

- **Board of Directors**
Executive Committee

December 10, 2002 Board Meeting

8-4

Subject

Grant conditional approval for the Podrasky Ohlson Annexation to San Diego County Water Authority and Metropolitan; and adopt resolution of intention to impose water standby charge

Description

San Diego County Water Authority requests conditional approval for the Podrasky Ohlson Annexation, concurrently to SDCWA and The Metropolitan Water District of Southern California. The annexation area consists of two parcels located in an unincorporated area northeast of the city of Escondido. The two parcels consisting of a total of 6.32 acres are not contiguous to Valley Center Municipal Water District's current service area. Each property has a well that is losing production, posing potential supply and health issues to the residences. The property owners have requested an emergency water connection in advance of the annexation. The property owners do not have any development plans for the parcels. The water is for personal use and irrigation. Prior to completion of the annexation, SDCWA will pay in full a fee of \$26,867.20 if the annexation is completed prior to December 31, 2002, or if completed after said date, at the then current annexation charge rate. The projected annual water demand on Metropolitan is approximately 1.43 acre-feet per year. SDCWA also requests that Metropolitan impose a water standby charge within the proposed annexing territory. See [Attachment 1](#) for the detailed report.

Policy

Territory may be annexed to Metropolitan upon terms and conditions fixed by the Board and in accordance with Chapter 1, Article 1, § 350 through § 356 of Metropolitan's Act and Division III, § 3100(b) of its Administrative Code.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action, i.e., grant conditional approval for the annexation and adopt the resolution of intention to impose water standby charges, is not defined as a project under CEQA because it involves the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378 (b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines). Prior to formal approval of the annexation and water standby charges from the Board, CEQA documentation will be prepared by the Lead Agency and processed in accordance with CEQA and the State CEQA Guidelines. As the Responsible Agency, Metropolitan's Board will then review and consider the CEQA documentation before taking action.

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA pursuant to Sections 15378(b)(4) and 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and

- a. Grant conditional approval for the Podrasky Ohlson Annexation, concurrently to San Diego County Water Authority and Metropolitan, conditioned upon receipt in full of annexation fee of \$26,867.20 to Metropolitan, if completed by December 31, 2002, or if completed later, at the then current annexation charge rate ([Attachment 1](#));
- b. Approve SDCWA's proposed Plan for Implementing Water Use Efficiency Guidelines ([Attachment 2](#)); and
- c. Adopt the resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of [Attachment 3](#).

Fiscal Impact: Receipt of annexation fee (\$26,867.20) and water sales revenue from newly annexed territory.

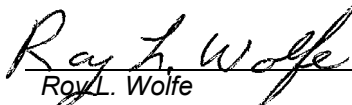

Option #2

Decline the Podrasky Ohlson Annexation.

Fiscal Impact: Unrealized annexation fees and water sales revenue from non-annexed territory.

Staff Recommendation

Option #1

 Roy L. Wolfe Manager, Corporate Resources	11/15/2002 Date
 Ronald R. Gastelum Chief Executive Officer	11/21/2002 Date

[Attachment 1 – Detailed Report – Podrasky Ohlson Annexation to SDCWA](#)

[Attachment 2 – Plan for Implementing Water Use Efficiency Guidelines](#)

[Attachment 3 – Resolution of Intention to Impose Water Standby Charges](#)

Detailed Report***Podrasky Ohlson Annexation to SDCWA***

The San Diego County Water Authority requests conditional approval for the Podrasky Ohlson Annexation, concurrently to The Metropolitan Water District of Southern California and SDCWA. The 6.32-acre annexation territory, shown on the attached legal description and map, is located on Calle De Encinas Road south of Paradise Mountain Road. The territory has homes on each of the two parcels and is not contiguous to the SDCWA service area boundary. There is no development plan for the parcels. Each property has a well that is losing production, posing potential supply and health issues to the residences. The property owners have requested an emergency water connection in advance of the annexation. The total estimated water demand for this request is approximately 1.43 acre-feet per year and will come from Metropolitan through SDCWA.

Pursuant to § 3107 of Metropolitan's Administrative Code, SDCWA has submitted an acceptable Plan for Implementing Water Use Efficiency Guidelines for this project (Attachment 2).

The annexation charge has been calculated pursuant to § 3300 of Metropolitan's Administrative Code. Utilizing the current rate of \$3,460 per net acre and the sum of \$5,000 for processing costs, the annexation charge is \$26,867.20 if completed by December 31, 2002. The \$5,000 processing charge has already been paid. If the annexation is completed after December 31, 2002, the annexation will be calculated based on the then current charge.

