

**SCOTT VALLEY AND SHASTA VALLEY
WATERMASTER DISTRICT**

BYLAWS

Adopted by the Board of Directors on February 29, 2012

ARTICLE I – General Purposes and Governing Authority

The purposes for which the Scott Valley and Shasta Valley Watermaster District (“District”) is formed, and the manner in which the District may exercise its powers, are set forth in these bylaws.

1. **Establishment.** The District was created by passage of Assembly Bill 1580, the Scott Valley and Shasta Valley Watermaster District Act (“Watermaster District Act”), which was signed into law by the Governor on October 10, 2007, and became Chapter 416 of the Statutes of 2007. A copy of the Act is attached to these bylaws as Appendix A. Terms used in these bylaws shall have the same meaning as the terms defined in Article 3 of the Act.

2. **Purpose.** The purpose of the District is to act as watermaster for those decreed water rights whose places of use are within the Scott and Shasta Valleys and for which the Siskiyou County Superior Court has appointed the District as the Watermaster.¹ The District, as watermaster, shall secure the services of qualified and unbiased professionals to ensure water is allocated according to legally established water rights in order to minimize litigation between water rights holders and avoid the need for ongoing judicial oversight or law enforcement actions. To accomplish these objectives, the watermaster shall physically regulate diversions governed by the decrees administered by the District.

3. **Governing Authority.** The governing authority of the District is its board of directors.² The District shall exercise the powers set forth in the Watermaster District Act, including the watermaster powers included in Part 4 of Division 2 of the California Water Code (sections 4000 to 4407) to the extent the Superior Court has authorized the District to exercise such Water Code powers.³

ARTICLE II – Name and Location

1. **Name.** The name of the District is the Scott Valley and Shasta Valley Watermaster District.⁴

2. **Location.** The principal office of the District shall be located at 11236 N. Highway 3, Fort Jones, California, 96032, with a mailing address of P.O. Box 158, Fort Jones, CA 96032, or at such other locations as the board of directors may designate by resolution from time to time.

ARTICLE III – Fiscal Year and Finances

1. **Fiscal Year.** The fiscal year of the District shall begin on July 1 and end on June 30 of the following year.

2. **Payment of Claims.** Unless and until the board of directors establishes other policies for payment of claims, the board shall approve all claims to be paid by the District.

3. **Records.** The board of directors shall keep a record of all its actions, including financial transactions.⁵

¹ Watermaster District Act §102(b).

² Watermaster District Act §102(b).

³ Watermaster District Act §502(a).

⁴ Watermaster District Act §102(a).

⁵ Watermaster District Act §403(a)(2).

4. **Financial Reports.** At each regular meeting of the board of directors, the board shall receive a report on the finances of the District, and the minutes of the meeting shall record action upon a motion for the board to accept and file the financial report.

5. **Audits.** The board of directors shall provide for the preparation of regular audits of the District's accounts and records pursuant to Section 26909 of the Government Code.⁶

6. **SCO Reports.** The board of directors shall provide for the preparation of annual financial reports to the State Controller's Office pursuant to Article 9 (commencing with Section 53890) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.⁷

7. **Annual Budget.** Before June 15 of each year, the District shall adopt a proposed annual budget following the directions in the orders of the Siskiyou County Superior Court.

8. **Apportionment of Fees.** The District shall propose an apportionment of costs among the water rights holders using any reasonable methodology, including but not limited to the methodology set forth in Water Code sections 4251 to 4254.

9. **Superior Court Review.** The proposed budget and proposed apportionment shall be filed with the Siskiyou County Superior Court and served on all water rights holders before June 15 of each year. Following consideration of any objections, the Court may approve the apportionment or conduct further proceedings.

10. **Collection of Fees.** The budget and apportionment served on public agencies and public utilities shall have the same effect as a statement provided pursuant to Water Code section 4300, and such agencies and utilities shall submit payment to the District by December 10 of each year.⁸ With respect to all other water rights holders, on or before August 10 of each year the District shall certify to the Siskiyou County Auditor and the Siskiyou County Board of Supervisors the amounts that have been apportioned to the water rights holders and are to be collected on the County's property tax bills. If the Superior Court has approved the proposed budget and apportionment by July 31, the apportionment certified to the County shall be the amounts approved by the Court. If the Superior Court has not approved the proposed budget and apportionment by July 31, the apportionment certified to the County shall be that proposed by the District and any adjustments that may be made subsequently by the Court shall be reflected in the budget and apportionment for the next fiscal year.

