

## ACT 9099

*San Gorgonia Pass Water Agency Law*

[Stats 1961 ch 1435 p 3239; Amended by Stats 1st Ex Sess 1962 ch 10 p 162, effective April 9, 1962; Stats 1963 ch 1685 p 3309; Stats 1967 ch 249 p 1385; Stats 1969 ch 1027; Stats 1970 ch 104, operative January 1, 1971.]

[Amended by Stats 1970 ch 447; Stats 1975 ch 586, operative July 1, 1976; Stats 1983 ch 41, effective May 26, 1983; Stats 1984 ch 1128; Stats 1990 ch 1052, effective September 18, 1990.]

AN ACT creating the San Gorgonio Pass Water Agency, and prescribing its boundaries, organization, operation, management, financing and other powers and duties.

- AMV /
- § 1. Citation of act
  - § 2. Creation of agency: Territory
  - § 3. Separation of agency into divisions: Divisional directors: Directors at large
  - § 4. Relocation of divisions: Effect on status of divisional director
  - § 5. Board of directors: Qualifications: Appointment of first board: Election or choosing of subsequent board members
  - § 6. [Repealed]
  - § 7. Right to vote: Registration of voters
  - § 8. Application of provisions of Elections Code: Ballots
  - § 9. Calling and canvassing elections: Compensation of officers: Precincts and polling places: Election officers
  - § 10. Recall of incumbents of elective offices
  - § 11. Board of directors as governing body: Meeting of officers: Accessibility of legislative sessions to public: Quorum: Election of president of board
  - § 12. Ordinances, resolutions, or motions: Compensation of directors: Filling vacancies
  - AMV /
  - § 13. Absence of invalidation by reason of informality in proceeding
  - § 14. Appointment and employment of assistants and employees
  - § 15. Powers of agency
  - § 15.1. Development and marketing of hydroelectric energy
  - § 15.2. Sale of right to use falling water for electric energy
  - § 16. Powers, privileges and duties of agency as exercised and performed by board of directors: Powers of board
  - § 17. Evidentiary effect of board's finding with respect to emergency, etc.
  - § 18. Violation of ordinance as misdemeanor: Punishment
  - § 19. [Superseded by § 19.5]
  - § 19.5. Same: Applicable procedural statutes: Condition precedent to section's operation
  - § 20. Prohibition against directors, officers, or employees, having interest in contract: Violation as misdemeanor: Punishment: Exception on director's disclosure of interest
  - § 21. Duties of president, secretary, and treasurer: Depository of funds: Bonds of employees or assistants
  - § 22. Right to construct works across streams, highways, railways, etc.
  - § 23. Claims for money or damages: Applicable statutory provision

SAN GORGONIA PASS WATER AGENCY LAW Act 9099 § 1

- § 24. [Repealed]
- § 25. Water rates
- § 26. Levy and collection of taxes: When permitted: "Excepted moneys": Maximum tax rate
- § 27. Levy and collection of taxes: Board's estimation of amount required to be raised by taxation: Levy by board of supervisors: Collection by county officers: Lien
- § 28. Incurring bonded indebtedness: Resolution: Election: Time for contesting validity
- § 29. Same: Where indebtedness payable from taxes levied on portion of agency
- § 30. Annexation of agency territory to improvement district
- § 31. Issuance and sale of bonds: Disposition of proceeds
- § 32. Exemption of bonds from taxation
- § 33. Formation of improvement district
- § 34. Advancement of agency's general funds to improvement district: Repayment
- § 35. Payment of interest on bonds from proceeds of bond sale
- § 36. Annexation of territory to agency
- § 37. Same: Uninhabited territory
- § 38. Exclusion of territory
- § 39. Same: Uninhabited territory
- § 40. Application of Elections Code: Approval of ordinances
- § 41. Same: Disapproval of ordinances
- § 42. Disorganization or disincorporation of agency
- § 43. Same: Duty of board of supervisors: Determination and statement of agency's indebtedness: Disposition of agency's funds and property: Continuance of liability: Warrants: Taxation for indebtedness: Payment of bonded indebtedness
- § 44. Informality as not affecting validity: Time for contesting validity
- § 45. Construction of act: Absence of repeal or modification of statutes respecting cities: "City": "Agency": "Board": "Voter"
- § 46. Performance of duties by registrar of voters
- § 47. Authority for agency to contain and annex land situated in another county: Procedure
- § 48. Repeal of conflicting provisions: Severability
- § 49. Continuance of separate identity, legal existence or powers of public corporation, etc., including in agency: Restriction on formation of public corporation, etc., within agency
- § 50. Standby or availability charges: Amount of charge: Ordinance of adoption: Notice: Hearing: Descriptions of parcels subject to charge: Levy of taxes: Collection of charges: Lien
- § 51. Annexation of territory: Resolution: Content: Posting: Hearing: Protests: Description of territory: Findings: Taxation: Validation proceedings
- § 52. Dissolution of improvement district: "Improvement district": Resolution of intention: Contents: Notice: Hearing: Publication of resolution: Ordinance: Taxation: Validation proceedings: Bond election

§ 1. Citation of act

This act is designated, and may be cited and referred to as, the "San Gorgonio Pass Water Agency Law."

