

SB 394 (Allen): Enhanced Penalties for Water Theft from Fire Hydrants



Background

Public water agencies are responsible for delivering safe, clean, and affordable drinking water throughout California. However, in recent years, water theft has posed a serious threat to water agencies' ability to fulfill that responsibility.

Water theft takes many forms, the most egregious being water theft from fire hydrants. Illegal actors have been documented connecting to and filling water trucks from fire hydrants without the proper use of hydrant meters to avoid paying for water. These water trucks can hold up to 6,000 gallons of water, resulting in significant loss for water agencies. The stolen water is typically used or sold for profit for commercial purposes. Examples include construction companies for use at construction sites (e.g., for dust mitigation), landscaping companies, and water trucks selling the water for profit. In some cases, stolen water is even transported outside of the water agency's service area. These activities are premeditated as a special tool is needed to connect to the fire hydrant. And, this type of water theft can also cause costly damage to the fire hydrant and system infrastructure. Current fine amounts are not strong enough to deter this theft and may instead be seen as the cost of doing business for some bad actors.

Existing Law

SB 427 (Chapter 137, 2021) by Senator Eggman enacted a new statute that authorized public water agencies to adopt an ordinance that prohibits water theft and makes a violation of that ordinance subject to an administrative fine or penalty. The existing authority breaks theft into two categories: meter tampering and all other water theft; theft from a fire hydrant is subject to the latter.

Fines for water theft committed via meter tampering are not to exceed:

- › \$130 for a first violation
- › \$700 for a second violation within one year of the first violation
- › \$1,300 for each additional violation within one year of the first violation

Fines for all other forms of water theft are not to exceed:

- › \$1,000 for a first violation
- › \$2,000 for a second violation within one year of the first violation
- › \$3,000 for each additional violation within one year of the first violation



Header photo courtesy of Flickr/Seabamirum

How Water Theft Threatens Public Water Agencies

Water theft from fire hydrants poses serious risks to public health and safety, water affordability, and water efficiency.

- **Public Health and Safety:** (1) Bad actors may not be connecting to fire hydrants properly, such as not using public safety devices. This improper use could lead to contamination of potable water in the system and other public safety concerns; (2) Unauthorized use of the hydrant can lead to dropping water pressure in the system which could jeopardize response to emergency situations such as a fire; (3) Illegal connections often result in damage to the hydrant that can impair its function.
- **Water Affordability:** The revenue lost from water theft and the cost of damage to infrastructure as a result of theft is ultimately borne by law-abiding paying customers, having a negative impact on water affordability.
- **Water Efficiency:** Water theft also works against efforts by water districts to comply with State water loss standards under the State's newly adopted water use efficiency framework.

Examples of Fiscal Impact to Public Water Agencies

Water theft causes public water agencies to incur costs from both the loss of revenue from stolen water and from the actions agencies may take to further prevent theft.

- Las Virgenes Municipal Water District experiences an estimated loss of 22 to 45 million gallons of water annually, equating to an annual revenue loss of approximately \$150,000-\$300,000 due to water theft of all types.
- West Valley Water District experiences an estimated loss of 45 to 60 million gallons of water annually, equating to an annual revenue loss of approximately \$200,000 to \$300,000 due to theft of all types.



- Contra Costa Water District has taken several actions to deter cases of water theft from fire hydrants, including locking hydrants in coordination with their local first responders, communications to customers, installing signage and cameras, implementing patrols, installing pressure monitoring devices, and constructing fill stations and dedicated hydrants for paying customers. As of 2021, the district's total costs for actions to deter water theft from hydrants are in excess of \$250,000.

How SB 394 Would Help

The current penalties for water theft are an insufficient deterrent and fail to prevent this criminal activity from occurring. This bill recognizes and addresses these inefficiencies in existing penalties by authorizing local agencies that provide water services to adopt an ordinance with enhanced penalties specifically for water theft from a fire hydrant.

Under SB 394, fines for water theft from a fire hydrant would be punishable as follows:

- A fine not exceeding \$2,500 for a first violation
- A fine not exceeding \$5,000 for a second violation
- A fine not exceeding \$10,000 for the third and each additional violation

In addition, this bill would also remove the one-year reset on existing penalties for the third and additional violations for water theft committed via meter tampering and other forms of water theft. Lastly, this bill would also help agencies recover damages as a result of water theft from a fire hydrant by authorizing a utility to bring a civil action for damages against any person who, without authorization, tampers with or diverts water from a fire hydrant.



SB 394 (Allen) – Water Theft Examples

Water theft is a serious and costly issue for public water agencies. Not only do they suffer lost revenue from stolen water, but are faced with paying for actions to deter theft. Below are examples from across the state highlighting the impact of water theft from fire hydrants.

THEFT IN ACTION



Las Virgenes Municipal Water District

- › Estimated annual water loss: 22 to 45 million gallons
- › Estimated annual revenue loss: \$150,000 to \$300,000 due to water theft

West Valley Water District

- › Estimated annual water loss: 45 to 60 million gallons
- › Estimated annual revenue loss: \$200,000 to \$300,000 due to theft
- › December 2023 example: Construction company stole 29,920 gallons

Contra Costa Water District

- › Actions taken to deter water theft from hydrants include locking hydrants, customer communications, signage, cameras, patrols, and constructing fill stations for paying customers
- › Total costs for deterrence actions, as of 2021: Over \$250,000

Coachella Valley Water District

- › Estimated annual water loss: 67 million gallons
- › Estimated annual revenue loss: \$155,000 from water theft
- › Costs up to \$10,000 per incident due to damage to fire hydrants from theft
- › Maintains 18,637 fire hydrants across 1,000 square miles
- › Most theft incidents are discovered by employees during work or when responding to leak reports
- › Only a small fraction of water theft is identified, making deterrents like increased penalties important for reducing water loss
- › Example: Water levels at two reservoirs dropped from 12 feet to 5 feet at a rate of 1 foot (6,666 gallons) per hour, traced to an illegal connection to a fire hydrant. Estimated stolen water: 80,000 – 100,000 gallons. Violator admitted to accessing the hydrant 2-3 times per week.

DAMAGED HYDRANT AFTER THEFT



ILLEGAL COPIES OF THE KEY WERE IN CIRCULATION TO OPERATE THE STATION



Los Angeles County Public Works Department

- › Faces significant water theft from illegal cannabis operations in rural areas
- › Coordinates with the County Sheriff and other agencies for more frequent patrols and restricting fill stations to daylight hours to combat theft
- › Despite fill stations requiring keys, counterfeit keys are in circulation
- › Example: One theft resulted in a total loss of 30,000 gallons of water