

# ARVIN COMMUNITY SERVICES DISTRICT

309 CAMPUS DR. • ARVIN, CALIFORNIA 93203  
Phone (661) 854-2127 • Fax (661) 854-8230

## REGULAR MEETING AGENDA OF THE ARVIN COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS Monday, May 6, 2019 6:00 P.M.

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### Call Meeting to Order

Board President Gallardo

### Roll Call:

Rafael Gallardo	President
Maria Alvarez	Vice President
Cynthia Moran	Board Director
Robert Rodriguez	Board Director
Aurelio Reyna	Board Director

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Raul Barraza, Jr.	General Manager
Alan Peake	District Counsel
Dee Jaspar	District Engineer

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*This meeting is held in accordance with the Brown Act. Individuals may address the Board on any matter listed on this agenda, excluding closed session. Members of the public desiring to address the Board must request recognition from the Board President. Presentation by members of the public is limited to two minutes each per agenda item.*

**Flag Salute:** Board and audience salute flag.

### 1. Public Comment:

This portion of the meeting is set aside for members of the public to address any matter not on this agenda and over which the Board has jurisdiction. Comments are limited to 2 minutes for each person and 15 minutes on each subject.

### 2. Consent Calendar

The Consent Calendar consists of items that in staff's opinion are routine and non-controversial. These items are approved in one motion unless a Board Member or member of the public removes a particular item.

- a. Approval of Regular Meeting April 15, 2019
- b. Accounts Payable for April 2019

Motion: \_\_\_\_\_

Director \_\_\_\_\_, seconded Director \_\_\_\_\_

Roll Call: BD Rodriguez\_\_ BD Reyna \_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

**3. Board to discuss and take action re: Approval of Resolution 19-02: Water Will Serve Policy**

Motion: \_\_\_\_\_  
Director \_\_\_\_\_, seconded Director \_\_\_\_\_  
Roll Call: BD Rodriguez\_\_ BD Reyna \_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

**4. Board to discuss and take action re: Resolution 19-03: A Resolution Supporting the Safe and Affordable Drinking Water Fund Proposal which includes SB 200 (Monning) and AB 217 (Garcia)**

Motion: \_\_\_\_\_  
Director \_\_\_\_\_, seconded Director \_\_\_\_\_  
Roll Call: BD Rodriguez\_\_ BD Reyna \_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

**5. Board to discuss and take action re: Approval of an Amendment of the Budget to incorporate the cost of the Groundbreaking Ceremony for the Arsenic Mitigation Project Phase II**

Motion: \_\_\_\_\_  
Director \_\_\_\_\_, seconded Director \_\_\_\_\_  
Roll Call: BD Rodriguez\_\_ BD Reyna \_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

**6. Staff Comments:**

- a. General Manager
- b. Legal Counsel
- c. District Engineer

**7. Board Member Comments:**

This portion of the meeting is set aside to provide the Board with an opportunity to bring any new matters to the attention of the District. However, while no action can be taken on any matter discussed during this portion of the meeting, a Board Member may request that a subject be placed on an upcoming agenda. This portion of the meeting also allows the Board to get a brief update on any matter addressed at a previous meeting.

- a. Director Rodriguez
- b. Director Reyna
- c. Director Moran
- d. Vice President Alvarez
- e. President Gallardo

***Motion to move into Closed Session***

Director \_\_\_\_\_, seconded Director \_\_\_\_\_  
Roll Call: BD Rodriguez\_\_ BD Reyna \_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

**8. Closed Session**

- A. Conference with Legal Counsel on existing litigation: Arvin CSD v. Dow Chemical and Shell Oil Company Government Code Section 54956.9 (d) (i)**
- B. Conference with Labor Negotiators: General Manager and District Counsel: Employee Organization: Laborers International Union of North America 777 Gov't Code 54957.6**
- C. Performance Evaluation General Manager – Government Code 54957**

*Report from Closed Session:*

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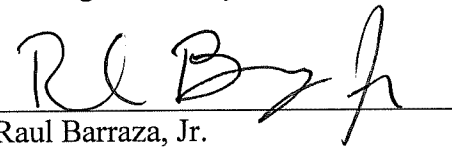
**9. Adjournment:**

Motion: \_\_\_\_\_

Director \_\_\_\_\_, seconded Director \_\_\_\_\_

Roll Call: BD Rodriguez\_\_ BD Reyna\_\_ BD Moran\_\_ VP Alvarez\_\_ BP Gallardo\_\_

I hereby certify under perjury under the laws of the State of California that the foregoing agenda was posted on the Arvin Community Services office window not less than 72 hours prior to the meeting dated May 6, 2019.



Raul Barraza, Jr.  
Board Secretary/General Manager

## MINUTES OF THE REGULAR MEETING OF

THE BOARD OF DIRECTORS  
ARVIN COMMUNITY SERVICES DISTRICT

April 15, 2019

The Board of Directors of the Arvin Community Services District duly met at a Regular Board Meeting held on April 15, 2019 at the hour of 6:00 p.m. at 309 Campus Drive, Arvin, CA 93203.

The meeting was called to order by President Gallardo at 6:02 PM

Directors Present: Gallardo, Álvarez, Moran, Rodriguez

Directors Absent: Reyna.

Others Present: General Manager/Secretary- Raul Barraza, Jr.; Legal Counsel- Alan Peake;  
District Engineer – Dee Jaspar.

Pledge of allegiance: The Pledge was led by President Gallardo

### **Agenda Item #1: Public Comment**

No public comment.

### **Agenda Item #2: Consent Calendar**

- a. **Approval of Regular Minutes April 1, 2019**
- b. **Accounts Payable for April 2019**

After reviewing items on the consent calendar and there being no questions, a motion was made by Vice President Alvarez to approve all items in the consent calendar and seconded by Director Moran.

AYES: Rodriguez, Moran, Álvarez, Gallardo

ABSENT: Reyna

### **Agenda Item #3: Board to discuss and take action re: Approval of Investigative Services Agreement between MMJ Solutions, Inc. and Arvin CSD.**

General Manager and Legal Counsel presented the benefits for the District of having a contract with MMJ Solutions which would facilitate an investigation if ever there needed to be one. Discussion was first brought up during the Board of Directors Sexual Harassment Training. A motion was made by Director Rodriguez to approve agreement with MMJ Solutions, Inc. to conduct investigations for the District when needed and it was seconded by Director Moran.

AYES: Rodriguez, Moran, Álvarez, Gallardo

ABSENT: Reyna

**Agenda Item #4: Presentation Monthly Operations Review for March 2019.**

General Manager presented Board of Directors with the Monthly Operations Review for March 2019. No action was taken.

**Agenda Item #5: Board to discuss and take action re: Approval of Bid Proposal Recommendation for the EPA Replacement Well – Well No. 12 Well Drilling Project from Nor-Cal Pump & Well Drilling, Inc. in the amount of \$743,620.**

General Manager notified the board of directors that bids were in for the EPA Replacement Well – Well No. 12 Well Drilling Project and that Nor-Cal Pump & Well Drilling, Inc. was the lowest bidder in the amount of \$743,620 and bid recommendation from Dee Jaspar and Associates was to go with Nor-Cal Pump & Drilling. Director Rodriguez made a motion to award bid to Nor-Cal Pump & Drilling subject to any further action from the EPA on their approval. Motion was seconded by Vice President Alvarez.

AYES: Rodriguez, Moran, Álvarez, Gallardo  
ABSENT: Reyna

**Agenda Item #6: Board to discuss and take action re: Approval of Bid Proposal Recommendation for the Arsenic Mitigation Project Phase II from W.M. Lyles Co. in the amount of \$11,210,288**

General Manager had notified the board of directors that all bids were in for the Arsenic Mitigation Project Phase II at the February 4, 2019 Board Meeting. Due to the State Water Boards not having a funding agreement in place, the board could not take any action at that time to award bid. Now that the Initial Funding Agreement was signed by the District at the April 1, 2019 meeting a motion was made by Vice President Alvarez to award bid subject to any further action by the State Water Boards regarding finances to lowest bidder W. M. Lyles Co. in the amount of \$11,210,288. Motion was seconded by Director Moran.

AYES: Rodriguez, Moran, Álvarez, Gallardo  
ABSENT: Reyna

**Agenda Item #7: Board to discuss and take action re: Resolution 19-01 Establishing a policy and rates for temporary meter services and adopting a district agreement for the same.**

General Manager, Legal Counsel and District Engineer all worked on revising and establishing a new policy around rates and usage of temporary meter services due to new state restrictions which might limit the amount of groundwater being pumped. A motion was made by Director Rodriguez to approve policy with new rates for temporary meter services and seconded by Vice President Alvarez.

