

MUNICIPAL WATER DISTRICT ACT

The Municipal Water Act of 1911 is the basis of California Water Code Section 71000, which provides the basis in law for Municipal Water Districts in the State of California. The law is very complex and very detailed.

Following are key provisions of the Act.

The entire California Water Code Section 71000 may be found here:

<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=wat&group=70001-71000&file=71000>

Key provisions of Water Code Section 71000

These provisions are excerpted from the complete California Water Code Section 71000.

Part 2 - Formation

71060. The people of any county or counties, or of any portions

thereof, whether such portions include unincorporated territory only or incorporated territory of any city or cities, or both such incorporated and unincorporated territory, may organize a district under the provisions of this division.

71061. The cities proposed to be included in the district need not be contiguous, and the unincorporated territory may consist of one or more parcels which need not be contiguous to each other or to any such city or cities.

71190. If a majority of the votes cast in each affected county at the formation election favor the formation of the district, the board of supervisors shall, by an order entered on its minutes, declare the territory included within the proposed boundaries to be formed as a municipal water district under the designated name.

Part 3 - Internal Organization

71274. A majority of the board shall constitute a quorum for the transaction of business; however, no ordinance, motion or resolution shall be passed to become effective without the affirmative vote of a majority of the members of the board.

71276. The board shall act only by ordinance, resolution, or motion.

71300. All powers, privileges, and duties of a district shall be exercised and performed by the board.

71301. Any executive, administrative, and ministerial powers may be delegated and re-delegated by the board to any of the offices created by this part or by the board.

71302. The board may fix the time and place or places at which its regular meetings will be held, and shall provide for the calling and holding of special meetings.

71303. The board may fix the location of the principal place of business of the district and the location of all offices and departments maintained under this division.

71304. The board may prescribe by ordinance a system of business administration.

71305. The board may create any necessary offices and establish and re-establish the powers, duties, and compensation of all officers and employees.

71306. The board may require and fix the amount of all official bonds necessary for the protection of the funds and property of the district.

71361. The treasurer, or such other person or persons as may be authorized by the board, shall draw checks or warrants to pay demands when such demands have been audited and approved in the manner prescribed by the board.

71362. Subject to the approval of the Board of Directors, the general manager shall have full charge and control of the maintenance, operation, and construction of the waterworks or waterworks system of the district, with full power and authority to employ and discharge all employees and assistants, other than those referred to in Section 71340, at pleasure, prescribe their duties, and fix their compensation.

71363. The general manager shall perform such duties as may be imposed on him by the board. He shall report to the board in accordance with such rules and regulations as it may adopt.

Part 4 - Elections

71451. Except as otherwise provided in this division, the provisions of the Elections Code, so far as they may be applicable, shall govern all district elections.

71462. The ballots provided for voters at elections for directors shall be furnished by the precinct officers only to those voters within their respective precincts who appear on the register as duly registered voters within the affected division of the district.

71501. One director, who shall be a resident of the division and shall be elected by the voters thereof, shall be elected for each of the five divisions of the district.

71503. Each candidate for director who at the general district election receives the highest number of votes cast for the candidate for that office is elected as a director of the district.

Part 5 - Powers and Purposes

71592. A district may make contracts, employ labor, and do all acts necessary for the full exercise of its powers.

71596. A district may disseminate information concerning the rights, properties, and activities of the district. Such power shall not be construed as an exception to the California Public Records Act.

71610. A district may acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water, including sewage and storm waters, for the beneficial use or uses of the district, its inhabitants, or the owners of rights to water in the district.

71610.5. A district may undertake a water conservation program to reduce water use and may require, as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use.

71611. A district may sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. As used in this part, the term "water" includes potable water and non-potable water.

71612. Whenever the board finds that there is a surplus of water above that which may be required by consumers within the district, the district may sell or otherwise dispose of such surplus water to any persons, public corporations or agencies, or other consumers.

71614. A district may fix the rates at which water shall be sold. Different rates may be established for different classes or conditions of service, but rates shall be uniform throughout the district for like classes and conditions of service.

71616. A district, so far as practicable, shall fix such rates for water in the district, and in each improvement district therein, as will result in revenues which will:

- (a) Pay the operating expenses of the district and the improvement district.
- (b) Provide for repairs and depreciation of works.
- (c) Provide a reasonable surplus for improvements, extensions, and enlargements.
- (d) Pay the interest on any bonded debt.
- (e) Provide a sinking or other fund for the payment of the principal of such bonded debt as it becomes due.
- (f) Repay advances, together with interest at a rate not to exceed the interest value of money to the district, made from the district to an improvement district.

71640. A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the

district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential.

71641. A district may prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in Section 71640. Such an ordinance is effective upon adoption; but, within 10 days after its adoption, the ordinance shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation which is printed, published, and circulated in the district. If there is no such newspaper the ordinance shall be posted within 10 days after its adoption in three public places within the district.

