



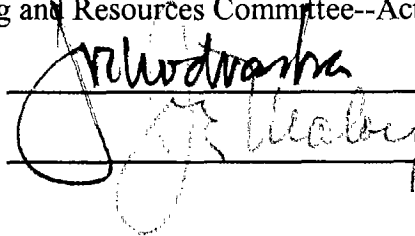
**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

**8-4**  
**REVISED**

April 13, 1998

**To:** Board of Directors (Committee on Legislation--Action)  
(Water Planning and Resources Committee--Action)

**From:** General Manager 

**Submitted by:** John R. Maloy  
Chief of Communications

**Subject:** SB 1875 (Hayden-Brentwood and Ayala-Chino)

**RECOMMENDATION(S)**

It is recommended that your Board support SB 1875, if amended substantially as shown in Revised Attachment B, to ~~clarify Metropolitan's responsibilities for the management and development of imported supplies and conservation, as well as to better delineate Metropolitan's role with respect to use of storm water from the Los Angeles and San Gabriel Rivers, and to better define prohibited activities and prohibited expenditures of public funds~~ make its provisions applicable to other public agencies.

**REPORT**

At the adjourned meeting of the Committee on Legislation on April 13, 1998, the Committee approved the staff recommendation, provided that the provisions of SB 1875 be expanded to apply to water retailers and other water agencies.

Revisions to the staff recommendation and Attachment B, containing suggested amendments, have been made in accordance with the Committee's action. Changes have been marked in ~~strikeout~~ and underline format.

SBB:mg  
#9883

Attachment

PROPOSED AMENDMENTS

SENATE BILL No. 1875

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Introduced by Senators Hayden and Ayala

February 19, 1998

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An act to add Section 53060.5, 126.5, 126.7, 130.5, and 130.7 to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), relating to certain contracts and activities which mislead the public, to the Government Code the Metropolitan Water District of Southern California and Sections 390 and 391, relating to conservation, recycling, groundwater storage and replenishmentreplishment, and alternative supply programs, and utilization of stromwater runoff, to the Water Code.

LEGISLATIVE COUNSEL'S DIGEST

SB 1875, as amended, Hayden. ~~Metropolitan Water District of Southern California. Water agencies.~~

~~(1) The Metropolitan Water District Act authorizes the formation of metropolitan water districts and specifies the powers and purposes of a district.~~

This bill would require water agencies, as the Metropolitan Water District of Southern California to reduce its reliance on surplus Colorado River water and future planned construction of facilities to transport additional water from northern California by requiring a the first priority, of the district to be to work through its member agencies to develop and implement cost-effective conservation, recycling, groundwater storage and replenishment, and alternative supply programs, as prescribed. The bill would require these agencies ~~district~~, in cooperation with specified entities, to participate in developing and implementing programs of groundwater recharge and replenishment, watershed management, habitat restoration, and community development utilizing the resource potential of

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the Los Angeles River and the San Gabriel River, including storm water runoff from these rivers.

The bill would prohibit local agencies ~~the district, and its member public agencies,~~ from expending any public money for the purpose of the undertaking of research or investigations with regard to the personal backgrounds or the statements of economic interest of, or the campaign contributions made to, elected officials who vote on public policies affecting such agencies ~~the district,~~ or advocacy or interested parties who may have matters pending before the respective governing bodies or boards of such ~~the district or its member public agencies.~~

The bill would ~~require permit local agencies the district to establish and operate an office of ethics and to adopt rules relating to internal disclosure, lobbying, conflict of interest, campaign contributions, and ethics for application to its board members, officers, and employees, as prescribed. The rules would be required to include to adopt rules relating to internal disclosure, lobbying, conflict of interest, campaign contributions, and ethics for application to board members, officers, and employees. If adopted, such rules would be required to include a prohibition against the funding of activities which mislead the public front groups and artificial coalitions, as defined.~~

By imposing additional duties, ~~on the district,~~ the bill would impose a state-mandated local program.