AYES: Rodriguez, Moran, Álvarez, Gallardo  
ABSENT: Reyna

**Agenda Item # 8: Board to discuss and take action re: Approval of District Package Insurance Proposal for 2019-2020 from Tolman and Wiker in the amount of \$41,762**

General Manager presented Board of Directors with the proposal for the renewal of District Property and General Liability. New plan will be with Cal Mutuals JPRIMA who covers all Mutual Water Companies in California and has tailored its plans towards water districts. A motion was made by Vice President Alvarez and seconded by Director Rodriguez.

AYES: Rodriguez, Moran, Álvarez, Gallardo  
ABSENT: Reyna

**Agenda Item #9: Staff Comments**

General Manager: Reminded directors that General Manager will be attending the Rural Communities Water Managers Leadership Institute in Visalia on Saturday April 27<sup>th</sup> from 9 a.m. to 4 p.m. General Manager would also like to remind the Board of the SGMA Open House taking place on May 14 at the Kern Ag Pavilion from 5:30 p.m. to 7:30 p.m. Department of Water Resources will be there as well as the State Water Boards. A reminder of the Groundbreaking Ceremony for the Arsenic Mitigation Project Phase II taking place on May 16<sup>th</sup>. Mr. Barraza also wanted to inform the Directors that the second stakeholders meeting for the GSP will be at the Veterans Hall on May 30<sup>th</sup> at 8 a.m./1 p.m./5 p.m.

**Agenda Item #10: Board Member Comments**

Both Director Rodriguez and President Gallardo are happy with how well the District is doing and are glad the projects are finally moving along.

*A motion was made by Vice President Alvarez to go into closed session and motion was seconded by Director Rodriguez. Motion passed 4 ayes and 0 noes. Time 7:10*

**Agenda Item #11: Closed Session**

- a. Conference with Labor Negotiators: General Manager and District Counsel:  
Employee Organization: Laborers International Union of North America 777  
Government Code Section 54957.6**

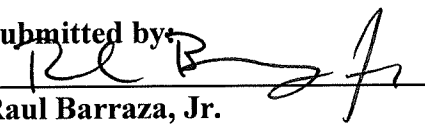
Closed session report: Information was provided, and no action was taken

**Adjournment**

Motion was made by Vice President Alvarez and seconded by Director Rodriguez to adjourn meeting at 7:21 p.m.

YES: Rodriguez, Moran, Álvarez, Gallardo  
ABSENT: Reyna

Submitted by:

  
\_\_\_\_\_  
Raul Barraza, Jr.  
Board Secretary/General Manager

Attest:

\_\_\_\_\_  
Rafael Gallardo  
Board President

ARVIN COMMUNITY SERVICES DISTRICT

Payables JAN/FEB 2019

As of May 3, 2019

Type	Date	Num	Name	Memo	Credit
<b>11100 · Checking Accounts</b>					
<b>11101 · Cash -Revenue Fund BOA-80151</b>					
Check	04/16/2019		BofA Merchant Services	Merchant ID: 372423003881	
Check	04/17/2019		BofA Merchant Services	Merchant ID: 372423003881	
Bill Pmt -Check	04/18/2019	24626	TERESA CARRERA AGUILAR	AGU0123 Account Balance Refund (Closed Account)	31.10
Check	04/18/2019		BofA Merchant Services	Merchant ID: 372423003881	
Bill Pmt -Check	04/19/2019	24606	RENE IBARRA RENTERIA	REN0011 Closed Account (Acct Balance Refund)	0.02
Check	04/19/2019		BofA Merchant Services	Merchant ID: 372423003881	
Bill Pmt -Check	04/22/2019	24607	American Water Works Assc	01055707- 7/01/19-06/30/20 renewal membership	433.00
Bill Pmt -Check	04/22/2019	24608	AT&T Cell Phone	287246838122	1,103.37
Bill Pmt -Check	04/22/2019	24609	Black Stone Asphalt Construction, Inc.		8,855.00
Bill Pmt -Check	04/22/2019	24610	Blue Bottle Vending	Sediment filters, filters micron, carbon filters	828.40
Bill Pmt -Check	04/22/2019	24611	Corbin Willits-Momsoftware	software services mar-15 - apr 15 2019	260.79
Bill Pmt -Check	04/22/2019	24612	Core & Main LP	Account No. 136095	364.65
Bill Pmt -Check	04/22/2019	24613	Eurofins Eaton Analytical, LLC	UCMR 4	1,140.00
Bill Pmt -Check	04/22/2019	24614	Kimball Midwest	Materials: white temp inv mark, prec blue temp inv, extreme gla...	512.33
Bill Pmt -Check	04/22/2019	24615	O' REILLY AUTO PARTS		162.26
Bill Pmt -Check	04/22/2019	24616	PG&E 0020431397-7, WELL 10 & 11	WELL 10 & 11, 0020431397-7	19,762.83
Bill Pmt -Check	04/22/2019	24617	PG&E 0564266959-1, WELL 8	WELL 8, 0564266959	167.86
Bill Pmt -Check	04/22/2019	24618	PG&E 3069482424-1, WELL 6	WELL 6, 3069482424-1	157.86
Bill Pmt -Check	04/22/2019	24619	PG&E 3569445887-4, BOOSTER	BOOSTER, 3569445887-4	893.06
Bill Pmt -Check	04/22/2019	24620	PG&E 4472256989-2, 847 S. DERBY LIGHTING	847 S. Derby Outdoor Lighting, 4472256989-2	12.28
Bill Pmt -Check	04/22/2019	24621	PG&E 9892684436-0, 309 CAMPUS DRIVE	309 Campus Drive, 9892684436-0	422.53
Bill Pmt -Check	04/22/2019	24622	Rain For Rent	Discharge piping for Well No. 13 for Carbon Backwash	7,339.06
Bill Pmt -Check	04/22/2019	24623	Stinson's	Office supplies April 2019	687.59
Bill Pmt -Check	04/22/2019	24624	U S Environmental Protection Agency	EPA- non compliance 25 day period 03/03/19-03/28/19	2,500.00
Bill Pmt -Check	04/22/2019	24625	W.M. Lyles Co.	Progress payment No. 3 - Well No. 13 Emergency Treatment	59,605.97
Check	04/22/2019		BofA Merchant Services	Merchant ID: 372423003881	
Check	04/23/2019		BofA Merchant Services	Merchant ID: 372423003881	
Bill Pmt -Check	04/24/2019	24627	SWRCB-DWOC	Alexis Gaona D4 Certification and Raul Barraza Jr. D3 Certifica...	195.00
Check	04/24/2019		BofA Merchant Services	Merchant ID: 372423003881	
Bill Pmt -Check	04/25/2019	24628	Office Team	Customer No. 001941225	544.12
Bill Pmt -Check	04/25/2019	24629	Pacific Tire Services # 18	Tire repair vechicle No. 7	15.00
Bill Pmt -Check	04/29/2019	24630	Argo Chemical	1904111-hypochlorite solution well no.14	759.62
Bill Pmt -Check	04/29/2019	24631	ARRC Technology	107451- technology services April 2019	1,067.73
Bill Pmt -Check	04/29/2019	24632	Bright House Networks - 309 Campus Dr	Account No. 0050643164-01	410.05
Bill Pmt -Check	04/29/2019	24633	DLL Financial Services	63288892- lease main printer Kyocera fs 4300dn	77.68
Bill Pmt -Check	04/29/2019	24634	PG&E 2395215405-4, 847 S. DERBY	847 S. Derby, 2395215405-4	157.18
Bill Pmt -Check	04/29/2019	24635	Streamline	100202- streamline monthly services	200.00
Bill Pmt -Check	05/01/2019	24647	ADS- Advanced Data Storage Inc.	Quarterly Shredding Services	25.00
Bill Pmt -Check	05/01/2019	24648	Complete Hardware Store	249574- 1 cdplst	1.61
Bill Pmt -Check	05/01/2019	24649	Core & Main LP	Account No. 136095	218.61
Bill Pmt -Check	05/01/2019	24650	infosend	142531- billing-late notice services Sep-2018	2,345.15
Bill Pmt -Check	05/01/2019	24651	Kern Groundwater Authority		8,845.23
Bill Pmt -Check	05/01/2019	24652	Office Team	Customer No. 001941225	402.86
Bill Pmt -Check	05/01/2019	24653	PG&E 0448505472-2, WELL 14	Well No. 14, 0448505472-2	9,934.97
Bill Pmt -Check	05/01/2019	24654	PG&E 2529028868-4, WELL 13	Well No. 13, 2529028868-4	9,344.19
Bill Pmt -Check	05/01/2019	24655	The Gas Company 121 627 3013 4	121 627 3013 4	7.01
Bill Pmt -Check	05/01/2019	24656	The Marcom Group	48628- logo/identity deposit business system design 50%	600.00
Bill Pmt -Check	05/01/2019	24657	US Bank	Account No. 1573291	221.36
Bill Pmt -Check	05/03/2019	24658	Advanced Flow Measurement	003651- well no 10 flowmeter repair services	1,184.56
Bill Pmt -Check	05/03/2019	24659	Algani Graphics & Signs	049- 5 8x4 full color aluminum signs for Arsenic Mitigation Proj...	1,825.00
Bill Pmt -Check	05/03/2019	24660	Blackburn Oil Company, LLC	2101	2,136.02
Bill Pmt -Check	05/03/2019	24661	Bright House Networks - 847 S. Derby Shop	Account No. 0050694522-01	195.95
Bill Pmt -Check	05/03/2019	24662	Complete Hardware Store		75.20
Bill Pmt -Check	05/03/2019	24663	Eurofins Eaton Analytical, LLC		985.00
Bill Pmt -Check	05/03/2019	24664	infosend	4152971- late notice /billing prep services april 2019	2,911.65
Bill Pmt -Check	05/03/2019	24665	O' REILLY AUTO PARTS		10.26
Bill Pmt -Check	05/03/2019	24666	Price Disposal	3-3295-001	169.75
Bill Pmt -Check	05/03/2019	24667	Stinson's	860302-0 Office supplies PO 05/2019	267.12
Bill Pmt -Check	05/03/2019	24668	The Gas Company 174 018 4996 7	17401849967- 847 S. Derby services	8.25
Total 11101 · Cash -Revenue Fund BOA-80151					150,381.09
Total 11100 · Checking Accounts					150,381.09
<b>TOTAL</b>					<b>150,381.09</b>