## § 2. Creation of agency: Territory

The San Gorgonio Pass Water Agency, hereinafter referred to as the "agency," is hereby created, organized and incorporated and shall be managed as herein expressly provided and may exercise the powers herein expressly granted or necessarily implied, and may include contiguous or noncontiguous parcels of both unincorporated and incorporated territory, other than territory included in any public district having identity of purpose or substantially identity of purpose without the prior consent of such public district; evidenced by resolution duly adopted by the governing board thereof, and shall include all territory lying within the following described boundaries:

All that real property situate in the County of Riverside, State of California, more particularly described as follows:

Beginning at the northwest corner of Section 16, T. 2 S., R. 3 W., S.B.B. & M.;

Thence south on the west boundary of said Section 16 to the southwest corner thereof;

Thence east on the south boundary of said Section 16 to the southeast corner thereof;

Thence south on the west boundary of Section 22, said Township and Range, to the west quarter section corner thereof;

Thence east on the east and west quarter section line of said Section 22 to the east quarter section corner thereof;

Thence south on the east boundary of said Section 22 to the southeast corner thereof;

Thence east on the north boundary of Section 26, said Township and Range, to the northeast corner thereof;

Thence south on the west boundary of Section 25, said Township and Range, to the west quarter section corner thereof;

Thence east on the east and west quarter section line of said Section 25 to the east quarter section corner thereof;

Thence south on the range line between R. 2 W. and R. 3 W. to the southwest corner of Section 30, T. 2 S., R. 2 W., S.B.B. & M.;

Thence east on section lines 2 miles to the northeast corner of Section 32, said last mentioned Township and Range;

Thence south on the east boundary of said Section 32 to the west quarter section corner of Section 33, T. 2 S., R. 2 W.;

Thence east on the east and west quarter section line of said Section 33 to the east quarter section corner thereof;

Thence south on the east boundary of said Section 33 to the southeast corner thereof;

Thence east on the Township line between T. 2 S. and T. 3 S. to the northwest corner of the Section 2, T. 3 S., R. 2 W., S.B.B. & M.;

SAN GORGONIA PASS WATER AGENCY LAW Act 9099 § 2

Thence south on the west boundary of said Section 2 to the west quarter section corner thereof;

Thence east on the east and west quarter section line of said Section 2 to the east quarter section corner thereof;

Thence south on the east boundary of said Section 2 to the southeast corner thereof;

Thence east on the north boundary of Section 12, said last mentioned Township and Range, to the northeast corner thereof;

Thence south on the Range line between R. 1 W. and R. 2 W. to the west quarter section corner of Section 7, T. 3 S., R. 1 W., S.B.B. & M.;

Thence east on the east and west quarter section line of said Section 7 to the east quarter section corner thereof;

Thence south on the east boundary of said Section 7 to the southeast corner thereof;

Thence east on the north boundary of Section 17, said last mentioned Township and Range, to the northeast corner thereof;

Thence south on the east boundary of said Section 17 to the southeast corner thereof;

Thence east along section lines to the northeast corner of Section 24, said last mentioned Township and Range;

Thence south along the San Bernardino Meridian to the west quarter Section corner of Section 19, T. 3 S., R. 1 E., S.B.B. & M.;

Thence east on the east and west quarter section line of said Section 19 to the east quarter section corner thereof;

Thence south on the east boundary line of said Section 19 to the southeast corner thereof;

Thence east on the north boundary of Section 29, said last mentioned Township and Range, to the northeast corner thereof;

Thence south along section lines to the southwest corner of Section 4, T. 4 S., R. 1 E., S.B.B. & M.;

Thence east on the north boundary of Section 9 to the northeast corner thereof;

Thence south on the east line of said Section 9, to the northwest corner of Section 10, T. 4 S., R. 1 E., S.B.B. & M.;

Thence east on section lines 3 miles to the northeast corner of Section 12, T. 4 S., R. 1 E., S.B.B. & M.;

Thence south on the east line of said Section to the Southeast corner of said Section;

Thence east on section lines 4 miles to the southeast corner of Section 10, T. 4 S., R. 2 E., S.B.B. & M.;

Thence north on section lines 14 miles to a point on the northerly boundary of the County of Riverside at the northeast corner of Section 3, T. 2 S., R. 2 E., S.B.B. & M.;

Thence westerly, southerly and westerly on the northerly boundary of the County of Riverside to the point of beginning; and including that portion of the City of Cabazon comprising Section 23, Township 3 South, Range 2 East, San Bernardino Base and Meridian. [Amended by Stats 1st Ex Sess 1962 ch 10 § 1 p 162, effective April 9, 1962.]