71642. A finding by the board upon the existence, threat, or duration of an emergency or shortage, or upon the matter of necessity or of any other matter or condition referred to in Section 71640, shall be made by resolution or ordinance. The finding is prima facie evidence of the fact or matter so found, and such fact or matter shall be presumed to continue unchanged unless and until a contrary finding is made by the board by resolution or ordinance.

71662. A district may utilize any part of its water, and any part of its works, facilities, improvements, and property used for the development, storage, and transportation of water pursuant to Chapter 2 (commencing with Section 71610) to provide, generate, and deliver hydroelectric power, and may acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient for such utilization.

71670. A district may acquire, construct, and operate facilities for the collection, treatment, and disposal of sewage, waste, and storm water of the district and its inhabitants.

71690. A district may, within or without the district:

- (a) Take real and personal property of every kind by grant, purchase, gift, device, or lease.
- (b) Hold, use, enjoy, lease, or dispose of real and personal property of every kind.

71691. A district may:

- (a) Acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights, and privileges.
- (b) Construct, maintain, and operate conduits, pipelines, reservoirs, works, machinery, and other property useful or necessary to store, convey, supply, or otherwise make use of water for a waterworks plant or system for the benefit of the district.
- (c) Complete, extend, add to, repair, or otherwise improve any waterworks or waterworks system acquired by the district.
- (d) Carry on and conduct waterworks or a waterworks system.

(e) Construct, maintain, and operate works, facilities improvements and property of the district useful or necessary for the provision, generation, and delivery of hydroelectric power pursuant to Sections 71662 and 71663.

71722. A district may join with one or more public agencies, private corporations, or other persons for the purpose of carrying out any of the powers of the district, and for that purpose may contract with such other public agencies, private corporations, or persons to finance acquisitions, constructions and operations.

Part 7 - Bonds

71852. A district may issue bonds pursuant to Chapters 2

(commencing with Section 71860) and 5 (commencing with Section 71940) of this part for the purpose of providing money required to be paid to any district or authority organized under the Metropolitan Water District Act or the County Water Authority Act by the board of directors of such district or authority as all or part of the terms and conditions upon which the corporate area of the district may be annexed to the metropolitan water district or county water authority. The amount of such bonds may include the expenses of all proceedings for the authorization, issuance, and sale of the bonds.

71853. A district may issue revenue bonds for any purpose for which general obligation bonds may be issued. Such revenue bonds may be issued pursuant to the Revenue Bond Law of 1941 or any other law which by its terms is applicable to districts formed under this division.

71854. A district that has outstanding revenue bonds which were

approved by more than two-thirds of the votes cast at the election authorizing such bonds may incur a bonded indebtedness pursuant to this part for the purpose of refunding such revenue bonds, whether or not such revenue bonds are then due, and for the payment of all incidental expenses in connection with the refunding of such revenue bonds. Such general obligation bonds shall be authorized, issued, and sold in all respects as provided in this part for the authorization, issuance, and sale of general obligation bonds of a district.

71860. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this division, the board shall, by resolution, so declare and call an election to be held in the district for the purpose of submitting to the voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district.

71861. The resolution calling the bond election shall state all of the following:

(a) The purpose for which the proposed debt is to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(b) The amount of debt to be incurred.

(c) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years.

(d) The maximum rate of interest to be paid, which shall not exceed 8 percent per year, payable semiannually, except that interest for the first year may be payable at the end of that year.

(e) The measure to be submitted to the voters.

(f) The date upon which an election shall be held for the purpose of authorizing the bonded indebtedness to be incurred.

(g) The designation of precincts, the location of polling places, and the names of the officers selected to conduct the election, which shall consist of one judge, one inspector, and two clerks in each precinct.

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(e) The measure to be submitted to the voters.

(f) The date upon which an election shall be held for the purpose of authorizing the bonded indebtedness to be incurred.

(g) The designation of precincts, the location of polling places, and the names of the officers selected to conduct the election, who shall consist of one judge, one inspector, and two clerks in each precinct.

71950. If from the bond election returns it appears that more than two-thirds of the votes cast in such election were in favor of and assented to the incurring of the indebtedness, the board may, by resolution, at such time or times as it deems proper, issue bonds of the district for the whole or any part of the

amount of the indebtedness so authorized, and may from time to time provide for the issuance of such amounts as the necessity thereof may appear, until the full amount of such bonds authorized has been issued.

71959. Any bonds issued by a district have the same force, value, and use as bonds issued by a city and are exempt from all taxation within the State.

71971. The proceeds from the sale of bonds shall be paid into the treasury of the district, placed to the credit of a special improvement fund, and expended only for the purpose for which the indebtedness was created. When such purpose has been accomplished, any moneys remaining in the special improvement fund may be transferred to the fund to be used for the payment of principal of and interest on the bonds.