

**CHAPTER 52**  
**MONTEREY COUNTY WATER RESOURCES AGENCY ACT**

*"An act to...repeal the Monterey County Flood Control and Water Conservation District Act (Chapter 699 of the Statutes of 1947), and to enact the Monterey County Water Resources Agency Act, relating to the Monterey County Water Resources Agency." (Stats. 1990, c. 1159).*

*Former Chapter 52, Monterey County Flood Control and Water Conservation Act, Stats. 1947, c. 699, editorially classified as Water Code Appendix §§ 52-1 to 52-36, was repealed by Stats. 1990, c. 1159 (S.B.2580), § 49.*

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**MONTEREY COUNTY WATER RESOURCES AGENCY ACT**  
(1990 Stats. 1159, 1991 Stats. 1130, 1993 Stats. 234, and 1994 Stats. 803)

**WATER CODE APPENDIX, CHAPTER 52**

Sec. 1. (Repealed by Stats. 1990, c. 1159, §49.)

Sec. 2. (Repealed by Stats. 1990, c. 1159, §49.)

Sec. 3. Short title. This act shall be known and may be cited as the Monterey County Water Resources Agency Act.

Sec. 4. Creation; name; territory. The Monterey County Water Resources Agency is hereby created as a flood control and water agency. The Agency consists of all the territory of the County lying within the exterior boundaries of the County.

Sec. 5. Authority, limitations, rights and duties of agency. Notwithstanding the repeal of Chapter 699 of the Statutes of 1947, the Agency shall have all of the authority, limitations, rights, and duties of the Monterey County Flood Control and Water Conservation District, except as otherwise provided by this act.

Sec. 5.2. Definitions. Unless otherwise indicated by their context, the terms defined in this section govern the interpretation of this act:

(a) "Agency" means the Monterey County Water Resources Agency.

(b) "Board," "Board of Supervisors," or "Supervisors" means the Board of Supervisors of the Agency.

(c) "County" means the County of Monterey.

(d) "Director" or "Directors" means a Director or the Directors appointed pursuant to Section 49.

Sec. 6. Zones established.

(a) The of Supervisors, by resolution, may establish zones within the Agency without reference to the boundaries of other zones, setting forth in the resolutions descriptions using metes and bounds and granting to each of the zones a zone number, and may institute zone projects for the specific benefit of the zones.

(b) Proceedings for the establishment of the zones may be conducted concurrently with, and as a part of, proceedings for the instituting of projects relating to the zones, which proceedings shall be instituted in the manner provided in Sections 20 and 24.1.

Sec. 7. Amendment of zones.

(a) At any time after the establishment of one or more zones for a project, the Board may amend any or all of the zones if it appears to the Board that circumstances have changed or that the initial determinations relating to the zone are now inappropriate. The amendments may include any of the following:

(1) Changes in the zone boundaries to annex or detach territory.

(2) Increases or decreases in the number of zones relating to the project by the making of boundary changes, the addition of new zones, or the elimination of old zones.

(3) Changes in the percentage of project benefits allocable to the zone.

In order to make the amendment, the Board shall follow the procedure for the initial establishment of zones in the manner provided in Sections 20 and 24.1. However, the project itself need not be approved again.

(b) Notwithstanding subdivision (a), the boundaries of any zone, and the percentages to be raised from any of several participating zones, shall not be reduced until all bonds issued by the Agency with respect to the zone and its project have been fully paid and discharged.

(c) Paragraph (5) of subdivision (b) of Section 43 applies to all annexations made pursuant to this section.

Sec. 8. Objects and purposes of act. The objects and purposes of this act are to provide for the control of the flood and storm waters of the Agency and the flood and storm waters of streams that have their sources outside the Agency, but which streams and flood waters flow into the Agency, and to conserve those waters for beneficial and useful purposes by spreading, storing, retaining, and causing those waters to percolate into the soil within the Agency, or to save and conserve in any manner all or any of those waters and to protect from those flood or storm waters the public highways, life, and property in the Agency, and the watercourses and watersheds of streams flowing into the Agency, and to increase, and prevent the waste or diminution of the water supply in the Agency, including the control of groundwater extractions as required to prevent or deter the loss of usable groundwater through intrusion of seawater and the replacement of groundwater so controlled through the development and distribution of a substitute surface supply and to prohibit groundwater exportation from the Salinas River Groundwater Basin, and to obtain, retain, and reclaim drainage, storm, flood, and other waters for beneficial use within the Agency; and to provide, in the discretion of the Agency in connection with and as an incident to any works, dam, or reservoir heretofore or hereafter constructed either within or without the Agency, for the construction, maintenance, and operation of a minimum or permanent pool and facilities for swimming, boating, fishing, and recreation in or upon waters stored in any stream, reservoir, or minimum or permanent pool, and for the acquisition in any manner provided in this act and for the use by the Agency, in addition or adjacent to lands that may be used or acquired for flood control or water conservation

purposes or that may be acquired for the maintenance or protection of any such works, dam, or reservoir or watersheds adjacent thereto, of lands deemed by the Supervisors of the Agency to be necessary or convenient for the installation, construction, use, and maintenance of recreational areas or facilities, including picnic grounds, playgrounds, campgrounds, home sites, boats and fishing, bathing, or other facilities for use by the public, subject to such rules and regulations and reasonable charges as may be prescribed by the Board of Supervisors of the Agency. However, no property situated in another county, shall be condemned by the Agency for recreational areas or facilities unless the Board of Supervisors of the County in which the property is situated agrees to the condemnation thereof.

Sec. 9. Powers of Agency. The Agency has perpetual succession and may do any of the following:

(a) Sue and be sued in the name of the Agency in all actions and proceedings in all courts and tribunals of competent jurisdiction.

(b) Adopt a seal and alter it at pleasure.

(c) Acquire by grant, purchase, lease, gift, devise, contract, construction, or otherwise, and hold, use, enjoy, sell, let, and dispose of real and personal property of every kind, including lands, structures, buildings, rights-of-way, easements, and privileges, and construct, maintain, alter, and operate any and all works or improvements, within or outside the Agency, necessary or proper to carry out any of the purposes of this act and complete, extend, add to, alter, remove, repair, or otherwise improve any works, or improvements, or property acquired by it as authorized by this act.

(d) (1) Store water in surface or underground reservoirs within or outside the Agency for the common benefit of the Agency of any zones affected.

(2) Conserve and reclaim water for present and future use within the Agency.

(3) Appropriate and acquire water and water rights, and import water into the Agency and conserve within or outside the Agency, water for any purpose useful to the Agency.

(4) Commence, maintain, intervene in, defend, or compromise, in the name of the Agency on behalf of the landowners therein, or otherwise, and assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights within or outside the Agency, used or useful for any purpose of the Agency or of common benefit to any land situated therein, or involving the wasteful use of water therein.

(5) Commence, maintain, intervene in, defend, and compromise and to assume the cost and expenses of any and all actions and proceedings.

(6) Prevent interference with, or diminution of, or declare rights in, the natural flow of any

stream or surface or subterranean supply of waters used or useful for any purpose of the Agency or of common benefit to the lands within the Agency or to its inhabitants.

(7) Prevent unlawful exportation of water from the Agency.

(8) Prevent contamination, pollution, or otherwise rendering unfit for beneficial use the surface or subsurface water used or useful in the Agency, and commence, maintain, and defend actions and proceedings to prevent any interference with those waters which endangers or damages the inhabitants, lands, or use of water in, or flowing into, the Agency. However, the Agency may not intervene or take part in, or pay the cost or expenses of, actions or controversies between the owners of lands or water rights which do not affect the interests of the Agency.

(e) Control the flood and storm waters of the Agency and the flood and storm waters of streams that have their sources outside the Agency, but which streams and the flood waters thereof, flow into the Agency, and conserve those waters for beneficial and useful purposes of the Agency by spreading, storing, retaining, and causing to percolate into the soil within or outside the Agency, or save or conserve in any manner all or any of those waters and protect from damage from those flood or storm waters the watercourses, watersheds, public highways, life, and property in the Agency, and the watercourses of streams outside the Agency flowing into the Agency.

(f) Cooperate and act in conjunction with, the state, or any of its engineers, officers Boards, commissions, departments, or agencies, or with the United States, or any of its engineers, officers, Boards, commissions, departments, or agencies, or with any public or private corporation, or with the County, in the construction of any work for the controlling of flood or storm waters of, or flowing into, the Agency, or for the protection of life or property therein, or for the purpose of conserving those waters for beneficial use within the Agency, or in any other works, acts, or purposes provided for herein, and adopt and carry out any definite plan or system of work for any such purpose.

(g) Carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply, water rights, control of flood and storm waters, and use of water both within and without the Agency relating to watercourses or streams flooding in or into the Agency. For those purposes, the Agency has the right of access through its authorized representatives to all properties within the Agency and elsewhere relating to watercourses and streams flowing in or into the Agency. The Agency, through its authorized representatives, may enter upon those lands and make examinations, surveys, and maps thereof.

(h) (1) Enter upon any land, to make surveys and locate the necessary works of improvement and the lines for channels, conduits, canals, pipelines, roadways, and other rights-of-way.