ARTICLE IV – Boundaries, Service Areas, and User Areas

1. **Boundaries.** The territory and boundaries of the District are described in section 201 of the Watermaster District Act.

2. **Service Areas.** The District is divided into the Scott Valley Service Area and the Shasta Valley Service Area.⁹ Service areas may be enlarged, reduced, consolidated, or abolished from time to time as convenience of administration may require.¹⁰

⁶ Watermaster District Act §407(a).

⁷ Watermaster District Act §407(b).

⁸ Water Code §4302.

⁹ Watermaster District Act §202.

¹⁰ Water Code §4032.

3. **User Areas.** The board may establish user areas within each service area and adjust the boundaries or number of user areas from time to time. User areas shall be designated and adjusted based on criteria determined by the board, such as geographic areas, stream systems, service needs, or other factors. The board shall designate a water user from each user area to serve as a representative of the user area and be a liaison between the water users in the user area and the District. A board member may be designated as the representative for a user area.

ARTICLE V – Powers and Duties

1. **General Authority.** The District shall serve as the watermaster for any appointed decree, including, but not limited to, taking specific actions ordered by the Siskiyou County Superior Court in the administration of any such decree.¹¹

2. **Watermaster District Act.** Under the Watermaster District Act, the District is specifically granted the power to¹²:

- a. Adopt ordinances in accordance with Article 7 (commencing with Section 25120) of Chapter 1 of Part 2 of Division 2 of Title 3 of the Government Code.
- b. Adopt and enforce rules and regulations for the administration, operation, use, and maintenance of the District's facilities and property.
- c. Sue and be sued in its own name.
- d. Acquire any real or personal property within the District, by contract or otherwise, to hold, manage, occupy, dispose of, convey and encumber the property, and to create a leasehold interest in the property for the benefit of the District. The District does not have the power of eminent domain.
- e. Appoint employees, define their qualifications and duties, and provide a schedule of compensation for performance of their duties.
- f. Engage counsel and other professional services.
- g. Enter into and perform all contracts. The District must follow the procedures that apply to Siskiyou County, including, but not limited to, the requirements of Article 3.6 (commencing with Section 20150) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code.
- h. Adopt a seal and alter it.
- i. Take any and all actions necessary for, or incidental to, the powers expressed or implied by the Watermaster District Act.

3. **California Water Code.** In carrying out its duties as watermaster, the District shall have the same powers as are granted to the California Department of Water Resources under Part 4 of Division 2 of the Water Code, except as those powers have been modified by the Siskiyou County Superior Court.¹³ Under the Water Code, among other things the District is granted the power to:

- a. Make reasonable regulations to secure distribution of water in accordance with determined rights.¹⁴

¹¹ Watermaster District Act §501.

¹² Watermaster District Act §406.

¹³ Watermaster District Act §502(a).

¹⁴ Water Code §4150.

- b. Adjust or close the headgates of conduits and regulate controlling works of reservoirs to distribute water according to right.¹⁵
 - c. Attach a signed and dated notice to a headgate or control structure indicating it has been properly regulated and is wholly under the control of the watermaster.
 - d. Arrest and deliver to the sheriff any person who willfully and without authority opens, closes, changes, or interferes with any headgate, waterbox, or measuring device while it is under the control of the watermaster, or who willfully takes or uses water which has been denied him by the watermaster.¹⁶
4. **District Policies.** The board of directors shall adopt policies for the operation of the District.¹⁷

The provisions included in these bylaws shall constitute policies of the District and shall be self-executing as directed by the District, regardless of whether their basis is statutory, by order of the Siskiyou County Superior Court, or stated in these bylaws by the board of directors. The District may adopt additional policies from time to time as deemed necessary by the board of directors.