**RESOLUTION NO. 19-02**

**A RESOLUTION OF THE ARVIN COMMUNITY SERVICES DISTRICT  
ADOPTING A NEW WATER WILL SERVE POLICY**

**WHEREAS**, under Ordinance No. 1 Section 12 general requirements for connection to the District's Water Service are set forth:

**WHEREAS**, there are different types of requests to connect to the District's Water System from single connections to multi lot subdivisions; and

**WHEREAS**, additional more specific Policies in carrying out Ordinance 1, Section 12 requirements would be beneficial to District Staff and Applicants for Water Service; and

**NOW, THEREFORE**, the Arvin Community Services District Board hereby adopts the Water Will Serve Policy attached hereto as Exhibit 1.

**DATE: May 6, 2019**

**INTRODUCED BY: Raul Barraza, Jr., General Manager**

**AYES:** \_\_\_\_\_

**NOES:** \_\_\_\_\_

**ABSENT:** \_\_\_\_\_

**ABSTAIN:** \_\_\_\_\_

\_\_\_\_\_  
**Rafael Gallardo, President of the Board**

Attest:

\_\_\_\_\_  
**Raul Barraza, Jr., General Manager/Board Secretary**

# WATER WILL SERVE POLICY

## 1.1 Purpose

The District provides water service through metered connections within the District. The purpose of this Policy is to provide applicants for water services including developers and their consultants working on projects within the District with a guide to procedures for processing domestic water service requests and improvement plans. This Policy will also provide a summary of the general design criteria for the water system the District operates and maintains.

Applicant(s) must adhere to the District's adopted water ordinances, water capacity, impact, and/or supply fees, groundwater management, urban water management plan, water master plan, and related water conservation policies and goals.

## 1.2 Water Service Feasibility

The District provides domestic water service to all properties within its service area boundaries. Projects that require more than a new single 1-inch meter will require the preparation of a Water Service Feasibility Analysis WSFA to determine whether the existing District facilities and water supply are adequate to serve the needs of the proposed development at buildout or if new District facilities are required to be constructed to accommodate the additional demands and fire flow requirements. The typical projects that are subject to WSFA and planning efforts are as follows:

- Commercial developments.
- Industrial developments.
- Mixed Use developments.
- Multi-Family residential developments.
- Institutional developments
- Tenant Improvements that require fire suppression systems and/or increased fire flow due to expansion.
- Residential applicants requesting meters larger than 1-inch
- Fire Hydrants/Fire Services required by the Fire Marshall.
- Developments requiring irrigation meters with backflow prevention devices.

In these cases, the developer will be responsible for the full cost of the WSAF. The District reserves the right to perform the study for all new developments and/or applicants for water service. The WSAF to be performed shall include a detailed analysis of the proposed development's or project's impact on the District's water system and what mitigation measures are to be utilized to mitigate those impacts and whether the District has capacity to serve the new development.

### **1.3 Applicability**

For proposed new developments, re-developments (in-fill development), or projects within the District's boundaries that will require water service where improvements larger than a single 1-inch water service is required, the developer must request a "Will Serve" letter from the District that must be approved by the District Board. For projects where a single 1-inch water service or less is required in a written request to the District containing information on the Project showing that only a single 1-inch service is required can be approved by the General Manager. The District will then review all requirements and determine if there is capacity for the new water service.

### **1.4 Application for Water Service**

In order to obtain new water service and/or modification to existing water service, an applicant must complete, sign, and submit a Water Will Serve application form for water service (Exhibit A) at the time of the initial plan submittal. Included with the application are required documents for processing and determining the conditions for water service for the project. Depending on the nature and complexity of the project, required documents may include but not be limited to site improvement plans, building plans, tentative maps, title reports, water demand calculations, landscape/irrigation plans, fire department plans and requirements, and other conditions and any other documents which may be relevant to providing an applicant water service. The application for water service shall be addressed to the District General Manager, must be accompanied by an 8 1/2" x 11" vicinity map and two (2) copies of the tentative tract map or development plans showing the proposed services and their points of connection to the existing District facilities. Conceptual sizing of the water system improvements should be shown along with dwelling unit densities, proposed ultimate demand, and fire department requirements.

Once an application for water service is received, staff will determine the completeness of the application. The applicant will be notified if additional information is needed to be submitted to the District to complete processing of the application. Requirements may include any or all of the following:

- a. Processing, plan check fees, inspection, and/or other fees and deposits. All fees shall be charged in accordance with the District's current schedule of fees and charges as adopted by the District.
- b. Engineered calculations, plans, specifications, engineer's estimates of the proposed water improvements indicating points and sizes of connections, main line extensions, location of valves, hydrants, fire service lines, backflow prevention devices, and associated water appurtenances. All water improvement plans shall be stamped by a licensed CA Civil Engineer and shall meet the District Standard Drawings and Technical Specifications, Standard Specifications for Public Works Construction, and American Water Works Association (AWWA) standards, and wherever there is a conflict, the more stringent standard shall apply.
- b. Water demand estimates shall be prepared, stamped and signed by a Professional Engineer at project buildout including proposed Average Day Demand (ADD), Maximum Day Demand (MDD), and Peak Hour Demands (PHD) domestic demands. Demands shall also include all irrigation and fire flow demands. Fire flow demands, requirements, and other conditions of approval shall be provided by the applicant from the local governing Fire Department Authority in writing for the District's review. Fire-flow testing data shall be recent and not

older than 1-year-old. Any fire flow data older than 1 year shall require additional fire flow testing and payment of applicable fire flow testing fees.

- c. Grant of easement(s) to the District, where applicable.
- d. Environmental documentation i.e. California Environmental Quality Act (CEQA) compliance.
- e. Other project-related documents as required or as requested by the District.

### **1.5 Will Serve Letters**

A Will Serve Letter issued to an applicant shall be valid for a period of 1 year from the issuance of the Will Serve Letter. If construction has not been completed by that timeline, the Will Serve Letter becomes null and void. Applicant(s) may request an extension of the Will Serve Letter in writing by re-submitting an application for Will Serve or availability of water service including repayment of all applicable processing and plan check fees in effect at the time of the reapplication.

A developer may request a letter from the District that addresses the feasibility to serve a project and conditional availability of water if such a letter is required before a formal Will Serve letter can be issued. The District may consider issuing this letter to assist the developer in obtaining initial funding and/or processing a project for entitlements. This letter will indicate the project is within the service boundary of the District water system and that water supply may be available to serve the project. The letter is only conditional and not a final Will Serve letter. The letter will in no way waive the requirements that preclude the developer from finalizing a required planning phase, paying required fees and costs and developing improvements plans for construction of required improvements.

