## Assembly Bill No. 2437

## CHAPTER 99

An act to amend Sections 73502, 73504, 73510, 73512, and 73514 of the Water Code, relating to regional water systems.

[Approved by Governor July 10, 2008. Filed with Secretary of State July 10, 2008.]

## LEGISLATIVE COUNSEL'S DIGEST

AB 2437, Ruskin. Regional water systems.

The Wholesale Regional Water System Security and Reliability Act (the act) requires the City and County of San Francisco (city) to adopt a specified program of capital improvement projects designed to restore and improve the bay area regional water system, as defined, and to submit a report, on or before September 1 of each year, to various entities describing the progress made on the implementation of the capital improvement program during the previous fiscal year. The act authorizes the city to determine that the completion dates for projects contained in the program should be delayed or that different projects should be constructed.

The act imposes various other requirements on regional wholesale water suppliers, as defined, including a requirement that these suppliers submit an annual report to the Legislature and the State Department of Public Health describing the progress made on securing supplemental sources of water to augment existing supplies during dry years.

Existing law makes inoperative these and related provisions on December 31, 2010, or on the date on which the State Director of Public Health makes a specified notification and certification, whichever is earlier, and repeals those provisions on the January 1 following that earlier date.

This bill would require the city to identify in its progress report, any project that is behind schedule, and, for each project so identified, to describe its plan and timeline for making up the delay or adopting a revised implementation schedule.

This bill would delete the December 31, 2010, repeal date, and would instead, repeal the act on January 1, 2015, and would make certain technical changes to the act. By extending the period of time to January 1, 2015, during which certain requirements would apply to regional wholesale water suppliers, the 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 no reimbursement is required by this act for a specified reason.

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

SECTION 1. Section 73502 of the Water Code is amended to read:

73502. (a) The city, on or before February 1, 2003, shall adopt the program of capital improvement projects designed to restore and improve the bay area regional water system that are described in the capital improvement program report prepared by the San Francisco Public Utilities Commission dated February 25, 2002. A copy of the program shall be submitted, on or before March 1, 2003, to the State Department of Health Services. The program shall include a schedule for the completion of design and award of contract, and commencement and completion of construction of each described project. The schedule shall require that projects representing 50 percent of the total program cost be completed on or before 2010 and that projects representing 100 percent of the total program cost be completed on or before 2015. The program shall also contain a financing plan. The city shall review and update the program, as necessary, based on changes in the schedule set forth in the plan adopted pursuant to subdivision (d).

(b) The plan shall require completion of the following projects:

Project	Location	Project Identification Number
1. Irvington Tunnel Alternative	Alameda/Santa Clara Counties	9970
<ol> <li>Crystal Springs Pump Station &amp; Pipeline</li> </ol>	San Mateo County	201671
3. BDPL 1 & 2-Repair of	Alameda/San	99
Caissons/Pipe Bridge	Mateo Counties	
<ol> <li>BDPL Pipeline Upgrades at Hayward Fault</li> </ol>	Alameda County	128
5. Calaveras Fault Crossing Upgrade	Alameda County	9897
<ul><li>6. Crystal Springs Bypass Pipeline</li></ul>	San Mateo County	9891
<ol> <li>7. BDPL Cross Connections 3 &amp; 4</li> </ol>	Alameda/Santa Clara Counties	202339
8. Conveyance Capacity West of Irvington Tunnel	Alameda/Santa Clara/San Mateo	201441
<ol> <li>Calaveras Dam Seismic Improvements</li> </ol>	Counties Alameda County	202135

(c) The city shall submit a report to the Joint Legislative Audit Committee, the Seismic Safety Commission, and the State Department of Public Health, on or before September 1 of each year, describing the progress

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made on the implementation of the capital improvement program for the bay area regional water system during the previous fiscal year. The city shall identify in the report any project that is behind schedule, and, for each project so identified, shall describe the city's plan and timeline for either making up the delay or adopting a revised schedule pursuant to subdivision (d).

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(d) (1) The city may determine that completion dates for projects contained in the capital improvement program adopted pursuant to subdivision (a), including those projects described in subdivision (b), should be delayed or that different projects should be constructed.

(2) The city shall provide written notice, not less than 30 days prior to the date of a meeting of the city agency responsible for management of the bay area regional water system, that a change in the program is to be considered. The notice shall include information about the reason for the proposed change and the availability of materials related to the proposed change. All bay area wholesale customers shall be permitted to testify or otherwise submit comments at the meeting.

(3) If the city adopts a change in the program that deletes one or more projects from the program, or postpones the scheduled completion dates, the city shall promptly furnish a copy of that change and the reasons for that change to the State Department of Public Health and the Seismic Safety Commission. The State Department of Public Health and the Seismic Safety Commission shall each submit written comments with regard to the significance of that change with respect to public health and safety to the city and the Joint Legislative Audit Committee not later than 90 days after the date on which those entities received notice of that change.

SEC. 2. Section 73504 of the Water Code is amended to read:

73504. (a) Commencing in 2003, a regional wholesale water supplier shall submit a report to the Legislature and the State Department of Public Health, on or before February 1 of each year, describing the progress made during the previous calendar year on securing supplemental sources of water to augment existing supplies during dry years.

(b) In order to supply adequately, dependably, and safely the requirements of all users of water, the city shall continue its practice of operating the reservoirs in the Counties of Tuolumne and Stanislaus in a manner that ensures that the generation of hydroelectric power will not cause any reasonably anticipated adverse impact on water service. The city shall assign higher priority to delivery of water to the bay area than to the generation of electric power, unless the Secretary of the Interior, in writing, notifies the city that doing so would violate the Raker Act (63 P.L. 41). The city shall make available to the public, on request, its plans of operations (rule curves) for these reservoirs.

(c) The city shall be deemed to be a local public agency for the purposes of Article 4 (commencing with Section 1810) of Chapter 11 of Part 2 of Division 2.

SEC. 3. Section 73510 of the Water Code is amended to read:

73510. Notwithstanding Section 116500 of the Health and Safety Code, the State Department of Public Health shall ensure that the bay area regional water system is operated in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code) and the guidelines established by the United States Environmental Protection Agency for the purposes of administering the comparable provisions of the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.).

SEC. 4. Section 73512 of the Water Code is amended to read:

73512. A regional wholesale water supplier shall reimburse the state for all costs incurred by the State Department of Public Health or the Seismic Safety Commission in carrying out the duties imposed by this division. The bay area wholesale customers shall reimburse the city for their share of those costs as provided in the master water sales contract. The wholesale customers of regional wholesale water suppliers other than the city are responsible for reimbursing the regional wholesale water supplier for their proportionate share of those costs, through the imposition of water charges.

SEC. 5. Section 73514 of the Water Code is amended to read:

73514. This division shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.

SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

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