ARTICLE VI – Board of Directors

1. **Composition.** The Board of Directors of the District shall consist of:¹⁸
- a. Two members who shall be voters holding water rights whose places of use under a decree are appointed or contracted parcels within the Scott Valley Service Area. These members shall be elected at large from the Scott Valley Service Area.
 - b. Three members who shall be voters holding water rights whose places of use are appointed or contracted parcels within the Shasta Valley Service Area. These members shall be elected at large from the Shasta Valley Service Area.
 - c. Two members appointed by the county board of supervisors. These members shall be residents of the county and shall not be voters holding water rights.

2. **Elections.** The Uniform District Election Law¹⁹ shall apply to elections of the District.²⁰ The District shall function as a landowner voting district, except that each voter (water rights holder) shall have one vote.²¹ For water rights that have multiple holders, the District shall establish a deadline before each election for the water rights holders to designate in writing to the District one voter for voting purposes.²²

3. **Term of Office.** The normal term of office for directors shall be four years.²³ The Uniform District Election for special districts is conducted in every odd-numbered year. Upon formation of the initial board of directors, terms of office were staggered into two classes. Three elective seats shall be subject to election in a Uniform District Election, and two elective seats shall be subject to election in

¹⁵ Water Code §4151.

¹⁶ Water Code §4178.

¹⁷ Watermaster District Act §403(a)(4).

¹⁸ Watermaster District Act §401(b).

¹⁹ Part 4 of Division 10 of the Elections Code, commencing with §10500.

²⁰ Watermaster District Act §401(e).

²¹ Watermaster District Act §402(a).

²² Watermaster District Act §402(b).

²³ Watermaster District Act §401(d)(3).

the subsequent Uniform District Election. Board members serving in appointive positions shall assume office and leave office on the same dates as members serving in elective positions. Prior to taking office, each director shall take the official oath and execute any bond that may be set by the board.²⁴

4. **Vacancies in Elected Positions.** Any vacancy in an elective office of the board of directors (the directors elected at-large from the Scott Valley or Shasta Valley service areas) shall be filled in accordance with the procedures of Government Code § 1780.²⁵ The District secretary shall notify the Siskiyou County elections official of a vacancy no later than 15 days after the board is notified of the vacancy or the effective date of the vacancy, whichever is later.²⁶ The remaining members of the board of directors may fill the vacancy by following the procedures in Government Code § 1780 to make an appointment or call a special election.

5. **Vacancies in Appointive Positions.** Any vacancy in an appointive office of the board of directors (the directors appointed by the Siskiyou County Board of Supervisors) shall be filled by an appointment by the Siskiyou County Board of Supervisors.²⁷

ARTICLE VII – Officers and Board Members

1. **Chair and Vice-Chair.** At its first meeting each year, the board of directors shall elect a chair and a vice-chair from among its members.²⁸ Duties and expectations of the Chair of the board of directors include presiding over meetings of the board, developing meeting agendas with the District Administrator, and performing such services as may be needed to address or advance the interests of the District. The Vice-Chair shall perform the duties of the Chair in the absence or unavailability of the Chair. The Vice-Chair is typically the successor to the Chair.

2. **Secretary.** The board of directors shall appoint a Secretary, who may be a board member or an employee of the District.²⁹ The Secretary shall be responsible for ensuring the safekeeping of all records of the District. The Secretary shall certify minutes, resolutions, and ordinances approved by the board of directors, and may certify other documents and records as necessary and appropriate.

3. **Treasurer.** The board of directors shall appoint a Treasurer from among its members. The Treasurer shall oversee the financial administration of the District and work closely with the District Administrator on financial matters. The Treasurer shall generally take the lead in developing financial policies and procedures for consideration by the board of directors.

4. **Board Members.** All board members are expected to regularly attend meetings of the board of directors and important related meetings. Board members should review minutes, agendas, and supporting materials prior to meetings of the board of directors and be prepared to discuss and consider action on agenda items. Board members may agree to take on individual assignments from time to time and should follow through diligently on completing such assignments. Notwithstanding the appointment of a Treasurer, all board members should review budget documents and financial reports and remain actively informed about the finances and financial condition of the District.

²⁴ Watermaster District Act §403(c).

²⁵ Watermaster District Act §401(f).

²⁶ Government Code §1780(b).

