

● **Board of Directors**  
**Communications, Outreach and Legislation Committee**

July 9, 2002 Board Meeting

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**9-2**

**Subject**

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Express opposition to SB 712 (Costa)

**Description**

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SB 712 (Costa), as amended June 25, (see Attachment 1) would prohibit an urban water supplier, that provides wholesale water to local public agencies, from considering local water supplies developed by agencies or their customers without assistance of the wholesaler when: (1) making dry-year allocation plans or (2) creating an urban water shortage contingency analysis as part of their Urban Water Management Plans.

SB 712 would constrain Metropolitan's Board of Directors in arriving at certain need-based allocation methods for times of shortage and is contrary to the spirit and the policy adopted by Metropolitan's Board of Directors in the 1999 Water Surplus and Drought Management Plan (WSDM Plan). Instead, it would pre-entitle even retail agencies to Metropolitan water supply allocations regardless of need and the needs of others.

The WSDM Plan was developed through a joint effort of Metropolitan and its member agencies during 1998 and 1999. This planning effort included more than a dozen half-day and full-day workshops and more than three dozen meetings of Metropolitan and member agency staff. The result of the planning effort is a consensus plan addressing a broad range of regional water management issues and concerns. While the WSDM Plan did not include a fixed formula for allocating Metropolitan's supplies during severe droughts, it did include the basic guiding policy that any such formula should minimize shortages across the region and that no agency should be significantly better or worse off than any other agency. This policy recognizes the interdependence of the economies and lifestyles of all cities and counties in Metropolitan's service territory. One of the implementation goals of the WSDM Plan is to "equitably allocate imported water on the basis of an agency's needs" and states that equitable allocation may factor, among other things, "impacts on retail consumers and economy" and "change and/or loss of local supply." The WSDM Plan further defines the method of allocation as follows:

The overall policy objective of the allocation method will be to minimize the impacts to any one agency and the region as a whole. To meet that objective, the method of allocating firm imported supply will account for:

- Each agency's demands on Metropolitan;
- Each agency's local resources; and
- Each agency's total retail demand.

In essence, it is critical that any drought allocation under the WSDM Plan policy considers local supplies to meet the objectives of protecting end customers and the regional economy during water shortage. Proponents of SB 712 argue that the legislation is needed to incentivize development of local resources. In fact, Metropolitan supports incentives. This legislation would, however, compromise Metropolitan's ability to make appropriate drought allocation decisions, based on all relevant factors existing at the time of necessity.

Based on adopted board policy and the regional consensus of Metropolitan's member agencies for allocation of firm water supply as represented in the 1999 WSDM Plan, it is recommended that Metropolitan oppose SB 712.

**Policy**

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Water Surplus and Drought Management Plan adopted on April 13, 1999 (M.I. 43514)

**California Environmental Quality Act (CEQA)**

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CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

**Board Options/Fiscal Impacts**

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**Option #1**

Adopt the CEQA determination and express opposition to SB 712.

**Fiscal Impact:** No impact

**Option #2**

Support SB 712.

**Fiscal Impact:** Uncertain

**Option #3**

Take no position on SB 712.

**Fiscal Impact:** Uncertain.

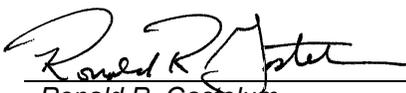
**Staff Recommendation**

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Option #1

  
Adán Ortega, Jr.  
Vice President, External Affairs

7/5/2002  
Date

  
Ronald R. Gastelum  
Chief Executive Officer

7/5/2002  
Date

Attachment 1 – Text of SB 712 as amended June 25, 2002

BLA #1873

**BILL NUMBER: SB 712      AMENDED  
BILL TEXT**

AMENDED IN ASSEMBLY    JUNE 25, 2002  
AMENDED IN SENATE      JUNE 4, 2001  
AMENDED IN SENATE      MAY 14, 2001  
AMENDED IN SENATE      MAY 2, 2001

INTRODUCED BY    Senator ~~Speier~~ Costa

**FEBRUARY 23, 2001**

An act ~~relating to parks and recreation, and making an appropriation therefor~~ to add Sections 10632.1 and 10913 to, the Water Code, relating to water supply.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 712, as amended, ~~Speier~~ Costa.