(2) Acquire by purchase, lease, contract, gift, devise, or other legal means all lands and water and water rights and other property necessary or convenient for the construction, use, supply maintenance, repair, and improvement of those works, including works constructed and

being constructed by private owners, lands for reservoirs for storage of necessary water, and all necessary appurtenances, if necessary to that end, and acquire and hold in the name of the state, the capital stock of any mutual water company or corporation, domestic or foreign, owning water or water rights, canals, waterworks, franchises, concessions, or rights, if the ownership of the stock is necessary to secure a water supply required by the Agency or any part thereof, and if when holding that stock, the Agency is entitled to all the rights, powers, and privileges, and is subject to all the obligations and liability conferred or imposed by law upon other holders of that stock in the same company.

(3) Perform acts necessary or proper for the performance of any agreement with the United States, or any state, county, city, district of any kind, public or private corporation, association, firm, or individual, or any number of them, for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair, or operation of any rights, works, or other property of a kind which might be lawfully acquired or owned by the Agency.

(4) Acquire the right to store water in any reservoirs, or carry water through any canal, ditch, or conduit not owned or controlled by the Agency.

(5) Grant to any owner or lessee the right to the use of any water or right to store water in any reservoir of the Agency, or to carry water through any tunnels, canal, ditch, or conduit of the Agency.

(6) Perform acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm, or individual, or any number of them for the transfer or delivery to any district, corporation, association, firm, or individual of any water right or water pumped, stored, appropriated, or otherwise acquired or secured, for the use of the Agency, or for the purpose of exchanging the same for other water, water right, or water supply in exchange for water, water right, or water supply to be delivered to the Agency by the other party to the agreement.

(7) Cooperate with, and act in conjunction with, the state, or any of its engineers, officers, Boards, commissions, departments, or agencies, or with the United States, or any of its engineers, officers, Boards, commissions, departments, or agencies, or with any public or private corporation, in the construction of any work for controlling flood or storm waters of streams in or running into the Agency, or for the protection of life or property therein, or for the purpose of conserving the waters for beneficial use within the Agency, or for the protection, enhancement, and use of groundwater within the Agency, or in any other works, acts, or purposes provided for herein, and adopt and carry out any definite plan or system of work for any such purpose.

(i) Incur indebtedness and issue bonds in the manner provided in this act.

(j) Cause taxes or assessments to be levied and collected in order to pay any obligation of the Agency and carry out any of the purposes of this act.

(k) Make contracts, and employ labor, and do all acts necessary for the full exercise of all powers vested in the Agency or any of the officers thereof, by this act.

(l) Buy, provide, sell, and deliver water.

(m) Exchange water.

(n) Develop and distribute water to persons in exchange for ceasing or reducing groundwater extractions, and prevent groundwater extractions which are determined to be harmful to the groundwater basin.

(o) Transport, reclaim, purify, desalinate, treat, or otherwise manage and control water for the beneficial use of persons or property within the Agency.

(p) Construct, maintain, improve, and operate public recreational facilities appurtenant to any water reservoir operated or to be operated by the Agency whether within or without the Agency, subject to the limitations as to eminent domain use for recreational purposes outside the Agency set forth in Section 4, and provide by ordinance regulations binding upon all persons to govern the use of those facilities, including regulations imposing reasonable charges for the use thereof.

(q) Regulate inspect, and license all structures, including docks and wharves, or structures used as docks or wharves, and their anchorage or mooring system, that float on, or are designed to float on, the surface of reservoirs operated or contracted to be operated by the Agency or that are located within the area subject to its flowage easement, or that are located on real property of the Agency, and charge a reasonable fee for licensing those structures. Any of those structures that are unlicensed more than 30 days after notice to license the structure has been posted thereon, or any unlicensed structure that is neither anchored nor moored, or is found on property owned in fee by the Agency, is a nuisance. The Agency may have injunctive relief for any of those nuisances, or may summarily abate any untended structure floating on the surface of the reservoir that is neither anchored nor moored, or any untended structure found on property owned in fee by the Agency. It is a misdemeanor to maintain, anchor, or moor or suffer to be maintained, anchored, or moored on property of which one is possessed any unlicensed structure when that structure is required to be licensed pursuant to this act. The misdemeanor is punishable by a fine not to exceed five hundred dollars (\$500), or by imprisonment in the County jail for not to exceed six months, or by both that fine and imprisonment. Each day of violation of these provisions constitutes a separate offense.

(r) Use 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 this section to provide, generate, and deliver hydroelectric power, and acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient therefor.

(s) (1) Pursuant to contract, provide, generate, sell, and deliver hydroelectric power to the United States or any Board, department, or Agency thereof, to the state for the purposes of the

State Water Resources Development System, and to any public agency, public utility, private corporation, or other person or public entity, or any combination thereof, engaged in the sale of electric power.

(2) For the purposes of this subdivision, "public agency" means a city, county, city and county, district, local agency, public authority, or public corporation.

(t) Construct, maintain, and operate works, facilities, improvements, and property of the Agency useful or necessary for the provision, generation, and delivery of hydroelectric power, pursuant to subdivisions (r) and (s).

(u) Prevent the export of groundwater from the Salinas River Groundwater Basin, except that use of water from the basin on any part of Fort Ord shall not be deemed an export. Nothing in this act prevents the development and use of the Seaside Groundwater Basin for use on any lands within or outside that basin.

(v) Require the installation of flow meters on groundwater extraction facilities and water distribution system service connections in the County of Monterey, except that no public entity may use flow meters installed pursuant to this section on privately owned groundwater extraction facilities or service connections, or the data obtained from those flow meters, in connection with the imposition or collection of any taxes, or for any other purpose other than one or more of the following:

(1) To facilitate the collection of water supply and water use data.

(2) To facilitate the development and implementation of water management plans, including, but not limited to, water allocation plans, water conservation plans, and water supply projects.

(3)(A) To impose fees, charges, water tolls, or assessments solely to pay for the planning, development, acquisition, construction, operation, and maintenance of water supply projects, and for other water management activities, including, but not limited to, the development and implementation of water allocation or conservation plans.

(B) The fees, charges, water tolls, or assessments described in subparagraph (A) may be imposed only to pay for projects and activities that benefit the land on which the water extraction facility is located or the land on which the water issued.

(C) The fees, charges, water tolls, or assessments described in subparagraph (A) that are imposed to pay for water supply projects may only be imposed to pay for projects that commence operation on or after January 1, 1994.

Sec. 10. Revenue bonds.

(a) (1) Notwithstanding any other provision of this act, the Agency may authorize, issue, and



sell revenue bonds pursuant to Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code to provide funds for acquiring, constructing, improving, or financing any one or more revenue producing enterprises for any one or more of the purposes of the Agency, or zone or participating zones thereof, or for refunding any outstanding bonds that should be incurred, and can be repaid and liquidated as to both principal and interest from revenues designated by the Board.

(2) "Enterprise," as used in this section, means a revenue-producing system, plant, works, or undertaking used for, or useful in, carrying out any one or more of the purposes of the Agency.

(3) In connection with the authorization, issue, and sale of revenue bonds pursuant to this section, and so long as any of these bonds remain outstanding, the Agency may exercise, in addition to the powers covered by this section, any of the powers of local agencies provided for in Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code.

(b) Notwithstanding Sections 54382, 54400, and 54402 of the Government Code, or any other provision of the law, the Board shall determine and provide, in any resolution providing for the issuance of the revenue bonds, for the following:

(1) For maturity dates of the bonds not exceeding 50 years from their respective dates.

(2) For interest on the bonds at a rate not exceeding the maximum rate specified in Section 53531 of the Government Code.

(c) Any election for the issuance of revenue bonds for a zone or participating zones of the Agency is limited to the area of that zone or participating zones, and the proceeds from the sale of any such revenue bonds may be expended only for the benefit of that zone or participating zones.

(d) No bonds authorized under this section may be issued and sold until the bonds have been investigated and certified pursuant to the Districts Securities Law (Chapter 1 (commencing with Section 2000) of Division 10 of the Water Code).

Sec. 11. Work or Improvements undertaken; law governing; definitions. Whenever in the opinion of the Board the public interest or convenience may require, it may order any work or improvement which it is authorized to undertake to be done in accordance with the procedure and pursuant to the provisions of either the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), or the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code).

The following terms, as used in those improvement acts, shall refer to the following for the purposes of this act:

- (a) "Municipality" or "city" refers to the Agency.
- (b) "City council" or "legislative body" refers to the Board.
- (c) "City treasurer" or "treasurer" refers to the officer of the agency who has charge of and makes payments of the agency funds.
- (d) "Mayor" refers to the chairperson of the Board.
- (e) "Clerk" refers to the clerk of the Agency.
- (f) "Council chambers" refers to the place where the regular meetings of the Board are held.
- (g) "Superintendent of streets," or "street superintendent" and "city engineer" refer to the Agency engineer.
- (h) "Right-of-way" refers to any parcel of land through which a right-of-way has been granted to the Agency for any purpose.
- (i) All other words and terms relating to municipal officers and matters refer to the corresponding officers of the agency and matters under this act.

Sec. 12. Water standby or availability charge.