Completion of this annexation will be subject to such terms and conditions as may be fixed by the Board in granting final consent to such annexation. SDCWA has requested that Metropolitan impose water standby charges within the annexation territory at the rate of \$11.51 per acre or per parcel of less than one acre (the rate at which water standby charges are presently levied in other portions of SDCWA). Under the requirements of Article XIII D of the California Constitution (Proposition 218), such charges must be treated as new assessments, subject to approval by the property owners in the area to be annexed through mailed ballot proceedings. Attachment 3 is the form of resolution of intention to impose water standby charges, which, if adopted by the Board, will authorize the Executive Secretary to mail notices to the property owners. The notices to property owners will include ballots which the property owners will be asked to mark and return. Ballots will be tabulated at a public hearing on the assessments scheduled to commence on January 14, 2003, or such other date as the Board shall determine, and unless a majority of those ballots received from property owners (weighted according to the proportionate obligation of each property) protest the charges, imposition of the water standby charges in the annexed area may be considered by the Board concurrently with final approval of annexation.

EXHIBIT 'A'

Podrasky/Ohlson Annexation to VCMWD

Description of Assessor Parcel Nos. 189-230-30 & 31

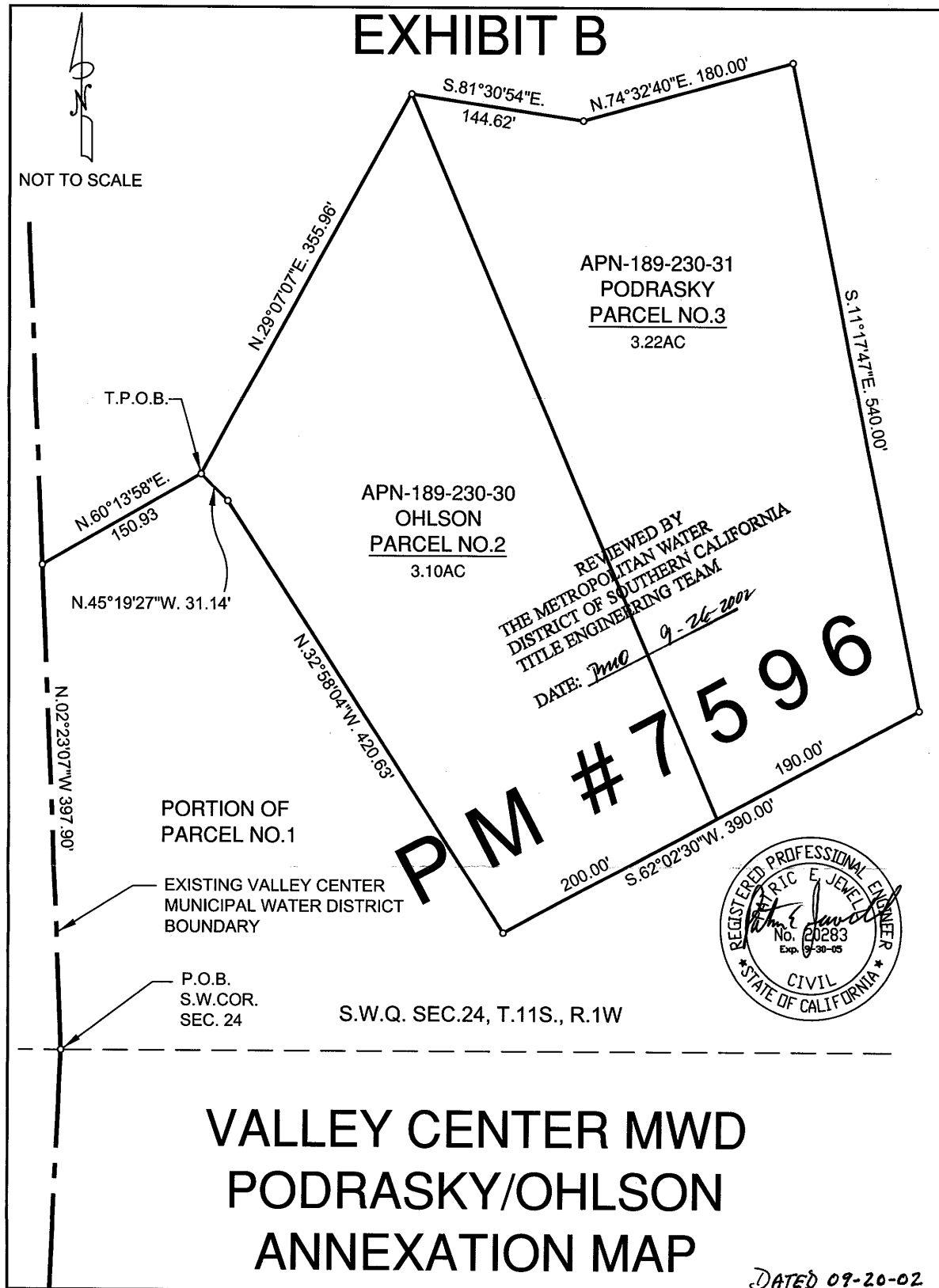
All that portion of the Southwest Quarter of the Southwest Quarter of Section 24, Township 11 South, Range 1 West, San Bernardino Base and Meridian, in the County of San Diego, State of California, according to U.S. Government Survey known as Parcels 2 and 3 of Parcel Map No. 7596, filed in the Office of the County Recorder of said San Diego County July 20, 1978 as File No. 78-305081 in Book of Parcel Maps at Page 7596.