- a. District Will Serve Letters are to be issued consistent with this policy and on behalf of an applicant to provide an indication of the District's willingness and ability to provide domestic water service to real property/properties within the District's Service Boundary. A Will Serve Letter will outline the general conditions under which the District will provide such water service.
- b. The District will not issue a Will Serve Letter for real property which is not within the District's Boundary at the time of the request for the Will Serve Letter. Applications for Will Serve Letters requesting water service outside of the District's then existing Service Boundary will only be processed upon approval of an annexation of the affected real property by the District's Board of Directors in accordance with the District's adopted Annexation Policy and contingent upon completion of the annexation of the real property into the District's Service Boundary at the applicant's sole cost and expense.
- c. Connection of water services as provided in a Will Serve Letter shall be contingent upon the District, at the time of request for connection, having sufficient water based upon its water supply and shall further be contingent upon the District having sufficient treatment and delivery capacity to comply with all laws and regulations concerning the delivery of domestic water. All District commitments to deliver water shall, during shortage conditions, be subject to the provisions of the then current Water Shortage Contingency Plan and/or adopted Water Shortage Emergency Measures.

- d. Applicants for Will Serve Letters shall be responsible for payment or reimbursement to the District as provided in this policy of all District fees and costs in existence on the date that a request by the applicant for connection to the District's water system is made. Connections to the District's water system will be made only to real property which has, at the time of the request for connection, a valid building permit.
- e. An applicant will be required to pay, at the time of the submission of the Application for the Will Serve Letter, those District administrative fees then in effect for the submissions of an Application for Will Serve Letter, together with any deposits required for engineering fees and attorneys' fees.
- f. Following receipt by the District of a complete Application for Will Serve Letter, together with any fees or costs required at the time of the filing of the application. During the review process the District may require the applicant to furnish the District with such other and further information as the District deems pertinent to review and process the application. If during the District's initial review of the application, the District determines that there are additional fees or costs which are required to evaluate and process the application, the District will provide an estimate of these additional fees and costs in writing to the applicant. Will Serve requests that must be approved by the District's Board of Directors will be presented to the Board for their consideration at their next regularly scheduled meeting following the completion of the review process.
- g. The District will not provide water service to any property in the event of non-payment of any applicable fees or costs.
- h. The General Manager will report on any Will Serve Letters approved by the General Manager at the next regularly scheduled Board of Directors Meeting. Additionally, the Districts General Manger will provide a report annually on the status of all issued and unexpired Will Serve Letters during the planning process for the upcoming fiscal year.

### **1.6 Development Agreement**

Applicants who request a Will Serve Letter from the District to supply water to a proposed development which requires the construction of new or additional District water distribution system improvements or requires the equivalent capacity greater than (4) 1-inch services, in order to provide water service will be required to enter into a Development Agreement between the applicant and the District.

The Development Agreement will set forth all terms and conditions of water service for the applicant by the District and will describe in detail the responsibilities of the applicant and the District with respect to the construction of and payment for any required District water infrastructure improvements. Unless otherwise noted or agreed upon, the applicant as a result of the developer impacts to the District's water system shall be responsible for the planning, design, permitting, and construction of the additional water infrastructure improvements required to serve the Development.

In the event that a Development Agreement is required for the applicant's proposed development, the applicant is responsible to execute and deliver the Development Agreement prior to approval of project improvement plans by the District and to pay the District all fees and expenses incurred by the District for its preparation of the Development Agreement.

All Development Agreements require the approval of the District Board of Directors.

## 1.7 Water Supply Assessments

Certain projects, depending on the size, may be subject to the latest editions of Senate Bill (SB 610) Water Code Section 10910 et. Seq. "Water Supply Assessments" and SB 221 Government Code Section 66473.7 "Written Verifications of Water Supply". The owner of the development will bear all costs to have the Water Supply Assessment and/or the Water Supply Verification prepared.

### A. Water Supply Assessment (WSA)

A Water Supply Assessment is required if the development is classified as a "project" as defined in Water Code Section 10912. Section 10912. For the purposes of this part, the following terms have the following meanings:

1. "Project" means any of the following:

A proposed residential development of more than 500 dwelling units.

A proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space.

A proposed commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space.

A proposed hotel, inn or motel having more than 500 rooms.

A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.

A mixed-use project that includes one or more of the projects listed.

A project that would demand an amount of water equivalent to, or greater than, the amount of water required by 500 dwelling unit project.

### B. Water Supply Verification (WSV)

A "Written Verification of Water Supply" is required if the development requires approval of a tentative tract map (Government Code 66473.7(b)(1)).

Section 66473.7(b)(1) states the legislative body of a city or county or the advisory agency, to the extent that it is authorized by local ordinance to approve, conditionally approve, or disapprove the tentative map, shall include as a condition in any tentative map that includes a subdivision a requirement that a sufficient water supply shall be available. Proof of the availability of a sufficient water supply shall be requested by the subdivision applicant or local agency, at the discretion of the local agency, and shall be based on written verification from the applicable public water system within 90 days of a request.

Section 66473.7(a)(1) "Subdivision means a proposed residential development of more than 500 dwelling units, except that for a public water system that has fewer than 5,000

service connections, "subdivision" means any proposed residential development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections.

## **1.8 Water Utility Plan Processing**

All proposed water utility improvements to serve a property or development must be reviewed and approved by the District. The utility improvements must be reflected on civil engineering plans and reviewed and approved through the District's plan approval process. The specific information required for each of the submittals required during the process must be provided.

### **a. General**

The developer and/or applicant for water service shall endeavor to have a "pre-design" meeting with the District to review the utility alignment concepts for their project prior to making a first plan submittal. The conceptual plans shall be based on the District's as-built documents.

### **b. Plan Check Submittals**

The applicant's or developer's engineer shall submit five (5) full sized copies of the utility improvement plans, and one compact disk containing a single PDF file of the entire drawing set. When making subsequent plan submittals (after the first submittal), the engineer shall also return the preceding plan check set with District's comments. The engineer shall also submit other pertinent information to assist the District in reviewing the plan submittal. Generally, the District endeavors to complete its review of first or second plan check submittals within 20 to 30 working days. Plan check submittal numbers three or more is anticipated to be completed within 10 working days. There may be variances in this schedule due to a number of factors, and the District cannot guarantee these processing intervals, but they are general guidelines.

### **c. Fees**

The Applicant for a Will Serve letter shall be responsible for all fees and charges imposed by the District as established in the District's current adopted schedule of fees & charges based on the date of payment. These fees and charges may include but are not limited to plan check, permit, inspection, water capacity, water supply, water connection, and other related fees as adopted by or in effect by the District based on the date of payment.

The District's schedule of fees and charges are applicable to connection of water service to real property being developed in the District. The fees established and adopted by the District shall be applicable to a Will Serve letter for which the applicant will be responsible for payment.

An applicant for a Will Serve letter shall be responsible at the time that such fees are to be collected to pay the District for all associated and applicable fees and charges

for Application Processing as requested by the District, but in no case later than the date of the request for connection.

The District will estimate a project's planning phase and plan check fees as part of the first plan check of the utility improvement plans. At the completion of the planning phase, an estimate of encroachment permit, capacity, connection water supply, and other related fees will be provided. All fees must be paid prior to District's approval of the plans. All applicable fees shall be paid by the applicant prior to the approval of plans, installation of water services, or at other times as requested by the District (pending further District input).

d. Approval of Plans

The District's requirements for providing its plan approval include but are not limited to:

- Plan corrections are properly made pursuant to all District plan comments, including appropriate written descriptive responses where it is requested.
- Submittal of a copy of the approved Fire Department Requirements for the project site.
- Payment of the required District fees

e. Submittal of Approved Water Improvement Plans

Upon the District's approval of the plans, they will be returned to the developer's or applicant's engineer. The developer's or applicant's engineer shall submit to the District three (3) full-sized set of prints on bond paper of the approved plans and two (2) compact disks (CD). The first CD will contain the AutoCAD drawing files for the approved plan set. The second CD will contain a single PDF file of the entire approved plan set, i.e. reflecting the District approval signatures. The PDF file will be of a quality high resolution since it will be made a part of District's public records of plans. Other digital submission criteria may be required.

### 1.9 Construction of Water Improvements

Prior to the onset of construction activities for the water improvements, The District will strictly enforce the following requirement:

The District will only release the project for construction after the developer's or applicant's engineer makes the submittal of the approved water plans.

- ❖ If determined by the District, the project may be constructed by District forces as an option.
- ❖ If determined by the District, the project may be constructed by an outside contractor and the District will provide inspection that is funded by the developer.