- (a) The Agency, by ordinance, may fix, on or before August 31 in each calendar year, a water standby or availability charge for any lands to which water is made available by the Agency, whether the water is actually used or not. The water standby charge shall be used for ongoing maintenance and operation of the zones of the Agency upon which the charge is imposed, as well as for retirement of any bonded indebtedness attributable to that zone.
- (b) The standby charge for each zone shall not exceed fifteen dollars (\$15) per acre per year for each acre of land or fifteen dollars (\$15) per year for a parcel less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act (Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code).
- (c) The ordinance fixing a standby charge shall be adopted by the Board only after adoption of a resolution setting forth the particular schedule or schedules of charges proposed to be established by ordinance and after notice and hearing. The adoption of the ordinance shall be subject to referendum pursuant to Section 5200 of the Elections Code.

Notice of the hearing shall be given by publication, pursuant to Section 6066 of the Government Code, in a newspaper of general circulation within the Agency and by posting on or near the doors of the meeting place of the Board or on any official bulletin Board customarily used for the purpose of posting of public notices. Publication and posting shall be completed at least seven days prior to the date set for hearing.

(d) The ordinance fixing a standby charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability.

(e) The Board shall furnish in writing to the County Board of Supervisors and the County auditor a description of each parcel of land within the Agency upon which a standby charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the Agency on each parcel of land.

(f) The Board shall direct that, at the time and in the manner required by law for the levying of taxes for County purposes the Board of Supervisors shall levy, in addition to any other tax it levies the standby charge in the amounts for the respective parcels fixed by the Board.

(g) All County officers charged with the duty of collecting taxes shall collect Agency standby charges with the regular tax payments to the County. The charges shall be collected in the same form and manner as County taxes are collected, and shall be paid to the Agency.

(h) Charges fixed by the Agency, including water tolls or charges, shall be a lien on all property against which the charge is imposed or to which the water is delivered. Liens for the charges shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and County taxes.

Sec. 13. Water reclamation charges.

(a) The Agency may fix, on or before August 31 of each year, a water reclamation charge to be imposed on persons who extract water from the Salinas Valley Groundwater Basin or any portion thereof. The charge may be used only to pay for the planning, design, construction, operation, and maintenance of wastewater treatment facilities capable of reclaiming and transporting wastewater for irrigation, groundwater recharge, or other beneficial uses and shall be reasonably related to the benefits received by the property or the impacts caused by the use of property or both.

(b) The reclamation charges imposed shall not exceed the estimated reasonable cost of providing the service or facility for which the charge is imposed. In any ordinance establishing, setting, or revising the reclamation charges, the Board shall do all of the following:

(1) Identify the purpose of the charge.

(2) Identify the use to which the charge is to be put, including any public facilities to be financed with the charge.

(3) Estimate the costs to be incurred in connection with the proposed use of the funds.

(4) Indicate how the amount of the charges to be imposed was determined in relation to the estimated costs to be incurred.

(c) The Agency may vary the charges among the persons subject thereto and may exclude various classes of persons or areas from payment of the charge, based upon any factor or combination of factors that provides a rational basis for that determination. The ordinance adopting the charges shall include a recital indicating the basis for the differences in the charges or the exclusion of one or more classes or areas from payment of the charge.

(d) The ordinance establishing the charges shall state whether the charges will be collected on the County tax roll or be billed to the diverter.

(e) When collected on the County tax roll, the water reclamation charges levied against property shall be a lien on all property against which the charge is imposed. Liens for the charges shall be of the same force and effect as liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and County taxes.

(f) When the charges are not collected on the County tax roll, the Agency shall collect the charges in accordance with procedures adopted by the Agency.

Sec. 14. Eminent domain. The Agency may exercise the right of eminent domain, either within or without the Agency, to take any property necessary to carry out any of the objects or purposes of this act. The Agency in exercising that power shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal or relocation of any structure, railways, mains, pipes, conduits, wires, cable, or poles of any public utility which is required to be moved to a new location. Nothing in this act shall be deemed to authorize the Agency, or any person or persons to divert the waters of any river, creek, stream, irrigation system, canal, or ditch from its channel, to the detriment of any person or persons having any interest in that river, creek, stream, irrigation system, canal, or ditch or the waters thereof or therein, unless compensation therefor be first provided in the manner provided by law.

Sec. 15. Board of Supervisors; ordinances and resolutions.

(a) The Board of Supervisors of the County is ex officio the Board of Supervisors of the Agency. (b) The Board of Supervisors may adopt, by ordinance, reasonable procedures, rules, and regulations to implement this act. The Board of Supervisors may specify in any ordinance that a violation of the ordinance is an infraction.

(c) (1) The Board may, by ordinance, declare that a violation of its ordinances is a nuisance

and may provide for the summary abatement of the nuisance. The Board may provide for the commencement of civil proceedings to abate a nuisance.

(2) The Board may provide that any person committing a nuisance is liable for the costs incurred by the Agency to abate a nuisance, including, but not limited to, costs of an investigation, costs incurred to eliminate or mitigate the nuisance, court costs, attorney fees, and costs incurred to monitor compliance. The Board may provide for civil penalties which may be imposed by a court against persons found by the court to have committed a nuisance.

(d) All ordinances, resolutions, and other legislative acts for the Agency shall be adopted by the Board of Supervisors, and certified to, recorded, and published in the same manner, except as otherwise expressly provided, as are ordinances, resolutions, or other legislative acts for the County.

Sec. 16. Officers, assistants, deputies, clerks, and employees. The district attorney, County surveyor, County assessor, County tax collector, County auditor, and County treasurer of the County of Monterey, and their successors in office, and all their assistants, deputies, clerks and employees, and all other officers of Monterey County, their assistants, deputies, clerks, and employees, shall be ex officio officers, assistants, deputies, clerks, and employees respectively of the Monterey County Water Resources Agency, and shall respectively perform, unless otherwise provided by the Board, the same various duties for the Agency as for Monterey County, in order to carry out this act. However, where the County surveyor is a registered civil engineer and is employed by the Board of Supervisors to supervise the engineering work of the Agency, the Board may provide for compensation for his or her services payable from the funds of the Agency, in addition to his or her salary as County surveyor of Monterey County.

Sec. 17. Rules and regulations; appointment of officers and employees. The Board shall have power to make and enforce all needful rules and regulations for the administration and government of the Agency, and to appoint and employ all needful agents, superintendents, engineers, attorneys, and employees to properly look after the performance of any work provided for in this act and to operate and maintain those works, and to perform all other acts necessary or proper to accomplish the purposes of this act. In addition to the officers and employees otherwise prescribed in this act, the Board may in its discretion appoint a chairman, a secretary, and any other officers, agents, and employees for the Board or the Agency as in its judgment may be deemed necessary, prescribe their duties, and fix their compensation. The officers, agents, and employees so appointed shall hold their respective offices or positions at the pleasure of the Board.

Sec. 18. Plan to control flood and storm waters; reports. The Board may by resolution employ competent consultants and employees as may be required to investigate and carefully devise a plan or plans to control the flood and storm waters of the Agency, and the zones thereof, and the flood and storm waters of streams that have their sources outside of the Agency but which streams and the flood waters thereof flow into the Agency, and to conserve those waters for beneficial and useful purposes by spreading, storing, delivering, reclaiming, retaining, or

causing to percolate into the soil within or without the Agency, or to save or conserve in any manner, any or all of those waters, and to protect the public highways, life, and property within the Agency, and the watercourses and watersheds of streams flowing into the Agency, from damage relating to those waters; and to obtain other information in regard thereto as may be deemed necessary or useful for carrying out the purposes of this act. The resolution may direct the engineer or engineers to make and file reports from time to time with the Board, which shall show all of the following:

(a) A general description of the work proposed to be done, together with general plans, profiles, cross sections, and general specifications relating thereto, on each project or work of improvement.

(b) A general description of the lands, rights-of-way, easements and property proposed to be taken, acquired or injured in carrying out the work.

(c) A map or maps which shall show the location and zones, as may be required, of each of the projects or improvements, and lands rights-of-way, easements, and property to be taken, acquired, or injured in carrying out the work, and any other information in regard to the work or improvements that may be deemed necessary or useful.

(d) An estimate of the cost of each project or work of improvement, including an estimate of the cost of lands, rights-of-way, easements, and property proposed to be taken, acquired, or injured in carrying out the project or work of improvement, and also of all incidental expenses likely to be incurred in connection therewith, including legal, clerical, engineering, superintendence, inspection, printing and advertising, and stating the total amount of bonds, if any, necessary to be issued to pay for the same.

The engineer or engineers shall from time to time and as directed by the Board file with the Board supplementary, amendatory and additional reports and recommendations, as necessity and convenience may require.

The engineer or engineers, employed by the Board, shall be authorized, subject to the control and direction of the Board, to employ those engineers, surveyors, and others, as may be required for making all surveys or doing any other work necessary for the making of the report.

The Board may at any time remove any or all of the engineers or employees appointed or employed under this act, and may fill any vacancies occurring among them from any cause.

Sec. 19. Projects or works of improvement to be carried out. The Board shall determine which projects or works of improvement shall be carried out and shall determine, as to each project or work of improvement, that it is one of the following:

(a) For the common benefit of the Agency as a whole.

- (b) For the common benefit of two or more zones referred to as participating zones.
- (c) For the benefit of a single zone.

Sec. 20. Institution of projects; hearings.

(a) The Board may institute projects for single zones and joint projects for two or more zones, for the financing, constructing, maintaining, operating, extending, repairing, or otherwise improving any work or improvement of common benefit to that zone or participating zones.