**§ 3. Separation of agency into divisions; Divisional directors; Directors at large**

The board of directors shall, at its first meeting, or as soon thereafter as practicable, divide the agency into five divisions, which shall be as nearly as practicable equal in area. The divisions shall be numbered first, second, third, fourth and fifth. One director shall be elected for each division by the voters thereof at the next general agency election following the organization of the agency, and two directors at large shall be elected at the election by the voters of the agency as a whole. Each director elected or appointed for a division shall be an elector in that division, and each director at large shall be an elector in the agency. Each director elected or appointed for a division is herein called a "divisional director," and each of the two directors elected or appointed for the agency at large is herein called a "director at large." The two offices of directors at large shall respectively be known as "director at large No. 1" and "director at large No. 2."

Amended Stats 1983 ch 41 § 2, effective May 26, 1983.

**§ 4. Relocation of divisions: Effect on status of divisional director**

Whenever a sufficient change in the area of the agency occurs which makes it desirable in the opinion of the board of directors of the agency to relocate the boundaries of any division or divisions, the board of directors shall, by resolution, relocate the boundary lines of the division or divisions so as to equalize as nearly as may be practicable the area in the respective divisions. At the time of or after each annexation of territory to the agency the board of directors shall designate by resolution the division of which such annexed territory shall be a part. No change in division lines shall be made within four (4) months next preceding the election of any divisional director nor shall such change in division lines work a forfeiture of the office of any director. Whenever such change is made in the division lines, each divisional director then in office, until his office becomes vacant by expiration of his term, or otherwise, shall continue to be the director for the division bearing the number of his division as formerly located, even though such divisional director is not a resident or owner of real property within the relocated division.

**§ 5. Board of directors: Qualifications: Appointment of first board: Election or choosing of subsequent board members**

The board of directors of the agency organized under this act shall consist of seven members. The Board of Supervisors of Riverside County shall appoint the first board of directors, each of whom shall be a resident or owner of real property within the agency, and shall hold office until his successor is elected. Following the creation of the five divisions of the agency by the first board of directors, and at the first agency election thereafter, all successors of the first board shall be elected or chosen at the time and in the manner

provided in the Uniform District Election Law, which shall apply to the agency. [Amended by Stats 1967 ch 249 § 1 p 1385, operative January 1, 1969.]

§ 6. [Repealed by Stats 1967 ch 249 § 2 p 1385, operative January 1, 1969.]

**§ 7. Right to vote: Registration of voters**

No person shall vote at any agency election held under the provisions of this act who is not a voter within the meaning of the Elections Code, residing in the agency, and in the case of divisional directors in the division of the agency in which he casts his vote. For the purpose of registering voters who shall be entitled to vote at agency elections, the county clerk or registrar of voters is authorized, in any county in which there is the agency, to indicate upon the affidavit of registration whether the voter is a voter of the agency.

In case the boundary line of the agency crosses the boundary line of a county election precinct only those voters within such agency and within such precinct who are registered as being voters within the agency shall be permitted to vote, and for that purpose the county clerk or registrar of voters is hereby empowered to provide two sets of ballots within such precincts, one containing the names of candidates for office in said agency, and the other not containing such names, and it shall be the duty of the election officers in such precincts to furnish only those persons registered as voters within such agency with the ballots upon which are printed the names of the candidates for office in the agency.

**§ 8. Application of provisions of Elections Code: Ballots**

The provisions of the Elections Code so far as they may be applicable shall govern all general agency elections and all special agency elections, except as in this act otherwise provided. [Amended by Stats 1967 ch 249 § 3 p 1386, operative January 1, 1969.]

**§ 9. Calling and canvassing elections: Compensation of officers: Precincts and polling places: Election officers**

The board of directors of agency shall call and canvass all elections involving matters of initiative, recall and referendum and shall call all other elections which it is authorized to canvass.

The governing body calling or conducting any election under the provisions of this act shall fix the compensation to be paid the officers of the election and shall designate the precincts and polling places for each division of the agency and shall appoint the officers of such election, who shall consist of one inspector, one judge, and two clerks, unless in case of consolidated elections, other officers of election are required by law.

The voting precincts for any such election may be established and the boundaries thereof fixed and described by such governing body, or such voting precincts may consist of either the regular election precincts or portions thereof within the agency established for holding state or county elections, or a consolidation of any or all of such regular election precincts or

portions thereof last established. If any agency election is consolidated with any state or county election, then the voting precincts, polling places, and election officers for the agency election shall be the same as those established for such state or county election.

**§ 10. Recall of incumbents of elective offices**

Every incumbent of an elective office, whether elected by popular vote for a full term, or chosen by the board of directors to fill a vacancy, is subject to recall by the voters of the agency organized under the provisions of this act in accordance with the recall provisions of the Elections Code of the State with reference to cities.

