



# **Southeast Water Coalition**

A joint powers authority to protect the Central Groundwater Basin

## **AGENDA**

### **SOUTHEAST WATER COALITION**

#### **REGULAR MEETING OF THE ADMINISTRATIVE ENTITY**

**CITY OF WHITTIER  
EMERGENCY OPERATIONS CENTER  
13200 PENN STREET  
WHITTIER, CA 90602**

**THURSDAY, SEPTEMBER 20, 2018  
11:30 AM**

- 1. ROLL CALL**
- 2. PUBLIC COMMENTS**
- 3. CONSENT CALENDAR**

***\*\*Consent Calendar items will be considered and approved in one motion unless removed by an Administrative Entity Member for discussion.\*\****

- a. **SEWC ADMINISTRATIVE ENTITY MINUTES OF JULY 19, 2018  
REGULAR MEETING**

Recommendation: Approve minutes as submitted.

***\*\*End of Consent Calendar\*\****

**4. GROUNDWATER CONTAMINATION UPDATE FROM WATER REPLENISHMENT DISTRICT (WRD)**

Kyle Cason, AE Chair, City of Whittier

Brian Partington, Senior Hydrogeologist, Water Replenishment District

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on the status of water quality in the Basin from the Water Replenishment District (WRD).

**5. UPDATE ON AUGUST 2, 2018 BOARD OF DIRECTORS MEETING**

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on the August 2, 2018 Board of Directors meeting and SEWC Legal Counsel opinion regarding Board Member compensation for no quorum meetings.

**6. UPDATE FROM SEWC LEGAL COUNSEL - JPA FILINGS MEMO**

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following actions:

- 1) Receive and file an updated memo from SEWC Legal Counsel regarding the status of required JPA filings to the County and State; and
- 2) Discuss any outstanding legal questions or issues SEWC should engage RW&G on prior to the October 4, 2018 Board of Directors meeting.

**7. AUTHORIZATION TO RETAIN AN AUDIT FIRM TO COMPLETE THE FISCAL YEAR 2017-2018 SOUTHEAST WATER COALITION (SEWC) AUDIT**

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Recommend to the Board of Directors to authorize the City of Whittier's Director of Finance, serving as SEWC Treasurer and Controller, to award a sole source contract to White Nelson Diehl Evans, LLP to administer the annual audit of SEWC financial statements for Fiscal Year 2017-2018.

**8. LEGISLATIVE UPDATE**

Kyle Cason, AE Chair, City of Whittier  
Jason Wen, City of Lakewood

Recommendation: That the Administrative Entity take the following actions:

- 1) Receive and file an update on current water-related bills under consideration; and
- 2) Discuss Veto letter from City of Lakewood re: SB 998.

**9. STRATEGIC PLAN PROJECT - EMERGENCY INTERCONNECTEDNESS**

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on the status of current SEWC Strategic Plan Projects from Administrative Entity members, including the Emergency Interconnectedness Matrix.

**10. OCTOBER 4, 2018 BOARD OF DIRECTORS AGENDA**

Kristen Sales, KJServices Environmental Consulting

Recommendation: Consider Draft SEWC JPA Board of Directors Agenda

**11. WRITTEN COMMUNICATIONS**

**12. ADMINISTRATIVE ENTITY MEMBER COMMENTS**

**AMERICANS WITH DISABILITIES ACT:** In compliance with the Americans with Disabilities Act of 1990, the City of Whittier is committed to providing reasonable accommodations for a person with a disability. Please call Veronica Barrios with the City of Whittier at (562) 567-9501, if special accommodations are necessary and/or if information is needed in an alternative format. Special requests must be made in a reasonable amount of time in order that accommodations can be arranged.

The next meeting of the Southeast Water Coalition Administrative Entity will be on Thursday, November 15, 2018, 11:30 am, City of Whittier, Emergency Operations Center, 13200 Penn Street, Whittier, CA 90602.

*I, Veronica Barrios, City of Whittier, do hereby certify, under penalty of perjury under the laws of the State of California that the foregoing notice was posted pursuant to Government Code Section 54950 Et. Seq. and City of Whittier Ordinance at the following locations: Whittier City Hall, Whittier Public Library, and the Whittwood Branch Library.*

*Dated: September 17, 2018*



Veronica Barrios  
Administrative Secretary  
Department of Public Works

**MINUTES OF THE  
SOUTHEAST WATER COALITION  
JOINT POWERS AUTHORITY  
REGULAR MEETING OF THE ADMINISTRATIVE ENTITY**

**CITY OF WHITTIER  
EMERGENCY OPERATIONS CENTER  
13200 PENN STREET  
WHITTIER, CA 90602**

**THURSDAY, JULY 19, 2018  
11:30 AM**

The regular meeting of the Southeast Water Coalition Joint Powers Authority Administrative Entity was called to order at 11:48 a.m. by AE Chair Kyle Cason. At the time the meeting was called to order a quorum of members were present. Roll call was taken with the following Administrative Entity members present:

**1. ROLL CALL**

Bob Ortega	City of Cerritos
Gina Nila, AE Vice-Chair	City of Commerce
Dan Mueller	City of Downey
Jason Wen	City of Lakewood
Julian Lee	City of Norwalk
Gladis Deras	City of South Gate (arrived at 12 p.m.)
Joanna Hurtado-Torres	City of Vernon
Kyle Cason, AE Chair	City of Whittier
Phuong Nguyen	City of Whittier

**Others in Attendance**

Matt Tryon	City of Santa Fe Springs
Kristen Sales	KJServices Environmental Consulting
Kevin Sales	KJServices Environmental Consulting

**2. PUBLIC COMMENTS**

No Public Comments were received.

3. **CONSENT CALENDAR**

Administrative Entity (AE) Chair Kyle Cason (Whittier) called for a motion to approve the Consent Calendar.

Dan Mueller (Downey) made a motion to approve the Consent Calendar. The motion was seconded by Joanna Hurtado-Torres (Vernon). With an abstention from Jason Wen (Lakewood), the motion was approved by a unanimous voice vote of the Administrative Entity members.

4. **REQUEST FOR PROPOSALS (RFP) FOR PROGRAM MANAGEMENT SERVICES**

AE Chair Kyle Cason (Whittier) provided an overview of this item.

AE Chair Cason (Whittier) stated that since February, 2016, the current consultant for Program Management Services, KJServices Environmental Consulting, had been on a month-to-month contract to provide admin services for SEWC. AE Chair Cason stated it was Whittier's intention, as the new Lead Agency, to draft and issue an RFP for Program Management Services. AE Chair Cason stated that it was Whittier's intention to bring the issue to the Board to approve a new contract for Program Management Services at their December Board meeting.

Kevin Sales (KJServices Environmental Consulting) stated that the question of the Program Management Services contract had come about during the FY 2016-2017 SEWC Audit process. Mr. Sales stated the Audit had recommended SEWC review their current month-to-month agreement and issue a new RFP for these services.

AE Chair Cason stated that the RFP ad-hoc committee would put together the RFP ahead of the November Administrative Entity (AE) and December Board of Directors meeting.

Dan Mueller (Downey) stated that when South Gate had been Lead Agency, former AE Chair Art Cervantes had thought SEWC should prioritize the Strategic Plan process first, and through that process, determine if the scope or duties of Program Management Services needed amending.

Mr. Sales (KJServices) stated that the initial Scope of Work for Program Management Services was attached, and that the tasks required of KJServices had increased since Downey became Lead Agency and during the Strategic Plan process.

Jason Wen (Lakewood) asked since the budget for Program Management Services is less than \$20,000, would a formal RFP be required or could consultants just submit a quote for services? Julian Lee (Norwalk) stated that a formal RFP response would include a CV and background, which a quote for services wouldn't.

Mr. Sales (KJServices) stated that if SEWC wanted to attract a larger number of formal RFP responses from consulting firms, the ad-hoc could combine the RFP for Program Management Services with the duties of the Strategic Plan and a Legislative consultant.

Mr. Mueller (Downey) stated that the ad-hoc should identify key items required for on-call duties and limit the amount of information submitted into a streamlined RFP.

AE Chair Cason (Whittier) stated that Board of Directors Chair Fernando Dutra is adamant there be an RFP to receive informal bid, so that the Board can review responses and award a new contract. AE Chair Cason stated that to streamline the process of selecting a Program Management Services consultant, the RFP could include optional one or two-year extensions.

Gina Nila (Commerce) stated that the nature of the RFP should be a question for the ad-hoc committee and volunteered to be on the RFP committee. Mr. Mueller (Downey) also volunteered for the ad-hoc. AE Chair Cason stated that he and Phuong Nguyen (Whittier) would also be on the ad-hoc committee.

AE Chair Kyle Cason called for a motion to form the ad-hoc committee consisting of Gina Nila (Commerce), Dan Mueller (Downey), and Phuong Nguyen (Whittier), and draft an RFP for Program Management Services. The motion was made by Mr. Wen (Lakewood) and seconded by Mr. Lee (Norwalk). The motion was approved a unanimous voice vote of the Administrative Entity.

5. **AMENDMENT OF SOUTHEAST WATER COALITION (SEWC) CONFLICT OF INTEREST CODE**

Administrative Entity (AE) Chair Kyle Cason (Whittier) introduced Kristen Sales (KJServices Environmental Consulting) to provide an overview of this item.

Ms. Sales stated that SEWC had been contacted by the LA County Board of Supervisors regarding the Biennial Review of the agency's Conflict of Interest Code. Ms. Sales stated that SEWC is required to file a Biennial Review Certification Form by October 1, 2018 whether or not SEWC decides to amend their Code. Ms. Sales stated the County recommends an agency amend its Code if it has not been updated in five years, there have been changes to the organizational structure, new positions added or old positions deleted, or if there have been substantial changes in duties or responsibilities of current positions. Ms. Sales stated that if SEWC decides to amend the Code, they must send their changes within 90 days of filing the Biennial Review Certification Form.

AE Chair Cason (Whittier) stated that he did not think it was necessary to form an ad-hoc committee to review the current Conflict of Interest Code further. Dan Mueller (Downey) stated that the current Conflict of Interest Code and procedures for amending the Code should be sent to SEWC legal counsel for review. Mr. Mueller stated that language for the newly amended Code should be submitted to

the Board of Directors for approval prior to filing with the County.

AE Chair Kyle Cason stated that if all the AE members agreed the Conflict of Interest Code needs to be amended, there was no need to form an ad-hoc committee to review the process of filing.

AE Chair Kyle Cason called for a motion to authorize sending the Biennial Review Certification Form, and send all documents to SEWC legal counsel to review prior to submission to the FPPC. The motion was made by Mr. Wen (Lakewood), and seconded by Ms. Deras (South Gate). The motion was approved by a unanimous voice vote of the Administrative Entity.

6. **LEGISLATIVE UPDATE AND ENGAGEMENT OF SEWC LOBBYIST**

Administrative Entity (AE) Chair Kyle Cason (Whittier) provided an overview of this item.

AE Chair Cason stated while meeting with Board of Directors Chair Fernando Dutra, Chair Dutra expressed support for a proactive approach to water-related legislation, and that SEWC should regularly be sending letters of support or opposition on pending bills.

AE Chair Cason stated that there has been a standard \$20,000 line item in the SEWC budget for As-Needed Government Relations that has not been utilized in several years. AE Chair Cason stated that SEWC has worked with lobbying firm Gonsalves & Son to sponsor bills in the past.

Kevin Sales (KJServices) stated that SEWC has never engaged a lobbyist on retainer previously, but the use of a lobbyist on an as-needed basis would be justified.

Jason Wen (Lakewood) stated that, apart from the Omega Plume, SEWC has few unique issues that might require legislative action. Mr. Wen stated that monitoring legislation does not provide much opportunity for action, but should continue to be monitored for relevant bills. Mr. Wen also suggested that AE members share relevant information from Gateway Water Management Authority (GWMA) meetings. Mr. Wen stated since himself, AE Vice-Chair Gina Nila (Commerce), and Adriana Figueroa (Norwalk) are all members of the GWMA, they can update the Administrative Entity on any relevant legislative issues.

Dan Mueller (Downey) suggested that SEWC engage a lobbyist only on an as-needed basis, which will be determined based on the legislative updates from Mr. Wen and other AE members.

AE Chair Cason (Whittier) called for a motion approve to receive and file the item. The motion was made by Ms. Deras (South Gate), and seconded by Mr. Ortega (Cerritos). The motion was approved by a unanimous voice vote of the



Administrative Entity.

7. **ACCESS TO STRATEGIC PLAN PROJECT DOCUMENTS**

Administrative Entity (AE) Chair Kyle Cason (Whittier) introduced Kristen Sales (KJServices Environmental Consulting) to provide an overview of this item.

Ms. Sales stated that since the Administrative Entity and Board of Directors had authorized all the approved and finalized Strategic Plan documents to be made accessible online, she had created a Google Drive where AE members can access the following documents:

- Strategic Plan
- Task 8 - Funding Opportunities
- Grant Opportunities Evaluation
- Grant Opportunities Summaries
- Table of All Projects Submitted
- Project Summaries of All Projects Submitted

Ms. Sales then stated that AE members have access to an editable Project Matrix, where they can edit existing Project Summaries and upload new Project Summaries as they become available.

AE Chair Cason stated that SEWC should have an action plan in place going forward to ensure next steps are taken in the Strategic Plan process. AE Chair Cason suggested that AMR grants are feasible and could be easily accomplished.

AE Vice-Chair Gina Nila (Commerce) asked what relation the projects developed by the SEWC AE have to projects being developed by the Gateway Water Management Authority (GWMA), and if projects might have to be edited or re-refined to make sure they are not duplicating work accomplished during the GWMA.

Dan Mueller (Downey) answered that if certain projects are not moving forward in the Gateway, they could be workshopped in SEWC. Mr. Mueller stated that while the Gateway pursues MS4 projects, SEWC could focus on non-stormwater, water quality projects.

AE Chair Cason suggested that the nine project types organized by Means Consulting could be sent to the GWMA members to discuss and devise projects to pursue. AE Chair Cason reiterated that Board of Directors Chair Fernando Dutra was eager to see that SEWC projects are moving forward.

Gladis Deras (South Gate) suggested that SEWC should prioritize water-only projects, for example, AMR projects could be accomplished.

AE Vice-Chair Gina Nila (Commerce) stated that the purpose of the Strategic Plan

was to define SEWC's role, as reflected by the needs of the group. She asked if there were any grant opportunities for joint projects. Kevin Sales (KJServices) stated that SEWC has never pursued any grants as a group.

Jason Wen (Lakewood) suggested there be a standing item on each AE agenda to get updates from AE members on the progress of projects in their cities.

AE Vice-Chair Nila stated that the essential purpose of SEWC is to address contamination issues stemming from the Omega Plume and its effect on potable water quality. AE Vice-Chair Nila stated she would like to see SEWC get back to addressing this fundamental issue and coordinate with DTSC on plume remediation. AE Vice-Chair Nila suggested SEWC pursue grant monies for remediation projects; Jason Wen and Gladis Deras agreed with this statement.

Mr. Wen stated that WRD regularly gives updates on regional water quality issues, and suggested that SEWC contact WRD to schedule a water quality update at the next AE and Board meetings.

AE Chair Cason stated that, moving forward, SEWC should both focus on remediation and water quality, and pursuing the projects that were compiled during the Strategic Plan process.

AE Vice-Chair Nila suggested that remediation projects be added as a category to the SEWC Project Matrix, so grants can be pursued related to pollution from the Plume.

AE Chair Cason agreed, and stated that "water quality" includes contamination remediation projects, as well as emergency interconnects between cities, and that all projects should be focused to specific cities' needs. AE Chair Cason stated that the AE could "get their feet wet" with AMR projects, take the current list of AMR projects to the Gateway and pursue them via the IRWMP.

Dan Mueller (Whittier) stated that at every AE meeting, the AE members should look at the latest version of the Strategic Plan projects list and prioritize them by relevance, need, and due date. Mr. Mueller suggested that the AE consider hiring a consultant to fine tune any relevant projects before SEWC submit them to the GWMA.

AE Chair Cason stated that since water quality is a priority for SEWC, he agreed with Mr. Wen's suggestion to invite a representative from WRD to give a regional water pollution update at the next AE meeting. AE Chair Cason also suggested that every AE meeting include a Water Quality Update, an open discussion on issues in the Basin, and a workshop on the latest Strategic Plan projects.

Jason Wen stated SEWC should compile a list of existing water connections in each member city. Mr. Wen stated that he had a list of emergency interconnects in Lakewood that SEWC could use as a template to devise a matrix of

interconnections between member cities. Mr. Wen stated he would email that interconnectedness matrix to KJServices for use in the Strategic Plan Project Google Drive.

Gladis Deras also suggested that SEWC take an active role in advocating for water plans in Prop 1 funds.

Dan Mueller stated that the Administrative Entity should review Project documents at every AE meeting, moving forward.

AE Chair Cason (Whittier) called for a motion to receive and file the item. The motion was approved by a unanimous voice vote of the Administrative Entity.

8. **AUGUST 2, 2018 BOARD OF DIRECTORS AGENDA**

Ms. Kristen Sales (KJServices) provided an overview of the following items to present at the next Policy Board meeting on August 2, 2018:

- 1) Update on the Strategic Plan Project Documents
- 2) Update on RFP for Program Management Services
- 3) Legislative Update

9. **WRITTEN COMMUNICATIONS**

Received an email that AE Member Frank Beach (Santa Fe Springs) was leaving his position at the City.

10. **ADMINISTRATIVE ENTITY MEMBER COMMENTS**

No Administrative Entity Member comments were received.

11. **ADJOURNMENT**

AE Chair Cason adjourned the meeting at 1:01 p.m.

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CHAIR

ATTEST:

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# Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

## SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, AE Chair, City of Whittier  
Brian Partington, Senior Hydrogeologist, Water Replenishment District  
**Subject: Groundwater Contamination Update from Water Replenishment District (WRD)**

**Recommendation:** That the Administrative Entity take the following action:

Receive and file an update on the status of water quality in the Basin from the Water Replenishment District (WRD).

**Background:**

According to the 2017 Southeast Water Coalition Strategic Plan, Objective 1.1.1 is to “support tracking of groundwater quality/plume information,” in order to achieve Goal 1: “collaborate to protect and sustain the Central Basin groundwater supply of the SEWC region.”

To that end, the Administrative Entity will receive an update from Brian Partington, Senior Hydrogeologist from the Water Replenishment District (WRD) on that status of water quality in the Basin. Mr. Partington will provide an update on WRD’s groundwater contamination program, which was recently updated with new ranking criteria in June 2018. The program provides multiple opportunities throughout the year for water purveyors to discuss their concerns with the regulator agency staff overseeing some of the higher priority contamination sites in the Central and West Coast Basins. A status update will also be provided for the Omega Chemical Superfund Site.

**Attachment(s):**

1. WRD Groundwater Contamination Update PowerPoint slides



## Groundwater Contamination Update Southeast Water Coalition (SEWC)

Brian Partington, PG, CHg  
September 20, 2018

*SECURING OUR WATER FUTURE TODAY*

# Water Replenishment District



**SERVICE AREA =  
420 SQUARE MILES**



**43 CITIES**



**POPULATION  
> 4 MILLION**



**550,000 ACRE FEET  
USED PER YEAR**



**50% GROUNDWATER  
FROM LOCAL WATER  
WELLS**



**50% IMPORTED WATER**



**WRD SUPPLEMENTS  
NATURAL GROUNDWATER  
RECHARGE**



# Groundwater Contamination Program at WRD

## Three objectives of Groundwater Contamination Prevention Program

- Conduct a systematic review / prioritization of selected groundwater contamination Sites.
- Develop a strategy for assisting regulatory agencies with overseeing characterization at these Sites.
- Monitor remediation and provide feedback on priority Sites.

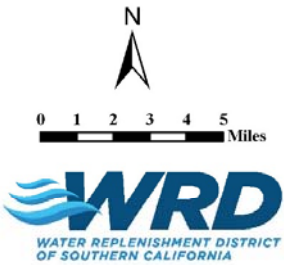
Cooperative effort with EPA, DTSC, RWQCB, other stakeholders via Groundwater Contamination Forum

# Current "High Priority" Sites Map



## DRAFT High-Priority Contaminated Sites in the Central Basin and West Coast Basin

- WRD Boundary
- ⋯ Central Basin Sub-Area Boundary
- ⚡ Seawater Intrusion Barrier
- ⚡ Newport - Inglewood Uplift
- Groundwater Contaminated Sites
- Category 1
- Category 2
- ▲ Sites Removed from High Priority



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[www.wrd.org](http://www.wrd.org)

**ATTORNEY  
 CLIENT  
 PRIVILEGE**

Disclaimer: The information contained herein is intended for use only as a planning tool by Water Replenishment District of Southern California (WRD) personnel. The information is not intended to represent, replace, or supersede any consultation with or methods used by the Central Basin Environmental Protection Agency (CBEPA), the California Department of Toxic Substances Control (DTSC), the Los Angeles Regional Water Quality Control Board (LARQCB), the State Water Resources Control Board (SWRCB), the Division of Drinking Water (DDW), or any other regulatory agency for any site appearing or not appearing on this list. This information shall not constitute a final regulatory determination of the environmental condition of any property appearing or not appearing on this list. The information contained herein was obtained primarily through state file review, and the WRD does not warrant or guarantee the accuracy of the information.



# Evaluation Criteria

1. Site Location / Local Hydrogeology
2. Distance to Nearest Water Supply Well
3. Depth to Contamination
4. Contaminant Concentrations in Groundwater
5. Fate and Transport of Contaminants
6. Presence of Contamination in Water Supply Well
7. Status of Delineation of Contaminants
8. Status of Remediation
9. Stage of Regulatory Agency Involvement



# Evaluation Criteria

- Numeric values are applied to each criteria (0 to 20).
- Sites are then sorted numerically and separated into to Categories.
  - Category 1 – Higher Priority / Progress reviewed Annually
  - Category 2 – Lower Priority / Data reviewed roughly every 2 years
  - Green Triangles – Sites no longer considered High Priority
- Sites reviewed monthly with our Groundwater Quality Committee.
- Work closely with project managers at EPA, DTSC, RWQCB.
- Status updates from regulatory agency for the most heavily impacted sites two times per year at our Groundwater Contamination Forum.