(b) To initiate proceedings for the approval of any project, the Board shall adopt a resolution which specifies all of the following:

- (1) Its intention to undertake the project and a general description of the proposed project.
- (2) The location and the extent of the proposed zones to be benefited and the percentage of the benefit to be received by each zone.
- (3) The engineering estimates of the cost of the project to be borne by the particular zones or participating zones.
- (4) The proposed method for financing the project, including, if applicable, the issuance of bonds, the kind and estimated amount of the bonds to be issued, and the levying of annual assessments.
- (5) The estimated rates at which the annual assessments, if any, will be levied.
- (6) The time and place for a public hearing on the resolution.
- (7) The place in the project zone or in each of the participating zones where a map or maps showing the general location and general construction of the project may be examined by the public during regular business hours.

(c) The hearing shall be held pursuant to Section 24.1. Any assessment to be levied in connection with a project shall be levied pursuant to Section 24.

Sec. 21. Legislative findings; Salinas River groundwater basin extraction and recharge. The Legislature finds and determines that the Agency is developing a project which will establish a substantial balance between extraction and recharge within the Salinas River Groundwater Basin. For the purpose of preserving that balance, no groundwater from that basin may be exported for any use outside the basin, except that use of water from the basin on any part of Fort Ord shall not be deemed such an export. If any export of water from the basin is attempted, the Agency may obtain from the superior court, and the court shall grant, injunctive relief prohibiting that exportation of groundwater.

Sec. 21.1. Export of groundwater or surface water from coastal watershed area; prohibition; injunctive relief.

(a) The Legislature finds and determines that the watersheds of the coastal streams south of Carmel Highlands in Monterey County contribute to the unique environment of the area, and that the surface water and groundwater naturally occurring in that area, should be retained within that area.

(b) For the purpose of preserving the unique environmental characteristics of the area described in subdivision (a), no person or entity shall export from the coastal watershed area any water obtained as groundwater or surface water in that area.

(c) If any export of water in violation of this section is attempted, the Agency or any person or entity affected by the export may obtain from the superior court, and the court shall grant, injunctive relief prohibiting the export of water.

(d) For purposes of this section, the "coastal watershed area" includes the watershed of Doud Creek and the watersheds of all streams that drain into the Pacific Ocean in Monterey County south of Doud Creek, excluding any portion of any watershed lying outside the Agency's territory.

(e) This section does not prohibit the use of water on lands adjacent to the coastal watershed which are in common ownership with lands within the watershed, nor does it restrict use of water which is consistent with an existing appropriative right.

Sec. 22. Studies; groundwater basins; seawater intrusion; extraction prohibition. If, as a result of appropriate studies conducted by the Agency, it is determined by the Board that any portion of a groundwater basin underlying the Agency is threatened with the loss of a usable water supply as a result of seawater intrusion into that portion of the groundwater basin, the Board may take appropriate steps to prevent or deter the further intrusion of underground seawater by establishing and defining an area and depth from which the further extraction of groundwater is prohibited. This determination shall be made only after a public hearing by the Board upon the proposed determination, with notice of the hearing to be given in the manner prescribed in Section 6065 of the Government Code. At the hearing, the Board shall accept evidence showing the nature and extent of the threat of seawater intrusion and the facilities proposed in order to provide to the area threatened a substitute supply of surface water. If, at the conclusion of the hearing, the Board determines that a threat of seawater intrusion exists which will be aggravated by continued groundwater extraction within a given area and depth, the Board may adopt an ordinance prohibiting the further extraction of groundwater from the area and depth so defined. The ordinance shall be effective as to any existing groundwater well extracting water from the area and depth prohibited only if there is made available to the lands served from that well a substitute surface water supply adequate to replace the water supply previously available from that well. The Board shall apportion the costs of installation, maintenance, and



operation of the facilities required to furnish that substitute surface supply in an equitable manner among all those benefited by the substitute supply, and by the cessation of groundwater extraction, through appropriate standby charges, water tolls, or subsidies.

Sec. 23. Water tolls or charges. The Board may impose water tolls or charges for the use of water served directly by the Agency from any project developed and operated by the Agency pursuant to this act. The Board may impose appropriate penalties and interest charges upon delinquent water tolls or charges and shall supply to the County auditor and tax collector on or before the first day of August of each year, a list of all delinquent water tolls or charges. The County tax collector shall collect the delinquent water tolls or charges at the same time and in the same manner as standby or availability charges of the Agency imposed under Section 12, except as to water tolls or charges made pursuant to a contract of the Agency under subdivision (i) of Section 9.

Sec. 24. Powers of Board.

(a) The Board of Supervisors may do any of the following:

(1) Levy ad valorem taxes or assessments upon all property in the Agency to pay the general administrative costs and expenses of the Agency, and to carry out any of the objects or purposes of this act of common benefit to the Agency.

(2) Levy taxes or assessments in each or any of the zones and participating zones to pay the costs and expenses of carrying out any of the purposes of this act of special benefit to the zone or zones, including, but not limited to, the constructing, maintaining operating, extending, repairing, or otherwise improving any or all works or improvements established or to be established within or on behalf of the respective zones, according to the benefits derived or to be derived by the respective zones, by a levy or assessment upon all property within a zone or participating zones, which may include land, improvements thereon, and personal property.

It is declared that for the purposes of any tax or assessment levied under this subdivision, the property so taxed or assessed within a given zone is equally benefited.

(3) Levy taxes or assessments for the purpose authorized by paragraph (2), in each or any of the zones or participating zones, according to the special benefits derived or to be derived by the specific properties therein. The Board may by ordinance adopt formulas to determine differential rates within a zone based on special benefits, parcel size, land use, and any other pertinent factor or combination of factors.

(b) To initiate proceedings to levy any assessment in connection with a project, the Board shall comply with Section 20.

(c) To initiate proceedings to levy any other assessment authorized by this act, the Board of Supervisors shall adopt a resolution which specifies all of the following:

(1) Its intention to levy the assessments.

(2) The location and the boundaries of the zones or areas within which the assessment is proposed to be levied.

(3) The specific purpose for which the assessment is to be levied.

(4) The estimated rates at which the annual assessments will be levied.

(5) The time and place for a public hearing on the resolution.

(d) The hearing on any assessment proceeding initiated pursuant to this act shall be held pursuant to Section 24.1, unless otherwise provided by this act.

(e) In the event of project cooperation with any of the governmental bodies as authorized in subdivision (f) of Section 9, and the making of a contract with any such governmental body, for the purposes set forth in subdivision (f), by the terms of which work is agreed to be performed by any such governmental body in any specified zone or participating zones, for the particular benefit thereof, and by that contract it is agreed that the Agency is to pay to that governmental body a sum of money in consideration or subvention for the performance of the work by that governmental body, the Board may, after proceedings in the manner prescribed in Section 20, levy and collect a special tax or assessment upon the property in the zone or participating zones, to raise funds to enable the Agency to make that payment, in addition to other taxes or assessments otherwise provided for in this act.

(f) The taxes or assessments shall be levied and collected together with, and not separately from, taxes for County purposes, and the revenues derived from the Agency taxes or assessments shall be paid into the County treasury to the credit of the Agency, or the respective zones thereof, and the Board may control and order the expenditure thereof for those purposes.

(g) No revenues, or portions thereof, derived in any of the several zones from the taxes or assessments levied under paragraph (2) or (3) of subdivision (a) shall be expended for constructing, maintaining, operating, extending, repairing, or otherwise improving any works or improvements located in any other zone, except in the case of joint projects, or for projects authorized or established outside that zone, or zones, but for the benefit thereof.

(h) In cases of projects joint to two or more zones, the zones will become, and shall be referred to as, participating zones.

(i) (1) Once an annual assessment has initially been authorized and levied pursuant to this section, the annual levy of that assessment in succeeding years shall be made by resolution of the Board of Supervisors, and shall not be subject to the protest procedures or require an election unless an increase in the assessment rate is proposed.

(2) Any renewal of the assessment after the assessment has been suspended or terminated by the Board of Supervisors, or expires in accordance with the terms of the original authorization, shall be treated as a new assessment.

Sec. 24.1. Proceedings; application of procedures.

(a) The procedures set forth in this section apply to hearings for approval of a project, establishment of a zone, amendment of a zone, approval of assessments levied in connection with a project, and approval of any other assessments under this act.

(b) (1) Notice shall be given by publication pursuant to Section 6066 of the Government Code. In any particular case, the Board may establish a longer notice period. In any case where a hearing is required in order to approve a project for which assessments may be levied, notice of the hearing shall also be published once a week for two consecutive weeks, with the first publication occurring at least 60 days before the date set for the hearing. Publication shall be made in a newspaper of general circulation designated by the Board, which is circulated in the zone or each of the participating zones. If no such newspaper exists, the publication shall be made in any newspaper of general circulation in the County that is likely to reach persons interested in the proposal, and in addition, a notice shall be posted for at least two consecutive weeks prior to the hearing in five public places designated by the Board, in the affected zones or area of benefit.

(2) The notice shall include all of the following:

(A) The text of the resolution initiating the approval process and setting the hearing date.

(B) A statement which informs the public that they may appear and speak on the proposal at the public hearing.

