

AT ITS MEETING OF JULY 14, 1992, THE BOARD REVISED
THE RECOMMENDATIONS RE SB 2070 AND AB 3304 (Board letters
dated June 17, June 24, and July 10, 1992).

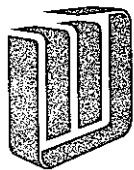
(See below for revised recommendations)

39725 Director Madigan moved the recommendation of the Executive Committee, seconded by Director Blake and carried, and the Board (1) withdrew its opposition to SB 2070 (Ayala) and AB 3304 (Tucker), and instructed the General Manager to seek clarification regarding the ability of Metropolitan to simultaneously levy a standby charge and an availability of service charge; and (2) authorized the Chair to extend an invitation to Senator Ayala to meet with the Executive Committee and with the Special Committee on Legislation to discuss the Senator's legislation as well as Metropolitan's long-term financial needs, revised from the recommendations contained in the letters of the General Manager dated June 17, June 24, and July 10, 1992.

APPROVED
by the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held

JUL 14 1992


EXECUTIVE SECRETARY

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

July 10, 1992

To: Board of Directors (Executive Committee--Action)
From: General Manager
Subject: Recommendation of Special Committee on Legislation re SB 2070
(Ayala-San Bernardino) and AB 3304 (Tucker-Inglewood)

Report

The Special Committee on Legislation, at its meeting on July 10, 1992, adopted a recommendation regarding SB 2070 and AB 3304, to read as set forth below.

Board Committee Assignment

This letter is referred to Executive Committee for action because it concerns legislation affecting the District, pursuant to Administrative Code section 2417(a).

Recommendation**EXECUTIVE COMMITTEE FOR ACTION.**

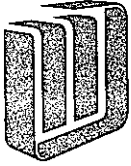
It is recommended that the General Manager seek amendments to SB 2070 and AB 3304 to obtain for the District authority simultaneously to impose a standby charge and an availability of service charge but that, if he is unsuccessful, he be instructed to support SB 2070.


Carl Boronkay

FV:gld:jh
db:20703304

BOARD REVISED RECOMMENDATION

Revised 7-15

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 24, 1992

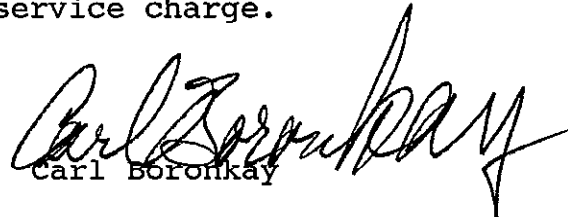
To: Board of Directors
From: General Manager
Subject: Assembly Bill 3304 (Tucker--Los Angeles County)

Report

At their joint meeting on June 23, 1992, the Executive Committee and the Special Committee on Legislation changed the recommendation in the original letter on this subject dated June 17, 1992, to read as shown below.

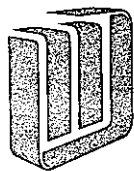
Recommendation

It is recommended that the Board oppose any legislation precluding Metropolitan from concurrently imposing a standby and an availability of service charge.


Carl Bronkay

BOARD REVISED RECOMMENDATION

7-15

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 17, 1992

To: Board of Directors (Executive Committee--Action)
(Special Committee on Legislation--Action)

From: General Manager and General Counsel

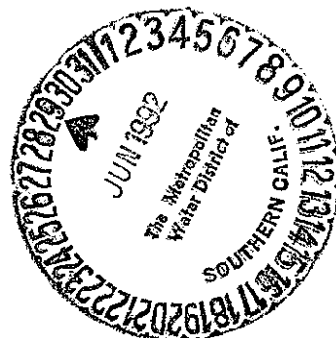
Subject: Assembly Bill 3304 (Tucker--Los Angeles County)

Report

This bill was originally introduced by Assemblywoman Moore, and at that time called for an audit of MWD and San Diego County Water Authority. Subsequently, Ms. Moore dropped the bill and it was taken over by Assemblyman Tucker, at which time the original provisions were deleted and new provisions amending the Uniform Standby Charge Procedures Act were added that would significantly expand the information to be included in a mailed notice of intent to impose a standby charge on individual parcels of land. In general, those provisions were not considered unreasonable and the bill was passed by the Assembly in that form.