**§ 11. Board of directors as governing body: Meeting of officers: Accessibility of legislative sessions to public: Quorum: Election of president of board**

The board of directors shall be the governing body of the agency. It shall hold its first meeting as soon as possible after the appointment and certification of the first board of directors; it shall choose one of its members president, and shall thereupon provide for the time and place of holding its meetings and the manner in which its special meetings may be called. All legislative sessions of the board of directors whether regular or special shall be open to the public. A majority of the board of directors shall constitute a quorum for the transaction of business. At its first meeting in the month of January of each even-numbered year, the board of directors shall choose one of its members president, and another of its members vice president. [Amended by Stats 1967 ch 249 § 4 p 1386.]

**§ 12. Ordinances, resolutions, or motions; Compensation of directors; Filling vacancies**

The board of directors shall act only by ordinance, resolution, or motion. On all ordinances the roll shall be called and the ayes and noes recorded in the journal of the proceedings of the board of directors. Resolutions and orders may be adopted by voice vote, but on demand of any member the roll shall be called. No ordinance, motion, or resolution shall be passed or become effective without the affirmative vote of a majority of the members of the board. The enacting clause of all ordinances passed by the board shall be: "Be it ordained by the Board of Directors of the San Geronio Pass Water Agency as follows:". Each of the members of the board of directors shall receive for each attendance at the meetings of the board twenty dollars (\$20), or such other amount as the board shall establish, not to exceed one hundred dollars (\$100). No directors, however, shall receive pay for more than three meetings in any calendar month. Any vacancy in the board of directors shall be filled by a majority of the remaining directors, the person so chosen shall be qualified to fill such vacancy and shall hold office for the remainder of the unexpired term.

Amended Stats 1983 ch 41 § 3, effective May 26, 1983.

**§ 13. Absence of invalidation by reason of informality in proceeding**

No informality in any proceeding not substantially affecting adversely the legal rights of any citizen, shall be held to invalidate the legal existence of

said agency and all proceedings in respect thereto shall be held to be valid and in every respect legal and incontestable.

§ 14. Appointment and employment of assistants and employees

The board of directors shall at its first meeting, or as soon thereafter as practicable, appoint by a majority vote a secretary, treasurer, and auditor, and define their duties and fix their compensation and may so appoint a general manager and define his duties and fix his compensation. The board may employ such additional assistants and employees, and such engineers, attorneys and professional and other consultants as it may deem necessary to efficiently maintain and operate said agency. Each shall serve at the pleasure of the board. [Amended by Stats 1967 ch 249 § 5 p 1386.]

§ 15. Powers of agency

The agency shall have the power:

- (a) To have perpetual succession.
- (b) To sue and be sued, except as otherwise provided herein or by law, in all actions and proceedings in all courts and tribunals of competent jurisdiction.
- (c) To adopt a seal and alter it at pleasure.
- (d) To take by grant, purchase, gift, devise, or lease, hold, use, enjoy, and to lease or dispose of real and personal property of every kind, within or without the agency.
- (e) To acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights and privileges and construct, maintain and operate conduits, pipelines, reservoirs, works, machinery and other property useful or necessary to store, convey, supply or otherwise make use of water for a waterworks plant or system for the benefit of the agency, and to complete, extend, add to, repair or otherwise improve any waterworks or waterworks system acquired by it as herein authorized.
- (f) To construct, maintain, improve and operate public recreational facilities appurtenant to any water reservoir operated or contracted to be operated by the agency, and to provide by ordinance regulations binding upon all persons to govern the use of such facilities including regulations imposing reasonable charges for the use thereof. Violation of any such regulation shall be a misdemeanor.
- (g) To lease of and from any person, firm or public or private corporation, or public agency, with the privilege of purchasing or otherwise, all or any part of water storage, transportation or distribution facilities, existing waterworks or a waterworks system, and to carry on and conduct waterworks or a waterworks system; also to sell water under the control of the agency to cities, and to other public corporations and public agencies within the agency, and to the inhabitants of such cities and of other territory within the agency, and to persons, corporations, and other private agencies within the agency for use within said agency without any preference; also to sell water under the control of the agency to any city, or any company or public agency serving a city, which city is located wholly or partially within the agency, for distribution only within such city; and it may, whenever the board shall find that there is a surplus of water above that which may be required by such consumers within said agency, sell or otherwise dispose of such surplus water to any persons, firms, public or private corporations or public agencies or other consumers.



(h) To supply and deliver agency water to publicly owned and operated golf courses and other publicly owned and operated recreational facilities and to public schools, school districts and public school properties, and to fix and establish special rates, terms and conditions for the use and sale of water for each of these purposes; provided, however, that this provision shall not be construed to indicate legislative intent either for or against the existence of any power of the agency to furnish water to other persons, firms or corporations at just and reasonable rates.