(C) A statement advising that written protests submitted at or before the time set for the hearing by registered voters or landowners, as applicable, will be considered by the Board.

(3) Any maps required to be mentioned in the resolution shall be posted or made readily available during normal business hours in each of the public places designated in the notice at least two weeks prior to the hearing.

(c) At or before the time set for the hearing, any person may file a written protest with the agency's secretary. Each protest shall include all of the following:

(1) A brief statement of the objection.

(2) A description of any lot or parcel located in the zone or area affected by the proposal,

in which each protester has an ownership interest, to enable the agency secretary to determine that the protester is the owner of property within the affected zone or area.

(3) If the name of the protester is not shown on the last assessment roll as the owner of the lot or parcel, written evidence that the protester is the legal owner of the property.

(4) The names of any co-owners or joint owners, including those signing the protest, and their proportionate ownership interests in the property.

(5) A statement indicating whether the protester resides within the affected zone or area and whether the protester is registered to vote as a resident within the zone or area.

(6) The protester's residence address.

(7) The signature of the protester. If the person making protest is a business entity, the signature shall be that of an authorized representative and shall be accompanied by a declaration, executed under penalty of perjury, or other evidence indicating the basis of the protester's authority.

(d) The secretary shall endorse on each protest, upon its receipt, the date of receipt, and at the time of the hearing shall count the number of protests and report to the Board the results of the count.

(e) At the hearing, the Board may modify the proposal to make the proposal less costly or burdensome. The modifications may include, but are not limited to, any of the following:

(1) Modifying the project in a manner which is consistent with the proposed financing arrangements and with the nature of the project as originally proposed.

(2) Reducing the area proposed to be affected by the proposal.

(3) Adjusting the boundaries of the participating zones, if no territory which was not previously included in one of the proposed zones is added in connection with the adjustment and if the boundary adjustment does not result in increased assessment rates for any property proposed to be included.

(4) Reducing the amount of the bonds proposed to be issued.

(5) Reducing the rate of assessment.

(6) Altering the apportionment of assessments if no assessment is increased.

(7) Reducing the total amount of the proposed assessment.

(f) The Board shall abandon the proposal or submit the proposal to the voters at an election

under either of the following circumstances:

(1) At the time of the hearing 12 or more registered voters have resided in the affected zone or area of benefit for at least the previous 90 days and protests are filed which are signed by that number of registered voters residing in the affected zone or area of benefit which equal at least 25 percent of the number of registered voters who at the time of the last gubernatorial election resided in the affected zone or area of benefit and voted in that election.

(2) In any other case, protests are filed which are signed by persons owning at least 25 percent of the land area within the affected zone or area of benefit. If property is jointly owned, only that portion of the property owned by the signer of a protest may be counted for purposes of this paragraph. If an election is called pursuant to this paragraph, only persons who own land in the affected zone or area of benefit may vote in the election.

(g) If the proposal is submitted to the voters, the voting shall take place at a general or special election which is held in the affected zone or area of benefit at least 45 days after the date of the close of the hearing. Article 3 (commencing with Section 3780), Article 4 (commencing with Section 3790), and Article 5 (commencing with Section 3795) of Chapter 2 of Division 5 of the Elections Code apply to an election held pursuant to this section.

(h) In an election held pursuant to this section in which only landowners are entitled to vote, each landowner has only one vote for each acre and may cast as many votes, including fractions of votes, as there are acres of land owned by the landowner in the territory in which the election is held. Fraction of an acre shall be rounded to the nearest one-tenth for voting purposes, but no landholding shall be deemed to be less than one-tenth of an acre. If property is jointly owned, the several owners are deemed to be one owner for voting purposes. The joint owners may split their votes as long as the total number of their votes does not exceed the total number of votes which would be granted to them as one owner.

(i) If an election is held and the proposal is approved by a majority of the votes cast on the proposal, the Board may proceed with the proposal.

(j) If the Board abandons the proceedings or the proposal fails to win a majority of the votes at an election, no further proceedings to implement the proposal may be undertaken for six months from the date of the abandonment or the date of the election.

(k) For purposes of this section, if a proposal is made to amend a zone by annexing or detaching territory, the "affected zone" or "area of benefit" means the territory proposed to be annexed or detached.

Sec. 25. Fees and taxes; referendum power. The fees and taxes increased or originally imposed by this act shall be subject to the use of the referendum power by the electors of the district, in the manner prescribed by law.

Sec. 26. Bonds; resolutions; elections.

(a) If the Board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone, the Board may, by resolution, determine and declare the respective amounts of bonds necessary to be issued in each zone, in order to raise the amount of money necessary for each work or improvement and the maximum rate of interest of the bonds. The Board shall file a copy of the resolution, duly certified by the clerk, in the office of the County recorder within five days after its issuance. Upon the filing of the copy of the resolution, the Board may proceed with the bond election.

(b) After the resolution is recorded pursuant to subdivision (a), the Board may call a special bond election in the zone or participating zones at which shall be submitted to the qualified electors of the zone or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in the resolution and for the purpose or purposes therein stated. The bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied pursuant to this act.

(c) (1) The Board shall call the special bond election by ordinance and not otherwise and submit to the qualified electors of the zone or participating zones, the proposition of incurring a bonded debt in the zone or participating zones in the amount and for the purposes, stated in the resolution and shall recite therein the purposes for which the indebtedness is proposed to be incurred. It shall be sufficient to give a brief, general description of those purposes, and to refer to the recorded copy of the resolution adopted by the Board, and on file for particulars.

(2) The ordinance shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefore, and the maximum rate of interest to be paid on the indebtedness and shall fix the date on which the special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on the indebtedness shall not exceed the maximum rate specified in Section 53531 of the Government Code.

(3) For the purposes of the election, the Board shall, in the ordinance, establish special bond election precincts within the boundaries of each zone and participating zone and may form election precincts by consolidating the precincts established for general elections in the Agency to a number not exceeding six general precincts for each special bond election precinct and shall designate a polling place and appoint one inspector, one judge, and one clerk for each of the special bond election precincts.

(d) In all particulars not recited in the ordinance, the special bond election shall be held as nearly as practicable in conformity with the general election laws of the state.

(e) The Board shall cause a map or maps to be prepared covering a general description of the work to be done, which shall show the location of the proposed works and improvements and shall cause the map to be posted in a prominent place in the County courthouse for public

inspection for at least 30 days before the date fixed for the election.

(f) The ordinance calling the special bond election shall, prior to the date set for the election, be published pursuant to Section 6062 of the Government Code in a newspaper of general circulation, circulated in each zone and participating zone affected. The last publication of the ordinance shall be at least 14 days before the election, and if there be no such newspaper, then the ordinance shall be posted in five public places designated by the Board, in each zone and participating zone for at least 30 days before the date fixed for the election. No other notice of the election need be given nor polling place cards be issued.

(g) Any defect of irregularity in the proceeding prior to the calling of the special bond election shall not affect the validity of the bonds authorized by the election. If at the election a majority of the votes cast are in favor of incurring the bonded indebtedness, then bonds for the zone or participating zones for the amount stated in the proceedings shall be issued and sold in the manner provided by this act.

Sec. 27. Bonds; form; terms; maturity denominations; signatures. The Board shall, subject to this act, prescribe by resolution the form of the bonds, which shall include a designation of the zone or participating zones affected, and of the interest coupons attached thereto. The bonds shall be payable annually or semiannually at the discretion of the Board each and every year on a day and date, and at a place to be fixed by the Board, and designated in the bonds, together with the interest on all sums unpaid on that date until the whole of the indebtedness shall have been paid.

The Board may divide the principal amount of any issue into two or more series, and fix different dates for the bonds of each series. The bonds of one series may be made payable at different times from those of any other series. The maturity of each series shall comply with this section. The Board may fix a date, not more than two years from the date of issuance, for the earliest maturity of each issue or series of bonds. Beginning with the date of the earliest maturity of each issue or series, not less than one-fortieth of the indebtedness of that issue or series shall be paid every year. The final maturity date shall not exceed 40 years from the time of incurring an indebtedness evidenced by each issue or series.

The bonds shall be issued in such denominations as the Board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in the bonds, and with interest at the rate specified in the bonds, which rate shall not exceed that specified pursuant to Section 53531 of the Government Code, and shall be made payable annually or semiannually, and the bonds shall be numbered consecutively and shall be signed by the chairman of the Board, and countersigned by the auditor of the Agency, and the seal of the Agency shall be affixed thereto by the clerk of the Board. Either or both signatures may be printed, engraved, or lithographed. The interest coupons of the bonds shall be numbered consecutively and signed by the auditor by his or her printed, engraved, or lithographed

signature. In case any such officer whose signatures or countersignatures appear on the bonds or coupons shall cease to be that officer before the delivery of the bonds to the purchaser, the bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if that officer had remained in office until the delivery of the bonds.

Sec. 28. Issuance and sale of bonds; payments from zone funds. The Board may issue and sell the bonds of the zones authorized at not less than par value, and the proceeds of the sale of the bonds shall be placed in the treasury of the County of Monterey to the credit of the Agency and the respective participating zones thereof, for the uses and purposes of the zone, or zones voting the bonds. The proper record of these transactions shall be placed upon the books of the County treasurer, and the respective zone funds shall be applied exclusively to the purposes and objects mentioned in the ordinance calling the special bond election, subject to the terms of this act. Payments from the zone funds shall be made upon demands prepaid, presented, allowed, and audited in the same manner as demands upon the funds of the County of Monterey.