(2) 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, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

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:

- 1 SECTION 1. ~~The Legislature hereby finds and~~
- 2 ~~declares all of the following:~~ [FINDINGS DELETED]

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3 SEC. 2. Section ~~53060.5~~126.5 is added to the Metropolitan  
4 Water District Act (Chapter 209 of the Statutes of 1969), Government Code  
5 to read:

6 126.5. ~~The Metropolitan Water District of Southern~~  
7 ~~California and its member public agencies.~~ 53060.5 (a) No local agency *may not*  
8 enter into contracts for the purpose of the  
9 undertaking of research or investigations with regard to  
10 the personal backgrounds or the statements of economic  
11 interest of, or the campaign contributions made to,  
12 elected officials who vote on public policies affecting ~~the~~such agency  
13 Metropolitan Water District of Southern California, or  
14 advocacy groups or interested parties who may have  
15 matters pending before the governing body or board of such agency. ~~the~~  
16 Metropolitan  
17 Water District of Southern California or its member  
18 public agencies.

18 SEC. 3. Section 126.7 is added to the Metropolitan  
19 Water District Act (Chapter 209 of the Statutes of 1969),  
20 to read:

21 126.7. (a) The Metropolitan Water District of  
22 Southern California shall ~~establish and operate an office~~  
23 ~~of ethics and~~

24 ~~—(b) Local agencies may adopt rules relating to internal disclosure, lobbying, conflict~~  
25 ~~of interest, campaign contributions, and ethics relating to internal disclosure,~~

26 ~~lobbying, conflict of interest, campaign contributions,~~  
27 ~~and ethics for application to its board members, officers,~~  
28 ~~and employees, consistent with the laws and regulations~~  
29 ~~of the Los Angeles City Ethics Commission, the Fair~~  
30 ~~Political Practices Commission, and the Los Angeles~~  
31 ~~County Metropolitan Transportation Authority.~~

32 ~~(b) The rules of ethics shall include a prohibition~~ If adopted, such rules of ethics shall  
33 which prohibit the funding of activities which mislead the public.

34 ~~against the forming or funding of front groups and~~  
35 ~~artificial coalitions identified and known by names other~~  
36 ~~than the Metropolitan Water District of Southern~~  
37 ~~California or its member public agencies. As used in this~~  
38 ~~section, "front groups" and "artificial coalitions" mean~~  
39 ~~an association of individuals or entities,~~  
40 ~~including member agencies of the Metropolitan Water~~

~~38 District of Southern California and members of the staff  
39 or governing boards of member public agencies, that  
40 identifies itself in terms that tend to mislead the public as~~

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1 ~~to the association's true identity, its source of funding, or~~  
2 ~~its purpose.~~

(c) ~~NOTHING IN THIS SECTION SHALL PROHIBIT THE METROPOLITAN~~  
~~WATER DISTRICT OF SOUTHERN CALIFORNIA OR ITS MEMBER PUBLIC~~ local  
~~AGENCIES OR THEIR BOARD MEMBERS, OFFICERS OR EMPLOYEES FROM~~  
~~PARTICIPATING IN OR PROVIDING FUNDING IN A CLEARLY IDENTIFIABLE~~  
~~WAY FOR ASSOCIATIONS FORMED FOR THE PURPOSE OF UNDERTAKING~~  
~~LEGITIMATE ACTIVITIES SUCH AS ADVOCATING POSITIONS OF THOSE~~  
~~ASSOCIATIONS BEFORE~~ other LOCAL AGENCIES, THE STATE LEGISLATURE,  
~~OR CONGRESS.~~

3 SEC. 34. Section 390130.5 is added to the Water Code Metropolitan  
4 Water District Act (Chapter 209 of the Statutes of 1969),  
5 to read:

6 130.5. (a) ~~For the purpose of reducing its reliance on~~  
7 ~~surplus Colorado River water and future planned~~  
8 ~~construction of facilities to transport additional water~~  
9 ~~from northern California, Any public entity (as defined in Section 375(c) which~~  
supplies water at retail or wholesale for the benefit of persons within the service area or  
area of jurisdiction of the public entity shall have as a the first  
10 priority, to the extent consistent with its general powers and purposes established  
11 under its charter or enabling act, of the Metropolitan Water District of Southern  
~~California shall be to develop and implement~~  
12 COST- EFFECTIVE conservation, recycling, groundwater storage and  
13 replenishment, and alternative supply programs. To the  
14 maximum extent feasible, those programs should include  
15 the conservation of water through demand-side, as well  
16 as supply-side, strategies.