REVIEWED BY
THE METROPOLITAN WATER
DISTRICT OF SOUTHERN CALIFORNIA
TITLE ENGINEERING TEAM

DATE: PMO 9-26-2002



DATED 09-20-02





VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954

Water Use Efficiency Report For the Podrasky/Ohlson Annexation

6.32 Acres of Developed Land

The Valley Center Municipal Water District (District) has adopted a water conservation program which is enforced by the District and applies to all persons, customers and property served by the District. A copy of Article 230 of the District's Administrative Code, "Water Conservation Program," is attached as Exhibit "A" of this report.

The District currently relies entirely on imported water via the San Diego County Water Authority aqueducts. Other water sources in the District, specifically groundwater, are small in magnitude and are currently being utilized to nearly their fullest extent practical by private land owners.

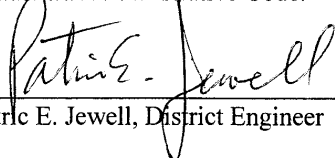
The 6.32 acres requesting annexation are currently developed as two legal parcels, each with a single family residence. It is estimated that each single family residence will use an average of 31,200 cubic feet (.72 acre feet) of water per year, with an average peak demand of 5,200 cubic feet of water. Each parcel will maintain the existing wells as an additional source of water upon completion of the annexation.

The District has adopted reclaimed water service rules and regulations which are enforced by the District. A copy of Section 170.1 of the District's Administrative Code, "Reclaimed Water Service - Rules and Regulations," is attached as Exhibit "B" of this report. Reclaimed water is currently used to recharge the groundwater basin in the Lower Moosa Canyon Creek, located in the western area of the District. Currently, there is no reclaimed water available in the eastern area of the District where the property to be annexed is located.

The District's water distribution and storage system consists of 42 storage facilities and more than 260 miles of pipeline. Based on a practical interpretation, the District's total storage is presently adequate to sustain a seven-day interruption in service.

In summary, the increased annual consumption of 1.43 acre feet is insignificant when compared to Valley Center Municipal Water District's current consumption of 49,000 acre feet.

The Valley Center Municipal Water District assures compliance with the provisions as set forth in the Water Use Efficiency Guidelines, Section 3107 of the Metropolitan Water District of Southern California Administrative Code.


Patric E. Jewell, District Engineer

*EXHIBIT "A"*Article 230 Water Conservation Program

Sec. 230.1 Purpose. California Water Code Sections 375 et seq. permit public entities to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supplies of such public entity. The Board of Directors (hereinafter referred to as "Board") of the Valley Center Municipal Water District (hereinafter referred to as "District") hereby establishes a comprehensive water conservation program pursuant to California Water Code Sections 375 et seq., based upon the need to conserve water supplies and to avoid or minimize the effects of any future short-term or emergency shortage.

Sec. 230.2 Application. The provisions of this Article shall apply to all persons, customers, and property served by the District.

Sec. 230.3 Authorization. The District's General Manager, or a designated representative, is hereby authorized and directed to implement the provisions of the Water Conservation Program. Additionally, the General Manager, or designated representative, is hereby authorized to make minor and limited exceptions to prevent undue hardship or unreasonable restrictions, provided that water shall not be wasted or used unreasonably and the purpose of this ordinance can be accomplished.

Sec. 230.4 Water Conservation Measures. No person shall knowingly use water or permit the use of water supplied by the District for domestic, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to, in an amount in excess of, or during periods of time other than as specified in this Water Conservation Program. At no time shall water be wasted or used unreasonably.