Sec. 29. Bonds; payment from tax revenues. Any bonds issued under Section 26 of this act, and the interest thereon, shall be paid from revenue derived from annual taxes or assessments levied pursuant to this act. No zone or property in a zone is liable for the share of bonded indebtedness of any other zone, nor may any money derived from taxation or assessment in any of the several zones be used in payment of principal or interest or otherwise of the share of bonded indebtedness chargeable to any other zone.

Sec. 30. Bond tax. The Board shall levy a tax or assessment each year in the zones of issuance, sufficient to pay the interest and that portion of the principal of the bonds as is due or to become due before the time for making the next general tax levy. The taxes or assessments shall be levied and collected in the respective zones of issuance, together with and not separately from taxes for County purposes, and when collected shall be paid into the County treasury to the credit of the zone of issuance, and shall be used for the payment of the principal and interest on the bonds. The principal and interest on the bonds shall be paid by the County treasurer in the manner provided by law for the payment of principal and interest on bonds of the County.

Sec. 31. Bonds; law applicable. The provisions of law of this state, prescribing the time and manner of levying, assessing, equalizing and collecting County property taxes, including the sale of property for delinquency, and the redemption from that sale, and the duties of the several County officers with respect thereto, are, so far as they are applicable, and not in conflict with the specific provisions of this act, hereby adopted and made a part hereof.

Sec. 32. Bonds; legal investments. The bonds of the Agency issued for any zone or zones thereof pursuant to this act, shall be legal investments for all trust funds, and for the funds of all insurance companies, banks, both commercial and savings, and trust companies, and for the state school funds, and whenever any money or funds may by law now or hereafter enacted be invested in bonds of cities, cities and counties, counties, school districts or municipalities in the State of California, the money or funds may be invested in the bonds of the Agency issued in



accordance with this act, and whenever bonds of cities, cities and counties, counties, school districts, or municipalities, may be used as security for the performance of any act, the bonds of the Agency may be so used.

Sec. 33. Bonds; tax exemption; nature of district. All bonds issued by the Agency under this act shall be free and exempt from all taxation within the state. It is hereby declared that the Agency is a local government within the meaning of Section 26 of Article XIII of the California Constitution.

Sec. 34. Improvements; conformity with plans and specifications. Any improvement for which bonds are voted under this act, shall be made in conformity with the report, plans, specifications, and map theretofore adopted, as specified in this act, unless the doing of the work described in the report, shall be prohibited by law, or be rendered contrary to the best interests of the Agency by some change of conditions in relation thereto, in which event the Board of Supervisors may order necessary changes made in the proposed work or improvements and may cause any plans and specifications to be made and adopted therefor.

Sec. 35. Additional bonds. Whenever bonds have been authorized by any zone or participating zone of the Agency and the proceeds of the sale thereof have been expended as authorized in this act, and the Board shall by resolution determine that additional bonds should be issued for carrying out the work of flood control, or for any of the purposes of this act, the Board may again proceed as provided in this act, and submit to the qualified voters of the zone or participating zones, the question of issuing additional bonds in the same manner and with like procedure as hereinbefore provided, and all the above provisions of this act for the issuing and sale of the bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to that issue of additional bonds.

Sec. 36. Defeat of bond proposal; waiting period for new election. Should a proposition for issuing bonds for any zone or participating zones submitted at any election under this act fail to receive the requisite number of votes of the qualified electors voting at the election to incur the indebtedness for the purpose specified, the Board shall not for six months after the election call or order another election in the zone or participating zone for incurring indebtedness and issuing bonds under the terms of this act for the same objects and purposes.

Sec. 37. Repeals or amendments; effect on obligations. The repeal or amendment of this act shall not in any way affect or release any of the property in the Agency or in any zone thereof from the obligations of any outstanding bonds or indebtedness until all bonds and outstanding indebtedness have been fully repaid and discharged.

Sec. 38. Right of way over public lands. There is hereby granted to the Agency the right-of-way for the location, construction and maintenance of flood control channels, ditches, waterways, conduits, canals, storm dikes, embankments, and protective works in, over, and across public lands of the State of California, not otherwise disposed of or in use, not in any case exceeding in length or width that which is necessary for the construction of those works and

adjuncts or for the protection thereof. Whenever any selection of a right-of-way for the works or adjuncts thereto is made by the Agency, the Board shall transmit to the State Lands Commission, the Controller, and the recorder of the County in which the selected lands are situated, a plat of the lands so selected, giving the extent thereof and the uses for which the same is claimed or desired, duly verified to be correct. If the State Lands Commission shall approve the selections so made it shall endorse its approval upon the plat and issue to the Agency a permit to use such right-of-way and lands.

Sec. 39. Judicial proceedings; commencement. Any judicial action or proceeding to attack, review, set aside, void, annul, or challenge the validity or legality of the formation of a zone, any contract entered into by the Agency or a zone, any bond or evidence of indebtedness of the Agency or a zone, or any assessment, rate, or charge of the Agency or a zone shall be commenced within 60 days of the effective date thereof.

The action or proceeding shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

The Agency may bring an action pursuant to that Chapter 9 to determine the validity of any of the matters referred to in this section.

Sec. 40. Claims against Agency; law governing. Claims for money or damages against the Agency shall be governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided in this act. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to those claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the County.

Sec. 41. Title to property. The legal title to all property acquired under this act shall immediately and by operation of law vest in the Agency, and shall be held by the Agency, in trust for, and is hereby dedicated and set apart to, the uses and purposes set forth in this act. The Board is authorized to hold, use, acquire, manage, occupy, and possess, that property, as provided in this act and the Board may determine, by resolution duly entered in their minutes, that any property, real or personal, held by the Agency is no longer necessary to be retained for the uses and purposes thereof, and may thereafter sell, lease, or otherwise dispose of the property in the manner prescribed by law for counties.

Sec. 42. Employees' bonds. Employees appointed by the Board under this act when required by resolution of the Board, shall execute bonds conditioned, executed, approved, filed, and recorded in the general manner and form provided by law for officers, other than Supervisors, of the County, before entering upon the duties of their respective employments.

Sec. 43. Annexation to zones.

(a) In addition, or as an alternative, to the procedures for amending zones described in Section 7, any territory in the Agency lying within the watershed within which a zone is situated may be annexed to that zone pursuant to this section. Territory which is in, or annexed to, one zone may be annexed to another zone pursuant to this section.

(b) The following applies with respect to the annexation of new territory to any zone pursuant to this section:

(1) (A) A petition for annexation by election signed by 25 percent of the freeholders residing in the territory proposed to be annexed as shown by the last equalized assessment roll of the County shall be presented to the Board.

(B) The petition shall designate specifically the boundaries of the territory proposed to be annexed and its assessed valuation as shown by the last equalized assessment roll and shall ask that the territory be annexed to the zone. The petition shall be accompanied by a bond in the sum of not less than one hundred dollars (\$100), to be approved by the Board and filed with the clerk of the Board as security for the payment by the petitioners of the reasonable cost of the election on annexation, in the event that at the election less than a majority of the votes cast are in favor of annexation. The petition shall be verified by the affidavit of one of the petitioners.

(C) The petitioner shall be published by the petitioners for at least two weeks preceding its hearing in a newspaper of general circulation published in the zone, if there is one, or, if not, in a newspaper of general circulation published in the Agency, together with a notice stating the number of signers of the petition, the time when the petition will be presented to the Board and that all persons interested may appear and be heard. It shall not be necessary to publish the names of the signers.

(D) At the time specified for the hearing, the Board shall hear the petition and may adjourn the hearing from time to time. Upon final hearing of the petition, the Board, if it approves the petition as originally presented or in a modified form, shall make an order describing the exterior boundaries of the territory proposed to be annexed and ordering that an election be held in such territory for the purpose of determining whether or not the territory shall be annexed to the zone. The order shall fix the day of the election, which shall be within 60 days from the date of the order, and shall show the boundaries of the territory proposed to be annexed to the zone and shall set forth the measure to be submitted to the voters of such territory and shall designate the precincts, polling places and election officers for such election and state the times between which the polls shall be open. The order shall be published pursuant to Section 6066 of the Government Code. This order shall be entered in the minutes and is conclusive evidence of a due presentation of a proper petition, and of the fact that each of the petitioners was, at the time of the signing and presentation of the petition, qualified to sign.

(E) The election shall be held and conducted as provided in Chapter 1 (commencing with section 22000) of Part 1 of Division 12 of the Elections Code and sample ballots and polling place cards shall be mailed as provided in section 10012 of the Elections Code. If a majority of the votes in the territory proposed to be annexed at an election called therein by the

Board for that purpose are in favor of the annexation, the clerk of the Board shall make and cause to be entered in the minutes and endorsed on the petition an order approving the petition and the petition shall be filed. The entry is conclusive evidence of the fact and regularity of all prior proceedings of every kind required by law and of the facts stated in the entry. The Board at its next regular meeting after the entry shall, by an order, alter the boundaries of the zone and annex to it the territory described in the petition. The order of the Board is conclusive evidence of the validity of all prior proceedings leading up to the annexation and recited in the order, and from and after the order the territory is part of the zone. If, at the election, less a majority of the votes in a territory proposed to be annexed are in favor of the annexation of the territory to the zone, the signers of the petition shall, within 10 days after the canvassing of the votes of the election, pay to the Board the reasonable cost of the election and, if not paid within 10 days, the Board may sue on the bond to recover the cost of the election. If the result of the election is against annexation, the Board shall, by order, disapprove the petition and enter the order in its minutes. No other proceeding shall be taken in relation thereto until the expiration of six months from the presentation of the petition, except to collect the costs of the election.