# Category 1

Lead Agency	Common Name	City	Primary Contaminants of Concern
<b>Category #1</b>			
EPA	Del Amo Superfund Site	Los Angeles	VOCs
EPA	Jeris B. Webb Superfund Site	South Gate	VOCs
EPA	Omega Chemical Superfund Site	Whittier	VOCs
EPA	Montrose Chemical Superfund Site	Torrance	VOCs, DDT, pCBSA
EPA	Southern Avenue Industrial Area Superfund Site	South Gate	VOCs
DTSC	AAD Distribution and Dry Cleaning (Former)	Vernon	VOCs, perchlorate
DTSC	Angeles Chemical Company	Santa Fe Springs	VOCs, TPH as gasoline, 1,4-Dioxane
DTSC	Basin By-Products	Wilmington	VOCs, SVOCs, Metals
DTSC	Chrome Crankshaft Company	Bell Gardens	VOCs, Chromium
DTSC	Foss Plating	Santa Fe Springs	VOCs, Metals
DTSC	Hard Chrome Products	Los Angeles	VOCs, Chromium
DTSC	J&S Chrome Plating	Bell Gardens	VOCs, Chromium
DTSC	Jefferson #1 (aka, Los Angeles Academy)	Los Angeles	VOCs, Metals
DTSC	Stauffer Chemical	Carson	VOCs
DTSC	Turco Products	Carson	VOCs
RWQCB	Anadite Facility	South Gate	VOCs, 1,4-Dioxane
RWQCB	ARCO Refinery (BP, Now Tesoro)	Carson	VOCs, TPH, Fuel Oxygenates
RWQCB	Barken's Hardchrome	Compton	VOCs, Metals
RWQCB	BP Chemicals (Hitco)	Gardena	VOCs
RWQCB	Honeywell Sepulveda #2 (Los Angeles)	Los Angeles	VOCs
RWQCB	Honeywell Site A	Torrance	VOCs, 1,4-Dioxane
RWQCB	Mobil Refinery	Torrance	VOCs
RWQCB	Powerine Oil Co. (former CENCO Refinery)	Santa Fe Springs	VOCs
RWQCB	Shell Refinery	Wilmington	VOCs, TPH, Fuel Oxygenates
RWQCB	Unocal: Tosco Refinery #1 (Carson)	Carson	VOCs
RWQCB	Unocal: Tosco Refinery #2 (Wilmington)	Wilmington	VOCs
RWQCB	Former Western Chemical Facility (a.k.a., All-Tex Inks Corporation)	La Mirada	VOCs

# Category 2

Lead Agency	Common Name	City	Primary Contaminants of Concern
<b>Category #2</b>			
EPA	Cooper Drum Superfund Site	South Gate	VOCs
EPA	Operating Industries, Inc. Landfill Superfund Site	Monterey Park	VOCs
EPA	Pemaco Superfund Site	Maywood	VOCs
DTSC	Martin Metal Finishing	Lynwood	VOCs
DTSC	McKesson Chemical Company	Santa Fe Springs	VOCs
DTSC	Phibro-Tech	Santa Fe Springs	VOCs, Chromium, Cadmium
DTSC	South Region #8	Maywood	VOCs, TPH
DTSC	Univar USA	Commerce	VOCs
DTSC	Wilmington / Gramercy Right-of-Way	Los Angeles	VOCs, SVOCs, Metals
RWQCB	Ashland Chemical	Santa Fe Springs	VOCs
RWQCB	Boeing C-6 Facility	Los Angeles	VOCs
RWQCB	Fairchild Space	Manhattan Beach	VOCs, Chromium, Cr+6, Oxgenates
RWQCB	Golden West Refinery	Santa Fe Springs	VOCs, TPH
RWQCB	Honeywell Sepulveda #1 (El Segundo)	El Segundo	VOCs
RWQCB	Industrial Polychemical	Gardena	VOCs
RWQCB	Soco-Lynch Corp.	Vernon	VOCs
RWQCB	Trico Industries (Former)	Torrance	VOCs
RWQCB	TRW Space & Defense	Hawthorne	VOCs
RWQCB	Whittier ARCO	Whittier	VOCs

# Sites Removed from High Priority

Lead Agency	Common Name	City	Primary Contaminants of Concern
<b>Sites Removed from High Priority</b>			
RWQCB	Boeing Realty Corp C-1 Facility	Long Beach	VOCs, Fuel Oxygenates, Metals
RWQCB	Thrifty Oil Service Station #289	Pico Rivera	Fuel Oxygenates
RWQCB	Thrifty #10	Montebello	Fuel Oxygenates
RWQCB	Former Master Sun Cleaners	Gardena	VOCs
EPA	Waste Disposal Superfund Site	Santa Fe Springs	VOCs
DTSC	Hard Chrome Discovery Site	Los Angeles	VOCs, Metals
DTSC	Vernon-Commerce Discovery Project	Vernon	VOCs

## Omega Chemical Superfund Site (2017 – 2018)

- Consent Decree lodged March 31, 2017
- Pre-Design Investigation Work Plan (aka, PDI) (April 6, 2017)
- Leading Edge Investigation Work Plan (aka, LEI) (April 12, 2017)
- Remedial Design Work Plan (April 12, 2017)
- Groundwater Flow Modeling Work Plan (December 20, 2017)

# Omega Chemical Superfund Site (Pre-Design Invest.)

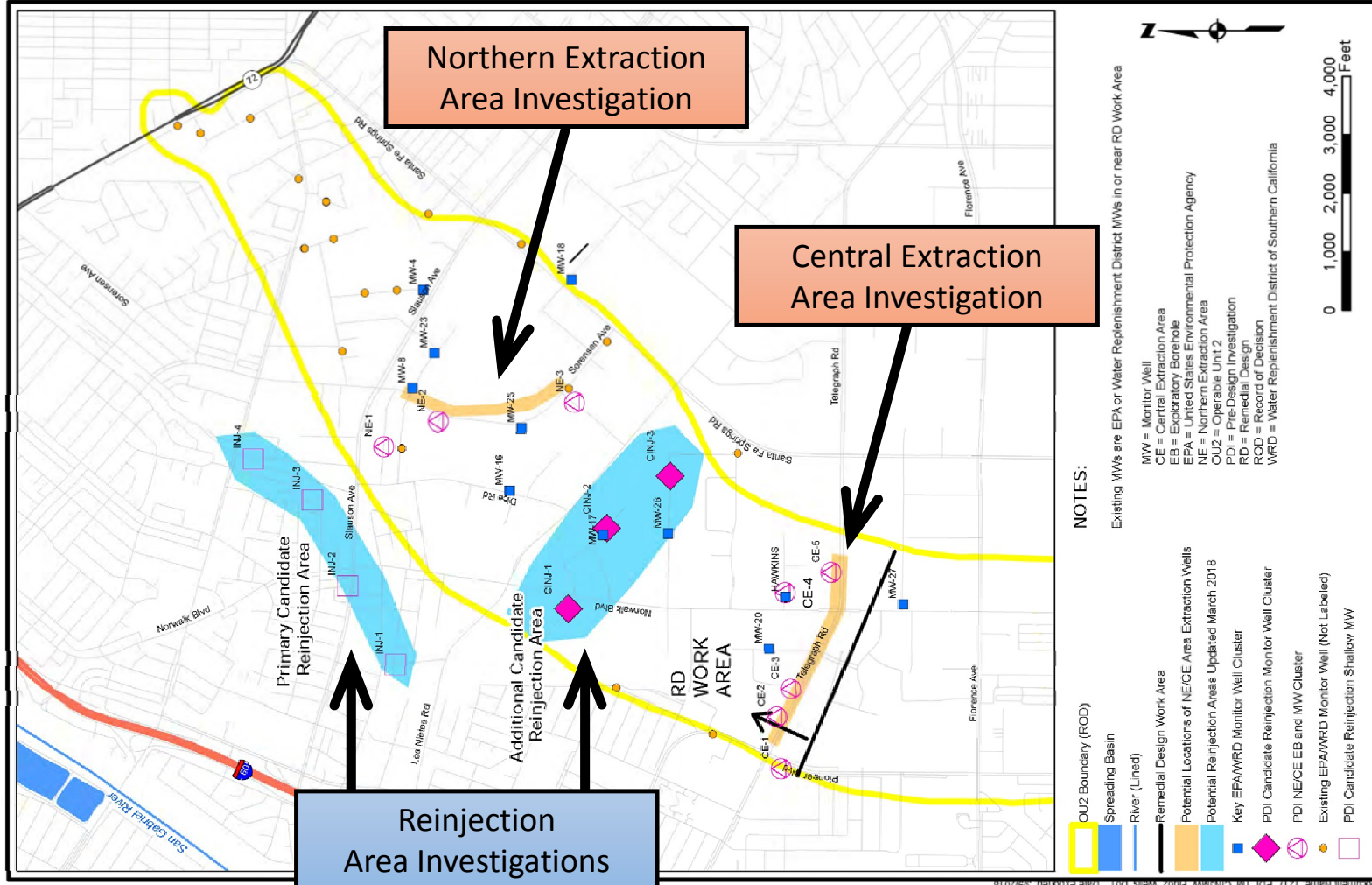
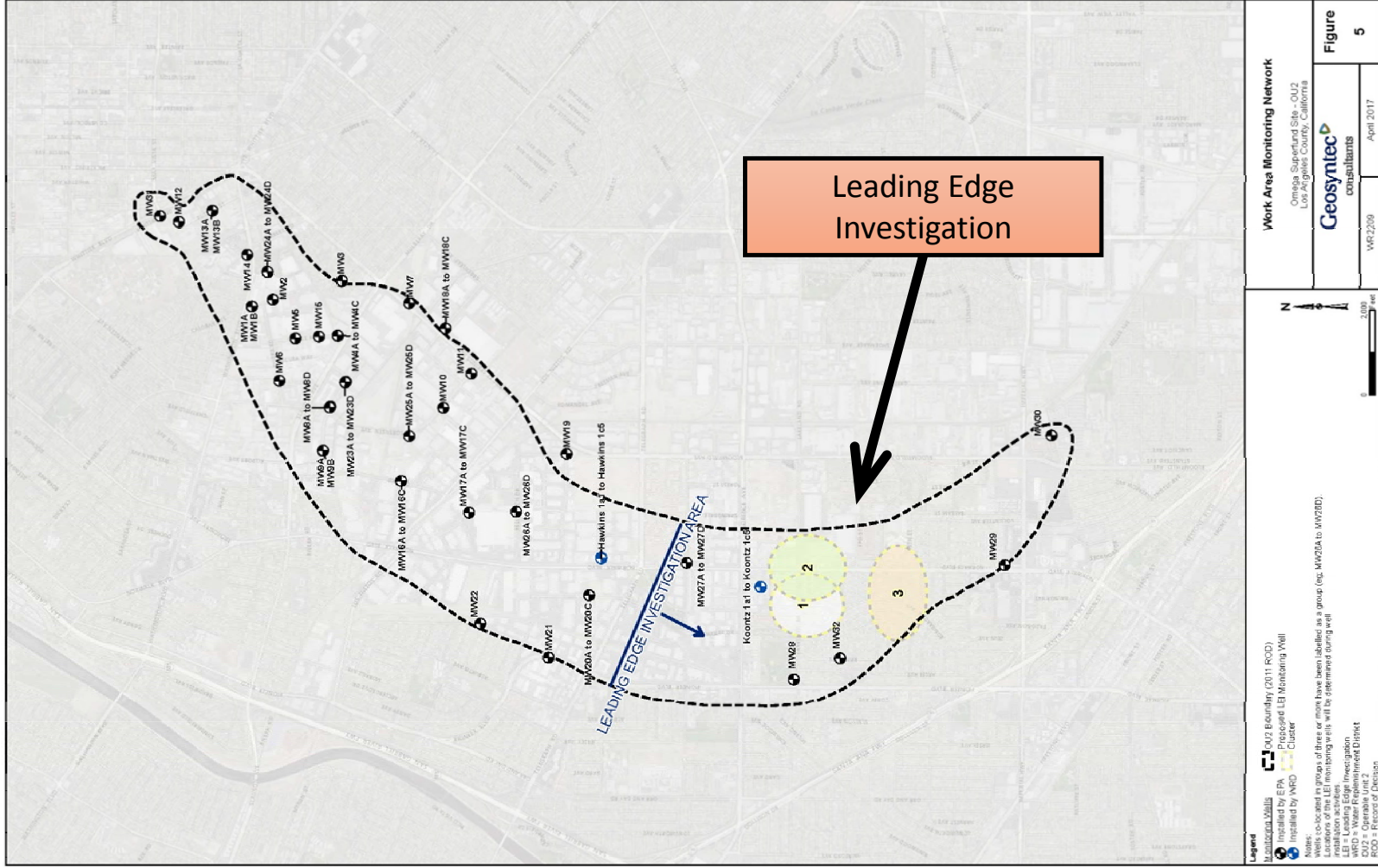


FIGURE 2. PRE-DESIGN INVESTIGATION CONTINGENCY REINJECTION MONITOR WELL CLUSTERS

# Omega Chemical Superfund Site (Leading Edge Invest.)





# Omega Chemical Superfund Site

April 12, 2017  
Remedial Design Work Plan

**Table 4 – Schedule for RD Deliverables**

RD Deliverable <sup>1</sup>	Deadline
Remedial Design Work Plan (RD Work Plan)	Within 60 days after the Effective Date and EPA's Authorization to Proceed regarding SWD Project Coordinator under 2016 CD Paragraph 10.c
Pre-Design Investigation Report	60 days after the final Pre-Design Investigation groundwater sample is collected <sup>2</sup>
Groundwater Flow Modeling Work Plan	60 days after approval of the RD Work Plan or 60 days after the entry of the 2016 CD, whichever occurs later
Groundwater Flow Model Development and Calibration Report	TBD (As specified in the approved Groundwater Flow Modeling Plan)
Groundwater Flow Model Predictive Simulations Report	60 days after EPA approval of the Groundwater Development and Calibration Report
Work Area Monitoring Report	60 days after receipt of final laboratory reports from Work Area samples
Preliminary (30%) Remedial Design	90 days after EPA approval of the Groundwater Modeling Predictive Simulations Report
Intermediate (60%) Remedial Design	90 days after EPA approval of the Preliminary Design if SWDs select and EPA approves a design/bid/build approach
Pre-final (95%) Remedial Design	90 days after EPA comments on Intermediate RD if SWDs select and EPA approves a design/bid/build approach
Final (100%) Remedial Design	60 days after EPA comments on Pre-final RD if SWDs select and EPA approves a design/bid/build
Submittal of Analytical Data (whether or not validated)	45 calendar days after sample shipment to the laboratory or 14 days after receipt of analytical results from the laboratory, whichever occurs first
Progress Reports	Monthly, commencing with the month following the entry of the 2016 CD and until EPA approves the RA completion.

Note:

1. Per the RD Work Plan, a treatability study will not be necessary. As such, the following deliverables remain absent from this schedule: Treatability Study Work Plan and Treatability Study Evaluation Report

2. Pre-Design Investigation Report deadline is presented in the Pre-Design Investigation Work Plan



# THANK YOU

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# Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

## SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, AE Chair, City of Whittier

**Subject:** Update on August 2, 2018 Board of Directors Meeting

**Recommendation:** That the Administrative Entity take the following action:

Receive and file an update on the August 2, 2018 Board of Directors meeting and SEWC Legal Counsel opinion regarding Board Member compensation for no quorum meetings.

**Background:**

At the last Board of Directors meeting on August 2, 2018, the Policy Board did not have enough Members present to make quorum. Board Chair Fernando Dutra (Whittier) asked the present Board Members if they would stay to receive a presentation on the Safe Clean Water Program from Genevieve Osmena, of LA County Public Works / Flood Control District. The three present Board Members, Grace Hu (Cerritos), Maria Davila (South Gate), and Tom Hansen (Paramount) agreed to stay for the presentation. The meeting was adjourned after Ms. Osmena's presentation and no action was taken on the agenda items.

After consulting with SEWC Legal Counsel, the City of Whittier Finance Department determined that, since the Brown Act requires a quorum of members be present for a meeting to occur, and the August 2, 2018 did not have a quorum of members present, the four Board Members who did attend are not eligible to receive compensation for attending the meeting.

Attached is a memo from Steve Dorsey, of Richards, Watson & Gershon, regarding the issue of no-quorum meetings and Board Member stipends.

This issue will be addressed at the upcoming October 4, 2018 Board of Directors meeting. It is recommended Administrative Entity members consult with their Board Members in advance of this meeting.

**Attachment(s):**

1. Richards, Watson & Gershon memo: Payment of Stipends to Board Members

Attached Message

From SDorsey@rwglaw.com  
To kcason@cityofwhittier.org  
Cc CSteele@rwglaw.com  
Subject Payment of Stipends to Board Members  
Date Wed, 5 Sep 2018 21:58:15 +0000

Kyle,

You have informed me that a quorum of the Policy Board was not present for the scheduled August 4, 2018, Board meeting. Several of the Board Members who were present at the stated time and place for the meeting have asked if they are entitled to receive the \$150 stipend for attending Policy Board meetings provided in Section 7(c) of the joint powers agreement. As we have discussed, it is my opinion that the Policy Board Members are not entitled to receive a stipend for that "meeting." This conclusion is based on the definition of "meeting" under the Brown Act and a California Attorney Opinion (83 Ops. Cal. Atty. General 215 (2000)) addressing a similar issue concerning stipends for attending redevelopment agency and housing authority meetings at which no business was conducted. This memo will explain the basis for this conclusion.

Section 7 (c) of the Southeast Water Coalition Joint Powers Agreement provides that members of the Policy Board will receive compensation in the sum of \$150 for each meeting attended. Unlike councilmember salaries, the stipends for SEWC Board Members are paid for attending meetings and not for performing other general duties. Thus, a Board Member must attend a Board meeting to be eligible to receive the stipend. The question, then, is whether the Board held a meeting on August 4.

Government Code Section 54952.2 (a portion of the Ralph M. Brown Act) defines a "meeting" to mean a any congregation of a majority of a legislation body. Since less than a majority of the SEWC Policy Board Members appeared at the time and place set for the August 4<sup>th</sup> meeting, no meeting was held. Having not attended a meeting, those board members who appeared at the meeting place at the designated time are not entitled, thought no fault of their own, to receive the specified stipend.

The California Attorney General addressed a similar issue involving redevelopment agency and housing authority meetings. In this case, members of the legislative bodies of a redevelopment agency and a housing authority were compensated, like the SEWC Board Members, by payment of a stipend for each meeting attended. A quorum of the two boards had attended the meetings. However, no actual business was conducted at the meetings.

Based on these facts the Attorney General reasoned that the officials were not entitled to compensation because they were compensated for conducting business at meetings. Since no business had been conducted, the board members should not be paid their stipend.

Thus, even if attendance by less than a quorum of the SEWC Policy Board can be considered to constitute a meeting, Policy Board members who are present at the appropriate time and location for the meeting cannot be compensated because no business could be transacted by less than a quorum.

I realize that the lack of a quorum at a Policy Board meeting has not occurred within staff's memory. However, to avoid a repetition of this problem in the future, staff may wish to reach out to Policy Board Members prior to the meeting to confirm attendance. If enough Members to make a quorum do not plan to attend, staff can either notify the Board Members that the meeting will be cancelled or try to muster a quorum of attendees.

Please let me know if you have any questions.

Steve

**SOUTHEAST WATER COALITION  
JOINT POWERS AUTHORITY  
AGENDA REPORT**

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, Chair, City of Whittier

**Subject: Update from SEWC Legal Counsel - JPA Filings Memo**

**Recommendation:** That the Administrative Entity take the following actions:

- 1) Receive and file an updated memo from SEWC Legal Counsel regarding the status of required JPA filings to the County and State; and
- 2) Discuss any outstanding legal questions or issues SEWC should engage RW&G on prior to the October 4, 2018 Board of Directors meeting.

**Discussion**

On July 11, 2017, the Southeast Water Coalition (SEWC) Administrative Entity (AE) received a memo from SEWC attorney Steve Dorsey, of Richards, Watson & Gershon, about new legislation regarding required filings by Joint Powers Authorities (JPAs). Also included in this memo was discussion of existing state and county filing requirements and the status of compliance by SEWC with these filings.

At their July 19, 2017 Special Meeting, the Administrative Entity discussed Mr. Dorsey's memo and the JPA compliance requirements. The filing of all required documents and forms with state and local government agencies fell to the then-current SEWC Lead Agency, the City of Downey. At their August 3, 2018 Regular Meeting, the Board of Directors asked the Administrative Entity to engage SEWC Legal Counsel on an annual basis, to ensure that SEWC remain in compliance with required JPA filings.

On April 6, 2018, then-current Lead Agency Downey filed the following:

- two copies of the latest SEWC Agreement and Amendments, pursuant to Government Code Section 6503.5 ("Exhibit B"), with the Secretary of State;
- two copies of "Exhibit B," pursuant to Government Code Section 6503.6, with the State Controller;

- the latest SEWC roster and contact information, pursuant to Government Code Section 53051 (“Exhibit A”), with the Secretary of State and the County Clerk;
- all SEWC Agreement and Amendment documents with the Local Agency Formation Commission for Los Angeles County (LAFCO), pursuant to the passage of Senate Bill 1266. Receipt of these documents from LAFCO is included in the Attachments below.

On June 29, 2018, Downey filed a second round of documents, as necessitated by the change in Lead Agency on July 1, 2018. Downey filed an updated roster and contact information designated the City of Whittier as Lead Agency, pursuant to Government Code Section 53051 (“Exhibit A”), with the Secretary of State and the County Clerk. Since receipt had not been received from the Secretary of State regarding the April 6, 2018 filings, the City of Downey filed “Exhibit B,” the latest Agreement and Amendment documents, for a second time on June 29, 2018.

On July 30 and August 1, 2018, Lead Agency Whittier received letters from the Secretary of State Business Programs Division, Special Filings Unit, requesting minor changes be made in the filings of “Exhibit A” and “Exhibit B” that were submitted by Downey on June 29, 2018.

SEWC Legal Counsel, Richards, Watson & Gershon, reviewed all attendant documents and drafted a memorandum summarizing the actions taken by SEWC to comply with State laws requiring JPAs to file documents with the State of California, LAFCO, and the County of Los Angeles. Legal Counsel’s recommendations for further action are attached.

### **Budget Impact**

The approved SEWC FY 18-19 Budget allotted \$7,500 for Legal Services, an increase from the \$5,000 allotted during FY 16-17.

### **Attachment(s):**

1. Memorandum from Richards, Watson & Gershon
2. SEWC Amendment Filings from April 6, 2018
3. SEWC Roster Filings from April 6, 2018
4. LAFCO Receipt of JPA documents
5. Secretary of State letter re: SEWC Statement of Facts Filing (“Exhibit A”)
6. Secretary of State letter re: SEWC Amendment of a Joint Powers Agreement (“Exhibit B”)



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# MEMORANDUM

ATTORNEY WORK PRODUCT  
ATTORNEY-CLIENT PRIVILEGE

## CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

TO: Kyle Cason, P.E., SEWC Administrative Entity Chair  
Kristen Sales, KJ Services Environmental Consulting

CC: Steve Dorsey, Esq.  
Craig Steele, Esq.

FROM: Nicholas R. Ghirelli

DATE: September 14, 2018

SUBJECT: Southeast Water Coalition Joint Powers Authority: Compliance with State and County JPA Filing Requirements

### Introduction

This memorandum will briefly summarize actions taken by the Southeast Water Coalition (“SEWC”) to comply with various State laws that require joint powers authorities (“JPAs”) to file documents with the State of California, Los Angeles County Local Agency Formation Commission (“LAFCO”), and the County of Los Angeles. More specifically, we will address the actions of SEWC’s prior lead agency, the City of Downey, and the recommended actions to be taken by SEWC’s current lead agency, the City of Whittier. The specific filing requirements are more fully explained in Steve Dorsey’s letter of July 11, 2017. Unless necessary for context, we will not repeat them in full here.

This memorandum replaces a memorandum from our office dated September 13, 2018, in order to address new information provided to us. If any further information comes to light, please let us know as it may change our conclusions.

### Discussion

#### **I. Government Code Section 53051**

- **Requirement:** File “Statement of Facts and Roster of Public Agencies” (Exhibit A to July 11, 2017 memo) with the Secretary of State and County Clerk within 70 days of the JPA’s existence and within 10 days of any change to (1) SEWC’s name; (2) official mailing

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address of SEWC's Policy Board; (3) name and address of each member of the Policy Board; or (4) name, title, and residence or business address of the chairman, president, or other presiding officer and clerk or secretary of the Policy Board.

- **Compliance Actions Taken to Date:**

- **October 30, 2000:** Filed with the Secretary of State and County Clerk a statement of facts providing notice of SEWC's formation.
- **August 26, 2002:** Filed with the Secretary of State a statement of facts providing notice of changes on the SEWC Policy Board.
- **May 3, 2003:** Filed with the County Clerk a statement of facts providing notice of changes to the Policy Board roster.
- **April 6, 2018:** Filed updated statement of facts providing names and addresses of the Policy Board members and naming Alex Saab as Chairperson and Daniel Mueller as Secretary/Clerk.
- **June 29, 2018:** Filed updated statement of facts providing names and addresses of the Policy Board members and naming Alex Saab as Chairperson and Daniel Mueller as Secretary/Clerk.

- **Required Actions Going Forward:** By letter dated July 30, 2018, the Secretary of State's Office rejected the June 29, 2018 statement of facts because SEWC's official name on file with the Secretary of State is simply "Southeast Water Coalition," whereas the statement of facts listed SEWC's legal name as "Southeast Water Coalition *Joint Powers Authority*." The April 6, 2018 statement suffered from the same defect, and therefore we assume it was also rejected for a similar reason. This appears to be a hyper technical interpretation of the form by the Secretary of State given that the Southeast Water Coalition is a joint powers authority. However, we believe the easiest way to correct this issue is to submit a new form to the Secretary of State.

In addition, the June 29, 2018 and April 6, 2018 statements of facts appear to contain outdated information, given the City of Whitter's recent assumption of SEWC's lead agency role. To that end, a new statement of facts providing the following information should be submitted to both the Secretary of State and the County Clerk:

- Name: "Southeast Water Coalition."



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- Chairman of the Board: Fernando Dutra, Whittier City Council, including contact information.
- Secretary/Clerk: Kyle Cason, Whittier Assistant Director of Public Works, including contact information.
- Official Mailing Address: City of Whittier Public Works Department, 13230 Penn Street, Whittier, CA 90602.
- Any other changes to the Policy Board roster and/or board members' addresses.