(i) To exercise the right of eminent domain to take any property necessary to supply the agency or any portion thereof with water. The agency in exercising such power, shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables or poles of any public utility which is required to be removed to a new location. In no event shall the agency exercise the power of eminent domain with respect to property situated outside the boundaries of the agency, unless it first obtains the consent of the board of supervisors of the county in which such property is located to such exercise of power.

(j) To issue bonds, borrow money, and incur indebtedness as authorized by law or in this act provided; also to refund (by the issuance of the same obligations following the same procedure) or retire any indebtedness or lien that may exist against the agency or property thereof; also to issue warrants to pay the formation expenses of the agency, which expenses may include fees of attorneys and others employed to conduct the formation proceedings.

(k) To issue negotiable promissory notes, provided that the notes shall be general obligations of the agency payable from revenues and taxes in the same manner as bonds of the agency; and provided further that the maturity shall not be later than five years from the date thereof and that the total aggregate amount of such notes outstanding at any one time shall not exceed the lesser of either one million five hundred thousand dollars (\$1,500,000) or 2 percent of the assessed valuation of the taxable property in the agency, or, if that assessed valuation is not obtainable, 2 percent of the county auditor's estimate of the assessed valuation of the taxable property in the agency evidenced by his or her certificate.

(l) To cause taxes to be levied, in the manner hereinafter provided, for the purpose of paying any obligation of the agency, including its formation expenses and any warrants issued therefor.

(m) To restrict the use of agency water during any emergency caused by drought, or other threatened or existing water shortage, and to prohibit the wastage of agency water or the use of agency water during such periods, for any purpose other than household uses or such other restricted uses as may be determined to be necessary by the agency; to prohibit the use of such water during such periods for specific uses which the agency may from time to time find to be nonessential.

(n) To prescribe and define by ordinance, the restrictions, prohibitions and exclusions referred to in subdivision (m) hereof. Every ordinance relating to the matters referred to in this subdivision shall be in full force and effect forthwith upon adoption, but shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation, printed, published and circulated in the agency within 10 days after adoption, or if there be no such newspaper it shall be posted within that time in three public places within the agency.

(o) To make contracts, to employ labor, and do all acts necessary for the full exercise of the foregoing powers.

(p) To provide by ordinance of its board of directors for the pensioning of officers or employees and the creation of a special fund for the purpose of paying such pensions, and the accumulation of contributions to said fund from the revenues of the agency, the wages of officers or employees, voluntary contributions, gifts, donations or any source of revenue not inconsistent with the general powers of the board, and to contract with any insurance corporation or any other insurance carrier for the maintenance of a service covering the pension of such officers or employees, and to provide in such ordinance for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them.

(q) To acquire, control, distribute, store, spread, sink, treat, purify, reclaim, recapture, and salvage any water, including sewage and storm waters, for the beneficial use or uses and protection of the agency or its inhabitants or the owners of rights to water therein; provided, however, that all waters of the Whitewater River system are excluded from the provisions hereof, except such waters of said system as may be lawfully acquired by the San Geronio Pass Water Agency.

(r) Subject to the limitations in subdivision (i), to join with one or more public agencies, private corporations or other persons for the purpose of carrying out any of the powers of the agency, and for that purpose to contract with such other public agencies or private corporations or persons for the purpose of financing such acquisitions, constructions and operations. Such contracts may provide for contributions to be made by each party thereto and for the division and apportionment of the expenses of such acquisitions and operations, and the division and apportionment of the benefits, the services and products therefrom, and may provide for any agency to effect such acquisitions and to carry on such operations, and shall provide in the powers and methods of procedure for such agency the method by which such agency may contract. Such contracts with other public agencies or private corporations or persons may contain such other and further covenants and agreements as may be necessary or convenient to accomplish the purposes thereof. Particularly, but not exclusively, the agency may contract with the State of California for delivery of water under the State Water Plan. The term "public agency," as used in this subdivision, shall be deemed to mean and include the United States of America or any department or agency thereof, the State of California or any department or agency thereof, a county, city, public corporation, the Metropolitan Water District of Southern California, or other public district of this state. The term "private corporation," as used in this subdivision, shall be deemed to mean and include any private corporation organized under the laws of the United States of America or of this or any other state thereof. Contracts mentioned herein include those made with the United States, under the Federal Reclamation Act of June 17, 1902, and all

acts amendatory thereof or supplementary thereto or any other act of Congress heretofore or hereafter enacted permitting cooperation. Any such contract with the United States of America or any department or agency thereof, or with any private corporation organized under the laws of the United States of America, by which the agency, or an improvement district thereof, incurs an indebtedness or liability exceeding in any year the income and revenue for such year shall not be executed without the assent of two-thirds of the qualified electors of the agency, or an improvement district thereof, voting at a special election to be held for that purpose, such election to be called and held, so far as practicable, in the same manner as bond elections for the agency. The exact form of such contract need not be available at the time of the special election, but the (1) purpose of the contract; (2) maximum amount of the indebtedness created thereby; (3) maximum term of repayment, and (4) maximum interest rate on such indebtedness shall be known and included in the proposition or measure submitted to the qualified electors of the agency, or an improvement district thereof, at such special election.