(2) (A) A petition for annexation without election signed by the owners of real property in the territory proposed to be annexed which real property represents at least 75 percent of the total assessed valuation of real property in the territory as shown by the last equalized County assessment roll, shall be presented to the Board.

(B) The petition shall designate specifically the boundaries of the territory and the assessed valuation of real property therein as shown by the last equalized County assessment roll and shall show the amount of real property owned by each of the petitioners and its assessed valuation as shown by the last equalized County assessment roll. The petition shall ask that the territory be annexed to the zone. The petition shall be verified by the affidavit of one of the petitioners.

(C) The petition shall be published by petitioners at least two weeks preceding the hearing in a newspaper of general circulation published in the zone, if there is one, or, if not, in a newspaper of general circulation published in the Agency. With the petition there shall be published a notice stating the number of signers of the petition, the time when the petition will be presented to the Board and stating that all persons interested may appear and be heard. It shall not be necessary to publish the names of the signers. A printed copy of the petition and notice as so published shall be mailed pursuant to Sections 53520 to 53523, inclusive, of the Government Code.

(D) At the time designated the Board shall hear the petition and any person interested, and may adjourn the hearing from time to time. Upon the hearing of the petition, the Board shall determine whether or not it is in the best interests of the zone and the territory that the territory be annexed to the zone and the Board may modify the boundaries of the territory proposed to be annexed as set forth in the petition by decreasing the area of the territory. If the Board upon final hearing determines that it is in the best interests of the zone and of the territory proposed to be annexed that the territory be annexed, it shall make an order describing the boundaries of the

territory proposed to be annexed and shall alter the boundaries of the zone and annex to it the territory described in the petition and the territory is then a part of the zone.

(3) A petition for annexation without election signed by 100 percent of the owners of real property in the territory proposed to be annexed may be presented to the Board. The petition shall designate specifically the boundaries of the territory and shall ask that the territory be annexed to the zone. The petition shall be verified by the affidavit of one of the petitioners. The Board shall determine, upon reviewing the petition, whether or not it is in the best interest of the zone and the territory that the territory be annexed to the zone. The Board may modify the boundaries of the territory proposed to be annexed as stated in the petition by decreasing the area of the territory. If the Board determines that it is in the best interest of the zone and of the territory proposed to be annexed that the territory be annexed, the Board shall make an order describing the boundaries of the territory proposed to be annexed and shall alter the boundaries of the zone and annex to it the territory described in the petition, and the territory is then a part of the zone.

(4) No petition or request for annexation pursuant to paragraphs (1) to (3), inclusive, may be accepted by the Board if a zone annexation petition involving any of the same territory is pending before it for annexation to the same zone.

(5) An order for annexation may be by ordinance or resolution. Whenever any new territory is annexed to a zone, the territory thereupon becomes subject to all the liabilities and entitled to all the benefits of the zone. Any order for annexation may provide for, or be made subject to, the payment of a fixed or determinable amount of money for the acquisition, transfer, use, or right of use of all or any part of the existing property, real or personal, of the zone. The Board may provide that payment of the amounts shall be either: (1) in lump sums or (2) in semiannual installments with interest thereon at a rate not to exceed 12 percent over a period not to exceed 10 years beginning on July 1 following the next succeeding March 1. If the payment is in semiannual installments, the Board shall provide in the ordinance that the total of each sum to be paid by each parcel shall constitute a lien on the parcel as of noon on the next succeeding March 1, the same as the lien for general Agency and zone taxes; that the semiannual installments shall be paid and collected at the same time and in the same manner and by the same persons as, and together with and not separately from, general Agency and zone taxes and shall be delinquent at the same time and thereafter subject to the same delinquency penalties; and that all laws applicable to the levy, collection and enforcement of general Agency and zone taxes, including, but not limited to, those pertaining to delinquency, correction, cancellation, refund and redemption shall be applicable to such installments.

Sec. 44. Structure and governance of Agency; task force. The Salinas Valley Water Advisory Commission shall appoint a task force to study the structure and governance of the Agency. The task force shall include broad based representation of Monterey County and cities and businesses and agricultural entities represented in the Monterey and Salinas Valley area. The task force shall complete the study and make written recommendations to the Salinas Valley Water Advisory Commission on or before July 1, 1991.

Sec. 45. Water allocation formula; task force. The Board shall appoint a task force to recommend a water allocation formula for urban and agricultural areas in the County that are not within the jurisdiction of the Monterey Peninsula Water Management District and the Pajaro Valley Water Management Agency. An urban allocation formula is necessary to preserve agricultural access to an adequate water supply and to preserve agriculture as a mainstay of the Salinas Valley economy. The task force shall make the recommendation to the Agency on or before January 1, 1992.

Sec. 48. Board of Directors; appointment; number; qualifications. The agency shall be governed by a Board of Directors, appointed pursuant to Section 49, consisting of nine members. The Directors shall be residents of the County and shall have backgrounds and experience that indicate a high level of interest or expertise in areas relating to the Agency's work.

Sec. 49. Manner of appointment; experience.

(a) (1) Five Directors shall be appointed, one each by each member of the Board of Supervisors.

(2) For purposes of paragraph (1), the Supervisors shall consider appointments of persons with experience relating to any of the following:

(A) Municipal or small water agencies not regulated by the Public Utilities Commission.

(B) Resource conservation districts.

(C) Environmental protection organizations.

(D) Industry and building trade representatives.

(E) Agricultural organizations.

(3) The Board of Supervisors shall also consider appointments of persons from the public.

(b) Four Directors shall be appointed by a majority vote of the Supervisors from nominees submitted by the following groups or organizations:

(1) One Director from a list of two nominees provided by the Monterey County Farm Bureau, who has a background in agricultural production.

(2) One Director from a list of two nominees provided by the Grower-Shipper Vegetable Association of Central California, who has a background in agricultural production.

(3) One Director from a list of two nominees provided by the mayor's select committee, who has a background in city government within the territory of the agency.

(4) One Director from a list of two nominees provided by the Monterey County Agricultural Advisory Committee. The Monterey Agricultural Advisory Committee shall consider possible nominations from all areas of agriculture not represented by the organizations described in paragraphs (1) to (3), inclusive, such as flower growers' associations, cattlemen's associations, wine grape growers' associations, and independent growers.

(c) No person shall be appointed pursuant to this section that, because of his or her employment or other financial interest, is likely to be disqualified from a substantial number of decisions to be made by the Board of the Agency on the basis of conflict-of-interest requirements.

Sec. 50. Terms; reappointment.

(a) The term of office for each Director shall be four years, except as provided in subdivision (b). Directors shall serve until their successors are appointed and take office. Directors may be reappointed at the end of their terms.

(b) The terms of office of the Directors shall be staggered. Directors who are appointed initially shall serve as follows:

(1) Three Directors shall have two-year terms.

(2) Three Directors shall have three-year terms.

(3) Three Directors shall have four-year terms.

(4) The initial Directors shall draw lots to determine the length of each Director's initial term.

Sec. 51. Vacancies; manner of filling; term.

(a) A vacancy occurs among the Directors when a Director resigns or dies, or if the office is declared vacant by the Supervisors, on the recommendation of a majority of the Directors due to the incumbent Director's incapacity or failure to attend meetings.

(b) A vacancy shall be filled by appointment in the same manner as the appointment of the previous holder of the office. The person appointed to replace a Director shall serve for the remainder of the original term, and may thereafter be re-appointed or not, as the appointing authority may decide.

Sec. 52. Duty to advise Board of Supervisors; emergencies.

(a) The Directors shall advise the Board of Supervisors on all matters relating to the Agency within the scope of the Supervisors' duties. No action shall be taken by the Board of Supervisors relating to the Agency without seeking or obtaining a recommendation from the Directors.

(b) Subdivision (a) does not apply to actions taken in connection with an emergency declared by the Board of Supervisors that requires immediate action and there is insufficient time to obtain a recommendation from the Directors. The Board of Supervisors shall give reasonable advance notice to the Directors of any meeting at which an emergency declaration relating to the Agency will be considered by the Supervisors.

Sec. 53. Policy objectives of Directors. The Directors shall establish long-term and short-term policy objectives for the Agency, subject to review by the Board of Supervisors, and shall oversee the work of the Agency to ensure that the objectives established are diligently pursued. The policy objectives shall be consistent with the Monterey County General Plan and its implementing ordinances.

Sec. 54. Duties of Directors. The Directors shall, with the assistance of staff, do all of the following:

(a) Prepare an annual budget for the Agency.

(b) Hold public hearings on the proposed budget.

(c) After approval of the budget by the Directors, submit the budget to the Supervisors for its adoption.

Sec. 55. Responsibility of Directors for initiating and developing proposals for Agency work. The Directors shall have primary, but not exclusive, responsibility for initiating and developing all proposals affecting the work of the Agency.