**II. Government Code Section 6503.5**

- **Requirement:** File two copies of the “Notice of Joint Powers Agreement” or “Amendment of a Joint Powers Agreement” (Exhibit B to July 11, 2017 memo) with the Secretary of State within 30 days of formation and within 30 days of the effective date of any amendment to the SEWC JPA agreement. The notice must contain (1) the name of each member agency; (2) the date the agreement or amendment became effective; and (3) a statement of the agreement’s or amendment’s purpose. Going forward, SEWC must file the same notice with the Secretary of State and County Clerk for any further changes to this information.
- **Compliance Actions Taken to Date:**
  - **March 8, 2001:** Filed initial notice of formation with the Secretary of State.
  - **April 6, 2018:** Filed notice of amendment to SEWC’s JPA agreement under the City of Downey’s contact information. The original JPA agreement and 2006 amendment were attached.
  - **June 29, 2018:** Filed notice of amendment to SEWC’s JPA agreement under the City of Whittier’s contact information. The original JPA agreement and 2006 amendment were attached.
- **Required Actions Going Forward:** By letter dated July 24, 2018, the Secretary of State’s Office rejected the June 29, 2018 notice of amendment because: (1) the file number and date of the initial notice were not identified and the form did not provide a brief description of the JPA agreement’s amendments. To address these deficiencies, a new Amendment of a Joint Powers Agreement should be submitted to both the Secretary of State and County Clerk that includes the following additional information:

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- Date of filing initial notice with the Secretary of State: March 28, 2001.
- File number of initial notice: 1745.
- Description of the JPA agreement's amendments: (1) Extension of agreement's term;<sup>1</sup> (2) June 10, 1997: Extension of agreement's term and adjustment of compensation authority; (3) Extension of agreement's term;<sup>2</sup> (4) June 28, 2005: Extension of agreement's term, amendment to agency's purpose, and other changes to administration of JPA agreement; and (5) April 1, 2006: Amendment to Administrative Entity's membership composition.
- Change the purpose of the agreement or the powers to be exercised: Check this box on the form and list the purposes set forth in Section 2 of the June 28, 2005 amended and restated JPA agreement.

Any further changes to SEWC's membership or amendments to the JPA agreement would also require a subsequent filing with the Secretary of State and County Clerk.

**III. Government Code Section 6503.6**

- **Requirement:** File a copy of SEWC's JPA agreement with the State Controller within 30 days of formation and within 30 days of the effective date of any amendment to the JPA agreement. File any further amendments to the SEWC JPA agreement with LAFCO within 30 days of the amendment's effective date.
- **Compliance Actions Taken to Date:**
  - **September 16, 1992:** Filed initial notice of formation with the State Controller.
  - **April 6, 2018:** Email from Rebecca Guerrero indicating that the amendments to SEWC's JPA agreement were filed with the Office of State Controller Betty T. Yee, to the attention of Richard J. Chivaro, Chief Counsel, and LAFCO.
  - **April 12, 2018:** Email from Patricia Wood of LAFCO acknowledging receipt of same.

<sup>1</sup> The first amendment included in the June 29, 2018 packet does not identify a date when it was approved. Please identify this date and insert it in the filing.

<sup>2</sup> The third amendment included in the June 29, 2018 packet does not identify a date when it was approved. Please identify this date and insert it in the filing.

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- **Required Actions Going Forward:** Based on Ms. Guerrero's email, it appears that the statute has been satisfied. Any further changes to SEWC's membership or amendments to the JPA agreement would require a subsequent filing with the State Controller and LAFCO.

**IV. Government Code Section 6503.7**

- **Requirement:** Statute satisfied.

**V. Government Code Section 6503.8**

- **Requirement:** File the SEWC JPA agreement and any amendments thereto with LAFCO by July 1, 2017. This is a similar requirement to Section 6503.6 as it relates to LAFCO, but was required to be completed by July 1, 2017.
- **Compliance Actions Taken to Date:**
  - **April 6, 2018:** Email from Rebecca Guerrero indicating that SEWC's JPA agreement was filed with LAFCO.
  - **April 12, 2018:** Email from Patricia Wood of LAFCO acknowledging receipt of same.
- **Required Actions Going Forward:** Based on Ms. Wood's email, it appears that the statute has been satisfied.

**Conclusion**

In sum, SEWC can come into compliance with the JPA statutes by filing an updated statement of facts and an updated notice of amendment with the Secretary of State's office and County Clerk (Gov. Code §§ 53051 and 6503.5). SEWC must also take care to continue to file the appropriate documents when information changes and/or the JPA agreement is amended.

**"EXHIBIT B"**



## State of California Secretary of State

FILE NO. \_\_\_\_\_

### AMENDMENT OF A JOINT POWERS AGREEMENT

(Government Code section 6503.5)

**Instructions:**

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870.
2. Include filing fee of \$1.00.
3. Do not include attachments.
4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at [www.sco.ca.gov](http://www.sco.ca.gov).

(Office Use Only)

Date of filing initial notice with the Secretary of State: \_\_\_\_\_

File number of initial notice: \_\_\_\_\_

Name of the agency or entity created under the agreement and responsible for the administration of the agreement:

Southeast Water Coalition Joint Powers Agreement

Agency's or Entity's Mailing Address: 11111 Brookshire Avenue, Downey, CA 90241

Title of the agreement: Southeast Water Coalition Joint Powers Agreement and Amendments

Complete one or more boxes below. The agreement has been amended to:

Change the parties to the agreement as follows: \_\_\_\_\_

Change the name of the administering agency or entity as follows: \_\_\_\_\_

Change the purpose of the agreement or the powers to be exercised as follows: \_\_\_\_\_

Change the short title of the agreement as follows: \_\_\_\_\_

Make other changes to the agreement as follows: See attached amendments to the agreement.

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [ SEWC Joint Powers Authority ]  
 ADDRESS [ ATTN: Daniel Mueller ]  
 [ 11111 Brookshire Avenue ]  
 CITY/STATE/ZIP [ Downey, CA 90241 ]

4-6-18

Date

Signature

Rebecca Guerrero, Executive Secretary  
Typed Name and Title

**SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT  
AMENDMENT**

This Amendment to the Joint Powers Agreement is made and entered into as of this 11th day of April, 2006, by and between the Cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs, South Gate, Vernon and Whittier, each a municipal corporation ("Members"), In consideration of their mutual covenants and conditions herein, the parties agree as follows:

1. Section 8 of the Joint Powers Agreement is hereby amended to read as follows:

**ADMINISTRATIVE ENTITY**

8. Appointment: The Policy Board shall appoint the members of the Administrative Entity to carry out the policy of the Coalition. The Administrative Entity shall consist of:

- a. One (1) representative from each Member of the Coalition, each of whom shall be an employee of the representative Member.
- b. Three (3) representatives, each of whom shall be an employee of any three (3) PUC regulated private water purveyors providing retail water service within the Basins.
- c. One (1) ex-officio, non-voting advisory member nominated by the California Department of Water Resources.

A quorum of the Administrative Entity shall consist of a majority of voting members, and a majority if voting members is required to take action. Each member of the Administrative Entity shall serve at the pleasure of the Policy Board. The Administrative Entity shall select officers and shall be reasonable for the conduct of its affairs.

2. Except as provided herein, all other terms and conditions of the Joint Powers Agreement shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed as of the day and year first written above.

CITY OF DOWNEY


By:

  
Meredith Perkins, Mayor

ATTEST:

  
Kathleen L. Midstokke, City Clerk 04/12-06

APPROVED AS TO FORM:

  
Charles S. Vose, City Attorney

CURRENT AGREEMENT  
DATED JUNE 28, 2005

11 2

**AMENDMENT AND COMPLETE RESTATEMENT OF  
SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT**

That certain Joint Powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon, and Whittier and the Water Replenishment District of Southern California, each a municipal corporation (“Original Members”), is hereby amended and restated to read as follows:

**“RECITALS**

**WHEREAS**, each of the parties to this Agreement is a local government entity functioning within the County of Los Angeles;

**WHEREAS**, pursuant to the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code), two or more public agencies may by agreement jointly exercise any power held by the agencies entering into such agreement;

**WHEREAS**, The Parties are purveyors of potable water, are responsible for the supply of water, or are otherwise concerned about public water supplies;

**WHEREAS**, the Parties each desire to improve the quality and quantity of water in the region;

**WHEREAS**, each city which is a Party hereto has under its police power the authority to regulate groundwater, and to engage in the storage and recovery thereof;

**WHEREAS**, the statutory authority of the Water Replenishment District of Southern California is limited to storage of groundwater for replenishment purposes, and does not extend to storage of groundwater by individual parties for future use, nor to the regulation thereof;

**WHEREAS**, the Superior Court of California in and for the County of Los Angeles, in the case of *Central and West Basin Water Replenishment District v. Adams*, LASC Case No. 786656 and the case of *California Water Service Co., et al. v. City of Compton*, LASC Case No. 506806 (the (“Adjudications”), has fixed and determined the rights of various parties to extract groundwater for beneficial use within Central Basin and the West Coast Basin (collectively, the “Basins”));

**WHEREAS**, the court has retained the jurisdiction within each of the Adjudications to fix and determine the rights of parties to store and extract groundwater from the Basins for future use;

**WHEREAS**, under the Adjudications, the court has appointed the California Department of Water Resources as its Watermaster, for the purpose of overseeing the management of groundwater resources within the Basins

**WHEREAS**, a regional program of groundwater storage and recovery, which is administered by the court and coordinated through its Watermaster, is in the best interest of the Basins, the Parties, and the public they serve;

**WHEREAS**, the formation of a joint powers authority is independently authorized by state law;

**WHEREAS**, the Parties find that it is to their mutual advantage and benefit, and in the public interest, to establish a joint powers authority for the purpose of maintaining the quality and quantity of groundwater, to implement groundwater management policies as determined by the court, and to protect and enhance the storage of water for the benefit of local interests; and

**WHEREAS**, the Parties desire to use their common groundwater management powers and powers to store and recover water that are necessary and appropriate to further the purposes for which the joint powers authority is being established,

**NOW, THEREFORE**, in consideration of the promises, terms, conditions, and covenants contained herein, the Parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are incorporated by reference.
2. Purposes. This Agreement is made pursuant to the provisions of Article I, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500), relating to the joint exercise of powers common to the public agencies. The Parties are each empowered to exercise the powers within this Agreement. The Parties will exercise their powers jointly for the following purposes:
  - a. to maintain groundwater quality within the Basins;
  - b. to maintain secure groundwater supplies within the Basins;
  - c. to manage the use of groundwater within the Basins;
  - d. to coordinate efforts among Watermaster and entities proposing to store water within the Basins for future recovery;
  - e. to facilitate the implementation of a conjunctive use program by water purveyors;
  - f. to coordinate efforts among local entities and Watermaster to devise and implement strategies to safeguard groundwater quality;
  - g. to work cooperatively with Watermaster, the Water Replenishment District of Southern California, and other entities to promote coordination of policies and activities throughout the region.



3. Establishment. There is established pursuant to the Joint Exercise of Powers Act a joint powers authority which shall be a public entity separate from the parties to this Agreement. The name of such entity shall be the Southeast Water Coalition ("Coalition"). The Coalition shall carry out its functions through a Policy Board and an Administrative Entity as defined in this Agreement.

4. Term. The formation of the Coalition became effective July 1, 1991 upon each of the Original Parties' execution of the Joint Powers Agreement of that date ("Original Agreement"). The term of the Original Agreement was extended by subsequent amendment. By this Restated Agreement, the term of this Agreement is extended to June 30, 2030, and will be automatically extended for subsequent terms of twenty-five (25) years, except upon the affirmative vote of three-quarters (3/4) of the Policy Board. In the event not all of the Original Parties execute this Restated Agreement, it shall nonetheless be binding on those who do execute this Restated Agreement.

5. Meetings. The Coalition shall provide for regular and special meetings of any entity established hereunder, in accordance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) or with any successor provision. Minutes shall be kept of all meetings of the Policy Board and of the Administrative Entity. Copies of minutes shall be forwarded to all members of the Coalition.

6. Exercise of Powers. Pursuant to and to the extent required by Government Code Section 6509, the Coalition shall be restricted in the exercise of its powers in the same manner as the City of Downey is restricted in its exercise of similar powers; provided that, if the City of Downey shall cease to be a member, then the Coalition shall be restricted in the exercise of its power in the same manner as the City of Cerritos.

### **POLICY BOARD**

7. Membership of the Policy Board. The governing body of the Coalition shall be a Policy Board made up of a representative of each participating public entity, which need not be a member of the legislative body of the public entity. The Policy Board shall oversee the activities of the Administrative Entity and shall act in concert with the courts, the State of California, the United States, and any other pertinent agencies in matters pertaining to improvement and protection of the quality and quantity of water in the Basins, and to implement groundwater storage and management policies.

- a. Appointment. The legislative body of each of the participating public entities shall appoint one Policy Board member and one alternate Board member.
- b. Term. Each member and alternate of the Policy Board shall serve a two-year term. Board members and alternates may be removed at any time by the appointing legislative body. Vacancies during a term and successors following expiration of the term of any member shall be filled in the same manner as the original appointment.

- c. Compensation. Members shall receive the lesser of \$150.00 per meeting attended or the maximum allowed by state law.
- d. Voting. Each member shall have one vote. If a Policy Board member cannot attend a meeting, the alternate attending shall be fully empowered to act as the Policy Board member for the meeting so attended.
- e. Responsibilities. It shall be the responsibility of the Policy Board to:
  - 1. Determine general policy for Coalition activities.
  - 2. Act on behalf of all member public agencies (“Members”) in adopting strategies to pursue the Purposes of the Coalition as set forth in Section 2 of this Agreement.
  - 3. Approve a budget to expend funds on development of water improvement alternatives, groundwater storage and recovery, lobbying activities (if required), and any other lawful purpose.
  - 4. Ensure that programs are in the best interest of the residents of the area overlying the Basins.
  - 5. Authorize expenditures of funds for the above purposes.
  - 6. Share costs equally among the Members.
  - 7. Approve or deny applications from non-member public agencies for admission to the Coalition.
  - 8. Adopt bylaws, rules and regulations governing the affairs of the Coalition.
- f. Meetings. The Policy Board shall provide for its regular and special meetings, provided however that it shall hold at least one regular meeting in each year and such additional meetings as may be necessary.
- g. Quorum. A Majority of the Policy Board must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of the majority of those present, except that action to admit a new Member or to expel an existing Member must receive the affirmative vote of three-quarters (3/4) of the entire Policy Board.
- h. Lead Agency. The Policy Board shall select the Lead Agency for the Coalition. The City Manager or General Manager of the Lead Agency City shall be and act as the Secretary for the Coalition. The Director of Finance of the Lead Agency shall be and act as the Treasurer and Auditor of the Coalition pursuant to Government Code Section 6506.6. Pursuant to Government Code Section 6501.1, the Secretary and Treasurer shall have charge of the property of the Coalition and each shall file a bond

in the penal sum of ten thousand dollars (\$10,000.00). The Policy Board may change the Lead Agency at any time. In such event, the officers of the new Lead Agency shall serve as the respective officers of the Coalition.

- i. Organization. The Policy Board shall elect a chair, a vice chair, and such other officers as the Board shall find appropriate. The Board shall appoint an executive director, treasurer, controller, clerk and legal counsel as it deems appropriate. The controller of the Coalition shall cause an independent annual audit of the Coalition's finances to be made by a certified public accountant in compliance with Government Code Section 6505. The treasurer of the Coalition shall be the depositor and shall have custody of all money of the Coalition from whatever source. The controller of the Coalition shall draw warrants to pay demands against the Coalition when the demands have been approved by the Coalition or by its authorized representative pursuant to any delegation of authority adopted by the Coalition. The treasurer and controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. Each officer shall serve for a term of one (1) year unless sooner terminated at the pleasure of the Board. The Board may adopt from time to time such rules and regulations for the conduct of its affairs as it deems necessary and appropriate.
- j. Property of Coalition. Pursuant to Government Code Section 6505.6, the Policy Board shall designate an officer or employee, or officers and employees, to receive, deposit, invest, and disburse the property of the Authority pursuant to Government Code Sections 6505 and 6505.5. The Policy Board shall fix the amount of the fidelity bond to be filed by such public officer(s) and/or employee(s).

#### **ADMINISTRATIVE ENTITY**

8. Appointment. The Policy Board shall appoint the members of the Administrative Entity to carry out the policies of the Coalition. The Administrative Entity shall consist of nine (9) members, as follows:
  - a. Five (5) members, who shall be employees of any of the Members, provided that no single Member shall have more than one employee on the Administrative Entity.
  - b. Three (3) members, who shall be employees of any private water purveyors or regulated public utilities providing retail water service within the Basins.
  - c. One (1) member nominated by the California Department of Water Resources.

A quorum of the Administrative Entity shall consist of five (5) members, and five (5) votes shall be required to take action. Each member of the Administrative Entity shall serve at the pleasure of the Policy Board. The Administrative Entity shall select such officers as shall be reasonable for the conduct of its affairs.

## **POWERS AND FUNCTIONS OF THE COALITION**

9. Powers and Functions. Subject to the limitations set forth below, the Coalition, acting through its Policy Board and Administrative Entity, shall have any and all powers commonly held by the Members necessary or appropriate to regulate groundwater within the Basins including, but not limited to, the following powers:

- a. Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basins, including an evaluation of any proposals to store and recover water;
- b. Establish and administer a conjunctive use program in coordination with the court and with Watermaster for the purpose of maintaining water supplies and managing storage programs in the Basins;
- c. Buy and sell water on other than a retail basis;
- d. Spread, sink or inject water in order to store it for future recovery;
- e. Exchange water;
- f. Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the area of the Basins;
- g. Serve as Storage Program Administrator or similar function as may be designated by the court pursuant to either of the Adjudications;
- h. Appoint a Program Review Committee for the purpose of evaluating groundwater storage proposals;
- i. Study and plan ways and means to implement any or all of the foregoing powers.

10. Corporate and Political Powers. For purposes of exercising the authority, and subject to the limitations contained in this Agreement, the Coalition shall have the following corporate and political powers:

- a. To sue and be sued in all actions and proceedings in all courts and tribunals.
- b. To adopt a seal and alter it in its discretion
- c. To take by grant, purchase, gift, devise or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the members of the Coalition, necessary or convenient to the full exercise of its power.

- d. For the common benefit of the Coalition and the retail water customers in the Basins, to store water in underground water basins or reservoirs within or outside the boundaries of the members of the Coalition, to appropriate water and acquire water rights within or outside the Coalition, to import water into the area overlying the Basins, and to conserve, or cause the conservation of, water within or outside the Coalition.
- e. To exercise the right of eminent domain to take any property necessary to supply the Coalition, any Member or water agency with water; provided that the right of eminent domain may not be exercised with respect to water and water rights, and may not be exercised with respect to any property owned or occupied by any of the Members.
- f. To act jointly with, or cooperate with the United States or any agency thereof, the state, or any county or agency thereof, or any political subdivision or district therein, including water replenishment districts, municipal water districts, private and public corporations, and any person, so that the powers of the Coalition may be fully and economically exercised.
- g. To cause taxes, assessments, fees or charges to be levied in accordance with applicable state law to accomplish the purposes of the Coalition.
- h. In conjunction with the court and the Adjudications, to require the permitting of groundwater storage and recovery programs within the Basins.
- i. To make contracts, employ labor, and do all acts necessary for the full exercise of the Coalition's powers.
- j. To carry out technical and other investigations of all kinds necessary to further the purposes of the Coalition.
- k. To fix rates at which water acquired by the Coalition shall be sold for any purpose, and to establish different rates for different classes of service.
- l. To allocate, apportion and distribute benefits received by the Coalition among entities providing retail water service within the boundaries of the Basins.
- m. To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Coalition's full exercise of its powers.
- n. Finance, through the issuance of bonds or other financial instruments of indebtedness, funds necessary or convenient for the implementation of this Agreement.

- o. Incur debts, liabilities, or obligations.
- p. Purchase insurance for the Coalition.
- q. Invest money in the treasury of the Coalition in the same manner and on the same conditions as local agencies pursuant to Government Code Section 53601.
- r. Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

11. Limitation. The Coalition shall have no power to regulate land use or to engage in the retail sale of water and shall be prohibited from restricting or otherwise limiting the extraction of groundwater within the boundaries of the Basins except consistent with the Adjudications. The Coalition shall be prohibited from funding any capital construction projects.

12. Contributions. Each Party executing this Restated Agreement shall contribute ten thousand dollars (\$10,000.00) to the Coalition within thirty (30) days after execution of this Restated Agreement. The Policy Board shall establish the amount of initial contribution which shall be due from new members, at the time when the Policy Board approves the admission of the new member. The Policy Board may require additional contributions upon the approval of a majority of the Policy Board. Contributions shall be assessed against Members on an equal basis, or upon such other basis as may from time to time be determined by three quarters (3/4) of the Policy Board. Within thirty (30) days of the action of the Policy Board, each Member that does not withdraw from the Coalition during the thirty (30) day period shall thereupon make the required contribution.

13. Additional Parties. Additional members, which shall be municipal corporations or public districts, may be admitted upon vote of the Policy Board as provided in Section 7(e)(7). Upon admission, new Members shall execute this Agreement.

14. Accounts, Reports, and Audits. The following procedures are designed to insure strict accountability of all funds of the Coalition and to provide for accurate reporting of receipts and disbursements of said funds:

- a. The Auditor of the Coalition shall either prepare or contract with a certified public accountant to prepare an annual audit of the accounts and records of the Coalition. The minimum requirements of such audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted accounting principles.
- b. A report of said audit shall be filed as a public record with each agency and also with the county auditor of Los Angeles County. Such report shall be filed within six (6) months of the end of the fiscal year or years under examination.

15. Obligation for Debts and Liabilities and Distribution of Assets. Any party to this Agreement shall not be responsible for any of the debts, liabilities, or obligations of the Coalition. All such debts, liabilities or obligations shall exclusively be those of the Coalition.

- a. Each member agrees to indemnify, save and defend the Authority and all other Members harmless from and against all claims, losses, and damages, including legal fees and expenses, arising out of any breach or default on the part of such Member in performance of any of its obligations under this Agreement, or any act or negligence of such Member or any of its agents, contractors, servants, employees or licensees with respect to this Agreement. No indemnification is made under this Section for claims, losses or damages, including legal fees and expenses, arising out of the willful misconduct, negligence or breach of duty under this Agreement by the Coalition or a Member or their officers, employees, agents or contractors.
- b. The members of the Policy Board and any officer, employee, contractor, or agent of the Coalition shall use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties under this Agreement.
- c. Funds of the Coalition may be used to defend, indemnify, and hold harmless the Coalition and any member of the Policy Board, and any employee of the Coalition for their actions taken within the scope of their duties while acting on behalf of the Coalition. Nothing herein shall limit the right of the Coalition to purchase insurance to provide such coverage as is hereinabove set forth.

16. Withdrawal by a Member. Any Member may withdraw upon thirty (30) days written notice given to the Policy Board. At least thirty (30) days prior to providing such written notice, and as a condition thereof, the withdrawing Member shall pay all unpaid contributions that were approved by the Policy Board greater than sixty (60) days prior to the date of such notice. No Member may withdraw so long as the Coalition has any outstanding contractual obligations or other indebtedness.

17. Termination. Upon termination of the Coalition, all of its then existing assets shall be divided and distributed for public purposes in such manner as shall be determined by a vote of three-quarters (3/4) of the Policy Board, provided, however, that this Agreement and the Policy Board shall continue to exist for the purposes of disposing of all claims, the administering the distribution of assets, and performing any other functions necessary to conclude the affairs of the Coalition. This Agreement may not be terminated by any member so long as the Coalition has any outstanding contractual obligations or other indebtedness.

18. Amendment. This Agreement may be amended by the affirmative vote of three quarters (3/4) of the Members.

19. Counterparts. This Agreement may be executed in counterparts, which together shall constitute the same agreement.

EXECUTED on the 28th day of June, 2005.”

CITY OF LAKEWOOD

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney



## **COUNCIL AGENDA**

June 28, 2005

**TO:** Honorable Mayor and City Council

**SUBJECT:** Southeast Water Coalition Agreement

### **INTRODUCTION**

In July 1991 the Lakewood City Council, ten neighboring cities and the Water Replenishment District of Southern California (WRD), adopted a joint power agreement creating the Southeast Water Coalition (SEWC). These agencies formed a joint power authority to improve and protect the quantity and quality of the regional water supply. Fourteen years later SEWC represents 12 communities and the WRD on water-related issues. The existing agreement expires on July 1, 2005 and each agency must consider the renewal of the SEWC agreement.

### **STATEMENT OF FACT**

The principal purpose of the formation of the Southeast Water Coalition was to protect the Central Groundwater Basin from contamination migrating from the San Gabriel Valley Groundwater Basin. Since its formation the SEWC has diligently worked with the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers to improve the monitoring of groundwater contaminants, determine cost-effective remediation to protect the Whittier Narrows and the Central Groundwater Basin, and press the EPA for early implementation of remediation projects. SEWC has also been in support of numerous local groundwater cleanup and water project funding.