²⁷ Watermaster District Act §401(f); Government Code §1778.

²⁸ Watermaster District Act §404.

²⁹ Watermaster District Act §404.

5. **District Administrator.** The District may employ or contract with a District Administrator to oversee the day-to-day functions of the District and generally assist the District in accomplishing its mission. The employment agreement or contract between the District and the District Administrator shall specify objectives, tasks, and/or responsibilities of the District Administrator.

6. **Deputy Watermasters.** The District itself is the court-appointed watermaster, but the board of directors may appoint deputy watermasters from time to time to exercise watermaster powers on behalf of the District. The employment agreement or contract between the District and a deputy watermaster shall specify objectives, tasks, and/or responsibilities for the deputy watermaster. The District is required to lodge a notice of appointment with the Siskiyou County Superior Court whenever the District employs or contracts with a deputy watermaster.

7. **Succession.** All officers shall maintain records for which they are responsible in an organized manner and shall promptly turn over such records to their respective successors in office.

ARTICLE VIII – Meetings

1. **Conduct and Notice of Meetings.**

a. Meetings of the board of directors shall be noticed and conducted in accordance with the Brown Act.³⁰ The District shall meet the legal requirements of the Brown Act in posting agendas and otherwise providing notice of meetings.

b. The District shall endeavor to enhance communication and transparency by providing meeting notices beyond the minimum legal requirements.

- i. The District will attempt to post notices of regular meetings at a minimum of one location in the Scott Valley service area and one location in the Shasta Valley service area.
- ii. The District will maintain an e-mail list and attempt to distribute meeting agendas and other information via e-mail.

c. The District shall mail meeting agendas to any person requesting notice by U.S. mail and submitting payment to the District in an amount calculated by the District to pay for the cost of such service. Requests for mailed notice must be renewed after January 1 of each year and include payment for the cost of the service for the calendar year or remaining portion thereof.³¹

2. **Regular Meetings.** The board of directors shall, by resolution, establish a time and place for regular meetings.³² The time and place for regular meetings may be changed from time to time by adoption of a new resolution.

3. **Special and Emergency Meetings.** A special meeting of the board of directors may be called by the chair or a majority of the board members upon 24 hours notice and by following the procedures of Government Code § 54956. An emergency meeting may be held upon less than 24 hours notice under the limited circumstances described in Government Code § 54956.5.

4. **Closed Session Meetings.** All meetings of the board of directors shall be open to the public except for closed session meetings authorized by the Brown Act. With minor exceptions that do not

³⁰ Watermaster District Act §405; Government Code §§54950-54963.

³¹ Government Code §54954.1.

³² Government Code §54954.

apply to the District, closed session meetings are limited to discussion of certain aspects of litigation³³, personnel matters³⁴, real property negotiations³⁵, and employee/labor negotiations.³⁶ Closed session items must be included on the meeting agenda and should follow the content and format guidelines of Government Code § 54954.5.

5. **Actions.** A quorum of the board of directors shall be four members, and a majority of affirmative votes of the full membership of the board shall be required to take an action.³⁷ The board may act only by ordinance, resolution, or motion.³⁸ Any action taken in closed session shall be publicly reported, including the vote or abstention of each board member.³⁹

ARTICLE VIII – Other Provisions

1. **Annual Report.** By January 1 of each year, the District shall prepare an annual report and lodge it with the Siskiyou County Superior Court. The report shall identify the persons who have diverted water, the general place of use, and the quantity that has been diverted from each source. The annual reports are intended to satisfy the exemption under Water Code section 5101(e) from filing statements of water diversion and use.

2. **Conflicts of Interest.** The District shall adopt and maintain a Conflict of Interest Code in accordance with Government Code sections 87300 to 87314. The Secretary shall ensure that board members and other covered officials timely file with the District statements of financial interest (Form 700) upon assuming office, annually while in office, and upon leaving office.

³³ Government Code §54956.9.

³⁴ Government Code §54957.

³⁵ Government Code §54956.8.

³⁶ Government Code §54957.6.

³⁷ Watermaster District Act §401(c).

³⁸ Watermaster District Act §403(a)(1).

³⁹ Government Code §54957.1.