17 (b) Each such public entity ~~The Metropolitan Water District of Southern~~  
18 ~~California shall hold biannual~~ public hearings at least every five years to consider  
19 recommendations from its staff, water experts,  
20 environmentalists, and other interested parties with  
21 regard to the implementation of subdivision (a).

22 (c) Each such public entity, ~~The Metropolitan Water District of Southern~~  
23 ~~California, acting through its member public agencies (if any) and other local~~  
agencies with jurisdiction over water supplies and resources in its service area or area  
of jurisdiction ~~Southern California~~, shall, to the greatest extent feasible, include exhaust  
all

24 cost-effective feasible conservation strategies while before considering all other  
25 means of acquiring water supplies. "Other means of

26 acquiring water supplies" includes, but is not limited to, reliance on water imported  
27 from outside the public entity's service area or area of jurisdiction.

~~27 reliance on surplus allocations from the Colorado River~~  
~~28 and possible future construction of facilities to transport~~  
~~29 additional water from northern California.~~

30 (d) For the purposes of carrying out subdivision (b), each such public entity  
31 ~~the Metropolitan Water District of Southern California~~  
32 shall consider issues relating to water availability, water  
33 quality, self-sufficiency, benefits for species and the  
34 environment, and costs, including  
35 avoided costs.

36 (e) Nothing in this section shall preclude the exercise of any other authority by  
any such public ~~the Metropolitan Water District of Southern~~  
~~38 California~~ as described in existing law, *or shall result in any impairment of its*  
*the Metropolitan Water District of Southern California's contracts.*

(c) NOTHING IN THIS SECTION SHALL DIMINISH THE AUTHORITY of any  
such public entity UNDER SECTION 25 OR ANY OTHER PROVISION OF its charter  
or enabling THIS ACT.

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1 SEC. 45. Section ~~391430.7~~ is added to the Water Code Metropolitan  
2 ~~Water District Act (Chapter 209 of the Statutes of 1969),~~  
3 to read:  
4 ~~391430.7.~~ (a) All public entities (as defined in Section 375(c)) ~~The Metropolitan~~  
5 ~~Water District of~~  
6 ~~Southern California, in cooperation with member public~~  
7 ~~agencies whose boundaries or jurisdiction include any part of the Los~~  
8 ~~Angeles River or the San Gabriel River, the Water Replenishment District of~~  
9 ~~Southern California, the County of Los Angeles, and the~~  
10 ~~United States Army Corps of Engineers, shall participate~~ *to the extent permitted by*  
11 *their respective ~~the powers and purposes~~ granted under their respective charters or*  
12 *enabling acts ~~applicable to metropolitan water districts generally~~ in developing and*  
13 *implementing*

14 programs of groundwater recharge and replenishment,  
15 watershed management, habitat restoration, and  
16 environmentally compatible community development  
17 utilizing the resource potential of the Los Angeles River  
18 and the San Gabriel River, including stormwater runoff  
19 from these rivers.

20 (b) Nothing in this section affects the powers, *jurisdiction,*  
21 *or water rights* of the ~~Water Replenishment District of~~  
22 ~~Southern California, the County of Los Angeles, the~~  
23 ~~United States Army Corps of Engineers, and all public entities~~ *local agencies whose*  
24 *jurisdictions or service areas include any part of the Los Angeles River or the San*  
25 *Gabriel River.*

26 SEC. 56. Notwithstanding Section 17610 of the  
27 Government Code, if the Commission on State Mandates  
28 determines that this act contains costs mandated by the  
29 state, reimbursement to local agencies and school  
30 districts for those costs shall be made pursuant to Part 7  
31 (commencing with Section 17500) of Division 4 of Title  
32 2 of the Government Code. If the statewide cost of the  
33 claim for reimbursement does not exceed one million  
34 dollars (\$1,000,000), reimbursement shall be made from  
35 the State Mandates Claims Fund.

36 Notwithstanding Section 17580 of the Government  
Code, unless otherwise specified, the provisions of this act  
shall become operative on the same date that the act  
takes effect pursuant to the California Constitution.