Population growth, surface, and groundwater pumping to supply demand coupled with wet and drought years are the principal reasons for groundwater management. Martha Davis stated at the UCLA Environment Symposium on March 3, 1998, In Southern California, "...many cities responded to the drought by exploring projects that would make them less dependent upon imported water supplies, and improve their capacity to meet their water needs through local water sources they directly controlled. As a result, Southern California -- out of all the regions of the State -- is in one of the best positions to meet its future water demand (even with all of the projected growth) because of water recycling, groundwater recharge and other local management projects...."

Water supplies used in Southern California come from several sources. Those sources include about half from imported water supplies and the other half from local supplies within the coastal plain of Southern California. The imported water sources are from northern California via the State Water Project, the Colorado River, and the Los Angeles Aqueduct. Local supplies are primarily groundwater and Southern California mountain

Southeast Water Coalition Agreement Renewal

June 28, 2005

Page 2

streamflow, recycled, and desalinated brackish groundwater. From a regional perspective, "The value of groundwater basins for water storage and distribution as part of a conjunctive use program may even exceed their value as sources of water supply. This value may be approximated by looking at the cost of constructing artificial surface storage and distribution facilities sufficient to convey surface or imported water supplies (Blomquist, Dividing the Waters)." SEWC needs to be prepared and empowered to continue in its roll to impose and protect the quality and quantity of the regional water supply.

The existing Joint Powers Authority's five-year agreement expires July 1, 2005. The amendment and complete restatement of the agreement allows for the continuation of the Southeast Water Coalition with expanded powers for an additional twenty-five years until June 30, 2030. The annual cost associated with membership in SEWC is \$10,000.00.

**SUMMARY**

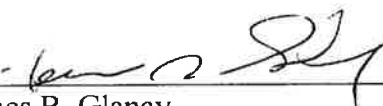
The coalition has made significant progress in the past fourteen years concerning the development and implementation of a strategy to protect the Central Basin from migration contaminated groundwater plumes originating in the San Gabriel Valley Groundwater Basin. This task is not complete and there remains significant work to be accomplished.

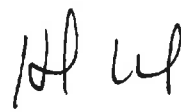
The City Council Water Resources Committee reviewed the proposed agreement, which expands the role of SEWC to include the authority to aggregate and administer water programs to serve the public interest, to protect the water supply quality and quantity.

**RECOMMENDATION**

City Council Water Resources Committee recommends that the City Council approve the following:

1. Agreement for the extension and restatement of the Southeast Water Coalition Joint Powers Authority and upon approval of the City Attorney as to form, authorize its execution by the Mayor on behalf of the City.
2. Appropriate \$10,000.00 for the SEWC annual membership fee.

  
\_\_\_\_\_  
James B. Glancy  
Director of Water Resources

  
\_\_\_\_\_  
Howard L. Chambers  
City Manager

**3.1 • AGREEMENT WITH SOUTHEAST WATER COALITION**

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Water Resources Director Jim Glancy displayed slides and gave an oral report based on the memo contained in the agenda. He stated that the Southeast Water Coalition had been formed in 1991 and he presented a brief history of the Coalition's mission and activities. He advised that the existing participation agreement was due to expire on July 1, 2005, and that there were remaining tasks to be completed. It was the recommendation of the Water Resources Committee to approve an agreement for the extension and restatement of the Southeast Water Coalition Joint Powers Authority and appropriate \$10,000 for the annual membership fee.

*Southeast  
Water Coalition*

480

*Water*

Council Member Croft stated that he and Mayor Esquivel were members of the Water Resources Committee and that they viewed the proposed agreement as an important part of the City's program to maintain water quality.

Council Member Rogers stated that as a representative on the Coalition, he felt it was more important now than ever to keep the Coalition active.

COUNCIL MEMBER CROFT MOVED AND COUNCIL MEMBER ROGERS SECONDED TO APPROVE THE COMMITTEE'S RECOMMENDATIONS. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, Croft, DuBois, Rogers and Esquivel

NAYS: COUNCIL MEMBERS: None

At 8:20 p.m., the Regular Meeting of the City Council was recessed for the Meeting of the Lakewood Redevelopment Agency. At 8:23 p.m., the City Council Meeting was reconvened.

**ORAL COMMUNICATIONS:** None

**CLOSED SESSION:**

Mayor Esquivel announced that the City Council would recess to a closed session pursuant to Government Code §54957 to evaluate the performance of the City Manager.

152-4

*City Manager  
Compensation*

At 9:06 p.m., the City Council reconvened with all members present.

Mayor Esquivel announced that the City Council had concluded its review and evaluation of the performance of City Manager Howard Chambers.

VICE MAYOR VAN NOSTRAN MOVED AND COUNCIL MEMBER DUBOIS SECONDED TO ADOPT RESOLUTION NO. 2005-40.

AMENDMENT

**AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT**

That certain Joint Powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon and Whittier and the Water Replenishment District of Southern California, is hereby amended by amending Section 2 to read as follows:

“Section 2. Term

The term of the Agreement shall be for a period of fourteen years from and after July 1, 1991. The Agreement may be extended by mutual consent of all parties.

In the event not all of the Parties execute the Agreement or any extension, the Agreement shall be binding on those that do execute the Agreement or extension.”

Except as amended herein, all terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as follows:

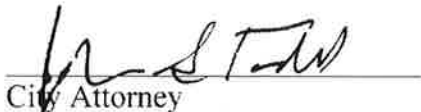
CITY OF LAKEWOOD

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

AMENDMENT  
DATED JUNE 10, 1997

AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT

That certain joint powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon and Whittier and the Water Replenishment District of Southern California, is hereby amended as follows:

Section 1. Section 2 of the Agreement is amended to read as follows:

"Section 2. Term.

The term of the Agreement shall be for a period of nine years from and after July 1, 1991. In the event not all of the Parties execute the Agreement, the Agreement shall be binding on those that do execute the Agreement. The Agreement may be extended by mutual consent of all parties."

Section 2. The paragraph entitled "Compensation" of Subsection A of Section 4 of the Agreement is amended to read as follows:

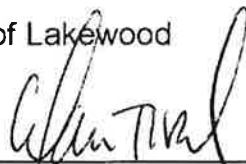
" Compensation.

The Policy Board may from time to time set and adjust the amount of compensation for the Policy Board members per meeting. Compensation may be set or adjusted as a part of the annual budget process and by adoption of the annual operating budget."

Section 3. Except as amended herein, all terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as follows:

City of Lakewood

  
\_\_\_\_\_  
MAYOR June 10, 1991

ATTEST:

  
\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
CITY ATTORNEY

Amendment



AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT

That certain joint powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, La Mirada, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs and Whittier and the Water Replenishment District of Southern California for the creation of the Southeast Water Coalition, and subsequently entered into by the cities of Huntington Park and South Gate, is hereby amended by amending Section 2 to read as follows:

"Section 2. Term.

This Agreement shall become effective and binding July 1, 1991, upon each of the Original Parties that executes the Agreement, notwithstanding that one or more of the Original Parties may execute the agreement later than July 1, 1991. The term of this Agreement shall be for a period of six years from and after July 1, 1991. In the event not all of the Original Parties execute the Agreement, the Agreement shall be binding on those that do execute the agreement. The Agreement may be extended by mutual consent of all parties."

Except as amended herein, all terms of the agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment to Agreement is executed by the parties as follows:

CITY OF LAKEWOOD

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

ORIGINAL AGREEMENT

JULY 1, 1991

**JOINT POWERS AGREEMENT**

AMONG THE CITIES OF CERRITOS, COMMERCE, DOWNEY, LA MIRADA  
LAKEWOOD, NORWALK, PARAMOUNT, PICO RIVERA, SANTA FE SPRINGS  
AND WHITTIER ALONG WITH THE CENTRAL AND WEST BASIN WATER  
REPLENISHMENT DISTRICT CREATING THE SOUTHEAST WATER COALITION

This Agreement, effective as of July 1, 1991, is between the above-named public agencies (hereinafter "Original Parties"), each of which is a public corporation duly organized and existing under the laws of the State of California.

**WITNESSETH**

WHEREAS, the Parties are each empowered by law to develop programs for the benefit of the citizens and businesses within each community; and

WHEREAS, the Parties are purveyors of potable water, are responsible for the supply of water, or are otherwise concerned about the maintenance of potable water supplies; and

WHEREAS, the Parties each desire to improve the quality and quantity of potable water in the region; and

WHEREAS, the various federal and state agencies involved with regional water quality issues prefer to work with one entity; and

WHEREAS, the Parties to this Agreement are willing to form a single entity to be called the "Southeast Water Coalition"; and

WHEREAS, by this agreement the Parties hereto intend to exercise their powers jointly to accomplish common objectives.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Authority and Purpose.

This agreement is made pursuant to the provisions of Article I, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500) relating to the joint exercise of powers common to the public agencies. The Parties are each empowered to exercise the powers within said agreement. The purpose of this agreement is to exercise such powers jointly for the improvement and protection of the quality and quantity of potable water in the Southeast Area of Los Angeles County .

There is hereby created a new entity, to be called the Southeast Water Coalition (hereinafter "Coalition"). Pursuant to and to the extent required by Government Code Section 6509, the Coalition shall be restricted in the exercises of its powers in the same manner as the City of Downey is restricted in its exercise of similar powers; provided that, if the City of Downey shall cease to be a member, then the Coalition shall be restricted in the exercise of its power in the same manner as the City of Whittier.

Section 2. Term.

This Agreement shall become effective and binding July 1, 1991, upon each of the Original Parties that executes the agreement, notwithstanding that one or more of the Original Parties may execute the agreement later than July 1, 1991. The term of this Agreement shall be for a period of three years from and after July 1, 1991. In the event not all of the Original Parties execute the agreement, the agreement shall be binding on those that do execute the agreement. The Agreement may be extended by mutual consent of all parties.

Section 3. Brown Act.

All meetings of the Policy Board and Administrative Entity of the Coalition, including, without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Government Code Section 54950).

Section 4. Structure of the Coalition.

The Southeast Water Coalition shall embody two structures:

- A. Policy Board
- B. Administrative Entity

The functions and responsibilities of each are described below.

A. POLICY BOARD

PURPOSE

The Coalition shall create a Policy Board made up of a member of the legislative body of each participating public entity for the purpose of overseeing the activities of the Administrative Entity and to act in consort with the State of California, federal government and any other pertinent agencies in matters pertaining to improvement and protection of the quality and quantity of potable water in the Southeast Area of Los Angeles County.

### APPOINTMENT

The legislative body of each of the participating public entities shall appoint one policy board member and one alternate board member from among its members.

### TERM

Each member and alternate of the Board shall serve a two-year term. Board members and alternates may be removed at any time by the appointing legislative body. A vacancy shall exist if any member or alternate shall cease serving on the appointing legislative body.

### VACANCIES

Vacancies during a term and successors following expiration of the term of any member shall be filled in the same manner as the original appointments.

### COMPENSATION

Members shall receive \$100.00 per meeting attended.

### VOTING

Each member shall have one vote. If a board member cannot attend a meeting, the alternate attending shall be fully empowered to act as the board member for the meeting so attended.

### RESPONSIBILITIES

It shall be the responsibility of the Policy Board to:

- a. Determine general policy for Coalition activities.
- b. Act on behalf of all member public agencies in adopting strategies for the improvement of water quality and quantity when working with various Federal and State agencies.
- c. Approve a budget to expend funds on development of improvement alternatives, lobbying activities, if required, and any other lawful purpose.
- d. Ensure that improvements are in the best interest of the Coalition residents.
- e. Authorize expenditures of funds for the above purposes.

- f. Share costs equally among the named agencies except for the lead agency which will only be assessed half the amount levied against the other members.
- g. Approve or deny applications from non-member public agencies for admission to the Coalition.
- h. Adopt bylaws governing the affairs of the Coalition.
- i. Establish a Steering Committee, which shall have those powers specified in the Bylaws.

#### MEETINGS

The Policy Board shall provide for its regular and special meetings, provided, however, that it shall hold at least one regular meeting in each year and such further additional meetings as may be necessary. The dates upon which, and the hour, date and place at which any regular meeting shall be held shall be fixed by the Policy Board and copies filed with each party.

#### QUORUM

A majority of the Policy Board must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of the majority of the entire Board, except that action to admit a new party to the Coalition and to adopt Bylaws must receive the affirmative vote of three-quarters (3/4) of the entire Board.

#### MINUTES

The Secretary of the Policy Board shall cause to be kept minutes of regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the agencies hereto.

#### OFFICERS

The Policy Board shall elect from among its members a Chairperson and a Vice Chairperson at its first meeting, and thereafter at the first meeting in each succeeding fiscal year the Policy Board shall elect or re-elect its Chairperson and a Vice-Chairperson.

In the event that the Chairperson or Vice-Chairperson ceases to be a Board Member, the resulting vacancy shall be filled at the next regular meeting of the Policy Board held after such

vacancy occurs. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson. The Chairperson, or in his or her absence the Vice-Chairperson, shall preside at and conduct all meetings of the Policy Board.

#### LEAD AGENCY

The Policy Board shall select the Lead Agency for the Coalition. The City Manager or General Manager of the Lead Agency City shall be and act as the Secretary of the Coalition. The Director of Finance of the Lead Agency shall be and act as the Treasurer and Auditor of the Coalition pursuant to Government Code Section 6506.6. Pursuant to Government Code Section 6505.1, the Secretary and Treasurer shall have charge of the property of the Coalition and each shall file a bond in the penal sum of ten thousand dollars (\$10,000). The Policy Board may change the Lead Agency at any time. In such event, the officers of the new Lead Agency shall serve as the respective officers of the Coalition.

#### LEGAL COUNSEL

The Policy Board may engage the services of a private practicing attorney or utilize the Lead Agency's Attorney as legal counsel to the Coalition.

#### ACCOUNTS, REPORTS, AND AUDITS

The following procedures are designed to insure strict accountability of all funds of the Coalition and to provide for accurate reporting of receipts and disbursements of said funds.

The Auditor of the Coalition shall either prepare or contract with a certified public accountant to prepare an annual audit of the accounts and records of the Coalition. The minimum requirements of such audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted auditing standards.

A report of said audit shall be filed as public records with each agency and also with the county auditor of Los Angeles County. Such report shall be filed within six months of the end of the fiscal year or years under examination.

Any costs of the audit, including contracts with or employment of certified public accountants in making such audit, shall be borne by the Coalition and charged against any unencumbered funds of the Coalition available for the purpose.

By unanimous action of the Policy Board, the annual audit may be replaced by an audit covering a two-year period.

B. ADMINISTRATIVE ENTITY

PURPOSE

The Administrative Entity shall carry out the policies developed by the Board to facilitate water quality and quantity improvement.

MEMBERS

The City Manager of each City and the General Manager of the Central and West Basin Water Replenishment District shall be members of the Administrative Entity. Each member shall appoint one alternate member to serve if the regular member of the Administrative Entity is unavailable, unwilling or unable to serve.

VOTING

Each member shall have one vote. If a member of the Administrative Entity cannot attend a meeting, the alternate attending shall be fully empowered to act as the Administrative Entity member for the meeting so attended.

RESPONSIBILITIES

It shall be the responsibility of the Administrative Entity to:

- a. Work with State and Federal agencies to develop improvement plans that will be acceptable to the Coalition.
- b. Engage and work with consultants as needed and consistent with the budget approved by the Policy Board.
- c. Develop a budget and funding recommendations for the Coalition for approval by the Policy Board, with members being notified no later than February 15 of each year regarding the Coalition's proposed budget for the next fiscal year and the funding responsibility for each member.
- d. Develop plans with various environmental agencies for the improvement of groundwater supplies.
- e. Create technical work groups as needed.
- f. Work with professional legislative representatives retained by the Coalition or others in connection



with Washington, D.C., the State Capitol, the executive branch and regulatory agencies.

#### MEETINGS

The Administrative Entity shall provide for its regular and special meetings, provided, however, that it shall hold at least one regular meeting in each year and such further additional meetings as may be necessary. The dates upon which, and the hour, date and place at which any regular meeting shall be held shall be fixed by the Administrative Entity and copies filed with each party.

#### QUORUM

A majority of the Administrative Entity must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of a majority of the quorum.

#### OFFICERS

The City Manager or General Manager of the Lead Agency shall be the Chairperson of the Administrative Entity. The Administrative Entity shall elect from among its members a Vice Chairperson at its first meeting, and thereafter at the first meeting in each succeeding fiscal year the Administrative Entity shall elect or re-elect its Vice-Chairperson.

In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson. The Chairperson, or in his or her absence the Vice-Chairperson, shall preside at and conduct all meetings of the Administrative Entity. In the event the office of City Manager or General Manager of the Lead Agency shall become vacant, the Vice-Chairperson shall serve as Chairperson until a new City Manager or General Manager is appointed by the Lead Agency. If the office of Vice-Chairperson shall become vacant, the Administrative Entity shall appoint a Vice-Chairperson at the next regular meeting of the Administrative Entity held after such vacancy occurs.

#### MINUTES

The Chairperson of the Administrative Entity shall cause to be kept minutes of regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Administrative Entity and to the agencies hereto.

#### Section 5. Contributions.

Each of the Original Parties shall contribute \$10,000.00 to the Coalition within thirty days after execution of this

Agreement. The Policy Board shall establish the amount of initial contribution which shall be due from new members, at the time when the Policy Board approves the admission of the new member into the Coalition.

The Policy Board may require additional contributions upon the approval of a majority of all members of the Policy Board. Within thirty days of the action of the Policy Board, each member agency that does not withdraw from the Coalition during the thirty day period shall thereupon make the required contribution.

The Lead Agency will only be required to pay half the amount levied against the other members. The Policy Board may unanimously provide for a different distribution of contributions.

Section 6. Obligation for Debts and Distribution of Assets.

The agencies which are parties to this Agreement shall not be responsible for any of the debts, liabilities or obligations of the Coalition. All such debts, liabilities or obligations shall exclusively be those of the Coalition.

Upon termination of the Coalition, all of its then existing assets shall be divided equally among the then remaining member agencies including the Lead Agency.

Section 7. Withdrawal by Member Agencies.

Any member agency may withdraw upon 30 days written notice. Upon such withdrawal, the withdrawing agency shall pay all contributions approved by the Policy Board pursuant to Section 5 more than thirty (30) days prior to the date the agency provides written notice of its intention to withdraw. Should any unencumbered funds exist at the end of the fiscal year during which the Agency withdrew, the withdrawing agency shall be paid a share of such funds determined by multiplying the remaining funds by the ratio of the total funds contributed by the withdrawing agency during the fiscal year divided by the total funds contributed by all agencies during the fiscal year.

Section 8. Admission of New Members.

The terms of this Agreement shall be binding on every public agency admitted to the Coalition pursuant to an action of the Policy Board. Each new member shall execute a counterpart of this Agreement, which shall become effective on the date specified by the Policy Board. This date shall be indicated in the counterpart of the Agreement.

Section 9. Governmental Responsibilities

Nothing in this Agreement shall be interpreted as restricting member agencies in the exercise of their governmental powers as provided by law.

IN WITNESS WHEREOF, this Agreement is executed by the parties as follows:

CITY OF LAKEWOOD

  
MAYOR

ATTEST:

  
CITY CLERK, ACTING

\_\_\_\_\_  
CITY OF LAKEWOOD

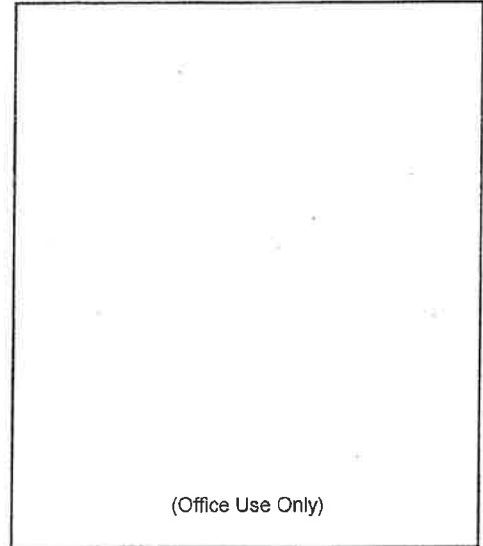
APPROVED AS TO FORM

  
CITY ATTORNEY



State of California Secretary of State

STATEMENT OF FACTS ROSTER OF PUBLIC AGENCIES FILING (Government Code section 53051)



Instructions:

- 1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870 (916) 653-3984
2. A street address must be given as the official mailing address or as the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8 1/2" X 11" page, one sided and legible.

New Filing [ ] Update [X]

Legal name of Public Agency: Southeast Water Coalition Joint Powers Authority

Nature of Update: Roster change of names

County: Los Angeles

Official Mailing Address: 11111 Brookshire Avenue, Downey, CA 90241

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): Chairman

Name: Alex Saab Address: 11111 Brookshire Avenue, Downey, CA 90241

Secretary or Clerk (Indicate Title): Chairman, Administrative Entity

Name: Daniel Mueller Address: 11111 Brookshire Avenue, Downey, CA 90241

Members: (see attached)

Name: Address:
Name: Address:
Name: Address:
Name: Address:
Name: Address:

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [ SEWC Joint Powers Authority
ATTN: Daniel Mueller
ADDRESS 11111 Brookshire Avenue
Downey, CA 90241
CITY/STATE/ZIP ]

4-6-18
Date
Signature
Rebecca A. Guerrero

Rebecca Guerrero, Executive Secretary
Typed Name and Title

**SOUTHEAST WATER COALITION  
JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**ROSTER**

Alex Saab, Chairman  
City of Downey, Primary  
11111 Brookshire Avenue  
Downey, CA 90241  
562.904.7274

Leonard Shryock, Board Member  
City of Norwalk, Primary  
12700 Norwalk Blvd.  
Norwalk, CA 90650  
562.929.5700

Sean Ashton, Alternate  
City of Downey

Margarita L. Rios, Alternate  
City of Norwalk

---

Jim Edwards, Board Member  
City of Cerritos, Primary  
18125 Bloomfield Avenue  
Cerritos, CA 90701  
562.916.1310

---

Tom Hansen, Board Member  
City of Paramount, Primary  
16400 Colorado Avenue  
Paramount, CA 90723  
562.220.2225

---

Naresh Solanki, Alternate  
City of Cerritos

---

Laurie Guillen, Alternate  
City of Paramount

---

Oralia Rebollo, Board Member  
City of Commerce, Primary  
2535 Commerce Way  
Commerce, CA 90040  
323.722.4805

---

Gustavo Camacho, Board Member  
City of Pico Rivera, Primary  
6615 Passons Blvd.  
Pico Rivera, CA 90660  
562.801.4371

---

John Soria, Alternate  
City of Commerce

---

Brent Tercero, Alternate  
City of Pico Rivera

---

Todd Rogers, Board Member  
City of Lakewood, Primary  
5050 N. Clark Avenue  
Lakewood, CA 90712  
562.866.9771, Ext. 2103

---

Juanita Trujillo, Board Member  
City of Santa Fe Springs, Primary  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
562.868.0511

---

Steve Croft, Alternate  
City of Lakewood

---

Richard Moore, Alternate  
City of Santa Fe Springs

Page 2 – Southeast Water Coalition  
Joint Powers Authority – Roster

Maria Davila, Board Member  
City of South Gate, Primary  
8650 California Avenue  
South Gate, CA 90280  
323.563.9543

Denise Diaz, Alternate  
City of South Gate

---

William Davis, Board Member  
City of Vernon, Primary  
4305 Santa Fe Avenue  
Vernon, CA 90058  
323.583.8811, Ext. 339

Yvette Woodruff-Perez, Alternate  
City of Vernon

---

Fernando Dutra, Board Member  
City of Whittier, Primary  
13230 Penn Street  
Whittier, CA 90602  
562.567.9300

Josue Alvarado, Alternate  
City of Whittier

---

Daniel Mueller, Chairman  
Administrative Entity  
City of Downey  
11111 Brookshire Avenue  
Downey, CA 90241  
562.904.7110

Anil H. Gandhi, Controller/Treasurer  
City of Downey, 562.904.7265

Rebecca Guerrero, Executive Secretary  
City of Downey, 562.904.7102

From: Patricia Wood [<mailto:pwood@lalafco.org>]  
Sent: Thursday, April 12, 2018 3:00 PM  
To: Rebecca Guerrero  
Cc: Paul Novak  
Subject: South East Water coalition JPA's received.