(s) To commence, maintain, intervene in, defend and compromise, in the name of the agency, and to assume the costs and expenses of any and all actions and proceedings which involve or affect the ownership or use of water or water rights, used or useful for any purpose of the agency, or a common benefit to the lands within the agency or inhabitants of the agency, and in any such action or proceeding the agency may act as a representative of any class or classes of users of water within the agency, producers of water within the agency or owners of rights to water used or useful within the agency, or owners of property within the agency.

(t) Distribute water to persons in exchange for ceasing or reducing groundwater extractions and to fix the terms and conditions of any contract under which producers may agree voluntarily to use replenishment water from a nontributary source in lieu of groundwater, and to such end an agency may become a party to such contract and pay from the agency funds such portion of the cost of such replenishment waters as will encourage the purchase and use of such water in lieu of pumping so long as the persons or property within the agency are directly or indirectly benefited by the resulting replenishment.

(u) To issue bonds under Section 28 of this act for the purpose of providing money required to be paid by this agency to the State of California or any agency thereof under any contract which shall be made with it, or as all or part of the terms and conditions under which the corporate area of the agency may be annexed to and become a part of any metropolitan water district organized under the Metropolitan Water District Act. The amount of the bonds may include expenses of all proceedings for the authorization, issuance and sale of the bonds.

(v) To issue revenue bonds for any purpose for which general obligation bonds may be issued, and for any purpose for which such bonds could be issued under the provisions of the Revenue Bond Law of 1941 or any other law which by its terms is applicable to the agency.

(w) To use the Improvement Act of 1911 for the construction of any facilities authorized to be constructed under the provisions of this act. The powers and duties conferred by the Improvement Act of 1911 on the various boards, officers and agents of cities shall be exercised by the respective boards, officers and agents of the agency. In the application of the Improvement Act of 1911 to proceedings instituted by the agency, the terms used in the Improvement Act of 1911 shall have the following meanings:

- (1) "City council" and "council" shall mean the board of directors of the agency.
- (2) "Municipality" and "city" shall mean the agency.
- (3) "Clerk" and "city clerk" shall mean the secretary.
- (4) "Superintendent of streets," "street superintendent" and "city engineer" shall mean the chief engineer of the agency.
- (5) "Tax collector" shall mean the county tax collector.
- (6) "Treasurer" and "city treasurer" shall mean the treasurer of the agency.
- (7) "Mayor" shall mean the president of the board of directors of the agency.
- (8) "Right-of-way" shall mean any parcel of land in, on, under or through which a right-of-way or easement has been granted to the agency for the purpose of constructing and maintaining any works or improvements of the agency.

Any certificates or documents required to be filed or recorded in the office of the superintendent of streets or street superintendent shall be filed and recorded in the office of the Secretary of the San Geronio Pass Water Agency.

(x) To disseminate information concerning the activities of the agency; and in instances in which it shall be found by two-thirds vote of the board of directors to be necessary for the protection of agency rights and properties to disseminate information concerning such rights and properties, also concerning matters which in the judgment of the board may adversely affect such rights and properties; provided, that expenditures during any fiscal year for such purposes shall not exceed one cent (\$.01) for each one hundred dollars (\$100) of assessed valuation of such agency.

**§ 15.1. Development and marketing of hydroelectric energy**

The agency shall have the power to construct, operate and maintain works to develop hydroelectric energy, for use by the agency in the operation of its works or as a means of assisting in financing the construction, operation and maintenance of its projects for the control, conservation, diversion and transmission of water and to enter into contracts for the sale of such energy for a term not to exceed 50 years. Such energy may be marketed only at wholesale to any public agency or private entity, or both, or the federal or state government.

**§ 15.2. Sale of right to use falling water for electric energy**

In connection with the construction and operation of the works of the agency, the agency shall have the power to contract for the sale of the right to use falling water for electric energy purposes with any public agency or private entity engaged in the retail distribution of electric energy, for a term not to exceed 50 years.

**§ 15.3. Permissible rate of interest paid on obligations**

The maximum rate of interest the agency shall be authorized to pay on any of its bonds, promissory notes, or other obligations shall not exceed the higher of 8 percent per annum, the maximum interest rate for municipal water district bonds as set forth in Section 71953 of the Water Code, or the maximum interest rate set forth in a general statute governing local agencies or districts.

Added Stats 1990 ch 1052 § 2 (SB 2499), effective September 18, 1990.

**§ 15.5. Legislative intent**

It is the intent of the Legislature that, in allocating water received from the State Water Project pursuant to this act, the highest priority shall be given to eliminating groundwater overdraft conditions within any agency or district receiving the water.

