proceed with the hearing. At the hearing any person interested,  
 28 including all persons owning property in the agency, or in the  
 29 improvement district, may appear and present any matters material  
 30 to the proposed dissolution.

31 **At**

32 (f) ~~At the conclusion of the hearing the board shall, by ordinance~~  
 33 ~~resolution,~~ determine whether it is necessary to dissolve the  
 34 improvement district. If so, the ~~ordinance resolution~~ shall state  
 35 that the exterior boundaries of the improvement district are set  
 36 forth on a map on file with the secretary and shall declare the  
 37 improvement district dissolved. The determinations made in the  
 38 ~~ordinance resolution~~ shall be final and conclusive.

39 **When**

P59 1 (g) ~~When the ordinance resolution~~ declaring an improvement  
 2 district dissolved becomes effective, the dissolution of ~~such the~~  
 3 improvement district is complete.

4 **The**

5 (h) ~~The taxable property within the boundaries of the dissolved~~  
 6 improvement district shall continue to be taxed for any  
 7 indebtedness of the agency contracted for ~~such the~~ dissolved  
 8 improvement district until the indebtedness has been satisfied, to  
 9 the same extent that ~~such the~~ property would be taxable for ~~such~~  
 10 ~~that~~ purpose if the dissolution had not occurred.

11 **Any**

12 (i) ~~Any action or proceeding in which contesting, questioning,~~  
 13 ~~or denying the validity of the dissolution of an improvement~~  
 14 ~~district, or of any of the proceedings in relation thereto, is~~  
 15 ~~contested, questioned, or denied shall be commenced within three~~  
 16 ~~months 30 days~~ from the effective date of the ~~ordinance resolution~~  
 17 dissolving the improvement district; ~~otherwise, or the dissolution~~  
 18 of the improvement district and, all proceedings in relation thereto,  
 19 shall be held to be valid and in every respect legal and  
 20 incontestable.

21 **After**

22 (j) ~~After a bond election has been held in an improvement district~~  
 23 ~~formed pursuant to Section 29 of this law~~ and less than two-thirds  
 24 of the votes cast in ~~such the~~ election were in favor of the measure,  
 25 the board may within one year of the date of ~~such that~~ election,  
 26 call and hold another election ~~as provided in Sections 28 and 29~~  
 27 ~~of this law~~ for the purpose of resubmitting ~~said the~~ measure to the  
 28 electors of ~~said the~~ improvement district. If ~~said the~~ measure is  
 29 not so resubmitted ~~said, the~~ improvement district, on the  
 30 anniversary date of the election, is dissolved without further action  
 31 by the board. If ~~said the~~ measure is resubmitted and fails to receive  
 32 more than two-thirds of the votes cast in ~~such the~~ election in favor  
 33 of ~~said the~~ measure ~~said, the~~ improvement district is dissolved  
 34 following the canvass of the election returns.

35 ~~SECTION 1.~~

36 ~~Section 33305 of the Water Code is amended to~~  
 37 ~~read:~~

38 ~~33305.~~

39 (a) ~~The consolidated successor district shall separately~~  
 40 ~~account for and use funds derived from the operation of the Desert~~  
 41 ~~View Water District and the Bighorn Mountains Water Agency~~  
 42 ~~for the purpose of bond debt service for each of the former systems.~~

P60 1 (b) ~~Nothing in this part shall be construed to impair any contract~~  
 2 ~~entered into prior to January 1, 2014.~~



## Bighorn-Desert View Water Agency

### Board of Directors

Michael McBride, President  
Judy Corl-Lorono, Vice-President  
David Larson, Secretary  
Terry Burkhart, Director  
J. Dennis Staley, Director



Agency Office  
622 S. Jemez Trail  
Yucca Valley, CA 92284-1440

760/364-2315 Phone  
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Marina D West, P.G., General Manager

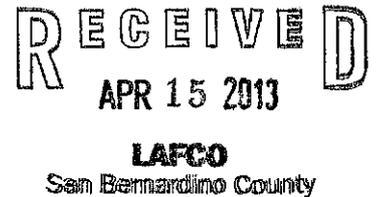
[www.bdvwa.org](http://www.bdvwa.org)

A Public Agency

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April 11, 2013

Ms. Kathleen Rollings-McDonald, Exec. Officer  
San Bernardino County Local Area Formation Commission  
215 North D Street, Suite 204  
San Bernardino, CA 92415-0490