Ms. Guerrero:

Thank you for sending the JPA for the following documents pursuant to SB 1266:

04-06-18 Southeast Water Coalition Roster change of Board member names  
04-06-18 Southeast Water Coalition Joint Power Agreement Amendment  
04-12-06 Southeast Water Coalition Joint Powers Agreement Amendment  
06-28-05 Amendment and Complete Restatement of Southeast Water Coalition Joint Powers Agreement  
06-28-05 The Lakewood City Council Agenda  
06-10-97 Amendment to Southeast Water Coalition Joint Powers Agreement  
07-01-91 Joint Powers Agreement among the cities of Cerritos, Commerce, Downey, La Mirada, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs and Whittier along with the Central and West Basin Water Replenishment District creating the southeast Water Coalition.

Receipt of these JPAs is hereby acknowledged.

Patricia Wood  
Administrative Clerk  
Local Agency Formation Commission for Los Angeles County  
80 South Lake Avenue, Suite 870  
Pasadena, CA 91101  
(626) 204-6500



Secretary of State  
Business Programs Division  
Special Filings, P.O. Box 942877, Sacramento, CA 94277-2870

CITY OF WHITTIER  
AUG 01 2018  
DEPT. OF PUBLIC WORKS

July 30, 2018

SEWC Joint Powers Authority  
ATTN: Kyle Cason  
13230 Penn Street  
Whittier, CA 90602

The Statement of Facts Filing, submitted pursuant to Government Code Section 53051, is being returned to you for the reason(s) indicated below.

Please clarify. It appears the public agency is similar to one on file. The name shown on our records is «Southeast Water Coalition». This office files by exact name.

We show no record of a filing for this public agency. If this is a new filing, please check the appropriate box. Please delete information in the "Nature of Update" section.

If the public agency listed filed a previous Statement of Facts with this office, please provide evidence of filing by submitting a filed copy of the Statement of Facts and/or a Secretary of State acknowledgment letter along with this Statement of Facts when resubmitting.

We do not endorse or return filed stamped copies of documents. If you wish to obtain a copy of a document that has been filed with our office, you must submit your request in writing along with the fee to Secretary of State, Business Programs Division, PO Box 942877, Sacramento, CA 94277-0001. The fees are as follows:

Pages reproduced.....	\$1.00 for the first page and .50 each additional page
Certification (Certified Copy).....	\$5.00 (in addition to the reproduction fee)

If you have any questions, please contact the Secretary of State, Special Filings Unit at (916) 653-3984.

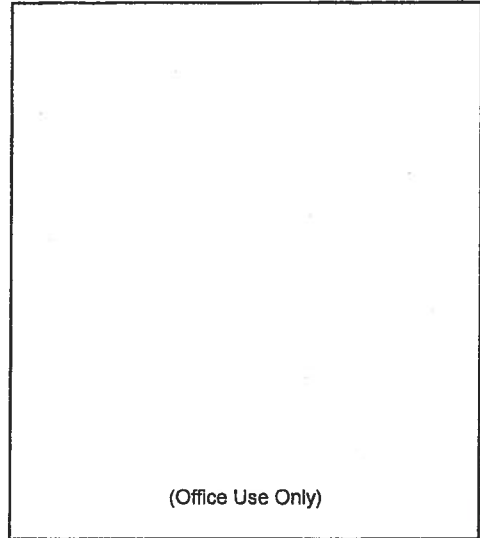
Sincerely,  
Special Filings Unit





State of California Secretary of State

STATEMENT OF FACTS ROSTER OF PUBLIC AGENCIES FILING (Government Code section 53051)



Instructions:

- 1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870 (916) 653-3984
2. A street address must be given as the official mailing address or as the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8 1/2" X 11" page, one sided and legible.

New Filing [ ] Update [X]

Legal name of Public Agency: Southeast Water Coalition Joint Powers Authority

Nature of Update: Roster Change of Names and Change of Lead Agency

County: Los Angeles

Official Mailing Address: 11111 Brookshire Avenue, Downey, CA 90241

New Lead Agency address: 13230 Penn Street, Whittier, CA 90602

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): Chairman

Name: Fernando Dutra Address: 13230 Penn Street, Whittier, CA 90602

Secretary or Clerk (Indicate Title): Chairman, Administrative Entity

Name: Kyle Cason Address: 13230 Penn Street, Whittier, CA 90602

Members: (see attached)

- Name: Address:
Name: Address:
Name: Address:
Name: Address:
Name: Address:

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [ SEWC Joint Powers Authority ]
ADDRESS [ ATTN: Kyle Cason ]
CITY/STATE/ZIP [ 13230 Penn Street ]
[ Whittier, CA 90602 ]

6-29-18
Date
Signature
Rebecca Guerrero, Executive Secretary
Typed Name and Title City of Downey

**SOUTHEAST WATER COALITION  
JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**ROSTER**

Alex Saab, Chairman  
City of Downey, Primary  
11111 Brookshire Avenue  
Downey, CA 90241  
562.904.7274

Margarita L. Rios, Board Member  
City of Norwalk, Primary  
12700 Norwalk Blvd.  
Norwalk, CA 90650  
562.929.5700

Sean Ashton, Alternate  
City of Downey

Leonard Shryock, Alternate  
City of Norwalk

---

Grace Hu, Board Member  
City of Cerritos, Primary  
18125 Bloomfield Avenue  
Cerritos, CA 90701  
562.916.1310

---

Tom Hansen, Board Member  
City of Paramount, Primary  
16400 Colorado Avenue  
Paramount, CA 90723  
562.220.2225

Naresh Solanki, Alternate  
City of Cerritos

Laurie Guillen, Alternate  
City of Paramount

---

Oralia Rebollo, Board Member  
City of Commerce, Primary  
2535 Commerce Way  
Commerce, CA 90040  
323.722.4805

---

Gustavo Camacho, Board Member  
City of Pico Rivera, Primary  
6615 Passons Blvd.  
Pico Rivera, CA 90660  
562.801.4371

John Soria, Alternate  
City of Commerce

Brent Tercero, Alternate  
City of Pico Rivera

---

Todd Rogers, Board Member  
City of Lakewood, Primary  
5050 N. Clark Avenue  
Lakewood, CA 90712  
562.866.9771, Ext. 2103

---

Juanita Trujillo, Board Member  
City of Santa Fe Springs, Primary  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
562.868.0511

Steve Croft, Alternate  
City of Lakewood

Richard Moore, Alternate  
City of Santa Fe Springs

Page 2 – Southeast Water Coalition  
Joint Powers Authority – Roster

Maria Davila, Board Member  
City of South Gate, Primary  
8650 California Avenue  
South Gate, CA 90280  
323.563.9543

Denise Diaz, Alternate  
City of South Gate

---

Melissa Ybarra, Board Member  
City of Vernon, Primary  
4305 Santa Fe Avenue  
Vernon, CA 90058  
323.583.8811, Ext. 339

Yvette Woodruff-Perez, Alternate  
City of Vernon

---

Fernando Dutra, Board Member  
City of Whittier, Primary  
13230 Penn Street  
Whittier, CA 90602  
562.567.9300

Josue Alvarado, Alternate  
City of Whittier

---

Admin. Entity until 6/30/18:  
Daniel Mueller, Chairman  
Administrative Entity  
City of Downey  
11111 Brookshire Avenue  
Downey, CA 90241  
562.904.7110

Anil H. Gandhi, Controller/Treasurer  
City of Downey, 562.904.7265

Rebecca Guerrero, Executive Secretary  
City of Downey, 562.904.7102

**NEW Admin. Entity effective 7/1/18:**

Kyle Cason, Chairman  
Administrative Entity  
City of Whittier  
13230 Penn Street  
Whittier, CA 90602  
562.567.9500

Monica Lo, Controller/Treasurer  
City of Whittier, 562.567.9810

Veronica Barrios  
City of Whittier, 562.567.9500



Secretary of State  
Business Programs Division  
Special Filings, P.O. Box 942870, Sacramento, CA 94277-2870

July 24, 2018

CITY OF WHITTIER

JUL 30 2018

DEPT. OF PUBLIC WORKS

SEWC Joint Powers Authority  
ATTN: Kyle Cason  
13230 Penn St  
Whittier, CA 90602

RE: AMENDMENT OF A JOINT POWERS AGREEMENT  
Southeast Water Coalition Joint Powers Agreement

The enclosed Amendment to a Joint Powers Agreement filing which was sent to our office pursuant to Government Code Section 6503.5 is being returned for the reason(s) indicated below.

The file date and number of the initial notice are required fields.  
The records of this office indicate the file date is **March 28, 2001** and the file number is **1745**.

Please check the reason for amendment and provide a brief detail description of the change.

The attachments are enclosed, this office does not file attachments (see #3 of the instructions).

Please be advised this offices does not endorse or return filed stamped copies of filings. If you wish to obtain a copy of a document that has been filed with our office, you must submit your request in writing along with the fee (check or money order) to the Secretary of State, Business Programs Division, PO Box 942877, Sacramento, CA 94277-0001.

The fees are as follows:

Pages reproduced.....	\$1.00 for the first page and .50 each additional page
Certification (Certified Copy).....	\$5.00 (in addition to the reproduction fee)

If you have any questions, please contact the Secretary of State, Special Filings Unit at (916) 653-3984.

Sincerely,  
Special Filings Unit

California Secretary of State  
www.sos.ca.gov/business/notary  
(916) 653-3984

“EXHIBIT B”



### State of California Secretary of State

FILE NO. \_\_\_\_\_

## AMENDMENT OF A JOINT POWERS AGREEMENT

(Government Code section 6503.5)

### Instructions:

- 1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870.
- 2. Include filing fee of \$1.00.
- 3. Do not include attachments.
- 4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at [www.sco.ca.gov](http://www.sco.ca.gov).

(Office Use Only)

Date of filing initial notice with the Secretary of State: \_\_\_\_\_

File number of initial notice: \_\_\_\_\_

Name of the agency or entity created under the agreement and responsible for the administration of the agreement:

Southeast Water Coalition Joint Powers Agreement

Agency's or Entity's Mailing Address: 13230 Penn Street, Whittier, CA 90602

Title of the agreement: Southeast Water Coalition Joint Powers Agreement and Amendments

Complete one or more boxes below. The agreement has been amended to:

- Change the parties to the agreement as follows: \_\_\_\_\_
- Change the name of the administering agency or entity as follows: \_\_\_\_\_
- Change the purpose of the agreement or the powers to be exercised as follows: \_\_\_\_\_
- Change the short title of the agreement as follows: \_\_\_\_\_
- Make other changes to the agreement as follows: See attached amendments to the agreement.

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [ SEWC Joint Powers Authority ]  
 ADDRESS [ ATTN: Kyle Cason  
 13230 Penn Street  
 CITY/STATE/ZIP [ Whittier, CA 90602 ]

Date

6-29-18

Signature

Rebecca Guerrero, Executive Secretary  
City of Downey

**SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT  
AMENDMENT**

This Amendment to the Joint Powers Agreement is made and entered into as of this 11th day of April, 2006, by and between the Cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs, South Gate, Vernon and Whittier, each a municipal corporation ("Members"), In consideration of their mutual covenants and conditions herein, the parties agree as follows:

1. Section 8 of the Joint Powers Agreement is hereby amended to read as follows:

**ADMINISTRATIVE ENTITY**

8. Appointment: The Policy Board shall appoint the members of the Administrative Entity to carry out the policy of the Coalition. The Administrative Entity shall consist of:

- a. One (1) representative from each Member of the Coalition, each of whom shall be an employee of the representative Member.
- b. Three (3) representatives, each of whom shall be an employee of any three (3) PUC regulated private water purveyors providing retail water service within the Basins.
- c. One (1) ex-officio, non-voting advisory member nominated by the California Department of Water Resources.

A quorum of the Administrative Entity shall consist of a majority of voting members, and a majority if voting members is required to take action. Each member of the Administrative Entity shall serve at the pleasure of the Policy Board. The Administrative Entity shall select officers and shall be reasonable for the conduct of its affairs.

2. Except as provided herein, all other terms and conditions of the Joint Powers Agreement shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed as of the day and year first written above.

CITY OF DOWNEY

By: Meredith Perkins  
Meredith Perkins, Mayor

ATTEST:

Kathleen L. Midstokke  
Kathleen L. Midstokke, City Clerk 04-12-06

APPROVED AS TO FORM:

Charles S. Vose  
Charles S. Vose, City Attorney

CURRENT AGREEMENT  
DATED JUNE 28, 2005

**AMENDMENT AND COMPLETE RESTATEMENT OF  
SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT**

That certain Joint Powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon, and Whittier and the Water Replenishment District of Southern California, each a municipal corporation (“Original Members”), is hereby amended and restated to read as follows:

**“RECITALS**

**WHEREAS**, each of the parties to this Agreement is a local government entity functioning within the County of Los Angeles;

**WHEREAS**, pursuant to the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code), two or more public agencies may by agreement jointly exercise any power held by the agencies entering into such agreement;

**WHEREAS**, The Parties are purveyors of potable water, are responsible for the supply of water, or are otherwise concerned about public water supplies;

**WHEREAS**, the Parties each desire to improve the quality and quantity of water in the region;

**WHEREAS**, each city which is a Party hereto has under its police power the authority to regulate groundwater, and to engage in the storage and recovery thereof;

**WHEREAS**, the statutory authority of the Water Replenishment District of Southern California is limited to storage of groundwater for replenishment purposes, and does not extend to storage of groundwater by individual parties for future use, nor to the regulation thereof;

**WHEREAS**, the Superior Court of California in and for the County of Los Angeles, in the case of *Central and West Basin Water Replenishment District v. Adams*, LASC Case No. 786656 and the case of *California Water Service Co., et al. v. City of Compton*, LASC Case No. 506806 (the (“Adjudications”), has fixed and determined the rights of various parties to extract groundwater for beneficial use within Central Basin and the West Coast Basin (collectively, the “Basins”));

**WHEREAS**, the court has retained the jurisdiction within each of the Adjudications to fix and determine the rights of parties to store and extract groundwater from the Basins for future use;

**WHEREAS**, under the Adjudications, the court has appointed the California Department of Water Resources as its Watermaster, for the purpose of overseeing the management of groundwater resources within the Basins



**WHEREAS**, a regional program of groundwater storage and recovery, which is administered by the court and coordinated through its Watermaster, is in the best interest of the Basins, the Parties, and the public they serve;

**WHEREAS**, the formation of a joint powers authority is independently authorized by state law;

**WHEREAS**, the Parties find that it is to their mutual advantage and benefit, and in the public interest, to establish a joint powers authority for the purpose of maintaining the quality and quantity of groundwater, to implement groundwater management policies as determined by the court, and to protect and enhance the storage of water for the benefit of local interests; and

**WHEREAS**, the Parties desire to use their common groundwater management powers and powers to store and recover water that are necessary and appropriate to further the purposes for which the joint powers authority is being established,

**NOW, THEREFORE**, in consideration of the promises, terms, conditions, and covenants contained herein, the Parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are incorporated by reference.
2. Purposes. This Agreement is made pursuant to the provisions of Article I, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500), relating to the joint exercise of powers common to the public agencies. The Parties are each empowered to exercise the powers within this Agreement. The Parties will exercise their powers jointly for the following purposes:
  - a. to maintain groundwater quality within the Basins;
  - b. to maintain secure groundwater supplies within the Basins;
  - c. to manage the use of groundwater within the Basins;
  - d. to coordinate efforts among Watermaster and entities proposing to store water within the Basins for future recovery;
  - e. to facilitate the implementation of a conjunctive use program by water purveyors;
  - f. to coordinate efforts among local entities and Watermaster to devise and implement strategies to safeguard groundwater quality;
  - g. to work cooperatively with Watermaster, the Water Replenishment District of Southern California, and other entities to promote coordination of policies and activities throughout the region.

3. Establishment. There is established pursuant to the Joint Exercise of Powers Act a joint powers authority which shall be a public entity separate from the parties to this Agreement. The name of such entity shall be the Southeast Water Coalition ("Coalition"). The Coalition shall carry out its functions through a Policy Board and an Administrative Entity as defined in this Agreement.

4. Term. The formation of the Coalition became effective July 1, 1991 upon each of the Original Parties' execution of the Joint Powers Agreement of that date ("Original Agreement"). The term of the Original Agreement was extended by subsequent amendment. By this Restated Agreement, the term of this Agreement is extended to June 30, 2030, and will be automatically extended for subsequent terms of twenty-five (25) years, except upon the affirmative vote of three-quarters (3/4) of the Policy Board. In the event not all of the Original Parties execute this Restated Agreement, it shall nonetheless be binding on those who do execute this Restated Agreement.

5. Meetings. The Coalition shall provide for regular and special meetings of any entity established hereunder, in accordance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) or with any successor provision. Minutes shall be kept of all meetings of the Policy Board and of the Administrative Entity. Copies of minutes shall be forwarded to all members of the Coalition.

6. Exercise of Powers. Pursuant to and to the extent required by Government Code Section 6509, the Coalition shall be restricted in the exercise of its powers in the same manner as the City of Downey is restricted in its exercise of similar powers; provided that, if the City of Downey shall cease to be a member, then the Coalition shall be restricted in the exercise of its power in the same manner as the City of Cerritos.

### **POLICY BOARD**

7. Membership of the Policy Board. The governing body of the Coalition shall be a Policy Board made up of a representative of each participating public entity, which need not be a member of the legislative body of the public entity. The Policy Board shall oversee the activities of the Administrative Entity and shall act in concert with the courts, the State of California, the United States, and any other pertinent agencies in matters pertaining to improvement and protection of the quality and quantity of water in the Basins, and to implement groundwater storage and management policies.

- a. Appointment. The legislative body of each of the participating public entities shall appoint one Policy Board member and one alternate Board member.
- b. Term. Each member and alternate of the Policy Board shall serve a two-year term. Board members and alternates may be removed at any time by the appointing legislative body. Vacancies during a term and successors following expiration of the term of any member shall be filled in the same manner as the original appointment.

- c. Compensation. Members shall receive the lesser of \$150.00 per meeting attended or the maximum allowed by state law.
- d. Voting. Each member shall have one vote. If a Policy Board member cannot attend a meeting, the alternate attending shall be fully empowered to act as the Policy Board member for the meeting so attended.
- e. Responsibilities. It shall be the responsibility of the Policy Board to:
  - 1. Determine general policy for Coalition activities.
  - 2. Act on behalf of all member public agencies ("Members") in adopting strategies to pursue the Purposes of the Coalition as set forth in Section 2 of this Agreement.
  - 3. Approve a budget to expend funds on development of water improvement alternatives, groundwater storage and recovery, lobbying activities (if required), and any other lawful purpose.
  - 4. Ensure that programs are in the best interest of the residents of the area overlying the Basins.
  - 5. Authorize expenditures of funds for the above purposes.
  - 6. Share costs equally among the Members.
  - 7. Approve or deny applications from non-member public agencies for admission to the Coalition.
  - 8. Adopt bylaws, rules and regulations governing the affairs of the Coalition.
- f. Meetings. The Policy Board shall provide for its regular and special meetings, provided however that it shall hold at least one regular meeting in each year and such additional meetings as may be necessary.
- g. Quorum. A Majority of the Policy Board must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of the majority of those present, except that action to admit a new Member or to expel an existing Member must receive the affirmative vote of three-quarters (3/4) of the entire Policy Board.
- h. Lead Agency. The Policy Board shall select the Lead Agency for the Coalition. The City Manager or General Manager of the Lead Agency City shall be and act as the Secretary for the Coalition. The Director of Finance of the Lead Agency shall be and act as the Treasurer and Auditor of the Coalition pursuant to Government Code Section 6506.6. Pursuant to Government Code Section 6501.1, the Secretary and Treasurer shall have charge of the property of the Coalition and each shall file a bond

in the penal sum of ten thousand dollars (\$10,000.00). The Policy Board may change the Lead Agency at any time. In such event, the officers of the new Lead Agency shall serve as the respective officers of the Coalition.

- i. Organization. The Policy Board shall elect a chair, a vice chair, and such other officers as the Board shall find appropriate. The Board shall appoint an executive director, treasurer, controller, clerk and legal counsel as it deems appropriate. The controller of the Coalition shall cause an independent annual audit of the Coalition's finances to be made by a certified public accountant in compliance with Government Code Section 6505. The treasurer of the Coalition shall be the depositor and shall have custody of all money of the Coalition from whatever source. The controller of the Coalition shall draw warrants to pay demands against the Coalition when the demands have been approved by the Coalition or by its authorized representative pursuant to any delegation of authority adopted by the Coalition. The treasurer and controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. Each officer shall serve for a term of one (1) year unless sooner terminated at the pleasure of the Board. The Board may adopt from time to time such rules and regulations for the conduct of its affairs as it deems necessary and appropriate.
- j. Property of Coalition. Pursuant to Government Code Section 6505.6, the Policy Board shall designate an officer or employee, or officers and employees, to receive, deposit, invest, and disburse the property of the Authority pursuant to Government Code Sections 6505 and 6505.5. The Policy Board shall fix the amount of the fidelity bond to be filed by such public officer(s) and/or employee(s).

#### **ADMINISTRATIVE ENTITY**

8. Appointment. The Policy Board shall appoint the members of the Administrative Entity to carry out the policies of the Coalition. The Administrative Entity shall consist of nine (9) members, as follows:
  - a. Five (5) members, who shall be employees of any of the Members, provided that no single Member shall have more than one employee on the Administrative Entity.
  - b. Three (3) members, who shall be employees of any private water purveyors or regulated public utilities providing retail water service within the Basins.
  - c. One (1) member nominated by the California Department of Water Resources.

A quorum of the Administrative Entity shall consist of five (5) members, and five (5) votes shall be required to take action. Each member of the Administrative Entity shall serve at the pleasure of the Policy Board. The Administrative Entity shall select such officers as shall be reasonable for the conduct of its affairs.

## POWERS AND FUNCTIONS OF THE COALITION

9. Powers and Functions. Subject to the limitations set forth below, the Coalition, acting through its Policy Board and Administrative Entity, shall have any and all powers commonly held by the Members necessary or appropriate to regulate groundwater within the Basins including, but not limited to, the following powers:

- a. Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basins, including an evaluation of any proposals to store and recover water;
- b. Establish and administer a conjunctive use program in coordination with the court and with Watermaster for the purpose of maintaining water supplies and managing storage programs in the Basins;
- c. Buy and sell water on other than a retail basis;
- d. Spread, sink or inject water in order to store it for future recovery;
- e. Exchange water;
- f. Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the area of the Basins;
- g. Serve as Storage Program Administrator or similar function as may be designated by the court pursuant to either of the Adjudications;
- h. Appoint a Program Review Committee for the purpose of evaluating groundwater storage proposals;
- i. Study and plan ways and means to implement any or all of the foregoing powers.

10. Corporate and Political Powers. For purposes of exercising the authority, and subject to the limitations contained in this Agreement, the Coalition shall have the following corporate and political powers:

- a. To sue and be sued in all actions and proceedings in all courts and tribunals.
- b. To adopt a seal and alter it in its discretion
- c. To take by grant, purchase, gift, devise or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the members of the Coalition, necessary or convenient to the full exercise of its power.

- d. For the common benefit of the Coalition and the retail water customers in the Basins, to store water in underground water basins or reservoirs within or outside the boundaries of the members of the Coalition, to appropriate water and acquire water rights within or outside the Coalition, to import water into the area overlying the Basins, and to conserve, or cause the conservation of, water within or outside the Coalition.
- e. To exercise the right of eminent domain to take any property necessary to supply the Coalition, any Member or water agency with water; provided that the right of eminent domain may not be exercised with respect to water and water rights, and may not be exercised with respect to any property owned or occupied by any of the Members.
- f. To act jointly with, or cooperate with the United States or any agency thereof, the state, or any county or agency thereof, or any political subdivision or district therein, including water replenishment districts, municipal water districts, private and public corporations, and any person, so that the powers of the Coalition may be fully and economically exercised.
- g. To cause taxes, assessments, fees or charges to be levied in accordance with applicable state law to accomplish the purposes of the Coalition.
- h. In conjunction with the court and the Adjudications, to require the permitting of groundwater storage and recovery programs within the Basins.
- i. To make contracts, employ labor, and do all acts necessary for the full exercise of the Coalition's powers.
- j. To carry out technical and other investigations of all kinds necessary to further the purposes of the Coalition.
- k. To fix rates at which water acquired by the Coalition shall be sold for any purpose, and to establish different rates for different classes of service.
- l. To allocate, apportion and distribute benefits received by the Coalition among entities providing retail water service within the boundaries of the Basins.
- m. To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Coalition's full exercise of its powers.
- n. Finance, through the issuance of bonds or other financial instruments of indebtedness, funds necessary or convenient for the implementation of this Agreement.