APPENDIX A

SCOTT VALLEY AND SHASTA VALLEY WATERMASTER DISTRICT ACT

BILL NUMBER: AB 1580 CHAPTERED: CHAPTER 416
FILED WITH SECRETARY OF STATE OCTOBER 10, 2007
APPROVED BY GOVERNOR OCTOBER 10, 2007
PASSED THE SENATE AUGUST 30, 2007
PASSED THE ASSEMBLY SEPTEMBER 4, 2007
AMENDED IN SENATE JULY 25, 2007
AMENDED IN SENATE JULY 11, 2007
AMENDED IN SENATE JUNE 26, 2007
AMENDED IN SENATE JUNE 12, 2007
AMENDED IN ASSEMBLY MAY 2, 2007
AMENDED IN ASSEMBLY APRIL 23, 2007
AMENDED IN ASSEMBLY APRIL 9, 2007

INTRODUCED BY Assembly Member La Malfa
FEBRUARY 23, 2007

An act relating to water.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. This act shall be known and may be cited as the Scott Valley and Shasta Valley Watermaster District Act. It is intended to supplement the Water Code and reads as follows:

SCOTT VALLEY AND SHASTA VALLEY WATERMASTER DISTRICT ACT

Article 1. Creation

101. This act shall be known and may be cited as the Scott Valley and Shasta Valley Watermaster District Act.

102. (a) A watermaster district is hereby created in Siskiyou County to be known as the Scott Valley and Shasta Valley Watermaster District.

(b) The district shall be governed by a board of directors as specified in Section 401, shall have boundaries as prescribed in Section 201, and shall exercise the powers granted by this act for purposes of acting as watermaster over those decreed water rights whose places of use are within the Scott Valley and Shasta Valley and for which the Superior Court for the County of Siskiyou has appointed the district as the watermaster, together with other powers and duties that are granted by this act or reasonably implied and necessary and proper to carry out the purposes of the district, including, but not limited to, any power authorized by the court which appoints the district as watermaster.

(c) The Legislature hereby finds and declares that the cost-effective and responsible enforcement of existing decreed water rights within the Scott Valley and Shasta Valley is in the public interest, and that the creation of a watermaster district that can serve in that capacity after proper appointment by the Superior Court for Siskiyou County is for the common benefit of the holders of those decreed water rights within the Scott Valley and Shasta Valley and for the protection of agricultural and economic productivity.

Article 2. Boundaries

201. For the purposes of this act, all of the following territory is included in the Scott Valley and Shasta Valley Watermaster District:

Those portions of the following townships that lie within the county:
 Township 39 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 40 North, Range 7 West, Mt. Diablo Base and Meridian; and
 Township 41 North, Range 6 West, Mt. Diablo Base and Meridian.

All of the following townships that lie entirely within Siskiyou County:
 Township 40 North, Range 10 West, Mt. Diablo Base and Meridian;
 Township 40 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 40 North, Range 8 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 10 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 8 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 7 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 5 West, Mt. Diablo Base and Meridian;
 Township 41 North, Range 4 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 11 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 10 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 8 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 7 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 6 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 5 West, Mt. Diablo Base and Meridian;
 Township 42 North, Range 4 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 11 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 10 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 8 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 7 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 6 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 5 West, Mt. Diablo Base and Meridian;
 Township 43 North, Range 4 West, Mt. Diablo Base and Meridian;
 Township 44 North, Range 10 West, Mt. Diablo Base and Meridian;
 Township 44 North, Range 9 West, Mt. Diablo Base and Meridian;
 Township 44 North, Range 8 West, Mt. Diablo Base and Meridian;
 Township 44 North, Range 7 West, Mt. Diablo Base and Meridian;

Township 44 North, Range 6 West, Mt. Diablo Base and Meridian;
Township 44 North, Range 5 West, Mt. Diablo Base and Meridian;
Township 44 North, Range 4 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 9 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 8 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 7 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 6 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 5 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 4 West, Mt. Diablo Base and Meridian;
Township 45 North, Range 3 West, Mt. Diablo Base and Meridian;
Township 46 North, Range 7 West, Mt. Diablo Base and Meridian;
Township 46 North, Range 6 West, Mt. Diablo Base and Meridian; and
Township 46 North, Range 3 West, Mt. Diablo Base and Meridian.