Added Stats 1990 ch 1052 § 3 (SB 2499), effective September 18, 1990.

**§ 16. Powers, privileges and duties of agency as exercised and performed by board of directors; Powers of board**

All powers, privileges and duties vested in or imposed upon the agency incorporated hereunder shall be exercised and performed by and through the board of directors; provided, however, that the exercise of any and all executive, administrative and ministerial powers may be by said board of directors delegated and redelegated to any of the officers created hereby and by the board of directors acting hereunder.

The board of directors shall have the power:

- (1) To fix the time and place or places at which its regular meetings shall be held, and shall provide for the calling and holding of special meetings.
- (2) To fix the location of the principal place of business of the agency and the location of all offices and departments maintained hereunder.
- (3) To prescribe by ordinance a system of business administration and to create any and all necessary offices to establish and reestablish the powers and duties and compensation of all officers and employees and to require and fix the amount of all official bonds necessary for the protection of the funds and property of the agency.
- (4) To prescribe by ordinance a system of civil service.
- (5) To delegate and redelegate by ordinance to officers of the agency power to employ clerical, legal and engineering assistants and labor, and under such conditions and restrictions as shall be fixed by the directors, power to bind the agency by contract.
- (6) To prescribe a method of auditing and allowing or rejecting claims and demands.
- (7) To fix the rates at which water should be sold, and to establish different rates for different classes or conditions of service; provided, that rates shall be uniform for like classes or conditions of service throughout the agency, but any special water rate fixed in accordance with terms and conditions of annexation fixed by the board under the provisions of Section 36 or 37 hereof, shall be deemed to be a rate for a different class or condition of service.

Amended Stats 1984 ch 1128 § 161.

*Editor's Note*—Former subd (7) of this section, deleted by the 1984 amendment, was reenacted as Pub Con C § 21511.

§ 17. Evidentiary effect of board's finding with respect to emergency, etc.  
A finding by the board of directors upon the existence, threat, or duration of an emergency or shortage of water or upon the matter of necessity or any other matter or condition referred to in subdivisions 13 or 14 of Section 15 of this act, shall be made by resolution or ordinance, and shall be prima facie evidence of the fact or matter so found, and such fact or matter shall be presumed to continue unchanged unless and until a contrary finding shall have been made by the board by resolution or ordinance. Such finding shall be received in evidence in any civil or criminal proceeding in which it may be offered, and shall be proof and evidence of the fact or matter found until rebutted or overcome by other sufficient evidence received in such proceeding. Copy of any resolution or ordinance setting forth such finding shall, when certified by the secretary of the agency, be evidence that the finding was made by the agency as shown by the resolution or ordinance and certification.

§ 18. Violation of ordinance as misdemeanor: Punishment

From and after the publication or posting of any ordinance as provided in subdivision 14 of Section 15 of this act, it is hereby declared to be and it shall be a misdemeanor for any person, firm or corporation to use or apply water received from the agency contrary to or in violation of such restriction or prohibition, until such ordinance shall have been repealed or such emergency or threatened emergency shall have ceased, and upon conviction thereof such person, firm or corporation shall be punished by being imprisoned in the county jail for not more than 30 days or by fine of not more than three hundred dollars (\$300), or by both such fine and imprisonment.

§ 19. [Superseded by: § 19.5]

§ 19.5. Same: Applicable procedural statutes: Condition precedent to section's operation

An action to determine the validity of any contract authorized by paragraph 19 of Section 15 may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure. This section shall become operative only if Assembly Bill No. 1412 is enacted by the Legislature at its 1961 Regular Session, in which case it shall supersede Section 19 of this act.

Note—A.B. No. 1412 was enacted as Stats 1961 ch 1459 p 3331.

§ 20. [Repealed by Stats 1970 ch 447 § 41.]

§ 21. Duties of president, secretary, and treasurer: Depository of funds: Bonds of employees or assistants

The president, vice president, and secretary in addition to the respective duties imposed on them by law shall perform such duties as may be imposed on them by the board of directors. The treasurer, or such other person or persons as may be authorized by the board of directors, shall draw checks or warrants to pay demands when such demands shall have been audited and approved in the manner prescribed by the board of directors.

If the president is absent or unable to act the vice president shall exercise the powers of the president granted by this act.

The board of directors shall designate a depository or depositories to have the custody of the funds of the agency, all of which depositories shall give security sufficient to secure the agency against possible loss, and who shall pay the warrants drawn by the treasurer for demands against the agency under such rules as the directors may prescribe.

The general manager, secretary and treasurer, and all other employees or assistants of said agency who may be required so to do by the board of directors, shall give such bonds to the agency conditioned for the faithful performance of their duties as the board of directors from time to time may

provide. The premiums on such bonds shall be paid by the agency.  
[Amended by Stats 1967 ch 249 § 7 p 1392.]