- o. Incur debts, liabilities, or obligations.
- p. Purchase insurance for the Coalition.
- q. Invest money in the treasury of the Coalition in the same manner and on the same conditions as local agencies pursuant to Government Code Section 53601.
- r. Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

11. Limitation. The Coalition shall have no power to regulate land use or to engage in the retail sale of water and shall be prohibited from restricting or otherwise limiting the extraction of groundwater within the boundaries of the Basins except consistent with the Adjudications. The Coalition shall be prohibited from funding any capital construction projects.

12. Contributions. Each Party executing this Restated Agreement shall contribute ten thousand dollars (\$10,000.00) to the Coalition within thirty (30) days after execution of this Restated Agreement. The Policy Board shall establish the amount of initial contribution which shall be due from new members, at the time when the Policy Board approves the admission of the new member. The Policy Board may require additional contributions upon the approval of a majority of the Policy Board. Contributions shall be assessed against Members on an equal basis, or upon such other basis as may from time to time be determined by three quarters (3/4) of the Policy Board. Within thirty (30) days of the action of the Policy Board, each Member that does not withdraw from the Coalition during the thirty (30) day period shall thereupon make the required contribution.

13. Additional Parties. Additional members, which shall be municipal corporations or public districts, may be admitted upon vote of the Policy Board as provided in Section 7(e)(7). Upon admission, new Members shall execute this Agreement.

14. Accounts, Reports, and Audits. The following procedures are designed to insure strict accountability of all funds of the Coalition and to provide for accurate reporting of receipts and disbursements of said funds:

- a. The Auditor of the Coalition shall either prepare or contract with a certified public accountant to prepare an annual audit of the accounts and records of the Coalition. The minimum requirements of such audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted accounting principles.
- b. A report of said audit shall be filed as a public record with each agency and also with the county auditor of Los Angeles County. Such report shall be filed within six (6) months of the end of the fiscal year or years under examination.

15. Obligation for Debts and Liabilities and Distribution of Assets. Any party to this Agreement shall not be responsible for any of the debts, liabilities, or obligations of the Coalition. All such debts, liabilities or obligations shall exclusively be those of the Coalition.

- a. Each member agrees to indemnify, save and defend the Authority and all other Members harmless from and against all claims, losses, and damages, including legal fees and expenses, arising out of any breach or default on the part of such Member in performance of any of its obligations under this Agreement, or any act or negligence of such Member or any of its agents, contractors, servants, employees or licensees with respect to this Agreement. No indemnification is made under this Section for claims, losses or damages, including legal fees and expenses, arising out of the willful misconduct, negligence or breach of duty under this Agreement by the Coalition or a Member or their officers, employees, agents or contractors.
- b. The members of the Policy Board and any officer, employee, contractor, or agent of the Coalition shall use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties under this Agreement.
- c. Funds of the Coalition may be used to defend, indemnify, and hold harmless the Coalition and any member of the Policy Board, and any employee of the Coalition for their actions taken within the scope of their duties while acting on behalf of the Coalition. Nothing herein shall limit the right of the Coalition to purchase insurance to provide such coverage as is hereinabove set forth.

16. Withdrawal by a Member. Any Member may withdraw upon thirty (30) days written notice given to the Policy Board. At least thirty (30) days prior to providing such written notice, and as a condition thereof, the withdrawing Member shall pay all unpaid contributions that were approved by the Policy Board greater than sixty (60) days prior to the date of such notice. No Member may withdraw so long as the Coalition has any outstanding contractual obligations or other indebtedness.

17. Termination. Upon termination of the Coalition, all of its then existing assets shall be divided and distributed for public purposes in such manner as shall be determined by a vote of three-quarters (3/4) of the Policy Board, provided, however, that this Agreement and the Policy Board shall continue to exist for the purposes of disposing of all claims, the administering the distribution of assets, and performing any other functions necessary to conclude the affairs of the Coalition. This Agreement may not be terminated by any member so long as the Coalition has any outstanding contractual obligations or other indebtedness.


18. Amendment. This Agreement may be amended by the affirmative vote of three quarters (3/4) of the Members.

19. Counterparts. This Agreement may be executed in counterparts, which together shall constitute the same agreement.

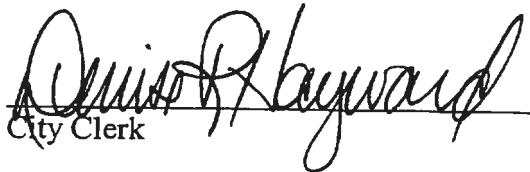


EXECUTED on the 28th day of June, 2005.”

CITY OF LAKEWOOD

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

## **COUNCIL AGENDA**

June 28, 2005

**TO:** Honorable Mayor and City Council

**SUBJECT:** Southeast Water Coalition Agreement

### **INTRODUCTION**

In July 1991 the Lakewood City Council, ten neighboring cities and the Water Replenishment District of Southern California (WRD), adopted a joint power agreement creating the Southeast Water Coalition (SEWC). These agencies formed a joint power authority to improve and protect the quantity and quality of the regional water supply. Fourteen years later SEWC represents 12 communities and the WRD on water-related issues. The existing agreement expires on July 1, 2005 and each agency must consider the renewal of the SEWC agreement.

### **STATEMENT OF FACT**

The principal purpose of the formation of the Southeast Water Coalition was to protect the Central Groundwater Basin from contamination migrating from the San Gabriel Valley Groundwater Basin. Since its formation the SEWC has diligently worked with the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers to improve the monitoring of groundwater contaminants, determine cost-effective remediation to protect the Whittier Narrows and the Central Groundwater Basin, and press the EPA for early implementation of remediation projects. SEWC has also been in support of numerous local groundwater cleanup and water project funding.

Population growth, surface, and groundwater pumping to supply demand coupled with wet and drought years are the principal reasons for groundwater management. Martha Davis stated at the UCLA Environment Symposium on March 3, 1998, In Southern California, "...many cities responded to the drought by exploring projects that would make them less dependent upon imported water supplies, and improve their capacity to meet their water needs through local water sources they directly controlled. As a result, Southern California -- out of all the regions of the State -- is in one of the best positions to meet its future water demand (even with all of the projected growth) because of water recycling, groundwater recharge and other local management projects...."

Water supplies used in Southern California come from several sources. Those sources include about half from imported water supplies and the other half from local supplies within the coastal plain of Southern California. The imported water sources are from northern California via the State Water Project, the Colorado River, and the Los Angeles Aqueduct. Local supplies are primarily groundwater and Southern California mountain

Southeast Water Coalition Agreement Renewal

June 28, 2005

Page 2

streamflow, recycled, and desalinated brackish groundwater. From a regional perspective, "The value of groundwater basins for water storage and distribution as part of a conjunctive use program may even exceed their value as sources of water supply. This value may be approximated by looking at the cost of constructing artificial surface storage and distribution facilities sufficient to convey surface or imported water supplies (Blomquist, Dividing the Waters)." SEWC needs to be prepared and empowered to continue in its roll to impose and protect the quality and quantity of the regional water supply.

The existing Joint Powers Authority's five-year agreement expires July 1, 2005. The amendment and complete restatement of the agreement allows for the continuation of the Southeast Water Coalition with expanded powers for an additional twenty-five years until June 30, 2030. The annual cost associated with membership in SEWC is \$10,000.00.

**SUMMARY**

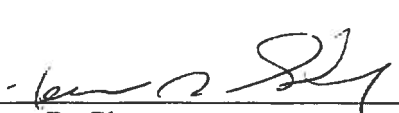
The coalition has made significant progress in the past fourteen years concerning the development and implementation of a strategy to protect the Central Basin from migration contaminated groundwater plumes originating in the San Gabriel Valley Groundwater Basin. This task is not complete and there remains significant work to be accomplished.

The City Council Water Resources Committee reviewed the proposed agreement, which expands the role of SEWC to include the authority to aggregate and administer water programs to serve the public interest, to protect the water supply quality and quantity.

**RECOMMENDATION**

City Council Water Resources Committee recommends that the City Council approve the following:

1. Agreement for the extension and restatement of the Southeast Water Coalition Joint Powers Authority and upon approval of the City Attorney as to form, authorize its execution by the Mayor on behalf of the City.
2. Appropriate \$10,000.00 for the SEWC annual membership fee.

  
\_\_\_\_\_  
James B. Glancy  
Director of Water Resources

  
\_\_\_\_\_  
Howard L. Chambers  
City Manager

**3.1 • AGREEMENT WITH SOUTHEAST WATER COALITION**

220  
*Southeast  
Water Coalitic*  
480  
*Water*

Water Resources Director Jim Glancy displayed slides and gave an oral report based on the memo contained in the agenda. He stated that the Southeast Water Coalition had been formed in 1991 and he presented a brief history of the Coalition's mission and activities. He advised that the existing participation agreement was due to expire on July 1, 2005, and that there were remaining tasks to be completed. It was the recommendation of the Water Resources Committee to approve an agreement for the extension and restatement of the Southeast Water Coalition Joint Powers Authority and appropriate \$10,000 for the annual membership fee.

Council Member Croft stated that he and Mayor Esquivel were members of the Water Resources Committee and that they viewed the proposed agreement as an important part of the City's program to maintain water quality.

Council Member Rogers stated that as a representative on the Coalition, he felt it was more important now than ever to keep the Coalition active.

COUNCIL MEMBER CROFT MOVED AND COUNCIL MEMBER ROGERS SECONDED TO APPROVE THE COMMITTEE'S RECOMMENDATIONS. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, Croft, DuBois, Rogers and Esquivel  
NAYS: COUNCIL MEMBERS: None

At 8:20 p.m., the Regular Meeting of the City Council was recessed for the Meeting of the Lakewood Redevelopment Agency. At 8:23 p.m., the City Council Meeting was reconvened.

**ORAL COMMUNICATIONS:** None

**CLOSED SESSION:**

Mayor Esquivel announced that the City Council would recess to a closed session pursuant to Government Code §54957 to evaluate the performance of the City Manager.

152-4  
*City Manager  
Compensation*

At 9:06 p.m., the City Council reconvened with all members present.

Mayor Esquivel announced that the City Council had concluded its review and evaluation of the performance of City Manager Howard Chambers.

VICE MAYOR VAN NOSTRAN MOVED AND COUNCIL MEMBER DUBOIS SECONDED TO ADOPT RESOLUTION NO. 2005-40.

AMENDMENT

**AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT**

That certain Joint Powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon and Whittier and the Water Replenishment District of Southern California, is hereby amended by amending Section 2 to read as follows:

"Section 2. Term

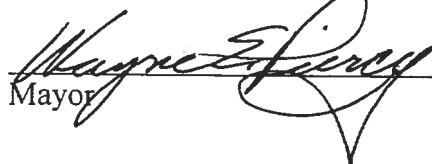
The term of the Agreement shall be for a period of fourteen years from and after July 1, 1991. The Agreement may be extended by mutual consent of all parties.

In the event not all of the Parties execute the Agreement or any extension, the Agreement shall be binding on those that do execute the Agreement or extension."

Except as amended herein, all terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as follows:

CITY OF LAKEWOOD

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

AMENDMENT

DATED JUNE 10, 1997

AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT

That certain joint powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, Huntington Park, Lakewood, Norwalk, Paramount, Pico Rivera, South Gate, Vernon and Whittier and the Water Replenishment District of Southern California, is hereby amended as follows:

Section 1. Section 2 of the Agreement is amended to read as follows:

“Section 2. Term.

The term of the Agreement shall be for a period of nine years from and after July 1, 1991. In the event not all of the Parties execute the Agreement, the Agreement shall be binding on those that do execute the Agreement. The Agreement may be extended by mutual consent of all parties.”

Section 2. The paragraph entitled “Compensation” of Subsection A of Section 4 of the Agreement is amended to read as follows:

“ Compensation.

The Policy Board may from time to time set and adjust the amount of compensation for the Policy Board members per meeting. Compensation may be set or adjusted as a part of the annual budget process and by adoption of the annual operating budget.”

Section 3. Except as amended herein, all terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as follows:

City of Lakewood

MAYOR James W. ..., 1991

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY



Amendment

AMENDMENT TO SOUTHEAST WATER COALITION  
JOINT POWERS AGREEMENT

That certain joint powers Agreement entered into by and between the cities of Cerritos, Commerce, Downey, La Mirada, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs and Whittier and the Water Replenishment District of Southern California for the creation of the Southeast Water Coalition, and subsequently entered into by the cities of Huntington Park and South Gate, is hereby amended by amending Section 2 to read as follows:

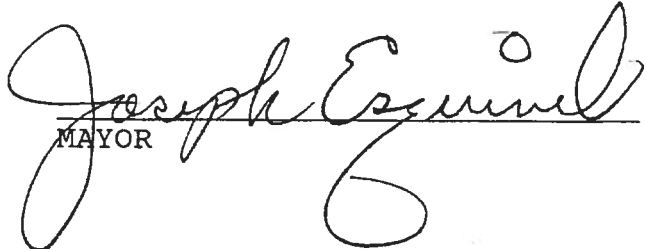
"Section 2. Term.

This Agreement shall become effective and binding July 1, 1991, upon each of the Original Parties that executes the Agreement, notwithstanding that one or more of the Original Parties may execute the agreement later than July 1, 1991. The term of this Agreement shall be for a period of six years from and after July 1, 1991. In the event not all of the Original Parties execute the Agreement, the Agreement shall be binding on those that do execute the agreement. The Agreement may be extended by mutual consent of all parties."


Except as amended herein, all terms of the agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment to Agreement is executed by the parties as follows:

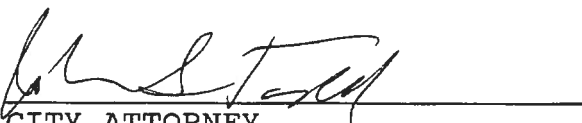
CITY OF LAKEWOOD

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

ORIGINAL AGREEMENT  
JULY 1, 1991

## JOINT POWERS AGREEMENT

AMONG THE CITIES OF CERRITOS, COMMERCE, DOWNEY, LA MIRADA  
LAKEWOOD, NORWALK, PARAMOUNT, PICO RIVERA, SANTA FE SPRINGS  
AND WHITTIER ALONG WITH THE CENTRAL AND WEST BASIN WATER  
REPLENISHMENT DISTRICT CREATING THE SOUTHEAST WATER COALITION

This Agreement, effective as of July 1, 1991, is between the above-named public agencies (hereinafter "Original Parties"), each of which is a public corporation duly organized and existing under the laws of the State of California.

### WITNESSETH

WHEREAS, the Parties are each empowered by law to develop programs for the benefit of the citizens and businesses within each community; and

WHEREAS, the Parties are purveyors of potable water, are responsible for the supply of water, or are otherwise concerned about the maintenance of potable water supplies; and

WHEREAS, the Parties each desire to improve the quality and quantity of potable water in the region; and

WHEREAS, the various federal and state agencies involved with regional water quality issues prefer to work with one entity; and

WHEREAS, the Parties to this Agreement are willing to form a single entity to be called the "Southeast Water Coalition"; and

WHEREAS, by this agreement the Parties hereto intend to exercise their powers jointly to accomplish common objectives.

NOW, THEREFORE, the Parties agree as follows:

#### Section 1. Authority and Purpose.

This agreement is made pursuant to the provisions of Article I, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500) relating to the joint exercise of powers common to the public agencies. The Parties are each empowered to exercise the powers within said agreement. The purpose of this agreement is to exercise such powers jointly for the improvement and protection of the quality and quantity of potable water in the Southeast Area of Los Angeles County .

There is hereby created a new entity, to be called the Southeast Water Coalition (hereinafter "Coalition"). Pursuant to and to the extent required by Government Code Section 6509, the Coalition shall be restricted in the exercises of its powers in the same manner as the City of Downey is restricted in its exercise of similar powers; provided that, if the City of Downey shall cease to be a member, then the Coalition shall be restricted in the exercise of its power in the same manner as the City of Whittier.

Section 2. Term.

This Agreement shall become effective and binding July 1, 1991, upon each of the Original Parties that executes the agreement, notwithstanding that one or more of the Original Parties may execute the agreement later than July 1, 1991. The term of this Agreement shall be for a period of three years from and after July 1, 1991. In the event not all of the Original Parties execute the agreement, the agreement shall be binding on those that do execute the agreement. The Agreement may be extended by mutual consent of all parties.

Section 3. Brown Act.

All meetings of the Policy Board and Administrative Entity of the Coalition, including, without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Government Code Section 54950).

Section 4. Structure of the Coalition.

The Southeast Water Coalition shall embody two structures:

- A. Policy Board
- B. Administrative Entity

The functions and responsibilities of each are described below.

A. POLICY BOARD

PURPOSE

The Coalition shall create a Policy Board made up of a member of the legislative body of each participating public entity for the purpose of overseeing the activities of the Administrative Entity and to act in consort with the State of California, federal government and any other pertinent agencies in matters pertaining to improvement and protection of the quality and quantity of potable water in the Southeast Area of Los Angeles County.

### APPOINTMENT

The legislative body of each of the participating public entities shall appoint one policy board member and one alternate board member from among its members.

### TERM

Each member and alternate of the Board shall serve a two-year term. Board members and alternates may be removed at any time by the appointing legislative body. A vacancy shall exist if any member or alternate shall cease serving on the appointing legislative body.

### VACANCIES

Vacancies during a term and successors following expiration of the term of any member shall be filled in the same manner as the original appointments.

### COMPENSATION

Members shall receive \$100.00 per meeting attended.

### VOTING

Each member shall have one vote. If a board member cannot attend a meeting, the alternate attending shall be fully empowered to act as the board member for the meeting so attended.

### RESPONSIBILITIES

It shall be the responsibility of the Policy Board to:

- a. Determine general policy for Coalition activities.
- b. Act on behalf of all member public agencies in adopting strategies for the improvement of water quality and quantity when working with various Federal and State agencies.
- c. Approve a budget to expend funds on development of improvement alternatives, lobbying activities, if required, and any other lawful purpose.
- d. Ensure that improvements are in the best interest of the Coalition residents.
- e. Authorize expenditures of funds for the above purposes.

- f. Share costs equally among the named agencies except for the lead agency which will only be assessed half the amount levied against the other members.
- g. Approve or deny applications from non-member public agencies for admission to the Coalition.
- h. Adopt bylaws governing the affairs of the Coalition.
- i. Establish a Steering Committee, which shall have those powers specified in the Bylaws.

#### MEETINGS

The Policy Board shall provide for its regular and special meetings, provided, however, that it shall hold at least one regular meeting in each year and such further additional meetings as may be necessary. The dates upon which, and the hour, date and place at which any regular meeting shall be held shall be fixed by the Policy Board and copies filed with each party.

#### QUORUM

A majority of the Policy Board must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of the majority of the entire Board, except that action to admit a new party to the Coalition and to adopt Bylaws must receive the affirmative vote of three-quarters (3/4) of the entire Board.

#### MINUTES

The Secretary of the Policy Board shall cause to be kept minutes of regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the agencies hereto.

#### OFFICERS

The Policy Board shall elect from among its members a Chairperson and a Vice Chairperson at its first meeting, and thereafter at the first meeting in each succeeding fiscal year the Policy Board shall elect or re-elect its Chairperson and a Vice-Chairperson.

In the event that the Chairperson or Vice-Chairperson ceases to be a Board Member, the resulting vacancy shall be filled at the next regular meeting of the Policy Board held after such

vacancy occurs. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson. The Chairperson, or in his or her absence the Vice-Chairperson, shall preside at and conduct all meetings of the Policy Board.

#### LEAD AGENCY

The Policy Board shall select the Lead Agency for the Coalition. The City Manager or General Manager of the Lead Agency City shall be and act as the Secretary of the Coalition. The Director of Finance of the Lead Agency shall be and act as the Treasurer and Auditor of the Coalition pursuant to Government Code Section 6506.6. Pursuant to Government Code Section 6505.1, the Secretary and Treasurer shall have charge of the property of the Coalition and each shall file a bond in the penal sum of ten thousand dollars (\$10,000). The Policy Board may change the Lead Agency at any time. In such event, the officers of the new Lead Agency shall serve as the respective officers of the Coalition.

#### LEGAL COUNSEL

The Policy Board may engage the services of a private practicing attorney or utilize the Lead Agency's Attorney as legal counsel to the Coalition.

#### ACCOUNTS, REPORTS, AND AUDITS

The following procedures are designed to insure strict accountability of all funds of the Coalition and to provide for accurate reporting of receipts and disbursements of said funds.

The Auditor of the Coalition shall either prepare or contract with a certified public accountant to prepare an annual audit of the accounts and records of the Coalition. The minimum requirements of such audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted auditing standards.

A report of said audit shall be filed as public records with each agency and also with the county auditor of Los Angeles County. Such report shall be filed within six months of the end of the fiscal year or years under examination.

Any costs of the audit, including contracts with or employment of certified public accountants in making such audit, shall be borne by the Coalition and charged against any unencumbered funds of the Coalition available for the purpose.

By unanimous action of the Policy Board, the annual audit may be replaced by an audit covering a two-year period.



B. ADMINISTRATIVE ENTITY

PURPOSE

The Administrative Entity shall carry out the policies developed by the Board to facilitate water quality and quantity improvement.

MEMBERS

The City Manager of each City and the General Manager of the Central and West Basin Water Replenishment District shall be members of the Administrative Entity. Each member shall appoint one alternate member to serve if the regular member of the Administrative Entity is unavailable, unwilling or unable to serve.

VOTING

Each member shall have one vote. If a member of the Administrative Entity cannot attend a meeting, the alternate attending shall be fully empowered to act as the Administrative Entity member for the meeting so attended.

RESPONSIBILITIES

It shall be the responsibility of the Administrative Entity to:

- a. Work with State and Federal agencies to develop improvement plans that will be acceptable to the Coalition.
- b. Engage and work with consultants as needed and consistent with the budget approved by the Policy Board.
- c. Develop a budget and funding recommendations for the Coalition for approval by the Policy Board, with members being notified no later than February 15 of each year regarding the Coalition's proposed budget for the next fiscal year and the funding responsibility for each member.
- d. Develop plans with various environmental agencies for the improvement of groundwater supplies.
- e. Create technical work groups as needed.
- f. Work with professional legislative representatives retained by the Coalition or others in connection

with Washington, D.C., the State Capitol, the executive branch and regulatory agencies.

#### MEETINGS

The Administrative Entity shall provide for its regular and special meetings, provided, however, that it shall hold at least one regular meeting in each year and such further additional meetings as may be necessary. The dates upon which, and the hour, date and place at which any regular meeting shall be held shall be fixed by the Administrative Entity and copies filed with each party.

#### QUORUM

A majority of the Administrative Entity must be present to constitute a quorum. No action will be valid unless it receives the affirmative vote of a majority of the quorum.

#### OFFICERS

The City Manager or General Manager of the Lead Agency shall be the Chairperson of the Administrative Entity. The Administrative Entity shall elect from among its members a Vice Chairperson at its first meeting, and thereafter at the first meeting in each succeeding fiscal year the Administrative Entity shall elect or re-elect its Vice-Chairperson.

In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson. The Chairperson, or in his or her absence the Vice-Chairperson, shall preside at and conduct all meetings of the Administrative Entity. In the event the office of City Manager or General Manager of the Lead Agency shall become vacant, the Vice-Chairperson shall serve as Chairperson until a new City Manager or General Manager is appointed by the Lead Agency. If the office of Vice-Chairperson shall become vacant, the Administrative Entity shall appoint a Vice-Chairperson at the next regular meeting of the Administrative Entity held after such vacancy occurs.

#### MINUTES

The Chairperson of the Administrative Entity shall cause to be kept minutes of regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Administrative Entity and to the agencies hereto.

#### Section 5. Contributions.

Each of the Original Parties shall contribute \$10,000.00 to the Coalition within thirty days after execution of this

Agreement. The Policy Board shall establish the amount of initial contribution which shall be due from new members, at the time when the Policy Board approves the admission of the new member into the Coalition.

The Policy Board may require additional contributions upon the approval of a majority of all members of the Policy Board. Within thirty days of the action of the Policy Board, each member agency that does not withdraw from the Coalition during the thirty day period shall thereupon make the required contribution.

The Lead Agency will only be required to pay half the amount levied against the other members. The Policy Board may unanimously provide for a different distribution of contributions.

Section 6. Obligation for Debts and Distribution of Assets.

The agencies which are parties to this Agreement shall not be responsible for any of the debts, liabilities or obligations of the Coalition. All such debts, liabilities or obligations shall exclusively be those of the Coalition.

Upon termination of the Coalition, all of its then existing assets shall be divided equally among the then remaining member agencies including the Lead Agency.

Section 7. Withdrawal by Member Agencies.

