



WEST BASIN MUNICIPAL WATER DISTRICT
17140 S. Avalon Blvd., Suite 210
Carson, CA 90746

AGENDA NO. 19A

MAY 1, 2009 – Communications

Gray (Chair), Kwan

MAY 26, 2009 – Board Meeting

Prepared by: E.J. Caldwell

Submitted by: Ron Wildermuth

Approved by: Rich Nagel

ACTION CALENDAR

AB 474 – CONSERVATION, VOLUNTARY CONTRACTUAL ASSESSMENTS

SUMMARY:

As introduced by Assembly Member Bob Blumenfield (D-Van Nuys), this bill would expand current provisions of state law that enable a legislative body to enter into voluntary contractual assessments on real property to fund public improvements and finance the installation of permanent water efficiency improvements.

Currently, state law enables a city, county, or a city and a county, to finance the installation of renewable energy and energy efficiency improvements on private property. The local government would finance these improvements using local bond proceeds and would enter into voluntary contracts with each respective property owner. The financing would then be repaid by the property owner and the assessment's lien would, "run with the land." As drafted, the agreements between the property owner and the local government would be voluntary and, after negotiations with tax payer advocates, the bill would enable local governments to require reasonable credit scrutiny.

State law currently enables a local government to utilize this financing method for the installation of renewable energy generating sources and/or energy efficiency improvements on private property. This bill would simply expand on the concept.

Staff Recommendation

In 2009, Governor Schwarzenegger proclaimed a statewide emergency due to the ongoing drought conditions. In his proclamation, the Governor again addressed the need to conserve water and called for a 20% reduction in the State's urban water use. While local governments have the ability to voluntarily enter into contractual assessments with parcel owners to reduce energy demand and build sustainable communities, the same authority does not exist for water use efficiency improvements. As the intimate nexus between energy and water demand is well established, a nexus between each respective financing mechanism for efficiency improvements should be standard.

This bill is currently scheduled to be heard by the Assembly Committee on Local Governments on April 22. AB 474 is sponsored by Metropolitan Water District.

As AB 474 is consistent with West Basin Municipal Water District's (West Basin) adopted policy principles regarding water conservation; **staff recommends a Support position.**

STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 1, Reliability – Maintain a level of local water reliability that supports the regional economy, our community and customer agency needs.

Goal 3, Water Quality – Provide high quality water that meets the needs of our customers.

COMMITMENT STATEMENT:

Water Reliability – West Basin is committed to innovative planning and investments to provide water supply reliability and drought protection.

Water Quality – West Basin is committed to providing safe, high quality water by meeting current and anticipated water quality requirements.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Communications Committee on May 1, 2009 and recommended for approval at the May 26, 2009 Board meeting.

RECOMMENDED MOTION:

That the Board adopts a Support position on AB 474, as authored by Assembly Member Bob Blumenfield.

LIST OF EXHIBITS:

Exhibit "A" - Copy of AB 474