At all times, all persons shall comply with the following water conservation measures:

1. Water shall not be allowed to leave the customer's property by drainage onto adjacent properties or public or private roadways or streets due to excessive irrigation and/or neglect.
2. Customers shall repair all leaks in a timely manner.
3. Water shall not be used to wash down sidewalks, driveways, parking areas, tennis courts, patios or other paved areas, except to alleviate immediate safety or sanitation hazards.

Article 230 Water Conservation ProgramSec. 230.4 Water Conservation Measures (Cont'd.)

4. Lawn watering and landscape irrigation, including construction meter irrigation, is permitted as follows:

<u>Effective Dates</u>	<u>Time Period Allowed</u>
May through October	Between 4:00 p.m. and 9:00 a.m. the following day
November through April	Between 3:00 p.m. and 9:00 a.m. the following day

Watering is permitted at any hour if a hand-held hose equipped with a positive shut-off nozzle is used, a hand-held container is used, or a drip irrigation system is used.

5. Agricultural users and commercial nurseries, as defined in the Metropolitan Water District Code, shall curtail all non-essential water use. The watering of livestock and irrigation of propagation beds shall be permitted at any time.
6. Washing of autos, trucks, trailers, boats, airplanes and other types of mobile equipment is prohibited unless a hand-held bucket or a hand-held hose equipped with a positive shut-off nozzle is used.
7. The over filling of swimming pools, spas, ponds, and artificial lakes is prohibited.
8. Irrigation of golf courses, parks, school grounds and recreational fields is permitted as follows:

<u>Effective Dates</u>	<u>Time Period Allowed</u>
May through October	Between 4:00 p.m. and 9:00 a.m. the following day
November through April	Between 3:00 p.m. and 9:00 a.m. the following day

Golf course greens may be watered at any time.

9. The use of water from fire hydrants shall be limited to fire fighting and related activities, approved metered uses or other activities necessary to maintain the health, safety and welfare of the public.

Article 230 Water Conservation Program

10. Construction operations receiving water from a construction meter or water truck shall not use water unnecessarily for any purposes other than those required by regulatory agencies. Construction projects requiring watering for new landscaping materials shall adhere to the allowed watering hours set forth in item No. 4. If the District is notified in writing that initial landscape materials will be adversely affected by these restrictions, the District may establish a reasonable schedule for initial irrigation. The District has the right to inspect all construction sites using water from a District construction meter for the efficient use of water.
11. Restaurants shall not serve water to their customers unless specifically requested.

Sec. 230.5 Water Usage Reduction Levels. Water usage reduction levels shall be mandated by the San Diego County Water Authority (SDCWA) in response to actions by the regional wholesale supplier, the Metropolitan Water District of Southern California (MWDSC). Each percentage reduction in water deliveries by the SDCWA to the District is based upon comparison to water deliveries and usage in the months of July 1, 1989 through June 30, 1990. As soon as practical after determination of the required water reduction level by the MWDSC and the SDCWA, the General Manager shall declare the water usage reduction level applicable in the District. The declaration shall be made by public announcement and notice shall be published in a newspaper of general circulation. The water usage reduction shall become effective upon the date contained in the declaration. Each water customer in the District shall reduce water usage by the required percentage.

Sec. 230.6 Implementation of Water Usage Reductions. The District shall monitor the actions of the MWDSC and the SDCWA relative to implementing the various stages of the MWDSC's Incremental Interruption and Conservation Plan, and shall monitor the response of its customers to the appropriate water usage reduction levels. In order to implement the various stages of the program, the Board may adopt by ordinance additional rules and regulations, including revised water rates and water use restrictions, necessary or appropriate to achieve the indicated levels of water usage reduction.

Article 230 Water Conservation Program

Sec. 230.7 Enforcement. As provided in Water Code Section 377, any violation of Section 230.4, Water Conservation Measures, or Section 230.5, Water Usage Reduction Levels, is a misdemeanor. Upon conviction thereof, such person shall be punished by imprisonment in the county jail for not more than 30 days, or by fine not exceeding one thousand dollars (\$1,000) or both. In addition or as an alternative, the District may install flow restrictors or discontinue water service at any time. Prior to seeking criminal enforcement of the provisions of Section 230.4 and Section 230.5, the District may impose progressive enforcement measures for repeated, willful violations as follows:

First Violation: Citation

Second Violation: Penalty of \$100 placed on the water bill

Third Violation: Penalty of \$250 placed on the water bill, and a restriction of service to 5 gallons per minute for 120 hours

Fourth Violation: Complaint filed with the County of San Diego District Attorney's office and flow restriction to 5 gallons per minute until disposition

*EXHIBIT "B"*ARTICLE 175 RECLAIMED WATER SERVICE — RULES AND REGULATIONSSec. 175.1 General Requirements and Conditions

- (a) **Introduction.** The Valley Center Municipal Water District (hereinafter called "District") is primarily dependent on imported water for domestic, agricultural and industrial uses. It is in the best interest of the District to promote and implement innovative water management strategies to conserve water and energy resources while still satisfying water needs of the District's customers.