Any member agency may withdraw upon 30 days written notice. Upon such withdrawal, the withdrawing agency shall pay all contributions approved by the Policy Board pursuant to Section 5 more than thirty (30) days prior to the date the agency provides written notice of its intention to withdraw. Should any unencumbered funds exist at the end of the fiscal year during which the Agency withdrew, the withdrawing agency shall be paid a share of such funds determined by multiplying the remaining funds by the ratio of the total funds contributed by the withdrawing agency during the fiscal year divided by the total funds contributed by all agencies during the fiscal year.

Section 8. Admission of New Members.

The terms of this Agreement shall be binding on every public agency admitted to the Coalition pursuant to an action of the Policy Board. Each new member shall execute a counterpart of this Agreement, which shall become effective on the date specified by the Policy Board. This date shall be indicated in the counterpart of the Agreement.

Section 9. Governmental Responsibilities

Nothing in this Agreement shall be interpreted as restricting member agencies in the exercise of their governmental powers as provided by law.

IN WITNESS WHEREOF, this Agreement is executed by the parties as follows:

CITY OF LAKEWOOD

  
MAYOR

ATTEST:

  
CITY CLERK, ACTING

\_\_\_\_\_  
CITY OF LAKEWOOD

APPROVED AS TO FORM

  
CITY ATTORNEY



# Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

## SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, Chair, City of Whittier

**Subject:** **Authorization to Retain an Audit Firm to Complete the Fiscal Year 2017-2018 Southeast Water Coalition (SEWC) Audit**

**Recommendation:** That the Administrative Entity take the following action:

Recommend to the Board of Directors to authorize the City of Whittier's Director of Finance, serving as SEWC Treasurer and Controller, to award a sole source contract to White Nelson Diehl Evans, LLP to administer the annual audit of SEWC financial statements for Fiscal Year 2017-2018.

### **Discussion**

The Southeast Water Coalition Joint Power Agreement, Section 7.1 stipulates:

*The controller of the Coalition shall cause an independent annual audit of the Coalitions' finance to be made by a certified public accountant in compliance with Government Code Section 6505.*

Since 2008, White Nelson Diehl Evans LLP (WNDE) has administered SEWC's annual audits. WNDE has prepared comprehensive audits at reasonably low fees and is recommended to administer the next (Fiscal Year 2017-2018) annual audit on a sole source basis due to their experience in performing such audits for SEWC.

WNDE has submitted a scope of work and fee proposal for the Fiscal Year (FY) 2017-2018 Audit for an amount for \$4,500. WNDE also proposed an additional fee of \$800 to prepare the State Controller's Special Districts Financial Transaction Report should SEWC desire.

This fee is reasonable given the services to be provided. Staff has confidence in WNDE's ability to complete the audits in a professional and timely manner.

### **Budget Impact**

The approved SEWC FY 18-19 Budget allotted \$4,000 for the annual Financial Audit. The quoted price for the FY 17-18 Audit from WNDE, plus the State Controller's Report, is \$5,300.

The deficit of \$1,300 could be paid from the Consultant Services line item, which was approved for \$60,000.

**Attachment(s):**

1. WNDE FY 17-18 Engagement Letter and Audit Proposal
2. WDNE FY 17-18 State Controller's Report Proposal
3. Approved FY 2018-2019 SEWC Budget

August 3, 2018

Administrative Entity Members  
Southeast Water Coalition  
C/O City of Whittier  
13230 Penn Street  
Whittier, CA 90602

We are pleased to confirm our understanding of the services we are to provide the Southeast Water Coalition (the Coalition) for the year ended June 30, 2018. We will audit the financial statements of the governmental activities and general fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Coalition as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Coalition's basic financial statements. It is our understanding that management's discussion and analysis will not be accompanying the Coalition's basic financial statements and our report will indicate this fact.

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Coalition's financial statements. Our report will be addressed to the Administrative Entity Members of the Coalition. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Coalition or to acts by management or employees acting on behalf of the Coalition.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the Coalition and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.



### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Coalition's compliance with the provisions of applicable laws, regulations, contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will also assist in preparing the financial statements and related notes of the Coalition in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. Because of the importance of oral and written management representations to the effective performance of our services, the Authority releases and indemnifies our firm and its personnel from any and all claims, liabilities, costs and expenses attributable to any misrepresentation by management and its representatives.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### **Management Responsibilities (Continued)**

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Coalition involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Coalition received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Coalition complies with applicable laws and regulations.

You agree to assume all management responsibilities for financial statement preparation and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

### **Engagement Administration, Fees, and Other**

Noted below is a listing of some work required by Coalition staff to assist in the audit:

1. Preparation of trial balances for all funds, after posting of all year-end journal entries.
2. Preparation of supporting schedules for all material balance sheet accounts, and selected revenue and expenditure accounts.
3. Typing of all confirmation requests.
4. Pulling and refileing of all supporting documents required for audit verification.

We expect to begin our audit in November 2018 and to issue our reports no later than January 31, 2019. Mr. Robert J. Callanan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

**Engagement Administration, Fees, and Other (Continued)**

Our fee for these services will be as follows:

	Fiscal Year <u>2017-18</u>
Coalition Audit	\$ <u>4,500</u>

The maximum annual fee stipulated herein contemplates that conditions satisfactory to the normal progress and completion of the examination will be encountered and the Authority's accounting personnel will furnish the agreed upon assistance in connection with the audit. However, if unusual circumstances are encountered which make it necessary for us to do additional work; we shall report such conditions to the responsible Authority officials and provide the Authority with an estimate of the additional accounting fees involved.

The audit documentation for this engagement is the property of White Nelson Diehl Evans LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to grantor agencies or their designees. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of White Nelson Diehl Evans LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

In accordance with our firm's current record retention policy, all of your original records will be returned to you at the conclusion of this engagement. Our audit documentation files will be kept for a period of seven years after the issuance of the audit report. All other files will be kept for as long as you retain us as your auditors. However, upon termination of our service, all records will be destroyed after a period of seven years. Physical deterioration or catastrophic events may further shorten the life of these records. The audit documentation files of our firm are not a substitute for your original records.

To ensure that White Nelson Diehl Evans LLP's independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Administrative Entity Members  
Southeast Water Coalition  
August 3, 2018  
Page 6

**Engagement Administration, Fees, and Other (Continued)**

We are pleased to be associated with the Southeast Water Coalition in the capacity of independent auditors. We will continue to provide the Coalition with a high level of professional services. Please feel free to call on us if we can be of assistance in any other financial or accounting matters.

If this letter accurately summarizes the significant terms of our engagement and fees, please indicate the Coalition's acceptance by a signature of an appropriate Coalition official in the space provided below and return it to us. If you have any questions, please let us know.

Very truly yours,

*White Nelson Dick Evans LLP*

ACCEPTED:

SOUTHEAST WATER COALITION

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

August 3, 2018

Administrative Entity Members  
Southeast Water Coalition  
C/O City of Whittier  
13230 Penn Street  
Whittier, CA 90602

We are pleased to confirm our understanding of the services we are to provide the Southeast Water Coalition (the Coalition) for the year ended June 30, 2018. We will prepare the Special Districts Financial Transactions Report and Supplement to the Annual Report for the 2018 fiscal year and perform a compilation engagement with respect to these reports.

### **Our Responsibilities**

The objective of our engagement is to -

1. prepare the Special Districts Financial Transactions Report and Supplement to the Annual Report in accordance with the format prescribed by the California State Controller's Office based on information provided by you, and
2. apply accounting and financial reporting expertise to assist you in the presentation of the Special Districts Financial Transactions Report and Supplement to the Annual Report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Special Districts Financial Transactions Report and Supplement to the Annual Report in order for them to be in accordance with the format prescribed the California State Controller's Office.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services ("SSARS") promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants ("AICPA") and comply with the AICPA's *Code of Professional Conduct* including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the Special Districts Financial Transactions Report and Supplement to the Annual Report.

### **Our Responsibilities (Continued)**

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Coalition or noncompliance with laws and regulations.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the Special Districts Financial Transactions Report and Supplement to the Annual Report in accordance with the format prescribed by the California State Controller's Office.

You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of the format prescribed by the California State Controller's Office as the financial reporting framework to be applied in the preparation of the Special Districts Financial Transactions Report and Supplement to the Annual Report.
2. The preparation and fair presentation of the Special Districts Financial Transactions Report and Supplement to the Annual Report in accordance with the format prescribed by the California State Controller's Office.
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Special Districts Financial Transactions Report and Supplement to the Annual Report.
4. The prevention and detection of fraud.
5. To ensure that the Coalition complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.

## **Your Responsibilities (Continued)**

7. To provide us with -

- access to all information of which you are aware that is relevant to the fair presentation of the Special Districts Financial Transactions Report and Supplement to the Annual Report, such as records, documentation, and other matters.
- additional information that we may request from you for the purpose of the compilation engagement.
- unrestricted access to persons within the Coalition of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your Special Districts Financial Transactions Report and Supplement to the Annual Report. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

## **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the Special Districts Financial Transactions Report and Supplement to the Annual Report and that, accordingly, we do not express an opinion, a conclusion, or provide any assurance on them. If, for any reason, we are unable to complete the compilation of your Special Districts Financial Transactions Report and Supplement to the Annual Report, we will not issue a report on such annual reports as a result of this engagement.

Our report will disclose that the Special Districts Financial Transactions Report and Supplement to the Annual Report are presented in a prescribed form in accordance with the requirements of the California State Controller's Office and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

You agree to include our accountants' compilation report in any document containing the Special Districts Financial Transactions Report and Supplement to the Annual Report that indicates we have performed a compilation engagement on such annual reports and, prior to inclusion of the report, to ask our permission to do so.

**Other Relevant Information**

Robert J. Callanan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be \$800. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign and date below and return a copy of the signed letter to us.

Very truly yours,

*White Nelson Dick Evans LLP*

RESPONSE:

This letter correctly sets forth the understanding of the Southeast Water Coalition.

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



**SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY  
FISCAL YEAR 2018-2019 BUDGET - APPROVED JUNE 7, 2018**

	FY 2017-2018		FY 2018-2019
	Approved Budget	Total Projected Expenditures	Approved Budget
<b>Carryover Balance</b>	<b>\$181,709</b>	<b>\$181,709</b>	<b>\$191,157</b>
<b>Revenues:</b>			
Annual Assessments for Member Agencies	\$110,000	\$110,000	\$110,000
Less Credits to Member Agencies	(\$55,000)	(\$55,000)	(\$55,000)
Interest Income	\$1,000	\$1,000	\$1,000
<b>Total Revenues</b>	<b>\$56,000</b>	<b>\$56,000</b>	<b>\$56,000</b>
<b>Available Funds</b>	<b>\$237,709</b>	<b>\$237,709</b>	<b>\$247,157</b>
<b>Expenditures:</b>			
Program Management Services	\$17,000	\$16,000	\$17,000
As Needed Government Relations	\$20,000	\$0	\$20,000
Legal Services	\$5,000	\$4,000	\$7,500
Board/Staff Travel/Meeting Expense	\$1,000	\$0	\$1,000
Financial Audit	\$3,600	\$3,600	\$4,000
Policy Board Compensation	\$9,900	\$6,000	\$9,900
Office Supplies	\$100	\$12	\$100
Policy Board Meetings	\$3,000	\$2,450	\$3,000
Administrative Entity Meetings	\$1,000	\$875	\$1,000
Consultant Services	\$50,000	\$13,615	\$60,000
Consultant Services Contingencies	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$110,600</b>	<b>\$46,552</b>	<b>\$123,500</b>
<b>Ending Balance</b>	<b>\$127,109</b>	<b>\$191,157</b>	<b>\$123,657</b>

**Notes:**

1. Draft Budget (B) - Assumes credit of \$5,000 off of \$10,000 member agency annual dues resulting in total annual dues of \$5,000

**SOUTHEAST WATER COALITION  
JOINT POWERS AUTHORITY  
AGENDA REPORT**

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, AE Chair, City of Whittier  
Jason Wen, City of Lakewood

**Subject: Legislative Update**

**Recommendation:** That the Administrative Entity take the following actions:

- 1) Receive and file an update on current water-related bills under consideration;  
and
- 2) Discuss Veto letter from City of Lakewood re: SB 998.

**Background - SB 998**

The 2018 California Legislative session recessed on August 31, 2018. September 30, 2018 is the last day for the Governor to sign or veto bills passed by the Legislature before September 1, 2018.

SEWC has been tracking the progress of SB 998 (Dodd) Discontinuation of residential water service: urban and community water systems, for several months. In April, 2018, when SB 998 was still in the Senate, the SEWC Board of Directors sent a letter of opposition in response to this bill. Since the Board last met, SB 998 passed the Assembly Floor (on August 28, 2018) and the Senate Floor (on August 29, 2018). SB 998 passed the Assembly with a vote of 44 Ayes, 26 Noes and 10 No-Votes. The bill passed the Senate Floor was 25 Ayes, 13 Noes, and 2 No-Votes. The bill was enrolled and presented to the Governor on September 6, 2018.

The City of Lakewood has sent a letter urging the Governor to veto SB 998 (see attached). Due to the limited time frame, Lakewood's Veto letter was emailed out to the Administrative Entity members on September 12, 2018, with the recommendation that all SEWC member agencies use it as a template to send their own letters in favor of vetoing the bill.

**Background - Safe and Affordable Drinking Water Fund**

The Safe and Affordable Drinking Water Fund (formerly SB 623) has returned to the Senate in a modified form as SB 845. SB 845 would establish the Safe and Affordable

SEWC ADMINISTRATIVE ENTITY AGENDA REPORT- REGULAR MTG. OF 9/20/18  
LEGISLATIVE UPDATE

Page 2 of 2

Drinking Water Fund to secure access to safe drinking water for all Californians. To pay for this Fund, SB 845 would require community water systems with 200 or more service connections provide an opportunity for its customers to provide a voluntary remittance either as a part of their customers' regular water bill, or by using a specialized notification procedure. Customers would have the option to pay the remittance, opt out, or pay a different amount. Impact to community water systems would be significant in both cost and labor.

SB 845 did not pass the Legislature before the end of the 2018 session. The bill was re-referred to the Assembly Appropriations Committee on August 24, 2018.

**Attachment(s):**

1. City of Lakewood Veto letter re: SB 998
2. Bill text of SB 845



# LegiFAX

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September 10, 2018

**SB 998 (Dodd) – Discontinuation of Residential Water Service: Urban and  
Community Water System  
REQUEST FOR VETO**

The City of Lakewood opposes Senate Bill 998 and urges you to veto this measure. This bill is unnecessary and appears to be a solution in search of a problem that does not currently exist in California.

SB 998 would complicate and change the practice of cities and water purveyors that already undertake multiple protocols to ensure that water service is discontinued for non-payment *only* when a customer fails to follow-through with multiple safeguards that are built into the operations and management of water systems.

This new one-size-fits-all statewide program is duplicative and conflicts with current law. It also creates a cap on reconnection fees for some customers that may not cover the actual cost of these physical reconnections. This triggers concerns for cities and public water agencies about conflicts with Proposition 218. The bill further expands unnecessary authority to the State Water Resources Control Board and the Attorney General to enforce provisions of the bill.

Cities and water districts are overseen by locally elected leaders that have an interest in delivering safe and affordable water. SB 998 overcomplicates a process already undertaken locally to engage with delinquent customers.

For these reasons, the City of Lakewood opposes SB 998 and urges you to veto this measure.

Mayor Steve Croft  
On behalf of the Lakewood City Council

AMENDED IN ASSEMBLY AUGUST 22, 2018

AMENDED IN ASSEMBLY AUGUST 16, 2018

AMENDED IN ASSEMBLY JUNE 12, 2018

**SENATE BILL**

**No. 845**

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**Introduced by Senator Monning  
(Coauthor: Senator Vidak)**

January 10, 2018

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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.

LEGISLATIVE COUNSEL'S DIGEST

SB 845, as amended, Monning. Safe and Affordable Drinking Water Fund.

(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 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 ~~state~~ board. By creating a new continuously appropriated fund, ~~this~~ *the* bill would make an appropriation. The bill would require the ~~state~~ board to administer the fund 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 ~~state~~ board to provide for

the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests. The bill would require the state 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 and, beginning January 1, 2020, would require the expenditure to be consistent with a fund implementation plan adopted by July 1 of each odd-numbered year by the state board, as prescribed. The bill would require the state board, working with a multistakeholder advisory group, to adopt by July 1 of each odd-numbered year a policy handbook with priorities and guidelines for expenditures of the fund. The bill would require the state board annually to publish on its Internet Web site a report of expenditures from the fund and a summary of progress made with respect to the implementation of these provisions. The bill would require the state board to adopt by July 1 of each odd-numbered year, an assessment of funding need that estimates the anticipated funding needed for the next two fiscal years to achieve the purposes of the fund. The bill would require, by January 1, 2020, the state 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 state board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.

This bill, beginning ~~July 1, 2019~~, *January 1, 2020*, would require a community water system *with 200 or more service connections* to provide an opportunity for each customer of a community water system to provide a voluntary remittance *either as part of the customer's regular water bill or by using a specified notification procedure*, to advance the purposes of the fund. The bill would require the board to develop and maintain a list of voluntary best practices associated with bill presentation, accounting, and collection of voluntary remittances, as prescribed. The bill would authorize a customer of a community water system to remit nothing, an amount recommended by the community water system, as prescribed, or an alternative amount. The bill would prohibit a community water system from sanctioning, taking any enforcement or collection action against, *imposing any late charge or*

*penalty against*, or otherwise holding liable, a customer in any manner for deducting the amount from the bill or otherwise paying or not paying a voluntary remittance. The bill would require a community water system to transfer to the board for deposit in the fund all voluntary remittances received from its customers, *except for a specified amount of a community water system’s administrative cost for collecting the fee*, as specified.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

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.

(3) This bill would make its operation contingent on the enactment of SB 844 of the 2017–18 Regular Session.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

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

4  
5 CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

6  
7 Article 1. Legislative Findings and Declarations

8  
9 116765. The Legislature finds and declares all of the following:

10 (a) Section 106.3 of the Water Code declares that it is the policy  
11 of the state that every human being has the right to safe, clean,  
12 affordable, and accessible water adequate for human consumption,  
13 cooking, and sanitary purposes.

14 (b) For all public water systems, the operation and maintenance  
15 costs to supply, treat, and distribute potable water that complies  
16 with federal and state drinking water standards on a routine and  
17 consistent basis may be significant.

18 (c) All community water systems are currently required to set,  
19 establish, and charge a schedule of rates and fees that are sufficient

1 to recover the operation and maintenance costs required to supply,  
2 treat, and distribute potable water that complies with federal and  
3 state drinking water standards on a routine and consistent basis.

4 (d) Hundreds of community water systems in the state cannot  
5 charge rates and fees that are affordable and sufficient to recover  
6 the full operation and maintenance costs required to supply, treat,  
7 and distribute potable water that complies with federal and state  
8 drinking water standards on a routine and consistent basis due to  
9 a combination of low income levels of customers, high treatment  
10 costs for contaminated water sources, and a lack of economies of  
11 scale that result in high unit costs for water service. Many schools  
12 that serve as their own regulated public water systems and have  
13 contaminated water sources cannot afford the full operation and  
14 maintenance costs required to provide water that meets federal  
15 and state drinking water standards.

16 (e) Nearly all state or federal drinking water project funding  
17 sources prohibit the use of that funding for operation and  
18 maintenance costs, and as a result, those systems that cannot afford  
19 required operation and maintenance costs are unable to access  
20 funding for capital projects to meet federal and state drinking water  
21 standards.

22 (f) As a result, hundreds of thousands of Californians,  
23 particularly those living in small disadvantaged communities, may  
24 be exposed to unsafe drinking water in their homes and schools,  
25 which impacts human health, household costs, and community  
26 economic development.

27 (g) A significant number of California residents rely on state  
28 small water systems and domestic wells to provide their drinking  
29 water.

30 (h) The state small water systems and individual domestic wells  
31 face a serious threat of contamination because they often draw  
32 their water from shallow groundwater sources and have fewer or  
33 no chemical monitoring requirements.

34 (i) To ensure that the right of every Californian to safe, clean,  
35 affordable, and accessible water adequate for human consumption,  
36 cooking, and sanitary purposes is protected, it is in the interest of  
37 the State of California to identify where Californians are at high  
38 risk of lacking reliable access to safe drinking water or are known  
39 to lack reliable access to safe drinking water, whether they rely on



1 a public water system, state small water system, or domestic well  
2 for their potable water supply.

3 (j) Long-term sustainability of drinking water infrastructure and  
4 service provision is necessary to secure safe drinking water for all  
5 Californians and therefore it is in the interest of the state to  
6 discourage the proliferation of new, unsustainable public water  
7 systems and state small water systems, to prevent waste, and to  
8 encourage consolidation and service extension when feasible.

9 (k) To begin addressing the challenges set forth in this section,  
10 it is in the interest of all Californians to establish a fund that can  
11 provide financial support, particularly for operation and  
12 maintenance, to enhance access to safe drinking water for all  
13 Californians, while also advancing the long term sustainability of  
14 drinking water service and infrastructure.

15 (l) The problems with failing water systems can be solved  
16 provided there is adequate funding. The board currently has  
17 authority to require failing water systems to consolidate or connect  
18 with larger water systems, authority to appoint an administrator  
19 to take over and fix a failing system, and some funding for capital  
20 improvements. The University of California, Davis, recently  
21 reported that 44 percent of disadvantaged communities *without*  
22 *safe drinking water* in the ~~Central~~ San Joaquin Valley are within  
23 500 feet of a water system that has safe drinking water and 66  
24 percent are within one mile.

25 (m) The Legislature intends for this program to be administered  
26 in a manner that is consistent with the following principles:

27 (1) The board should prioritize other *available* sources of  
28 funding before using the Safe and Affordable Drinking Water  
29 Fund.

30 (2) Failing water systems should be consolidated whenever  
31 appropriate. The board should prioritize these consolidations using  
32 its existing authority to consolidate failing water systems.

33 (3) All communities should receive safe and affordable drinking  
34 water and, to the greatest degree practicable, communities should  
35 be financially self-sustaining as soon as practicable.

36 (4) The board should post regular progress reports on its Internet  
37 Web site, including an accounting of the funds committed.

38 (5) This chapter does not expand any obligation of the state to  
39 provide water or to require the expenditure of additional resources

1 beyond the amount of revenue collected in the Safe and Affordable  
2 Drinking Water Fund pursuant to this chapter.

3

4

#### Article 2. Definitions

5

6 116766. For the purposes of this chapter:

7 (a) “Administrator” has the same meaning as defined in Section  
8 116686.

9 (b) “Board” means the State Water Resources Control Board.

10 (c) “Community water system” has the same meaning as defined  
11 in Section 116275.

12 (d) “Customer” means a purchaser of water from a community  
13 water system who uses the water for municipal purposes, including  
14 residential, commercial, governmental, and industrial uses,  
15 including the United States to the extent authorized by federal law.

16 (e) “Disadvantaged community” has the same meaning as  
17 defined in Section 116275.

18 (f) “Domestic well” means a groundwater well used to supply  
19 water for the domestic needs of an individual residence or water  
20 systems that are not public water systems and that have no more  
21 than four service connections.

22 (g) “Eligible applicant” means a public water system, including,  
23 but not limited to, a mutual water company; a public utility; a  
24 public agency, including, but not limited to, a local educational  
25 agency that owns or operates a public water system; a nonprofit  
26 organization; a federally recognized Indian tribe; a state Indian  
27 tribe listed on the Native American Heritage Commission’s  
28 California Tribal Consultation List; an administrator; or a  
29 groundwater sustainability agency.

30 (h) “Fund” means the Safe and Affordable Drinking Water Fund  
31 established pursuant to Section 116767.

32 (i) “Fund implementation plan” means the fund implementation  
33 plan adopted pursuant to Section 116769.

34 (j) “Groundwater sustainability agency” has the same meaning  
35 as defined in Section 10721 of the Water Code.

36 (k) “Low-income household” means a household with an income  
37 that is less than 80 percent of the statewide median household  
38 income.

39 ~~(l) “Nontransient noncommunity water system” has the same~~  
40 ~~meaning as defined in Section 116275.~~

1 ~~(m)~~  
2 (l) “Public water system” has the same meaning as defined in  
3 Section 116275.

4 ~~(n)~~  
5 (m) “Replacement water” includes, but is not limited to, bottled  
6 water, vended water, point-of-use, or point-of-entry treatment  
7 units.

8 ~~(o)~~  
9 (n) “Safe drinking water” has the same meaning as defined in  
10 Section 116681.