RE: Bighorn-Desert View Water Agency; Senate Bill 246 (Fuller)

Dear Ms. Rollings-McDonald:

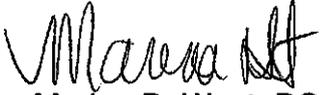
It is my understanding that the upcoming agenda for the April 17, 2013 Local Area Formation Commission for San Bernardino (SB LAFCO) hearing will include a routine "Pending Legislative Report". One of the subjects within that report will be Senate Bill 246 introduced by Senator Fuller (District 18) February 12, 2013. SB 246 concerns the Bighorn-Desert View Water Agency (BDVWA). I have attached the Senator's Fact Sheet concerning this bill.

SB 246 has been written so as to "modernize" the Agency's entire organic Act (Bighorn-Desert View Water Agency Law – Chapter 1175 of the Statutes of 1969). An idea we had not previously considered until suggested by you in our meeting last November where we sought support for only a minor revision to the Act: repeal of Section 33305 of the Water Code pertaining to the operations of the BDVWA.

SB 246 in its current format is expected to undergo additional, minor, revisions as it makes its way through the various Committees of the State Legislature. Unfortunately, I will be unable to attend the LAFCO hearing due to a prior obligation to testify in support of SB 246 before the Senate Governance and Finance Committee on April 17, 2013.

Therefore, I respectfully request that any discussion regarding this item be deferred to the LAFCO hearing in May 2013 so that the Agency can actively participate. As previously indicated, BDVWA seeks support from SB LAFCO for SB 246 but only after consideration of any comments or suggestions of SB LAFCO staff.

The Board of Directors sincerely appreciates your assistance concerning this matter,

  
Marina D. West, PG  
General Manager

enclosure

## **SB 246**

### **BIGHORN-DESERT VIEW WATER AGENCY: MODERNIZATION OF ENABLING ACT**

#### **SUMMARY**

**SB 246** helps clarify and reorganize the law that established the Bighorn-Desert View water district within San Bernardino County. This update and modernization should provide more transparency and accountability to ratepayers in that district.

#### **BACKGROUND**

The Bighorn-Desert View Water Agency enabling Act, the "Bighorn Mountains Water Agency Law", is an Uncodified Act of the Statutes of 1969, Chapter 1175, and effective August 31, 1969. The Law was amended in 1989 (Statutes of 1989, Chapter 570) through AB 1819 (Woodruff) to facilitate a proposed consolidation of the 1969 Water Agency with the Desert View County Water District, which was completed in 1990 without further amendment to the Water Agency Law.

Furthermore, there was a requirement to keep the two water systems financially separate which would essentially negate financial efficiencies expected from the consolidation.

Revisions proposed to the Water Agency Law increase transparency by (1) eliminating all references to the "future consolidation" of Bighorn with Desert View; (2) reorganizing the Law by grouping provisions that address a common theme in order to make the Law a more useful resource for research purposes; (3) updating and modernizing certain financial provisions in order to reflect the current State of California law, especially with respect to the power of the Board of Directors to enact taxes (now regulated by Prop. 13) and water service rates (now regulated by Prop. 218) and eliminating the requirement to maintain separate finances of the pre-consolidation entities.

#### **EXISTING LAW**

The current Water Agency Law is outdated because it does not reflect important additions to the California

Constitution, such as Articles 13A, B, C and D, which affect the Board of Director's authority to enact taxes and adopt water rates. Moreover, the original Act is not well organized, thereby reducing its usefulness as a reference for Agency staff, public officials and the general public.

Additionally, the requirement to keep the two water systems financially separate works against the economic savings that consolidation was expected to bring to the rate payers.

The revisions do not significantly alter the duties and responsibilities, or the power and authority, of the Bighorn-Desert View Water Agency; rather, this legislation is proposed for the exclusive purpose of eliminating outdated and irrelevant provisions, and reorganizing the Act to assist staff, the agency's officials and the public by making the Act easier to understand, and more transparent.

#### **THIS BILL**

SB 246 reorganizes the Act and eliminates the requirement that the two water systems finances are kept separate, thereby increasing transparency for its ratepayers and providing agency staff with a better reference document for operating purposes.

#### **SPONSOR**

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