### **1.10 Meter Installation Requests**

Connection of water services as provided in a Will Serve Letter shall be contingent upon the District, at the time of request for connection, having sufficient water and shall further be contingent upon the District having sufficient treatment and delivery capacity to comply with all laws and regulations concerning the delivery of domestic water. All District commitments to deliver water shall, during shortage conditions, be subject to the provisions of the then current Water Shortage Contingency Plan and/or adopted Water Shortage Emergency Measures.

If the project and/or development includes commercial, industrial, and landscaping, all such services shall include backflow prevention devices installed by the developer and inspected by the District prior to water service activation. All backflow prevention devices shall adhere to the District's cross-connection control program. The property owner shall be responsible for proper testing of backflow prevention devices by the District and/or cross-connection control authority.

Meter requests must be made in writing and be accompanied by the appropriate District-approved plans and required fees. The following information must be included in the letter of meter request:

Meter address (physical street address) for each meter requested.

Billing address for each meter requested. (Entity responsible for payment of the account).

Type of service and purpose of the requested meter, e.g. domestic to building, domestic irrigation, fire line service, fire hydrants, if required by the fire department.

Service lateral and meter size for each meter requested.

Job site contact person and contact information (to coordinate the meter installation)



ARVIN COMMUNITY SERVICES DISTRICT  
 300 Campus Drive, Arvin, CA 93203  
 661-854-2127

**WATER WILL-SERVE/AVAILABILITY REQUEST**

DATE: \_\_\_\_\_ Delivery of Will-Serve Notice:  Mail  Pick-up  Email  Fax#

APN: \_\_\_\_\_ Property Address \_\_\_\_\_

Lot No: \_\_\_\_\_ Track or Block: \_\_\_\_\_

Is there existing service to this parcel?  Yes  No If so, Account Number: \_\_\_\_\_

**PLANNED USE:**

- Single-Family Residential
- Multi-Family Residential
- Commercial  Fireline  Landscape

Multiple Units: # of Units \_\_\_\_\_

- Apartments
- Condos
- Hotels/Motels

Type (restaurant, car wash, etc.) \_\_\_\_\_

Total number of meters requested: \_\_\_\_\_ Size of Meters (s): \_\_\_\_\_

Name/Company: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Primary Phone: \_\_\_\_\_ Secondary Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

**Estimated Portable Water Demand \***

Average Day Demand* (ADD):		Maximum Day Demand* (MDD):		Peak Hour Demand* (PHD):	
Domestic:	gpm	Domestic:	gpm	Domestic:	gpm
Irrigation:	gpm	Irrigation:	gpm	Irrigation:	gpm
Fire:	gpm	Fire:	gpm	Fire:	gpm
<b>Total:</b>	<b>gpm</b>	<b>Total:</b>	<b>gpm</b>	<b>Total:</b>	<b>gpm</b>

\*ATTACH REFERENCES USED AND CALCULATIONS FOR TOTAL WATER DEMAND (INCLUDING SITE PLAN SHOWING PROPOSED CONNECTIONS)

Comments: \_\_\_\_\_

I understand that the Arvin Community Services District may be willing to supply water to the subject property with the following conditions:  
 (Conditions are subject to change without notice and there may be additional conditions required.)

1. This Water Will-Serve Request is not a guarantee of service. All conditions of approvals must be met prior to connection to the District Water System including all those set forth in the District's Water Will Serve Policy.
2. This property is subject to all District policies, rates and fees in affect when fees are paid, including but not limited to, processing, plan check, capacity, supply, connection inspection, permitting and all other associated costs. A Development Agreement may be required for larger projects.
3. Exact location of the water meter is to be determined by the District.
4. Detailed calculations and plans may be required for District approval prior to installation of water services.
5. Once issued, the Will-Serve Letter will remain effective for 1 year from the date approved (subject to any additional conditions).
6. Owner should confirm that mainline pressure is sufficient to serve the planned elevation of any improvements. In some cases, pressure-reducing valves or booster pumps may be required.

Signed: \_\_\_\_\_ Printed Name: \_\_\_\_\_

- Owner
- Agent

**FOR ARVIN COMMUNITY SERVICES DISTRICT PERSONNEL USE ONLY**

Capacity & Groundwater Supply and Connection Fee paid?  Yes  No

Main upsizing required?  Yes  No Existing Main Location & Size \_\_\_\_\_

Comments: \_\_\_\_\_

APPROVAL:  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**RESOLUTION NO. 19-03**

**A RESOLUTION OF THE ARVIN COMMUNITY SERVICES DISTRICT IN SUPPORT OF THE SAFE AND AFFORDABLE DRINKING WATER FUND PROPOSAL -- INCLUDING GOVERNOR NEWSOM'S BUDGET TRAILER BILL PROPOSAL, SB 200 (MONNING), AND AB 217 (GARCIA) -- WHICH WOULD ESTABLISH A NEW STATE SAFE AND AFFORDABLE DRINKING WATER FUND TO SUPPORT SHORT AND LONG-TERM DRINKING WATER SOLUTIONS AND PROGRAMS, SUCH AS TO SUPPORT OPERATIONS AND MAINTENANCE FUNDING FOR DRINKING WATER TREATMENT AND ADDRESS OTHER CRITICAL DRINKING WATER NEEDS.**

WHEREAS, all Californians have a human right to safe and affordable drinking water for drinking, cooking and sanitation purposes; and

WHEREAS, drinking water safety and affordability issues affect California communities across the state; and

WHEREAS, the BOARD OF DIRECTORS OF THE ARVIN COMMUNITY SERVICES DISTRICT recognizes the adverse health risks associated with lack of safe and affordable drinking water to its constituents, with children and the elderly being particularly at risk; and

WHEREAS, for years, the State Water Resources Control Board and other policymakers have called for the creation of a sustainable funding source to support safe and affordable drinking water programs, including to ensure public water systems can afford to operate and maintain drinking water treatment systems to address contaminated drinking water; and

WHEREAS, the lack of a reliable funding source for operations and maintenance drinking water treatment costs has meant many communities are either unable to afford the cost of drinking water treatment, or are forced to pass on burdensome drinking water costs to constituents who may then struggle to be able to afford their drinking water;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the BOARD OF DIRECTORS OF THE ARVIN COMMUNITY SERVICES DISTRICT as follows:

The BOARD OF DIRECTORS OF THE ARVIN COMMUNITY SERVICES DISTRICT affirms its support for a new Safe and Affordable Drinking Water Fund -- including Governor Newsom's budget trailer bill proposal, SB 200 and AB 217 -- that would provide both short term and long term programs and solutions for safe and affordable drinking

water, including to help subsidize the high cost of operations and maintenance of drinking water treatment costs.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the BOARD OF DIRECTORS OF THE ARVIN COMMUNITY SERVICES DISTRICT at a regular meeting thereof held on May 6, 2019, by the following

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ATTEST: \_\_\_\_\_

Raul Barraza, Jr., Board Secretary/General Manager

By: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_

Rafael Gallardo, Board President

I, Raul Barraza, Jr., Board Secretary/General Manager of the ARVIN COMMUNITY SERVICES DISTRICT, Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the BOARD OF DIRECTORS OF THE ARVIN COMMUNITY SERVICES DISTRICT on the date and by the vote indicated herein.



**SB-200 Safe and Affordable Drinking Water Fund.** (2019-2020)

SHARE THIS:  

Date Published: 04/29/2019 02:00 PM

AMENDED IN SENATE APRIL 29, 2019

AMENDED IN SENATE MARCH 11, 2019

CALIFORNIA LEGISLATURE— 2019–2020 REGULAR SESSION

**SENATE BILL**

**No. 200**

**Introduced by Senator Monning  
(Principal coauthor: Assembly Member Eduardo Garcia)**

**January 31, 2019**

An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to water, and making an appropriation therefor. *water.*

LEGISLATIVE COUNSEL'S DIGEST

SB 200, as amended, Monning. Safe and Affordable Drinking Water Fund.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long term. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests and would provide that moneys in the fund are continuously appropriated to the board. The bill would require the board to administer the fund to provide a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests. The bill would require the board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with projects relating to the provision of safe and affordable drinking water. The bill would require the board, working with a multistakeholder advisory group, to adopt a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund. The bill would require the board annually to prepare and make available a report of expenditures from the fund. The bill would require the board to adopt annually, after a public hearing, an assessment of funding need that estimates the anticipated funding needed

~~for the next fiscal year to achieve the purposes of the fund. available, upon appropriation by the Legislature, to the board to fund grants, loans, contracts, or services to assist eligible recipients. The bill would require the board to adopt a fund implementation plan and policy handbook with specified contents on or before January 10, 2021, and every January 10 thereafter, and would require expenditures of the fund to be consistent with the plan. The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make available publicly available, as specified, a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants and to make available a map of residential areas that are at high risk of containing contaminants at the tap that exceed health standards and that exceed safe drinking water standards. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program. By creating a new continuously appropriated fund, this bill would make an appropriation.~~

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 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 the statutory provisions noted above.

