



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Revised

8-1

January 26, 1993

To: Board of Directors (Executive Comm.--Action)  
Board of Directors (Water Problems Comm.--Action)

From: General Manager

Subject: Seek Authority to Allow MWD to Purchase and Resell Reclaimed Water

Report

In the last legislative session, Senator Kelley (R-Riverside) introduced legislation to (AB 573) specifically allow Metropolitan to purchase and resell reclaimed water for all beneficial uses, including agricultural. The final version of AB 573 broadened Metropolitan's authority to sell all water for all beneficial uses and purposes.

During the fall, staff presented two options for expanding Metropolitan's purposes and powers to allow Metropolitan to serve water from reclamation projects for agricultural purposes by amending the MWD Act or through amending the Water Code. For the 1993 legislative session, Senator Kelley has introduced SB 7 which amends the Metropolitan Water District Act to specifically allow Metropolitan to purchase and resell reclaimed water for all beneficial uses, including agricultural, and to participate in conservation programs.

The Special Committee on Legislation has recommended that the Board support SB 7 if changed to eliminate the act amendment and revised to authorize purchase and resale of reclaimed water for all beneficial uses by municipal water suppliers generally. The changes made by the special committee are shown in the attachment.

The actions recommended in this letter are exempt from the California Environmental Quality Act because they can have no environmental effect.

Board Committee Assignments

This letter is referred for action to:

The Executive Committee because of its responsibility to study, advise, and make recommendations with regard to legislation sponsored by Metropolitan or in any way affecting Metropolitan, pursuant to Administrative Code Section 2417(a);

The Water Problems Committee because of its responsibility to study, advise, and make recommendations with regard to policies regarding the sale and delivery of water for various uses, pursuant to Administrative Code Section 2481(d); and

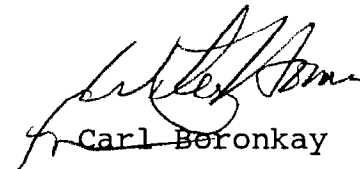
The Special Committee on Legislation because of its responsibility to review staff's recommendations for positions on legislation, pursuant to Administrative Code Section 2581(b).

Recommendation**EXECUTIVE COMMITTEE AND WATER PROBLEMS COMMITTEE FOR ACTION.**

It is recommended that the Board seek legislation that would amend the Water Code to authorize municipal water suppliers generally (which would include Metropolitan) to purchase and resell reclaimed water for all beneficial uses. This would expand Metropolitan's authority to purchase and resell reclaimed water for all beneficial uses including agricultural and such water would not be treated as surplus water. Amendment language developed by the San Diego County Water Authority is attached.

**SPECIAL COMMITTEE ON LEGISLATION RECOMMENDATION.**

It is recommended that the Board support SB 7 (Kelley--Riverside) if amended to amend the Water Code to authorize municipal water suppliers generally (which would include Metropolitan) to purchase and resell reclaimed water for all beneficial uses. The language in the attachment developed by the San Diego County Water Authority is recommended.



Carl Boronkay

ATTACHMENT

AMENDMENT TO SENATE BILL NO. 7

Amendment 1

In line 1 of the title, strike out "amend Sections 25, 130, and 132 of the"; strike out line 2; in line 3, strike out "of 1969)" and insert:

add Section 13556 to the Water Code

Amendment 2

On page 2, strike out line 1 and insert:

Section 1. Section 13556 is added to the Water Code, to read:

13556. Notwithstanding any other provision of law, any water supplier described in Section 1009 may acquire, store, provide, sell, and deliver reclaimed wastewater for any beneficial use, including, but not limited to, municipal, industrial, domestic, and irrigation uses, if the water ~~meets all applicable health and safety requirements for the particular use of the water~~ use is in conformance with statewide reclamation criteria established pursuant to Section 13521.

Amendment 3

On page 2, strike out lines 2 to 38, inclusive, and strike out page 3.

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**Introduced by Senator Kelley**

December 7, 1992

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An act to amend Sections 25, 130, and 132 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 7, as introduced, Kelley. Metropolitan water districts.

(1) Existing law authorizes metropolitan water districts to be organized for the purpose of developing, storing, and distributing water for domestic and municipal purposes. Existing law authorizes a metropolitan water district to take prescribed actions.

This bill would specify that a metropolitan water district may be organized for taking the prescribed actions. The bill would include within the prescribed actions the authority to purchase reclaimed water for resale within the district for beneficial purposes and to participate in projects of public or private entities to reduce demands for water service in the district.

(2) Existing law authorizes a metropolitan water district to provide, sell, and deliver surplus water not needed or required for domestic or municipal uses within the district for beneficial purposes.

This bill would specify that, for purposes of that provision, surplus water does not include reclaimed water acquired by the district pursuant to (1).

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 25 of the Metropolitan Water  
2 District Act (Chapter 209 of the Statutes of 1969) is  
3 amended to read:

4 Sec. 25. (a) Metropolitan water districts may be  
5 organized for the purpose of developing, storing, and  
6 distributing water for domestic and municipal purposes,  
7 and *for the purposes authorized by Section 130.*

8 (b) *A district may provide, generate, and deliver*  
9 *electric power within or ~~without~~ outside the state for the*  
10 *purpose of developing, storing, and distributing water for*  
11 *~~such~~ that district.*

12 SEC. 2. Section 130 of the Metropolitan Water  
13 District Act (Chapter 209 of the Statutes of 1969) is  
14 amended to read:

15 Sec. 130. A district may do all of the following:

16 (a) Acquire water and water rights within or ~~without~~  
17 *outside* the state.

18 (b) Develop, store, and transport water.

19 (c) Provide, sell, and deliver water at wholesale for  
20 municipal and domestic uses and purposes.

21 (d) Fix the rates for water, and the amount of any  
22 water standby or availability service charge or  
23 assessment. Any ~~such~~ water standby or availability  
24 service charge or assessment shall be deemed to be  
25 amounts paid by the member public agency to the  
26 district on tax assessments.

27 (e) *Purchase reclaimed water and resell the water*  
28 *within the district for any beneficial purpose and*  
29 *participate in projects of public or private entities*  
30 *intended to reduce demands for water service in the*  
31 *district.*

32 (f) Acquire, construct, operate, and maintain any and  
33 all works, facilities, improvements, and property  
34 necessary or convenient to the exercise of the powers  
35 granted by this section.

36 SEC. 3. Section 132 of the Metropolitan Water  
37 District Act (Chapter 209 of the Statutes of 1969) is  
38 amended to read:

1 Sec. 132. (a) A district may provide, sell, and deliver  
2 surplus water not needed or required for domestic or  
3 ~~municipal~~ *municipal* uses within the district for beneficial  
4 purposes, but shall give preference to uses within the  
5 district. The supplying of ~~such~~ *the* surplus water shall in  
6 every case be subject to the paramount right of the  
7 district to discontinue ~~such~~ *the* supply in whole or in part,  
8 and to take and hold, or to provide, sell, and deliver ~~such~~  
9 *the* water for domestic or municipal uses within the  
10 district, upon one year's written notice to the purchaser  
11 or user of ~~such~~ *the* surplus water. ~~Such~~ *The* notice shall  
12 be given by the board ~~whenever it shall be determined~~  
13 ~~and declared~~ *if the board determines and declares* by  
14 resolution, adopted by a two-thirds vote of the board,  
15 that ~~such~~ *the* water is needed or required for domestic  
16 or municipal uses within the district.

17 (b) *For purposes of this section, surplus water does not*  
18 *include water acquired by the district pursuant to*  
19 *subdivision (e) of Section 130.*

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