202. The district is divided into the following service areas:

- (a) Scott Valley Service Area.
- (b) Shasta Valley Service Area.

Article 3. Definitions

301. Unless otherwise indicated by their context, the definitions set forth in this article govern the construction of this act.

302. "Appointed decree" means a decree for which the district is appointed the watermaster by the court.

303. "Appointed parcel" means a parcel of real property within the district that is a place of use for water rights under an appointed decree.

304. "Board of directors" or "board" means the board of directors of the district.

305. "Contracted parcel" means an eligible parcel whose owner has entered into a contract with the district to provide watermaster service for that parcel.

306. "County" means Siskiyou County.

307. "Court" means the Superior Court for the County of Siskiyou.

308. "Decree" or "decrees" means any water right decree, entered by the court, which adjudicates water rights within the county in which the decreed points of diversion are within the Scott Valley or Shasta Valley in the county.

309. "Department" means the Department of Water Resources.

310. "District" means the Scott Valley and Shasta Valley Watermaster District.

311. "Eligible parcel" means a parcel of real property within the district that is a place of use for water rights under a decree that is not an appointed decree, and for which the department is not the watermaster.

312. "Fund" means the fund designated by the court, or by the district in the absence of a designation by the court, into which charges levied by the district shall be paid by the county upon collection.

313. "Owner" means a person who is an owner of a parcel of real property within the district that is a place of use for water rights under a decree.

314. "Person" means any state or local governmental agency, private corporation, firm, partnership, individual, group of individuals, or, to the extent authorized by law, any native tribe or federal agency.

315. "Scott Valley" means that portion of the district generally drained by the Scott River.

316. "Shasta Valley" means that portion of the district generally drained by the Shasta River.

317. "Voter" means a holder of water rights whose place of use under a decree is an appointed or contracted parcel.

Article 4. General Provisions

401. (a) The board of directors shall govern the district and shall exercise the powers of the district as set forth in this act.

(b) Except as specified in subdivision (d), the board of directors of the district shall consist of seven members, as follows:

(1) Two members who shall be voters holding water rights whose places of use under a decree are appointed or contracted parcels within the Scott Valley Service Area. These members shall be elected at large from the Scott Valley Service Area.

(2) Three members who shall be voters holding water rights whose places of use are appointed or contracted parcels within the Shasta Valley Service Area. These members shall be elected at large from the Shasta Valley Service Area.

(3) Two members appointed by the county board of supervisors. These members shall be residents of the county and shall not be voters.

(c) A quorum of the board of directors shall be four members. A majority of affirmative votes of the full membership of the board shall be required to take an action.

(d) (1) On or before February 1, 2008, the county board of supervisors shall appoint the members of the board of directors with the qualifications required by subdivision (b), as if the court had appointed the district as the watermaster. The members of the board of directors appointed pursuant to this paragraph shall hold office until their successors are elected or appointed and qualified in accordance with subdivision (b).

(2) At the first opportunity to conduct an election, the voters shall elect the members of the board of directors identified in paragraphs (1) and (2) of subdivision (b). At the first meeting of the board of directors following that election, the members of the board of directors shall classify themselves by lot into two classes. One class shall have four members and the other class shall have three members. For the class that has four members, the term of office shall be four years. For the class that has three members, the term of office shall be two years. Thereafter, the terms of all members of the board of directors shall be four years.

(3) Except as provided in paragraphs (1) and (2), the term of office for a member of the board of directors shall be four years.

(4) Members of the board of directors may be reelected or reappointed.

(e) Except as otherwise provided in this act, the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code) shall apply to elections within the district.

(f) Any vacancy in the elective office of a member of the board of directors shall be filled pursuant to Section 1780 of the Government Code. Any vacancy in the appointive office of a member of the board of directors shall be filled pursuant to Section 1778 of the Government Code.

402. (a) For the purposes of the Uniform District Election Law, the district shall be deemed to be a landowner voting district, except that each voter shall have one vote.