**§ 22. Right to construct works across streams, highways, railways, etc.**

The board of directors shall have power to construct works along and across any stream of water, watercourse, street, avenue, highway, canal, ditch or flume, or across any railway which the route of said works may intersect or cross; provided, such works are constructed in such manner as to afford security for life and property, and said board of directors shall restore the crossings and intersections to their former state as near as may be, or in a manner not to have impaired unnecessarily their usefulness. Every company whose right-of-way shall be intersected or crossed by said works shall unite with said board of directors in forming said intersections and crossings and grant the rights therefor. The right-of-way is hereby given, dedicated and set apart to locate, construct and maintain such works along and across any street or public highway and over and through any of the lands which are now or may be the property of this State, and to have the same rights and privileges appertaining thereto as have been or may be granted to cities within the State. Any use, under this section, of a public highway now or hereafter constituted a state highway shall be subject to the provisions of Chapter 3 of Division 1 of the Streets and Highway Code.

**§ 23. Claims for money or damages: Applicable statutory provision**

All claims for money or damages against this agency are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided therein, or by other statutes or regulations expressly applicable thereto.  
[Amended by Stats 1970 ch 104 § 11, operative January 1, 1971.]

**§ 24. [Repealed by Stats 1963 ch 1685 § 33 p 3309.]**

See Gov C §§ 810 et seq.

*Note*—Stats 1963 ch 1685 also provides: § 44. This act shall become operative only if Senate Bill No. 42 of the 1963 Regular Session is enacted.

Senate Bill No. 42 was enacted as Stats 1963 ch 1681 p 3266.

**§ 25. Water rates**

The board of directors, so far as practicable, shall fix such rate or rates for water in the agency and in each improvement district therein as will result in revenues which will pay the operating expenses of the agency, and the improvement district, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions, and enlargements, pay the interest on any bonded debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due. Said rates for water in each improvement district may vary from the rates of the agency and from other improvement districts therein.

**§ 26. Levy and collection of taxes: When permitted: "Excepted moneys":  
Maximum tax rate**

If the revenues of the agency, or any improvement district therein, will be inadequate for any cause to pay the operating expenses of the agency,

provide for repairs and depreciation of works owned or operated by it, and to meet all obligations of the agency, including principal of or interest on any bonded debt of the agency, or any improvement district thereof, as it becomes due; then the board of directors of this agency must provide for the levy and collection of a tax sufficient to raise the amount of money determined by such board of directors to be necessary for the purpose of paying such charges and expenses, as well as providing the funds required under Section 25 of this act, subject to the limitations in this section stated. Moneys necessary for the purpose of paying principal or interest of any bonded debt of the agency or for paying any sum which the agency shall be obligated to pay to the State of California or any agency thereof are herein called "excepted moneys." There shall be no limit on the tax which the agency may impose to pay "excepted moneys"; but the rate of tax which may be levied by the board of directors of the agency upon the agency as a whole and/or any improvement district thereof for purposes other than the payment of "excepted moneys" shall not exceed forty cents (\$0.40) per one hundred dollars (\$100) of assessed value, unless such excess rate shall have been first approved by a majority vote at an election within the agency, or if the excess tax rate be within an improvement district or districts, then within such improvement district or districts.

**§ 27. Levy and collection of taxes: Board's estimation of amount required to be raised by taxation: Levy by board of supervisors: Collection by county officers: Lien**

The board of directors shall determine the amounts necessary to be raised by taxation during the fiscal year and shall fix the rate or rates of tax to be levied which will raise the amounts of money required by the agency, and within a reasonable time previous to the time when the board of supervisors is required by law to fix its tax rate, the board of directors shall certify to the board of supervisors the rate or rates so fixed and shall furnish to the board of supervisors a statement in writing containing the following: (a) an estimate of the minimum amount of money required to be raised by taxation during the fiscal year for the payment of the principal of and interest on any bonded debt of the agency or of an improvement district thereof as will become due before the proceeds of a tax levied at the next general tax levy will be available; (b) an estimate of the minimum amount of money required to be raised by taxation during the fiscal year for all other purposes of the agency. The board of directors shall direct that at the time and in the manner required by law for the levying of taxes for county purposes, such board of supervisors shall levy, in addition to such other tax as may be levied by such board of supervisors, at the rate or rates so fixed and determined by the board of directors, a tax upon the property within the agency, or improvement district thereof benefited by the bonded debt, as the case may be, and it is made the duty of the officer or body having authority to levy taxes within each county to levy the tax so required. Taxes for the payment of the interest on or principal of any bonded debts shall be levied on the property within the agency, or improvement district thereof, benefited by the bonded debt, as determined by the board of directors in the resolution declaring the necessity to incur the debt. Taxes for other purposes of the agency shall be levied on all property in the district or portion thereof subject to the partic-