

Summary of A.B. 2686 (Nava)

Alexandra Barnhill
805.882.1410 tel
805.965.4333 fax
abarnhill@bhfs.com

I. WHAT IS A.B. 2686 (NAVA)?

This bill would create the Santa Ynez Valley Water District (~~%SYVWD+~~), a new special act district, in Santa Barbara County by adding new provisions in the California Water Code Appendix. SYVWD would be the successor in interests to the powers, duties, responsibilities, obligations, liabilities, and jurisdiction of the Santa Ynez River Water Conservation District, Improvement District No. 1 (~~%Improvement District+~~). The Improvement District would cease to exist.

The bill would continue uninterrupted, for the most part, the powers and purposes of the Improvement District, with a few exceptions discussed below. The bill would authorize SYVWD to appropriate, acquire, and conserve water for any useful purpose, distribute water that may be stored or controlled by the district, and undertake various actions relating to the provision of water service. The bill would authorize SYVWD to acquire, construct, and operate recreational facilities to be used for public purposes. SYVWD would be authorized to impose a groundwater charge based on the extraction of groundwater within SYVWD as a whole, or within specified zones established for that purpose. Upon the establishment of a zone for the purpose of imposing a groundwater charge, the bill would require a person who operates a water-producing facility within that zone to register that facility, and if required by the board, to install a water-measuring device on that facility. The bill would authorize SYVWD to impose charges, including groundwater charges, and other fees and assessments, in accordance with specified constitutional requirements.

II. WHY WAS AB 2686 INTRODUCED?

The Improvement District was initially formed in 1961 by the Santa Ynez River Water Conservation District (~~Parent District+~~) to designate the upper Santa Ynez valley as an assessment area to generate funds to build and operate water transmission and distribution facilities relating to the Cachuma Project.¹ In 1968, the District was empowered to act under its own board of trustees and take on conservation activities, such as a water purveying.² Today, the District serves municipal, industrial and agricultural water to nearly 10,000 customers.

Over time it has become apparent that the organization of the Improvement District is causing unintended problems that were not foreseen when it was initially formed. The District's powers have overlapped with the Parent District, causing confusion. Jurisdictional issues have developed with the Santa Barbara Local Agency Formation Commission (~~%LAFCO+~~) since LAFCOs did not exist when the District was formed. Also, some of the District's powers were too narrowly tailored to fully serve and meet the current needs of the people of the Santa Ynez Valley.

Over the last year, the District, Parent, and Santa Barbara LAFCO have worked together to develop a strategy to eliminate these problems. After extensive discussions and research, the

¹ See, Water Conservation Law of 1931, Cal. Wat. Code §§ 74000 et seq.

² See Water Code §§75000 et seq.; 75165

stakeholders determined that the most appropriate resolution would be to draft special legislation in the Water Code Appendix that will be applicable only to the Improvement District itself.

III. HOW WILL AB 2686 CHANGE THE IMPROVEMENT DISTRICT CURRENTLY SERVING THE SANTA YNEZ VALLEY?

As the Improvement District's successor in interest, SYVWD would have modestly expanded powers. The Improvement District's powers currently come from its enabling act, the Water Conservation District Law of 1931 starting at Water Code Section 74000 *et seq.* The powers of SYVWD would come from the special legislation introduced as AB 2686.

In general, the Santa Ynez Valley Water District Act is based upon the Water Conservation District Law of 1931. Revisions were made to the Water Conservation District Law as necessary to meet the District's unique circumstances and needs. For example, the formation chapter³, reorganization provisions⁴, and sections unique to other districts⁵ were eliminated. In their place, there are newly drafted provisions specific to SYVWD. Those provisions relate to the procedures and rules associated with SYVWD acting as the successor in interest to all of the District's powers, rights, duties, obligations, functions and jurisdiction. With respect to reorganization, AB 2686 eliminates the Water Conservation District Law provisions that allow a district to conduct its own reorganization proceedings. Instead, the Act would make SYVWD subject to LAFCO jurisdiction for boundary and organizational changes.

AB 2686 also proposes to modify some of the District's existing powers to better serve its customers' needs. For example, the bill would grant SYVWD the authority to exercise the powers of a water replenishment district, as provided in Section 60000 of the Water Code, which primarily relate to groundwater management. These powers are intended to build upon and complement existing powers and address the special needs of managing groundwater resources. Existing sewage, storm water and recycling powers would be modified slightly to allow independent exercise of those powers. Also, the powers of SYVWD to acquire, construct, and operate recreational facilities would be clarified to ensure SYVWD can take advantage of such opportunities for the public's benefit.

Many of the remaining procedural aspects of operating the district in the Act are identical to the Water Conservation District Law. The remaining changes would simply update provisions to reflect modern legal requirements such as open meetings rules and financing procedures.

If you have any other questions about AB 2686, please do not hesitate to contact me or Gary M. Kvistad directly.

Sincerely,

Alexandra Barnhill

Gary M. Kvistad

SB 460841 v4:000372.0276

³ Water Code §§ 74030 to 74136.

⁴ Water Code §§ 75750 to 76061.

⁵ See, e.g. Water Code 75470 to 75481.5 [regarding San Joaquin Water Conservation Districts]