(b) In a manner that is consistent with Section 10525 of the Elections Code, for water rights that have multiple holders, the holders shall designate in writing to the district, in accordance with a timetable established by the district, a voter from among their number for voting purposes.

403. (a) The board of directors shall do all of the following:

- (1) Act only by ordinance, resolution, or motion.
- (2) Keep a record of all of its actions, including financial transactions.
- (3) Adopt rules or bylaws for its proceedings.
- (4) Adopt policies for the operation of the district.

(b) The board of directors may do all of the following:

(1) Provide, by ordinance or resolution, that its members may receive their actual and necessary traveling and incidental expenses incurred while on official business. Reimbursement of these expenses is subject to Section 53232.3 of the Government Code. A member of the board of directors may waive any or all of the payments permitted by this paragraph.

(2) Require any employee, officer, or member of the board of directors to be bonded. The district shall pay the cost of the bonds.

(c) Prior to taking office, each director shall take the official oath and execute any bond that may be set by the board.

404. At the first meeting of the board of directors, and at the first annual meeting each year thereafter, the board of directors shall elect a chairperson and vice chairperson from among its members. The board of directors shall appoint a secretary of the district. The secretary of the district may be a member of the board of directors or a district employee.

405. Meetings of the board shall be held pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

406. The district shall have the following powers:

(a) Adopt ordinances in accordance with Article 7 (commencing with Section 25120) of Chapter 1 of Part 2 of Division 2 of Title 3 of the Government Code.

(b) Adopt and enforce rules and regulations for the administration, operation, use, and maintenance of the district's facilities and property.

(c) Sue and be sued in its own name.

(d) Acquire any real or personal property within the district, by contract or otherwise, to hold, manage, occupy, dispose of, convey and encumber the property, and to create a leasehold interest in the property for the benefit of the district. The district shall not have the power of eminent domain.

(e) Appoint employees, define their qualifications and duties, and provide a schedule of compensation for performance of their duties.

(f) Engage counsel and other professional services.

(g) Enter into and perform all contracts. The district shall follow the procedures that apply to the county, including, but not limited to, the requirements of Article 3.6 (commencing with Section 20150) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code.

(h) Adopt a seal and alter it.

(i) Take any and all actions necessary for, or incidental to, the powers expressed or implied by this act.

407. (a) The board of directors shall provide for the preparation of regular audits of the district's accounts and records pursuant to Section 26909 of the Government Code.

(b) The board of directors shall provide for the preparation of annual financial reports to the Controller pursuant to Article 9 (commencing with Section 53890) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.

408. All claims for money or damages against the district are 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.

409. The district is not subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code).

410. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

Article 5. Powers and Duties

501. The district shall serve as the watermaster for any appointed decree, including, but not limited to, taking specific actions ordered by the court in the administration of that decree or decrees.

502. (a) In carrying out its duties as watermaster, the district shall have the powers and duties that are set forth as powers and duties of the department in Part 4 (commencing with Section 4000) of Division 2 of the Water Code, except as modified by the court, and as follows:

(1) References to the department in that part shall be deemed to be references to the district.

(2) References to the Water Resources Revolving Fund in that part shall be deemed to be references to the fund.

(b) Charges levied by the district shall comply with Article XIII D of the California Constitution.

503. The district may enter into an agreement to provide watermaster service to the holders of water rights whose place of use is an eligible parcel if all the holders have executed the agreement. An agreement to provide watermaster services to an eligible parcel shall include a provision that the water right holders agree to pay in full for the service prior to the provision of service. The amount to be paid shall be determined to ensure that the provision of the watermaster service to contracted parcels does not increase the cost of the watermaster service to appointed parcels.

504. Amounts owed to the county for services provided to the district by the county shall be included in the district's budget for each watermaster service area. The watermaster service areas for which these amounts have been incurred shall be identified and accounted for in the budget.

SEC. 2. The Legislature finds and declares that this act, which is applicable only to the Scott Valley and Shasta Valley Watermaster District, is necessary because of the unique and special water problems in the area included in the district. It is, therefore, hereby declared that a general law within the meaning of Section 16 of Article IV of the California Constitution cannot be made applicable to the district and the enactment of this special law is necessary for the conservation, development, control, and use of that water for the public good.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.