Sec. 56. Approval and execution of contracts by Directors. The Directors shall approve, and the chairperson of the Directors shall execute, all contracts of the Agency when authorized by this act or by the Board of Supervisors. All existing provisions of law relating to Agency contracts, including, but not limited to, advertising, bidding, awarding, and managing contracts, shall govern the actions of the Directors.

Sec. 57. Approval of contracts for which funds budgeted; form; fiscal provisions.

(a) Except as otherwise provided, the Directors may approve all contracts for which funds have been budgeted by the Agency.

(b) All contracts approved by the Directors shall be approved as to form by the County counsel and as to fiscal provisions by the County administrative office.



Sec. 58. Purchasing agent; contracts; submission to Directors. The purchasing agent for the County shall be an ex officio purchasing agent for the Agency. The Supervisors may grant to the purchasing agent the same authority to execute contracts on behalf of the Agency as it has to execute contracts on behalf of the County. The general manager may submit to the Directors for approval any contract within the purchasing agent's authority, and shall submit any such contract to the Directors upon their request.

Sec. 60. Contracts for which funds not budgeted; form; fiscal provisions. All contracts for which funds have not previously been budgeted by the Agency shall be approved by the Board of Supervisors and executed by the chairperson of the Board of Supervisors, subject to approval as to form by the County counsel and as to fiscal provisions by the County administrative office.

Sec. 60.1. Contracts for lease of Agency land. All contracts involving the lease of Agency land to the County for recreational use shall be approved, modified, terminated, or administered by the Board of Supervisors, unless the Supervisors, by ordinance, grant this authority to the Directors.

Sec. 61. Recruitment and hiring of general manager; requirements; termination.

(a) The Directors shall, in consultation with the County personnel Director, establish procedures for the recruitment and hiring of the general manager of the Agency, subject to approval by the Board of Supervisors. The procedures shall include at least all of the following requirements:

(1) The County personnel department shall review and screen all applications.

(2) The Directors shall interview the candidates who pass the screening by the personnel department, and shall recommend at least two candidates to the Supervisors.

(3) The Board of Supervisors shall make the final selection. The Board of Supervisors may select one of the candidates referred by the Directors or may reject all candidates and direct that the process be repeated.

(b) The Board of Supervisors retain the authority to terminate the general manager. Prior to terminating the general manager, the Board of Supervisors shall consider the recommendations of the Directors.

Sec. 62. Annual performance evaluation of general manager; yearly objectives. The Directors shall prepare an annual performance evaluation of the general manager. The County administrative office shall prepare a format for the evaluation. At the beginning of each evaluation period, the Directors and the general manager shall develop a set of Agency objectives for the year ahead. The evaluation shall include an assessment of the performance of the general manager in relation to these objectives. A copy of the evaluation shall be sent to the

Supervisors.

Sec. 63. Personnel duties of Directors: planning and budgeting matters.

(a) The Board of Supervisors shall grant to the Directors the duties relating to personnel matters of the Agency, subject to memoranda of understanding entered into by employee organizations and the Board of Supervisors.

(b) All planning and budgeting matters relating to Agency staffing requirements shall be considered by the Directors before referral to the Supervisors.

Sec. 64. Meeting of Directors; conduct.

(a) The Directors shall meet on a regular basis, not less than once per month, at a regular meeting place to be determined by the Directors.

(b) All meetings shall be conducted pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code) and Robert's Rules of Order. The procedures set forth in Robert's Rules of Order may be modified by resolution of the Directors or by amendment to the bylaws of the Agency.

Sec. 65. Public hearings by Directors; testimony of public. The Directors shall hold public hearings and shall consider testimony by the public on all matters concerning the Agency's activities for which public hearings are required by law.

Sec. 66. By-laws; adoption by Directors; standing committees. The Directors shall adopt bylaws for the conduct of their business and shall establish standing committees comprised of Board members.

Sec. 67. Advisory committees. The Directors may establish and appoint advisory committees to assist the Agency in any aspect of its work; any may prescribe the qualifications for membership on the advisory committees. The members of the advisory committees need not be Directors.

Sec. 68. Advisory committees; sole authority to advise Board members. The Directors shall not delegate to any standing or advisory committee any authority other than the authority to advise the Board members.

Sec. 69. Exercise by Directors of Agency powers not reserved to Supervisors. The Directors shall exercise those Agency powers not reserved to the Supervisors.

Sec. 70. Additional powers of Board of Supervisors. The Board of Supervisors, and not the Directors, may take any of the following actions:

- (a) Adopt Agency ordinances.
- (b) Create zones.
- (c) Levy assessments or taxes, impose fees, charges or tolls, authorize bonds, or borrow money.
- (d) Authorize projects that involve the creation of zones or the institution of any financing measures.
- (e) Adopt an Agency budget.

Sec. 71. Duties of Supervisors concerning litigation.

- (a) The Board of Supervisors are responsible for the initiation and the conduct of any litigation by the Agency and for the settlement of any litigation.
- (b) The Directors or general manager shall refer all matters with respect to which litigation is likely to the Board of Supervisors.
- (c) The chairperson of the Directors, or his or her designee, may be present during a closed session held by the Board of Supervisors to consider matters pertaining to litigation affecting the Agency.

Sec. 73. Reports to Supervisors.

- (a) The general manager shall report to the Board of Supervisors in a timely manner concerning all actions taken by the Board members. Copies of all agendas and minutes of meetings of the Directors shall be provided to the Board of Supervisors in a timely manner, to ensure communication between the Board of Supervisors and the Directors.
- (b) The Agency shall prepare a quarterly report, which shall be approved by the Directors, and a copy of the report shall be submitted to the Board of Supervisors. The Directors shall make an oral presentation of its report to the Board of Supervisors at a Supervisors' meeting.
- (c) Any decisions by the Directors which may have a significant impact on Agency operations, policies, and practices shall be discussed with the Supervisors, prior to implementation. Major policy changes having community-wide impact shall be communicated to the Supervisors for review and concurrence, prior to implementation.

Sec. 74. Reports to Board of Directors. The general manager shall report to the Directors in a timely manner concerning all actions taken by the Board of Supervisors regarding the work of the Agency. The clerk of the Board of Supervisors shall provide to the Directors in a timely manner copies of all agendas, minutes, ordinances, and resolutions of the Supervisors relating to the Agency.

Sec. 75. Semiannual meeting of Board of Supervisors and Directors. The Board of Supervisors and Directors shall hold a joint meeting semiannually.

Sec. 76. Appeals by Agency to Directors. If any ordinance, resolution, or regulation of the Agency provides for an appeal from any administrative or enforcement decision made by the Agency or its staff, the appeal shall be heard by the Directors, unless a different procedure is established by law, ordinance, or contract.

Sec. 77. Adoption of rules relating to notice and hearing by Directors. The Directors shall adopt rules and regulations relating to public notice requirements for, and the conduct of, a hearing held pursuant to an appeal.

Sec. 80. Decision of Directors final; no appeal to Supervisors. The decision of the Directors on any appeal shall be final, and there shall be no appeal from the decision to the Supervisors.

Sec. 81. No appeal from decision of Directors to Board of Supervisors; exception.

(a) There shall be no appeal to the Board of Supervisors from any decision by the Directors on any matter, unless the appeal is permitted by ordinance or by other law.

(b) For purposes of subdivision (a), the referral of any matter to the Board of Supervisors by Directors or the general manager, on their own initiative or at the request of the Supervisors, if the Board of Supervisors has final decision making authority or the duty to advise or give consent, is not an appeal.

Sec. 82. Actions and decisions of Agency subject to judicial review. Actions and decisions of the Agency, whether by the Board of Supervisors, the Directors, or others acting on behalf of the Agency, are subject to judicial review as provided by existing law.

Sec. 83. Assistance of County staff to Directors; assistance of attorney representing County counsel. The Directors may request, and shall receive, the assistance of County staff, as required, for the conduct of their business. An attorney representing the County counsel shall be present to advise the Directors at their regular and special meetings.

Sec. 84. Joint meeting of Supervisors and Directors to study effectiveness of Agency. On or after January 1, 1995, the Board of Supervisors and the Directors shall hold one or more joint meetings to study the effectiveness of the governance of the Agency by the Directors and the Supervisors.

Sec. 85. Cooperation by and with Pajaro Valley Management Agency and Monterey Peninsula Water Management District; memorandum of agreement.

(a) The Pajaro Valley Water Management Agency and the Monterey Peninsula Water Management District shall work with the Agency and shall use their best efforts to cooperate with each other.

(b) The Agency, the Monterey Peninsula Water Management District, and the Pajaro Valley Water Management Agency shall, on or before February 1, 1992, make a good faith effort to enter into a memorandum of agreement as to the manner in which the Agency shall exercise powers in any area of overlapping jurisdiction among the three local water entities.

Sec. 86. Act not to alter authority of Monterey Peninsula Water Management District or Pajaro Valley Management Agency. This act does not alter the authority of the Monterey Peninsula Water Management District or the Pajaro Valley Management Agency.

Sec. 90. Liberal construction. This act, and every part thereof, shall be liberally construed to promote the objects thereof, and to carry out its intents and purposes.

Sec. 91. Severability. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, or the application of these provisions to other persons or circumstances, shall not be affected thereby.