



October 20, 2009

Ms. Paula Higashi
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814



Dear Ms. Higashi:

The Department of Finance (Finance) has reviewed versions of the proposed parameters and guidelines submitted by the claimants for Claim Nos. 03-TC-04, 03-TC-20, and 03-TC-21 "Municipal Storm Water and Urban Runoff Discharges."

Finance believes both proposals are similar and recommends changes, as specified below, to the cities' proposal to be consistent with the approved mandate:

1. Section I – Scope of Mandate - should be corrected to reflect the Commission's adopted statement of decision.
2. Section II – Eligible Claimants - should be amended to list the eligible claimants that are not subject to a Total Maximum Daily Load requirement.
3. Section III – Period of Reimbursement - should be amended to read as follows:
 - Identify the reimbursement period, effective July 1, 2002, for the costs associated with placing trash receptacles at transit stops with shelters until August 1, 2002, and at remaining transit stops until February 3, 2003. The reimbursement period, however, for the ongoing maintenance of those trash receptacles continues until the test claim permit is no longer valid.
 - Delete the reference to estimated claims as they have been deleted pursuant to Chapter 6, Statutes of 2008, Third Extraordinary Session (ABX3 8).
 - Revise the minimum threshold to \$1,000, pursuant to Government Code Section 17564.
4. Section IV - Reimbursable Activities - should be amended, as shown, in the following paragraphs including deletion of the activities that go beyond the scope of the approved mandate:
 - A) One Time Activity – Placement of Trash Receptacles
 - 1) Purchase and place trash receptacles at all transit stops that have shelters within the jurisdiction no later than August 1, 2002, and at all transit stops within its jurisdiction no later than February 3, 2003.

Delete the proposed activities 1 through 4.

- B) Ongoing Activity - Maintenance of Trash Receptacles
- 1) Collection of and dispose of trash on a routine basis, including trash collection and disposal at disposal/recycling facility.
 - 2) Repair or replacement of individual damaged trash receptacles to prevent waste discharge into the waters or missing receptacles,-

Delete the proposed activities 2, 3, 5, and 6.

Pursuant to the statement of decision, the local agencies are required to place trash receptacles at the transit stops and maintain them, as needed. Finance believes activities such as construction contract preparation, specification review, or fabrication and installation of pads are not necessary to implement the approved mandate.

5. Section V – Claim Preparation and Submission - should be amended to exclude the costs of training and purchasing computers as reimbursable direct costs, as these costs are not necessary to implement the mandate.
6. Section VII – Offsetting Savings and Other Reimbursements - should be amended to note that any offsets the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source; including, but not limited to, service fees collected, federal funds, and other state funds; shall be identified and deducted from this claim.

As required by the Commission's regulations, a "Proof of Service" has been enclosed indicating that the parties included on the mailing list, which accompanied your letters, have been provided with copies of this letter via either United States Mail or, in the case of other state agencies, Interagency Mail Service.

If you have any questions regarding this letter, please contact Carla Castañeda, Principal Program Budget Analyst at (916) 445-3274.

Sincerely,



Diana L. Ducay
Program Budget Manager

Enclosures

Enclosure A

DECLARATION OF CARLA CASTANEDA
DEPARTMENT OF FINANCE

CLAIM NO. CSM-03-TC-04; 03-TC-20; and 03-TC-21- "Municipal Storm Water and Urban Runoff Discharges"

1. I am currently employed by the State of California, Department of Finance (Finance), am familiar with the duties of Finance, and am authorized to make this declaration on behalf of Finance.

I certify under penalty of perjury that the facts set forth in the foregoing are true and correct of my own knowledge except as to the matters therein stated as information or belief and, as to those matters, I believe them to be true.

October 20, 2009
at Sacramento, CA

Carla Castañeda
Carla Castañeda

PROOF OF SERVICE

Test Claim Name: Municipal Storm Water and Urban Runoff Discharges
Test Claim Number: CSM—03-TC-04; 03-TC-20; 03-TC-21

I, the undersigned, declare as follows:

I am employed in the County of Sacramento, State of California, I am 18 years of age or older and not a party to the within entitled cause; my business address is 915 L Street, 12 Floor, Sacramento, CA 95814.

On 10-20-2009, I served the attached recommendation of the Department of Finance in said cause, by facsimile to the Commission on State Mandates and by placing a true copy thereof: (1) to claimants and nonstate agencies enclosed in a sealed envelope with postage thereon fully prepaid in the United States Mail at Sacramento, California; and (2) to state agencies in the normal pickup location at 915 L Street, 12 Floor, for Interagency Mail Service, addressed as follows:

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Ms. Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
Facsimile No. 445-0278

Ms. Tracy Egoscue

Los Angeles Regional Water Quality Control
Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013-2343

Mr. Leonard Kaye

County of Los Angeles
Auditor-Controller's Office
500 W. Temple Street, Room 603
Los Angeles, CA 90012

A-15

Ms. Carla Castaneda
Department of Finance
915 L Street, 12th Floor
Sacramento, CA 95814

Mr. Sergio Ramirez

City of Foster City, Estero Municipal
Improvement District
100 Lincoln Centre Drive
Foster City, CA 94404

B-08

Mr. Jim Spano
State Controller's Office
Division of Audits
300 Capitol Mall, Suite 518
Sacramento, CA 95814

Mr. Evan J. McGinley, Esq.

Richards, Watson & Gershon, LLP
335 South Grand Avenue, 40th Floor
Los Angeles, CA 90017

A-15

Ms. Susan Geanacou
Department of Finance
915 L Street, Suite 1280
Sacramento, CA 95814

Mr. Howard Gest

David W. Burhenn & Gest, LLP
624 S. Grand Avenue, Suite 2200
Los Angeles, CA 90017

Ms. Emmerline Foote

City of Inglewood
One Manchester Boulevard, Suite 860
Inglewood, CA 90301

Mr. Clark Moseley

City of El Monte
11333 Valley Boulevard
El Monte, CA 91731-3293

Ms. Dorothy Rice

State Water Resources Control Board
P.O. Box 2815
Sacramento, CA 95812-2815

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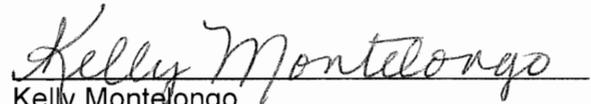
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P.O. Box 1950
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Mr. David Wellhouse
David Wellhouse & Associates, Inc.
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Mr. Allan Burdick
MAXIMUS
3130 Kilgore Road, Suite 400
Rancho Cordova, CA 95670

Ms. Juliana F. Gmur
MAXIMUS
2380 Houston Avenue
Clovis, CA 93611

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on 10-20-2009 at Sacramento, California.


Kelly Montelongo