11 ~~(p)~~  
12 (o) “Service connection” has the same meaning as defined in  
13 Section 116275.

14 ~~(q)~~  
15 (p) “Small community water system” has the same meaning as  
16 defined in Section 116275.

17 ~~(r)~~  
18 (q) “State small water system” has the same meaning as defined  
19 in Section 116275.

20 ~~(s)~~  
21 (r) “Vended water” has the same meaning as defined in Section  
22 111070.

23  
24 Article 3. Safe and Affordable Drinking Water Fund  
25

26 116767. The Safe and Affordable Drinking Water Fund is  
27 hereby established in the State Treasury. Notwithstanding Section  
28 13340 of the Government Code, all moneys in the fund are  
29 continuously appropriated to the board without regard to fiscal  
30 years, in accordance with this chapter. Moneys in the fund at the  
31 close of the fiscal year shall remain in the fund and shall not revert  
32 to the General Fund. Moneys in the fund shall not be available for  
33 appropriation or borrowed for use for any purpose not established  
34 in this ~~chapter~~ chapter, with the exception of the administrative  
35 cost reimbursement related to the collection of the Safe Drinking  
36 Water Fee for Nondairy Confined Animal Facilities, as established  
37 in Article 10.5 (commencing with Section 595) of Chapter 3 of  
38 Part 1 of Division 1 of the Food and Agricultural Code, the  
39 Fertilizer Safe Drinking Water Fee, as established in Article 6.5  
40 (commencing with Section 14615) of Chapter 5 of Division 7 of

1 *the Food and Agricultural Code, and the Dairy Safe Drinking*  
2 *Water Fee, as established in Article 14.5 (commencing with Section*  
3 *62215) of Chapter 2 of Part 3 of Division 21 of the Food and*  
4 *Agricultural Code, unless that use of the moneys receives an*  
5 *affirmative vote of two-thirds of the membership in each house of*  
6 *the Legislature.*

7 116768. (a) The board shall administer the fund for the  
8 purposes of this chapter to provide a source of funding to secure  
9 access to safe drinking water for all Californians, while also  
10 ensuring the long-term sustainability of drinking water service and  
11 infrastructure. The board shall prioritize the use of this funding to  
12 assist disadvantaged communities served by a public water system  
13 and low-income households served by a state small water system  
14 or a domestic well. The board shall consider and prioritize, where  
15 appropriate, the use of funding for consolidation or extension of  
16 service or both. In order to maximize the use of other funding  
17 sources for capital construction projects when available, the board  
18 shall prioritize use of this funding for costs other than those related  
19 to capital construction costs, except for capital construction costs  
20 associated with consolidation and service extension to reduce the  
21 ongoing unit cost of service and to increase sustainability of  
22 drinking water infrastructure and service delivery. Beginning  
23 January 1, 2020, an expenditure from the fund shall be consistent  
24 with the annual fund implementation plan. Where sources of  
25 funding other than the fund are available and identified pursuant  
26 to Section 116769 for expenditure by the board, the board shall  
27 prioritize the use of those funding sources over the fund in  
28 accordance with the annual fund implementation plan.

29 (b) In accordance with subdivision (a), subject to the availability  
30 of funds, the board shall expend moneys in the fund for grants,  
31 loans, contracts, or services to assist eligible applicants with any  
32 of the following:

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

35 (2) The development, implementation, and sustainability of  
36 long-term drinking water solutions, including, but not limited to,  
37 the following:

38 (A) Technical assistance, planning, construction, repair, and  
39 operation and maintenance costs associated with replacing,  
40 blending, or treating contaminated drinking water or with fixing

1 failing water systems. Technical assistance and planning costs may  
2 include, but are not limited to, analyses to identify, and efforts to  
3 further, opportunities to reduce the unit cost of providing drinking  
4 water through organizational and operational efficiency  
5 improvements, system consolidation and service extension,  
6 implementation of new technology, and other options and  
7 approaches to reduce costs.

8 (B) Creating and maintaining natural means and green  
9 infrastructure solutions that contribute to sustainable drinking  
10 water.

11 (C) Consolidating water systems.

12 (D) Extending drinking water services to other public water  
13 systems, domestic wells, or state small water systems.

14 (E) The satisfaction of outstanding long-term debt obligations  
15 of public water systems where the board determines that a system's  
16 lack of access to capital markets renders this solution the most  
17 cost-effective for removing a financial barrier to the system's  
18 sustainable, long-term provision of drinking water.

19 (3) Identifying and providing outreach to Californians who are  
20 eligible to receive assistance from the fund.

21 (4) Testing the drinking water quality of domestic wells serving  
22 low-income households, prioritizing those in high risk areas  
23 identified pursuant to Article 4 (commencing with Section 116770).

24 (5) The provision of administrative and managerial services  
25 under Section 116686.

26 (c) Notwithstanding Section 11019 of the Government Code,  
27 the board may make advance payments as necessary to implement  
28 the purposes of this chapter.

29 (d) The board may expend moneys from the fund for reasonable  
30 costs associated with administration of this chapter. Beginning  
31 July 1, 2022, the board may expend no more than 5 percent of the  
32 annual revenues deposited into the fund for reasonable costs  
33 associated with administration of this section.

34 (e) The board may undertake any of the following actions to  
35 implement the fund:

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

38 (A) Federal contributions.

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

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

4 (3) Provide for appropriate audit, accounting, and fiscal  
5 management services, plans, and reports relative to the fund.

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

9 (5) Direct moneys deposited into the fund described in  
10 subparagraph (B) of paragraph (1) towards a specific project,  
11 program, or study.

12 (6) Take additional action as may be appropriate for adequate  
13 administration and operation of the fund.

14 (f) In administering the fund, the board shall make reasonable  
15 efforts to ensure both of the following:

16 (1) That funds are used to secure the long-term sustainability  
17 of drinking water service and infrastructure, including, but not  
18 limited to, requiring adequate technical, managerial, and financial  
19 capacity of eligible applicants as part of funding agreement  
20 outcomes. Funding shall be prioritized to implement consolidations  
21 and service extensions when feasible, and administrative and  
22 managerial contracts or grants entered into pursuant to Section  
23 116686 where applicable. Funds shall not be used to delay, prevent,  
24 or avoid the consolidation or extension of service to public water  
25 systems where it is feasible and the least-cost alternative. The  
26 board may set appropriate requirements as a condition of funding,  
27 including, but not limited to, a system technical, managerial, or  
28 financial capacity audit, improvements to reduce costs and increase  
29 efficiencies, an evaluation of alternative treatment technologies,  
30 and a consolidation or service extension feasibility study. As a  
31 condition of funding, the board may require a domestic well with  
32 nitrate contamination where ongoing septic system failure may be  
33 causing or contributing to contamination of a drinking water source  
34 to conduct an investigation and project to address the septic system  
35 failure if adequate funding sources are identified and accessible.

36 (2) That funds are not used to subsidize large-scale nonpotable  
37 use, to the extent feasible.

38 (g) In administering the fund, the board shall ensure that all  
39 moneys deposited into the fund from the safe drinking water fee  
40 for nondairy confined animal facilities, the fertilizer safe drinking

1 water fee, or the dairy safe drinking water fee shall be used to  
2 address nitrate-related contamination issues.

3 (h) By January 1, 2025, the board shall conduct a public review  
4 and assessment of the Safe and Affordable Drinking Water Fund  
5 and shall recommend to the Legislature a plan to address remaining  
6 needs. The plan shall address all of the following:

7 (1) The effectiveness of the fund in securing access to safe  
8 drinking water for all Californians, while also ensuring the  
9 long-term sustainability of drinking water service and  
10 infrastructure.

11 (2) How the fund has been expended.

12 (3) An assessment of the remaining needs.

13 (4) Existing and potential sources of funding for the remaining  
14 needs.

15 (5) Recommendations for other actions to carry out the purposes  
16 of this chapter.

17 (i) By January 1, 2031, the board shall update the public review  
18 and assessment required by subdivision (h) and shall recommend  
19 to the Legislature a plan to address remaining needs after January  
20 1, 2034.

21 (j) This chapter shall not be construed to limit either of the  
22 following:

23 (1) The board's authority to order the provision of administrative  
24 and managerial services pursuant to Section 116686 or any other  
25 authority that has been provided by the Legislature.

26 (2) The board's authority to order consolidations, whether  
27 physical or operational, pursuant to Section 116682 or any other  
28 authority that has been provided by the Legislature.

29 (k) Neither the board nor any employee of the board may be  
30 held liable for any act that is necessary to carry out the purposes  
31 of this chapter. The board or any authorized person shall not be  
32 deemed to have incurred or to be required to incur any obligation  
33 to provide additional funding or undertake additional action solely  
34 as a result of having undertaken an action pursuant to this chapter.

35 116769. To ensure transparency and accountability the board  
36 shall do all of the following:

37 (a) By July 1 of each year, publish on its Internet Web site a  
38 report of expenditures from the fund and a summary of progress  
39 made with respect to the implementation of this chapter.

40 (b) By July 1 of each odd-numbered year:

- 1 (1) Adopt, after a public hearing, an assessment of funding need,  
2 based on available data, that includes all of the following:
- 3 (A) Identification of systems and populations potentially in need  
4 of assistance, including, but not limited to, all of the following:
- 5 (i) A list of systems that consistently fail to provide an adequate  
6 supply of safe drinking water. The list shall include, but is not  
7 limited to, all of the following:
- 8 (I) Any public water system that consistently fails to provide  
9 an adequate supply of safe drinking water.
- 10 (II) Any community water system that serves a disadvantaged  
11 community that must charge fees that exceed the affordability  
12 threshold established by the board in order to supply, treat, and  
13 distribute potable water that complies with federal and state  
14 drinking water standards.
- 15 (III) Any state small water system that consistently fails to  
16 provide an adequate supply of safe drinking water.
- 17 (ii) A list of programs that assist, or that will assist, households  
18 supplied by a domestic well that consistently fails to provide an  
19 adequate supply of safe drinking water. This list shall include the  
20 number and approximate location of households served by each  
21 program without identifying exact addresses or other personal  
22 information.
- 23 (iii) A list of public water systems and state small water systems  
24 that may be at risk of failing to provide an adequate supply of safe  
25 drinking water.
- 26 (iv) An estimate of the number of households that are served  
27 by domestic wells or state small water systems in high risk areas  
28 identified pursuant to Article 4 (commencing with Section 116770).  
29 The estimate shall identify approximate locations of households,  
30 without identifying exact addresses or other personal information,  
31 in order to identify potential target areas for outreach and assistance  
32 programs.
- 33 (B) An analysis of anticipated funding, per contaminant, needed  
34 for known projects, services, or programs by eligible applicants,  
35 consistent with the fund implementation plan, including any  
36 funding needed for existing long-term funding commitments from  
37 the fund. The board shall identify and consider other existing  
38 funding sources able to support any projects, services, or programs  
39 identified, including, but not limited to, local funding capacity,  
40 state or federal funding sources for capital projects, funding from



1 responsible parties, and specialized funding sources contributing  
2 to the fund.

3 (C) An estimate of the funding needed for the next two fiscal  
4 years based on the amount available in the fund, anticipated  
5 funding needs, other existing funding sources, and other relevant  
6 data and information.

7 (2) (A) Adopt, after a public hearing, a fund implementation  
8 plan and policy handbook with priorities and guidelines for  
9 expenditures of the fund.

10 (B) The board shall work with stakeholders that include  
11 representatives of entities paying into the fund, public water  
12 systems, technical assistance providers, local agencies,  
13 nongovernmental organizations, residents served by community  
14 water systems in disadvantaged communities, state small water  
15 systems, and domestic wells, and the public, to establish priorities  
16 and guidelines for the fund implementation plan and policy  
17 handbook.

18 (C) The adoption of a fund implementation plan and policy  
19 handbook and the implementation of the fund pursuant to the policy  
20 handbook are not subject to the Administrative Procedure Act  
21 (Chapter 3.5 (commencing with Section 11340) of Part 1 of  
22 Division 3 of Title 2 of the Government Code).

23 (D) The fund implementation plan and policy handbook shall  
24 contain a funding strategy for addressing the public health impacts  
25 from failing domestic wells and state small water systems and their  
26 long-term sustainability.

27 116769.5. (a) Beginning July 1, 2022, the board may expend  
28 no more than 3 percent of the annual revenues deposited into the  
29 fund for *the* reasonable costs of administering ~~this article and~~  
30 ~~Article 4 (commencing with Section 116770). 116770) and Article~~  
31 *5 (commencing with Section 116771).*

32 (b) This article does not expand any obligation of the state to  
33 provide resources for the provisions of this article or to require the  
34 expenditure of additional resources beyond the amount of revenue  
35 collected in the fund.

36

#### 37 Article 4. Information on High Risk Areas

38

39 116770. (a) (1) By January 1, 2020, the board, in consultation  
40 with local health officers and other relevant stakeholders, shall use

1 available data to make available a map of aquifers that are at high  
 2 risk of containing contaminants and that exceed primary federal  
 3 and state drinking water standards that are used or likely to be used  
 4 as a source of drinking water for a state small water system or a  
 5 domestic well. The board shall update the map at least annually  
 6 based on any newly available data.

7 (2) The board shall make the map of high risk areas, as well as  
 8 the data used to make the map, publicly accessible on its Internet  
 9 Web site in a manner that does not identify exact addresses or  
 10 other personal information and that complies with the Information  
 11 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)  
 12 of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board  
 13 shall notify local health officers and county planning agencies of  
 14 high risk areas within their jurisdictions.

15 (b) (1) By January 1, 2020, a local health officer or other  
 16 relevant local agency shall provide to the board all results of, and  
 17 data associated with, water quality testing performed by certified  
 18 laboratories for a state small water system or domestic well that  
 19 was collected after January 1, 2014, and that is in the possession  
 20 of the local health officer or other relevant local agency.

21 (2) By January 1, 2021, and by January 1 of each year thereafter,  
 22 all results of, and data associated with, water quality testing  
 23 performed by a certified laboratory for a state small water system  
 24 or domestic well that is submitted to a local health officer or other  
 25 relevant local agency shall also be submitted directly to the board  
 26 in electronic format.

27 (c) A map of high-risk areas developed pursuant to this article  
 28 is not subject to the Administrative Procedure Act (Chapter 3.5  
 29 (commencing with Section 11340) of Part 1 of Division 3 of Title  
 30 2 of the Government Code).

31

32 Article 5. Safe and Affordable Drinking Water Voluntary  
 33 Remittances

34

35 116771. (a) Beginning ~~July 1, 2019,~~ *January 1, 2020*, a  
 36 community water system *with 200 or more service connections*  
 37 shall provide an opportunity for each customer of a community  
 38 water system to provide a voluntary remittance ~~as part of a~~  
 39 ~~customer's water bill~~ to advance the purposes of the fund. *This*

1 *section applies only to a community water system with 200 or more*  
2 *service connections.*

3 (b) A community water system shall recommend a voluntary  
4 remittance ~~on each customer's bill~~ in the following specified  
5 amounts:

6 (1) For a customer with a water meter that is less than or equal  
7 to one inch in size, ~~ninety-five cents (\$0.95)~~ *one dollar (\$1)* per  
8 month.

9 (2) For a customer with a water meter that is greater than one  
10 inch and less than or equal to two inches in size, four dollars (\$4)  
11 per month.

12 (3) For a customer with a water meter that is greater than two  
13 inches and less than or equal to four inches in size, six dollars (\$6)  
14 per month.

15 (4) For a customer of a water meter that is greater than four  
16 inches in size, ten dollars (\$10) per month.

17 (5) For a customer without a water meter, ~~ninety-five cents~~  
18 ~~(\$0.95)~~ *one dollar (\$1)* per month.

19 (c) ~~A bill~~ *community water system shall provide the opportunity*  
20 *for a customer to provide a voluntary remittance by either of the*  
21 *following methods:*

22 (1) *Each regular bill* from a community water system shall  
23 name the voluntary remittance the “voluntary remittance to provide  
24 safe drinking water to disadvantaged communities.” The bill, in a  
25 visually accessible manner, using clear and unambiguous language,  
26 shall provide each customer the option of deducting the voluntary  
27 remittance from the bill if the customer elects not to pay the  
28 voluntary remittance, and shall include the opportunity in the bill  
29 to remit an alternative amount or nothing. A customer of a  
30 community water system may remit, for the purposes of this  
31 section, nothing, the amount recommended pursuant to subdivision  
32 (b), or an alternative amount.

33 (2) *A community water system shall provide annually at least*  
34 *two written notices to each customer that notify the customer that*  
35 *the recommended voluntary remittance will be added to the*  
36 *customer's bills for one year unless the customer elects to pay*  
37 *nothing or an alternative amount. The community water system*  
38 *shall send the first notice at least 30 days before the second notice,*  
39 *and it shall send the second notice at least 30 days before adding*  
40 *the voluntary remittance to a customer bill. The notices shall*

1 *include instructions for the customer to notify the community water*  
2 *system that the customer elects not to pay the voluntary remittance*  
3 *or elects to pay an alternative amount.*

4 ~~(d) The board, in consultation with the Association of California~~  
5 ~~Water Agencies, board~~ shall develop and maintain a list of  
6 voluntary best practices associated with bill presentation,  
7 accounting, *notifications*, and collection of voluntary remittances.  
8 *The board shall consult with the Association of California Water*  
9 *Agencies and other stakeholders.* The best practices shall include,  
10 but are not limited to, the ability of a customer to obtain a refund  
11 subject to appropriate limitations, special consideration for  
12 low-income households, and the use of clear, readable, and  
13 unambiguous language in a visually accessible location on the bill.

14 (e) A community water system shall not sanction, take any  
15 enforcement or collection action against, impose any late charge  
16 or penalty against, or otherwise hold liable, a customer in any  
17 manner for exercising the option to deduct the voluntary remittance  
18 from the bill, paying an alternative amount, or for otherwise paying  
19 or not paying a voluntary remittance described by this section.

20 (f) (1) *A community water system shall collect the voluntary*  
21 *remittance from each customer that chooses to provide it and may*  
22 *retain an amount, as approved by the board, as reimbursement*  
23 *for the reasonable costs incurred by the community water system*  
24 *associated with the collection of the fee. The community water*  
25 *system shall remit the remainder of the amount collected to the*  
26 *board.*

27 (2) *Until July 1, 2021, the amount retained by a community*  
28 *water system pursuant to paragraph (1) shall not exceed 4 percent*  
29 *of the amount collected, and, beginning July 1, 2021, the amount*  
30 *retained pursuant to paragraph (1) shall not exceed 2 percent of*  
31 *the amount collected.*

32 (3) *For a small community water system, reasonable community*  
33 *water system administrative cost reimbursement pursuant to*  
34 *paragraph (1) shall not exceed five hundred dollars (\$500) or 4*  
35 *percent of the total revenue collected, whichever is more.*

36 (f)

37 (g) At least two times per year, a community water system shall  
38 transfer to the board for deposit into the fund all voluntary  
39 remittances received from its customers pursuant to this section  
40 since the last transfer.

1     SEC. 2. If the Commission on State Mandates determines that  
2 this act contains costs mandated by the state, reimbursement to  
3 local agencies and school districts for those costs shall be made  
4 pursuant to Part 7 (commencing with Section 17500) of Division  
5 4 of Title 2 of the Government Code.

6     SEC. 3. This act shall become operative only if Senate Bill  
7 844 of the 2017–18 Regular Session is enacted and takes effect  
8 on or before January 1, 2019.

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# Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

## SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

**Date:** September 20, 2018  
**To:** Southeast Water Coalition Administrative Entity  
**From:** Kyle Cason, AE Chair, City of Whittier

**Subject: Strategic Plan Project - Emergency Interconnectedness**

**Recommendation:** That the Administrative Entity take the following action:

Receive and file an update on the status of current SEWC Strategic Plan Projects from Administrative Entity members, including the Emergency Interconnectedness Matrix.

**Discussion:**

At the July 19, 2018 meeting of the Administrative Entity, the AE members discussed next steps in the Strategic Plan process, including access to “living document” project summaries already submitted by AE members, and possible new project ideas.

Jason Wen (Lakewood) stated that Lakewood had created a document listing all their emergency interconnects, and suggested SEWC assemble a matrix of emergency interconnects to look for overlapping projects between SEWC member cities.

Interconnections matrices were received from Lakewood, Commerce, South Gate, Whittier, and Santa Fe Springs. Since the City of Vernon has no emergency interconnects, no matrix was received from Vernon.

It is recommended the Administrative Entity review the submitted matrices and discuss possible projects between member agencies.

**Attachment(s):**

1. Interconnections (SEWC Water Systems)

### Interconnections (SEWC Water Systems)

#### City of Lakewood

Name	Location	Direction	Size (in)	Capacity (gpm)	Control (Auto/Manual)	Project	Est Cost	Comments
Cerritos	Palo Verde Ave at Andy St.	2-way	12	5000	Auto by Set Pressures	In-line booster to pump water from Lakewood to Cerritos if needed; SCADA Control	\$140,000	Cerritos Op pressure is 20 psi higher (80 psi vs 60 psi)
Long Beach	Palo Verde Ave; south of Carson St.	2-way	12	5000	Manual	Upgrade control valves to Auto by Set pressure and SCADA Control	\$120,000	
GSWC	Carson St. at the SG River	2-way	12	5000	Auto by Set Pressures	Upgrade control valves to Auto by Set pressure and SCADA Control	\$100,000	
Signal Hill	Cherry Ave. North of Bixby Rd.	1-way to Signal Hill	6	1500	Manual	SCADA Control	\$20,000	New in 2017

**Interconnections (SEWC Water Systems)**

City of Commerce

Name	Location	Direction	Size (in)	Capacity (gpm)	Control (Auto/Manual)	Project	Est Cost	Comments - meter no.	Meter No.
Cal Water System	22nd St & Allston Ave MTB Land & Water		6"						852764
Cal Water System	Acco St & Vail Ave S MTB Irrig Dist (SMID)		8"						853269
Commerce Water System	Garfield Ave @ Gage City of Bell Gardens		8"						6050719
Commerce Water System	Bandini Blvd. East of Garfield Ave.							This crossing was capped of on the Telegraph Rd. side of the 5 Fwy.	
Montebello Water System	Elm St. & Vail Ave. San Gabriel Valley MTB		10"						12-00563-10



Interconnections (SEWC Water Systems)

City of South Gate

Name	Location	Direction	Size (in)	Capacity (gpm)	Control (Auto/Manual)	Project	Est Cost	Comments
Downey	De Palma Street, east of Karmont Avenue	2-way	8	2,500	Manual			Existing Connection
Golden State Water Co	Monroe Avenue, at Garfield Avenue	2-way	8	2,500	Automatic	Replace Meter and Integrate to SCADA	\$25 K	Existing Connection
Huntington Park	Santa Ana Street, at Salt Lake Avenue	2-way	6	1,500	Manual			Existing Connection
Lynwood	Santa Fe Avenue, at Seminole Street	2-way	12	4,000	Automatic			Existing Connection
Walnut Park	Santa Ana Street, at Mountain View	2-way	6	1,500	Manual			Existing Connection

### Interconnections (SEWC Water Systems)

#### City of Whittier

Name	Location	Direction	Size	Capacity	Control	Project	Est Cost	Comments
Cal-Domestic	Pioneer and Strong	two-way	12 in	TBD	Manual			
SGVWC	Pioneer and Whittier	to SGVWC	20 in	TBD	Manual			
Santa Fe Springs	Rivera Road	to SFS	6"	TBD	Auto			
Suburban Water	Painter Avenue	to SWS	8"	TBD	Manual			
Suburban Water	Workman Mill Road	two-way	12"	TBD	Auto			Under Construction

**Interconnections (SEWC Water Systems)**

**City of Santa Fe Springs**

Name	Location	Direction	Size (in)	Capacity (gpm)	Control (Auto/Manual)	Project	Est Cost	Comments
Whittier	12080 Rivera Rd, SFS 90670	2-way	6	2000	Auto	Upgrade to 8", new vault, upgrade SCADA		Currently in use to purchase water from Whittier
San Gab Valley	8861 Dice Rd near R/R tracks	2-way	10	N/A	Manual			
Golden State	Studebaker & Cecilia	2-way	8	N/A	Manual			connection is a gate valve
Cerritos	13501 Alondra Blvd, SFS 90670 in median island	2-way	10	N/A	Manual			

**Proposed**

Whittier #2	proposed along Carmenita/Painter	2-way	10 or 12	N/A	proposed Auto	create interconnection on Painter/Carmenita between Whittier and SFS		Proposed
Downey	Proposed Florence west of 605 fwy	2-way	6 or 8	N/A	proposed Auto	create interconnection on Florence/605 between Downey and SFS		Proposed