~~State recreation areas: study: off leash dog activity.  
Water supply planning.~~

Existing law requires every urban water supplier to prepare and adopt an urban water management plan that includes a description of the reliability of the water supply and vulnerability to seasonal or climatic shortage, and an urban water shortage contingency analysis.

Existing law requires a city or county that determines an environmental impact report is required in connection with a project, as defined, to identify any public water system that may supply water for the project and to request those public water systems to prepare a water supply assessment, except as otherwise specified. The assessment is required to identify existing water supply entitlements, water rights, or water service contracts relevant to identified water supply for the proposed project and water received in prior years pursuant to those entitlements, rights, and contracts.

If the public water system, or the city or county, as applicable, concludes that water supplies are, or will be, insufficient, they are required to submit the plans for acquiring additional water supply.

This bill would provide that an urban water supplier in the preparation of an urban water management plan, or public water system in preparing a water supply assessment, that provides wholesale water supply for domestic use to local public agencies, shall not consider water supplies developed by those local public agencies, including private water suppliers regulated by the Public Utilities Commission, or their customers, in making dry-year plan allocations, if those supplies were developed without the financial assistance of the local public agency that provides the wholesale supply.

~~Existing law requires the Department of Parks and Recreation to develop, operate, and maintain state recreation areas.~~

~~This bill would require the department, not later than October 1, 2002, to prepare and submit to the Governor and the Legislature a study of whether off leash dog activity should be permitted in state recreation areas where the dog is under the control of its owner, including specified information. The bill would require that, when complete, the report be posted on the department's Internet Web site.~~

~~— This bill would appropriate \$50,000 from the General Fund to the department to prepare the study.~~

Vote: ~~2/3~~ majority .

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

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

SECTION 1. ~~(a) The Department of Parks and Recreation, Section 10632.1 is added to the Water Code, to read:~~

10632.1. (a) An urban water supplier that provides wholesale water supply for domestic use to local public agencies, shall not consider water supplies developed by those local public agencies or their customers, in making dry-year plan allocations or in making an urban water shortage contingency analysis, if those supplies were developed without the financial assistance of the local public agency that provides the wholesale supply.

(b) For purposes of this section, "local public agencies" includes private water suppliers regulated by the Public Utilities Commission.

SEC. 2. Section 10913 is added to the Water Code, to read:

10913. (a) Notwithstanding any other provision of law, except those provisions applicable to a declaration of water shortage emergency contained in Chapter 3 (commencing with Section 350) of Division 1, a public water system that provides wholesale water supply for domestic use to local public agencies, shall not consider water supplies developed by those local public agencies or their customers, in making dry-year allocations, if those supplies were developed without the financial assistance of the local public agency that provides the wholesale supply.

(b) For purposes of this section, "local public agencies" includes private water suppliers regulated by the Public Utilities Commission. ~~not later than October 1, 2002, shall~~

~~prepare, and submit to the Governor and the Legislature, a study of whether off leash dog activity should be permitted in state recreation areas where the dog is under the control of its owner. The study shall include all of the following:~~

~~— (1) A summary of the comments derived from two public hearings held by the department, one of which is held at a location in southern California, and one of which is held at a location in northern California. The hearings are intended for the purpose of providing an opportunity for public comment on the possibility of permitting dog owners to allow their dogs to be off leash in state recreation areas if the dog is under the control of its owner. The department shall post a summary of the comments received in connection with the two public hearings on its Internet Web site and shall accept comments electronically through the Web site.~~

~~— (2) An evaluation of the advantages and disadvantages of designating certain parts of a recreation area or specific hours or days during which the recreation area may be used for off leash dog activities.~~

~~— (3) Recommendations for rules of conduct for off leash dogs that are necessary to protect the safety and enjoyment of recreation area users, and the physical integrity of recreation area, if the department determines that recommendations are appropriate.~~

~~—(4) A list of specific recreation areas that are suitable for off leash dog activity that would have the highest usage due to the recreation area's proximity to urban areas.~~

~~—(5) A summary of the history of dog control rules and measures at state recreation areas.~~

~~—(b) The department shall work, to the greatest extent possible, with federal and local park officials in the development and preparation of the study required to be prepared pursuant to this section.~~

~~—(c) The report required to be prepared pursuant to this section, when complete, shall be posted on the department's Internet Web site.~~

~~—SEC. 2. The sum of fifty thousand dollars (\$50,000) is hereby appropriated from the General Fund to the Department of Parks and Recreation to prepare the off leash dog activity study described in Section 1.~~