Vote: majority Appropriation: ~~yes~~no Fiscal Committee: yes Local Program: yes

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

**SECTION 1.** Chapter 4.6 (commencing with Section 116765) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

**CHAPTER 4.6. Safe and Affordable Drinking Water**  
**Article 1. Safe and Affordable Drinking Water Fund**

**116765.** (a) The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. All moneys deposited in the fund pursuant to paragraph (1) of subdivision (a) of Section 116771 are available, upon appropriation by the Legislature, to the board to fund the following:

(1) Operation and maintenance costs to help deliver an adequate supply of safe drinking water in both the near and long terms.

(2) Consolidation costs for public water systems, community water systems, and state small water systems.

(3) Replacement water to provide the systems with safe drinking water as a short-term solution.

(4) The provision of administrative and managerial services under Section 116686 for purposes of helping the systems become self-sufficient in the long term.

(b) Consistent with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible recipients.

(c) (1) Eligible recipients of funding under this chapter are public agencies, nonprofit organizations, public utilities, mutual water companies, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and administrators.

(2) To be eligible for funding under this chapter, grants, loans, contracts, or services provided to a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.

(d) An expenditure from the fund shall be consistent with the fund implementation plan.

(e) The board may expend moneys from the fund for reasonable costs associated with the administration of this chapter, not to exceed 5 percent of the annual deposits into the fund.

(f) In administering the fund, the board shall make reasonable efforts to ensure that funds are used to secure the long-term sustainability of drinking water service and infrastructure, including, but not limited to, requiring

adequate technical, managerial, and financial capacity of eligible applicants as part of funding agreement outcomes.

## **Article 2. Definitions**

**116766.** For the purposes of this chapter:

- (a) "Adequate supply" has the same meaning as defined in Section 116681.
- (b) "Administrator" has the same meaning as defined in Section 116686.
- (c) "Board" means the State Water Resources Control Board.
- (d) "Community water system" has the same meaning as defined in Section 116275.
- (e) "Consistently fails" has the same meaning as defined in Section 116681.
- (f) "Disadvantaged community" has the same meaning as defined in Section 79505.5 of the Water Code.
- (g) "Domestic well" has the same meaning as defined in Section 116681.
- (h) "Fund" means the Safe and Affordable Drinking Water Fund established pursuant to Section 116765.
- (i) "Fund implementation plan" means the fund implementation plan adopted pursuant to Article 3 (commencing with Section 116767).
- (j) "Low-income household" means a household with an income that is less than 80 percent of the statewide median household income.
- (k) "Mutual water company" means a mutual water company, as defined in Section 14300 of the Corporations Code, that operates a public water system or a state small water system.
- (l) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.
- (m) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.
- (n) "Public utility" has the same meaning as defined in Section 216 of the Public Utilities Code.
- (o) "Public water system" has the same meaning as defined in Section 116275.
- (p) "Replacement water" includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.
- (q) "Safe drinking water" has the same meaning as defined in Section 116681.
- (r) "Service connection" has the same meaning as defined in Section 116275.
- (s) "State small water system" has the same meaning as defined in Section 116275.
- (t) "Vended water" has the same meaning as defined in Section 111070.

## **Article 3. Fund Implementation Plan**

**116767.** The purposes of the fund implementation plan are as follows:

- (a) To identify public water systems, community water systems, and state small water systems that consistently fail to provide an adequate supply of safe drinking water, including the cause or causes of the failure and appropriate measures to remedy the failure.
- (b) To determine the amount and type of funding necessary to implement appropriate measures to remedy a failure to provide an adequate supply of safe drinking water.
- (c) To identify public water systems, community water systems, and state small water systems that are at significant risk of failing to provide an adequate supply of safe drinking water, including the source or sources of the risk and appropriate measures to eliminate the risk.

(d) To determine the amount and type of funding necessary to implement appropriate measures to eliminate the risk of failing to provide an adequate supply of safe drinking water.

(e) To prioritize available funding provided by this chapter for measures identified in subdivisions (a) and (c).

**116768.** (a) On or before July 1, 2020, the board shall develop and adopt a policy for developing the fund implementation plan that includes all of the following elements:

(1) A requirement that the board consult with an advisory group to aid in meeting the purposes of the fund implementation plan as established in Section 116767. The advisory group shall include representatives of the following:

(A) Entities paying into the fund.

(B) Public water systems.

(C) Technical assistance providers.

(D) Local agencies.

(E) Nongovernmental organizations.

(F) Residents served by community water systems in disadvantaged communities, state small water systems, and domestic wells.

(G) The public.

(2) Identification of key terms, criteria, and metrics, and their definitions.

(3) A description of how proposed remedies will be identified, evaluated, prioritized, and included in the fund implementation plan.

(4) The establishment of a process by which members of a disadvantaged community may petition the state board to consider ordering consolidation.

(5) A requirement that the board hold at least one public hearing before adopting a fund implementation plan.

(b) On or before January 10, 2021, and every January 10 thereafter, the board shall adopt a fund implementation plan by adopting a policy handbook. The board shall post the policy handbook and fund implementation plan on its internet website.

(c) On or before January 10, 2021, and every January 10 thereafter, the board shall provide to the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature the adopted fund implementation plan. The board may submit the fund implementation plan as required by this subdivision either in the Governor's Budget documents or as a separate report.

**116769.** (a) The fund implementation plan shall contain the following:

(1) A report of expenditures from the fund for the prior fiscal year and planned expenditures for the current fiscal year.

(2) A list of systems that consistently fail to provide an adequate supply of safe drinking water. The list shall include, but is not limited to, all of the following:

(A) Any public water system that consistently fails to provide an adequate supply of safe drinking water.

(B) Any community water system that serves a disadvantaged community that must charge fees that exceed the affordability threshold established by the board in order to supply, treat, and distribute potable water that complies with federal and state drinking water standards.

(C) Any state small water system that consistently fails to provide an adequate supply of safe drinking water.

(3) A list of public water systems, community water systems, and state small water systems that may be at risk of failing to provide an adequate supply of safe drinking water.

(4) An estimate of the number of households that are served by domestic wells or state small water systems in high-risk areas identified pursuant to Article 5 (commencing with Section 116772). The estimate shall identify



*approximate locations of households, without identifying exact addresses or other personal information, in order to identify potential target areas for outreach and assistance programs.*

*(5) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.*

*(6) A list of programs that assist or will assist households supplied by a domestic well that consistently fails to provide an adequate supply of safe drinking water.*

*(7) A list of programs that assist or will assist households and schools whose tap water contains contaminants, such as lead or other secondary contaminants, at levels that exceed recommended standards.*

*(b) The fund implementation plan shall be based on data and analysis drawn from the drinking water needs assessment funded by Chapter 449 of the Statutes of 2018 as that assessment may be updated and as information is developed pursuant to Article 5 (commencing with Section 116772).*

*(c) The fund implementation plan shall prioritize funding for all of the following:*

*(1) Assisting disadvantaged communities served by a public water system and low-income households served by a state small water system or a domestic well.*

*(2) The consolidation or extension of service, or both.*

*(3) Funding costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery.*

**116770.** *The fund implementation plan may include expenditures for the following:*

*(a) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.*

*(b) The development, implementation, and sustainability of long-term drinking water solutions, including, but not limited to, the following:*

*(1) (A) Technical assistance, planning, construction, repair, and operation and maintenance costs associated with any of the following:*

*(i) Replacing, blending, or treating contaminated drinking water.*

*(ii) Repairing or replacing failing water system equipment, pipes, or fixtures.*

*(iii) Operation and maintenance costs associated with consolidated water systems, extended drinking water services, or reliance on a substituted drinking water source.*

*(B) Technical assistance and planning costs may include, but are not limited to, analyses to identify and efforts to further opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, and other options and approaches to reduce costs.*

*(2) Creating and maintaining natural means and green infrastructure solutions that contribute to sustainable drinking water.*

*(3) Consolidating water systems.*

*(4) Extending drinking water services to other public water systems, community water systems, and state small water systems, or domestic wells.*

*(5) Satisfying outstanding long-term debt obligations of public water systems, community water systems, and state small water systems where the board determines that a system's lack of access to capital markets renders this solution the most cost effective for removing a financial barrier to the system's sustainable, long-term provision of drinking water.*

*(c) Identifying and providing outreach to persons who are eligible to receive assistance from the fund.*

*(d) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 5 (commencing with Section 116772).*

(e) Providing administrative and managerial services under Section 116686.