After introduction in the Senate, the bill was referred to the Committee on Agriculture and Water Resources, where it was amended to add the provisions of SB 2070, that is, it would provide that the term water standby charge and the term water availability charge had the same meaning and would also declare that this does not constitute a change in, but is declaratory of, existing law. SB 2070 contains an urgency clause, but AB 3304 does not. In this amended form, the bill was passed out of the Senate Committee on Agriculture and Water Resources and is on the second reading file on the Senate floor. Thus, the possibility of enactment of this bill is significantly greater than enactment of SB 2070.

In its present form, the bill is clearly intended to prevent Metropolitan from dividing its \$50 million firm revenue sources between a \$25 million service charge and a \$25 million standby charge. It is uncertain that this bill would necessarily frustrate the District's intent to divide the charge, although that is its apparent intent. If the bill were to become law in its present form, it could result in a loss of approximately \$25 million in anticipated firm revenues, since your Board would have no opportunity to combine the two charges as a single standby charge for fiscal year 1992-93.



Staff recommends that the Board oppose AB 3304 unless amended to delete the provisions added by the Senate since it is essential that the sources of revenue for fiscal year 1992-93 not be impaired. A copy of the bill is attached.

Board Committee Assignments

This letter is referred for action to:

The Executive Committee because of its responsibility for legislation affecting the District, pursuant to Administrative Code Section 2417, subdivision (a); and

The Special Committee on Legislation because of its responsibility to review staff recommendations for a position on legislation that may affect the District, pursuant to Administrative Code Section 2581, subdivision (b).

Recommendation

EXECUTIVE COMMITTEE AND SPECIAL COMMITTEE ON LEGISLATION FOR ACTION.

It is recommended that the Board oppose AB 3304 unless amended to delete the provisions added by the Senate.


Carl Boronkay


Fred Vendig

JWM:gm
bdltr\AB3304-2.JWM

Attachment

AMENDED IN SENATE JUNE 15, 1992
 AMENDED IN ASSEMBLY MAY 13, 1992
 AMENDED IN ASSEMBLY APRIL 21, 1992

CALIFORNIA LEGISLATURE—1991-92 REGULAR SESSION

ASSEMBLY BILL

No. 3304

Introduced by Assembly Member Tucker

February 20, 1992

An act to amend Section 54984.4 of the Government Code, and to add Chapter 3.7 (commencing with Section 389) to Division 1 of the Water Code, relating to ~~local agencies water~~.

LEGISLATIVE COUNSEL'S DIGEST

AB 3304, as amended, Tucker. ~~Local agencies water~~ Water and sewer standby or availability charges.

(1) Existing law provides an optional alternate uniform procedure for any local agency furnishing water or sewer service to impose standby or availability charges. These provisions require, among other things, both published and mailed notice of a hearing on the proposed standby or availability charges. The notice is required to be mailed at least 14 days prior to the hearing.

This bill would require the mailed notice to be mailed at least 21 days prior to the hearing, and to include additional information on the proposed charge and a summary of applicable protest procedures.

(2) Existing law authorizes various public entities to impose water standby or availability charges.

This bill would provide that a water standby charge and a water availability charge have the same meaning.

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 54984.4 of the Government
2 Code is amended to read:

3 54984.4. (a) The local agency shall cause notice of the
4 date, time, and place of hearing on the charge to be
5 published, pursuant to Section 6066, prior to the date set
6 for hearing, in a newspaper of general circulation printed
7 and published within the jurisdiction of the entity, if
8 there is one, and if not, then in a newspaper of general
9 circulation printed and published in the county.

10 (b) The local agency shall also cause a notice in writing
11 of the date, time, and place of hearing on the charge to
12 be mailed at least 21 days prior to the date set for hearing,
13 to each owner of land described in the resolution
14 initiating proceedings. The mailed notice shall include
15 the name and address of the local agency, a description
16 of the charge and method by which it is proposed to be
17 imposed, the amount of the charge to the owner to whom
18 the notice is mailed, the address or addresses of the place
19 or places where the resolution adopted pursuant to
20 Section 54984.3 may be reviewed, and a summary of the
21 procedures for making a protest set forth in Section
22 54984.6. The notice shall be mailed to the address shown
23 on the last equalized assessment roll, or known to the
24 secretary or clerk of the local agency.

25 SEC. 2. Chapter 3.7 (commencing with Section 389)
26 is added to Division 1 of the Water Code, to read:

27

28 CHAPTER 3.9. WATER STANDBY AND AVAILABILITY
29 CHARGES

30

31 389. (a) Notwithstanding any other provision of law,
32 the term water standby charge and the term water
33 availability charge have the same meaning.

34 (b) Subdivision (a) does not constitute a change in,
35 but is declaratory of, existing law.