#### **Article 4. Miscellaneous Provisions**

**116771.** (a) The board may undertake any of the following actions to implement the fund:

(1) Provide for the deposit of both of the following moneys into the fund:

(A) Federal contributions.

(B) Voluntary contributions, gifts, grants, or bequests.

(2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, and private corporations or nonprofit organizations.

(3) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund implementation plan.

(4) Direct moneys described in subparagraph (B) of paragraph (1) towards a specific project, program, or study.

(b) The board may set appropriate requirements as a condition of funding, including, but not limited to, the following:

(1) A system technical, managerial, or financial capacity audit.

(2) Improvements to reduce costs and increase efficiencies.

(3) An evaluation of alternative treatment technologies.

(4) A consolidation or service extension feasibility study.

(5) Requirements for a domestic well with nitrate contamination where ongoing septic system failure may be causing or contributing to contamination of a drinking water source, to have conducted an investigation and project to address the septic system failure, if adequate funding sources are identified and accessible.

(c) Actions taken to implement, interpret, or make specific this chapter, including, but not limited to, the adoption or development of any plan, handbook, or map, are not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

#### **Article 5. Information on High-Risk Areas**

**116772.** (a) (1) By January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants and that exceed safe drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map annually based on new and relevant data.

(2) The board shall make the map of high-risk areas, as well as the data used to make the map, publicly accessible on its internet website in a manner that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high-risk areas within their jurisdictions.


(b) (1) By January 1, 2021, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by certified laboratories for a state small water system or domestic well that was collected after January 1, 2014, and that is in the possession of the local health officer or other relevant local agency.

(2) By January 1, 2022, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a certified laboratory for a state small water system or domestic well that is submitted to a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.

**SEC. 2.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.



**AB-217 Safe Drinking Water for All Act.** (2019-2020)

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AMENDED IN ASSEMBLY MAY 01, 2019

AMENDED IN ASSEMBLY MARCH 28, 2019

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CALIFORNIA LEGISLATURE— 2019–2020 REGULAR SESSION

**ASSEMBLY BILL**

**No. 217**

**Introduced by Assembly Member Eduardo Garcia**

~~(Principal coauthor: Assembly Member Blanca Rubio)~~ (Coauthors: Assembly Members ~~Bonta,~~  
~~Bloom,~~ *Bonta*, Carrillo, Chau, Chiu, Gipson, Holden, Quirk, Robert Rivas, Mark Stone, and  
Wicks)

(Coauthor: Senator Monning)

**January 16, 2019**

An act to add Article 10.5 (commencing with Section 595) to Chapter 3 of Part 1 of Division 1 of, to add Article 6.5 (commencing with Section 14615) to Chapter 5 of Division 7 of, ~~and~~ to add Article 14.5 (commencing with Section 62215) to Chapter 2 of Part 3 of Division 21 of, *and to repeal Section 14616 of, the Food and Agricultural Code, and* to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of, to add Chapter 4.7 (commencing with Section 116774) to Part 12 of Division 104 of, and to repeal Article 5 (commencing with Section 116771) of Chapter 4.6 of Part 12 of Division 104 of, the Health and Safety Code, *and to add Section 79724.5 to the Water Code,* relating to water, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 217, as amended, Eduardo Garcia. Safe Drinking Water for All Act.

(1) Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would enact the Safe Drinking Water for All Act and would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the board to provide a source of funding to secure access to safe drinking water for all Californians, while also

ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, ~~and bequests, bequests, and settlements from parties responsible for contamination of drinking water supplies, and to contribute funding available from other sources related to water quality.~~ The bill would require the board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with certain projects. The bill would require the board, working with a multistakeholder advisory group, to adopt a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund. The bill would require the board annually to prepare and make available a report of expenditures from the fund. The bill would require the board to adopt annually, after a public hearing, an assessment of funding need that estimates the anticipated funding needed for the next fiscal year to achieve the purposes of the fund. ~~The bill would authorize the board to distribute the funds through its drinking water regional offices in an unspecified manner and would prohibit the board from distributing more than 20% of the annual expenditures from the fund in this manner.~~ By creating a new continuously appropriated fund, this bill would make an appropriation.

This bill would establish a *statewide safe and affordable drinking water-fee system charge* in the amount of \$0.50 per service connection *per month* on all public water systems. The bill would require each public water system to remit to the board the amount of the *fee system charge* for their public water system on July 1, 2020, and by July 1 annually thereafter. The bill would require these ~~fees~~ *system charges* to be deposited into the fund. ~~The bill would authorize the board to allocate to each drinking water regional office sufficient funds to pay for the development and implementation of sustainable plans for restoring safe drinking water and would require the board to annually allocate 20% of the annual revenues originating in each of the Division of Drinking Water regions from the system charge to the region from which the revenues originate.~~ The bill would require the Legislative Analyst to report to the Legislature and the board if the Legislative Analyst determines, on or before January 1, 2023, that at least \$3,000,000,000 has been made available in an interest bearing account in the State Treasury with a goal of at least \$100,000,000 in interest revenues per year available for the purposes of the Safe and Affordable Drinking Water Fund. The bill would make this reporting requirement and the requirement ~~for the board to adopt fees~~ *imposition of the system charges* inoperative upon the Legislative Analyst submitting the report, and would repeal them as of January ~~1~~, 1 of the year following that determination.

The bill would establish the Safe and Affordable Drinking Water Trust Fund and would require moneys held in the trust fund to be invested by the Treasurer, in consultation with the Director of Finance and the controller, as specified. The bill would transfer the investment income derived from the trust fund on January 1 of each year to the Safe and Affordable Drinking Water Fund. The bill would state that a transfer of \$200,000,000 is to be made by the Legislature each year for 5 years for the purpose of establishing a \$1,000,000,000 trust account to derive interest revenues to fund the Safe and Affordable Drinking Water Fund.

~~The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make available a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.~~

(2) Existing law requires every person who manufactures or distributes fertilizing materials to be licensed by the Secretary of Food and Agriculture and to pay a license fee that does not exceed \$300. Existing law requires every lot, parcel, or package of fertilizing material to have a label attached to it, as required by the secretary. Existing law requires a licensee who sells or distributes bulk fertilizing materials to pay to the secretary an assessment not to exceed \$0.002 per dollar of sales for all sales of fertilizing materials, as prescribed, for the purposes of the administration and enforcement of provisions relating to fertilizing materials. In addition to that assessment, existing law authorizes the secretary to impose an assessment in an amount not to exceed \$0.001 per dollar of sales for all sales of fertilizing materials for the purpose of providing funding for research and education regarding the use of fertilizing materials. Existing law specifies that a violation of the fertilizing material laws or the regulations adopted pursuant to those laws is a misdemeanor.

~~This bill would require a licensee whose name appears on the label of bulk or packaged fertilizing materials, excluding compost, to pay to the secretary a fertilizer safe drinking water fee of \$0.006 per \$1.00 of sales for all sales of fertilizing materials. The bill would require these moneys to be deposited into the Safe and Affordable Drinking Water Fund. The bill would authorize the secretary to adopt regulations relating to the administration and enforcement of these provisions. Because a violation of these provisions or regulations adopted pursuant to these provisions would be a crime, the bill would impose a state-mandated local program.~~

*This bill, during the 2020–34 calendar years, would require a licensee to pay to the secretary a fertilizer safe drinking water fee of \$0.008 per dollar of sale for all sales of fertilizing materials intended for noncommercial use and \$0.004 per dollar of sale for all sales of packaged fertilizing materials intended for noncommercial use. The bill, beginning in the 2035 calendar year, would reduce the fee to \$0.004 per dollar of sale intended for noncommercial use and \$0.002 per dollar of sale of packaged materials intended for noncommercial use. The bill, on and after January 1, 2035, would authorize the secretary to adjust the fee as necessary to meet but not exceed 70% of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the board or the sum of \$7,000,000, whichever is less, and would authorize the secretary to adopt regulations relating to the administration and enforcement of these provisions. Because a violation of these provisions or regulations adopted pursuant to these provisions would be a crime, the bill would impose a state-mandated local program.*

(3) Existing law regulates the production, handling, and marketing of milk and dairy products and requires every milk handler subject to that regulatory scheme to pay specified assessments and fees to the Secretary of Food and Agriculture to cover the costs of regulating milk. Existing law governing milk defines "handler" as any person who, either directly or indirectly, receives, purchases, or otherwise acquires ownership, possession, or control of market milk from a producer, a producer-handler, or another handler for the purpose of manufacture, processing, sale, or other handling. Existing law defines "market milk" as milk conforming to specified standards and "manufacturing milk" as milk that does not conform to the requirements of market milk. Existing law provides that a violation of that regulatory scheme or a regulation adopted pursuant to that regulatory scheme is a misdemeanor.

This bill would require, beginning January 1, 2022, each handler to deduct from payments made to producers for market and manufacturing milk the sum of \$0.01355 per hundredweight of milk as a dairy safe drinking water fee. The bill would require the secretary to deposit these moneys into the Safe and Affordable Drinking Water Fund. The bill would authorize the secretary to take specified enforcement actions and would require the secretary to adopt regulations for the administration and enforcement of these provisions. Because a violation of these provisions or regulations adopted pursuant to these provisions would be a crime, the bill would impose a state-mandated local program.

(4) Existing law requires the Secretary of Food and Agriculture to enforce provisions governing livestock operations. Existing law generally provides that a violation of a provision of the Food and Agricultural Code is a misdemeanor.

This bill would require each producer owning a nondairy confined animal facility, as defined, beginning the 2021 calendar year to pay annually to the secretary a safe drinking water fee of \$1,000 for the first facility and \$750 per each facility thereafter owned by the same producer, not to exceed \$12,000. The bill would require these moneys to be deposited into the Safe and Affordable Drinking Water Fund. Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program.

~~(5) 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 with regard to certain mandates no reimbursement is required by this act for a specified reason.~~

~~With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.~~

~~(5) Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, a bond act approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds to finance a water quality, supply, and infrastructure improvement program, as specified. Under the bond act, \$520,000,000 is available, upon appropriation by the Legislature, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians. Of these funds, the bond act makes \$260,000,000 available for grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards, ensure affordable drinking water, or both, and requires that priority be given to projects that provide treatment for contamination or access to an alternate drinking water source or sources for small community water systems or state small water systems in disadvantaged communities whose drinking water source is impaired, as specified.~~

*This bill, for purposes of an award of the \$260,000,000 available from the bond act, would provide that priority is a preference and not a necessary element of funding.*

*(6) 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.*

Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: yes

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

**SECTION 1.** This act shall be known, and may be cited, as the Safe Drinking Water for All Act.

**SEC. 2.** Article 10.5 (commencing with Section 595) is added to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, to read:

### **Article 10.5. Safe Drinking Water Fee for Nondairy Confined Animal Facilities**

**595.** For purposes of this article, the following definitions apply:

- (a) "Fee" means the safe drinking water fee for nondairy confined animal facilities.
- (b) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.
- (c) (1) "Nondairy confined animal facilities" means bovine operations, poultry operations, swine operations, and other livestock operations, excluding dairies, where all of the following apply:
  - (A) Operations are designed to corral, pen, or otherwise enclose or hold domestic livestock.
  - (B) Feeding is exclusively by means other than grazing.
  - (C) Facilities are subject to annual fees for confined animal facilities adopted in accordance with Section 13260 of the Water Code.
- (2) "Nondairy confined animal facilities" does not include facilities subject to Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21.

**596.** (a) Beginning in the 2021 calendar year, each producer owning a nondairy confined animal facility shall pay annually to the secretary a safe drinking water fee. The amount of the fee paid annually to the secretary shall equal one thousand dollars (\$1,000) for a producer that owns a single nondairy confined animal facility. For a producer that owns more than one nondairy confined animal facility, the amount of the fee paid annually to the secretary shall equal one thousand dollars (\$1,000) for the first facility and seven hundred fifty dollars (\$750) per each facility thereafter owned by the same producer.

(b) Notwithstanding subdivision (a), the amount of the fee paid annually to the secretary by a producer that owns more than one nondairy confined animal facility shall not exceed twelve thousand dollars (\$12,000) per year.

(c) The secretary may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article.

**597.** The secretary shall deposit all moneys received under this article into the fund.

**SEC. 3.** Article 6.5 (commencing with Section 14615) is added to Chapter 5 of Division 7 of the Food and Agricultural Code, to read:

### **Article 6.5. Fertilizer Safe Drinking Water Fee**

**14615.** (a) It is the intent of the Legislature to require licensees of bulk fertilizing materials, and to authorize licensees of packaged fertilizing materials, to pass the fertilizer safe drinking water fee ~~described in Section 14616~~ on to the end user of the fertilizer.

(b) For purposes of this article, the following definitions apply:

(1) "Bulk fertilizing material" has the same meaning as applies to "bulk material" in Section 14517.

~~(2) "Compost" has the same meaning as defined in Section 14525.~~

~~(3)~~

(2) "Fertilizing material" has the same meaning as defined in Section 14533.

~~(4)~~

(3) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(4) "Noncommercial use" has the same meaning as defined in Section 14549.

(5) "Packaged" has the same meaning as defined in Section 14551.

**14616.** (a) In addition to the assessments provided in Section 14611, *during calendar years 2020 to 2034, inclusive*, a licensee whose name appears on the label of ~~bulk or~~ packaged fertilizing materials, ~~not including compost, materials labeled for noncommercial use~~ shall pay to the secretary a fertilizer safe drinking water fee of ~~six four mills (\$0.006)~~ (\$0.004) per dollar of sales for all sales of fertilizing materials. *materials to be deposited into the fund.*

(b) *In addition to the assessments provided in Section 14611, during calendar years 2020 to 2034, inclusive, a licensee whose name appears on the label of fertilizing materials, excluding packaged fertilizing materials labeled for noncommercial use, shall pay to the secretary a fertilizer safe drinking water fee of eight mills (\$0.008) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.*

(c) *This section shall remain in effect only until January 1, 2035, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2035, deletes or extends that date.*

**14617.** (a) *In addition to the assessments provided in Section 14611, beginning with calendar year 2035, a licensee whose name appears on the label of packaged fertilizing materials labeled for noncommercial use shall pay to the secretary a fertilizer safe drinking water fee of two mills (\$0.002) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.*

(b) *In addition to the assessments provided in Section 14611, beginning with calendar year 2035, a licensee whose name appears on the label of a fertilizing material, excluding packaged fertilizing materials labeled for noncommercial use, shall pay to the secretary a fertilizer safe drinking water fee of four mills (\$0.004) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.*

(c) (1) *The secretary may adjust the fertilizer safe drinking water fee through regular or emergency regulation as necessary to meet but not exceed 70 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, or the sum of seven million dollars (\$7,000,000), whichever is less. By October 1 of each year, the secretary shall notify all licensees of the amount of the fertilizer safe drinking water fee to be assessed in the following calendar year.*

(2) *An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.*

(d) *This section shall become operative on January 1, 2035.*

~~14617.~~ **14618.** (a) (1) A licensee whose name appears on the label who sells or distributes bulk fertilizing materials shall charge an unlicensed purchaser the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the purchaser. This fee shall be included on the bill of sale as a separate line item.

(2) (A) A licensee whose name appears on the label of packaged fertilizing materials may include the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other

amount paid by the purchaser or may include the charge with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(B) Notwithstanding paragraph (1), a licensee whose name appears on the label who sells or distributes bulk fertilizing material may include the fertilizer safe drinking water fee with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(b) The secretary may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article.

~~(c)(1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.~~

~~(2)~~

(c) Beginning July 1, 2022, the secretary may retain up to 5 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

**14618.** The secretary shall deposit all moneys received under this article into the fund.

**SEC. 4.** Article 14.5 (commencing with Section 62215) is added to Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code, to read:

**Article 14.5. Dairy Safe Drinking Water Fee**

**62215.** (a) It is the intent of the Legislature that the dairy safe drinking water fee described in Section 62216 be paid for all milk produced in the state, regardless of grade.

(b) For purposes of this article, the following definitions apply:

(1) "Fee" means the dairy safe drinking water fee.

(2) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(3) "Manufacturing milk" has the same meaning as defined in Section 32509.

(4) "Market milk" has the same meaning as defined in Section 32510.

(5) "Milk" includes market milk and manufacturing milk.

**62216.** (a) Beginning January 1, 2022, each handler, including a producer-handler, shall deduct the sum of one cent and three hundred fifty-five mills (\$0.01355) per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section by January 1, 2022.

**62217.** (a) A handler shall pay the dairy safe drinking water fee to the secretary on or before the 45th day following the last day of the month in which the milk was received.

(b) The secretary shall deposit all moneys received under this article into the fund.

(c) (1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article.

(2) Beginning July 1, 2022, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article.

(d) The secretary may require handlers, including cooperative associations acting as handlers, to make reports at any intervals and in any detail that the secretary finds necessary for the accurate collection of the fee.