California Water Code Section 13551 establishes a state policy to encourage the use of reclaimed water. Permission to use reclaimed water is based on the ability to adequately treat municipal wastewater to the point that the reclaimed water (effluent) meets or exceeds the requirements of existing Title 22, Chapter 3, of the California Code of Regulations. Title 22 was promulgated by the California Department of Health Services to ensure adequate health protection and specify the treatment degree to match the intended applications.

The use of water reclaimed from municipal wastewater is also regulated by the California Regional Water Quality Control Board (RWQCB). In accordance with waste discharge requirements for water reclamation projects, the RWQCB requires that Rules and Regulations for facilities using reclaimed water be established.

1. **Purpose:** The purpose of these Rules and Regulations is to establish procedures, specifications, and limitations for the safe and orderly development and operation of reclaimed water facilities and systems in the District's service area.
2. **Goals**
 - A. Achieve conservation of potable water supplies by using reclaimed water for current and future demands. Reclaimed water uses shall be for the maximum public benefit and may include:
 - agricultural irrigation
 - commercial uses (including flushing toilets and urinals)
 - construction use
 - groundwater recharge
 - industrial processes
 - landscape irrigation
 - landscape and/or recreational impoundments
 - wildlife habitat enhancement
 - B. Monitor and maintain reclaimed water quality through a stringent pretreatment program for commercial and industrial wastes and by restricting brine discharges from water softeners, evaporative coolers, and other sources.

ARTICLE 175 RECLAIMED WATER SERVICE — RULES & REGULATIONS (Cont'd.)Sec. 175.1 General Requirements and Conditions (Cont'd.)(a) Introduction (Cont'd.)

- C. Prevent direct human consumption of reclaimed water through:
 - 1. Adherence to all applicable rules and regulations.
 - 2. Posting of information signs by the user.
 - 3. Implementation of a cross-connection/backflow prevention program.
 - 4. Education of the public.
 - D. Maximize the safe and efficient use of reclaimed water through monitoring of the installation and operations of all reclaimed water facilities and use areas.
- 3. **Policy:** It is the policy of the District that reclaimed water shall be used within its jurisdiction for any appropriate use when it is economically, financially, and technically feasible, and consistent with legal requirements, preservation of public health, safety and welfare, and the environment. Appropriate uses shall be determined by the District and are shown in Section 175.1(a)(2). See also Table 1, of the Reclaimed Water User's Manual as prepared by the San Diego County Water Authority, Water Resources Department for more detail. Use of potable water for non-domestic uses shall be contrary to District policy, shall not be considered the most beneficial use of a natural resource and shall be avoided to the maximum extent possible.
 - 4. **Priority:** Reclaimed water shall be provided on a first come, first served basis, as long as reclaimed water is available. However, agriculture will be given priority over other reclaimed water uses.
- (b) **Severability:** If any section, subsection, sentence, clause or phrase of these Rules and Regulations is for any reason found to be invalid or unconstitutional, such decision shall not affect the remaining portions of these Rules and Regulations. The District's Board of Directors declares that it would have approved these Rules and Regulations by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more of the sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.
 - (c) **Service Area:** These Rules and Regulations pertain to reclaimed water service to lands and/or improvements lying within the legal boundaries of the District unless otherwise stated. The District shall provide reclaimed water service in accordance with these Rules and Regulations to all areas identified in the Reclaimed Water Master Plan including all subsequent revisions for the use of reclaimed water. Reclaimed water service shall be provided to the service area when related distribution facilities are completed and service becomes available.

ARTICLE 175 RECLAIMED WATER SERVICE — RULES & REGULATIONS (Cont'd.)Sec. 175.1 General Requirements and Conditions (Cont'd.)(d) Determination of Reclaimed Water Use Area:1. General:

- A. The District shall prepare a Reclaimed Water Master Plan designating current and potential areas for reclaimed water use. The Master Plan shall be in accordance with all regulatory agencies and encourages reclaimed water use. The Master Plan may be reviewed and updated as needed.
- B. The District may review its Reclaimed Water Master Plan and recommend where water service should be made with reclaimed water in place of potable water. Where it is determined reclaimed water is, or will be available within five years, the District may request modifications to existing on-site water facilities and require construction of reclaimed water systems in new developments.
- C. The District may enter into agreements with other agencies to determine reclaimed water use areas within the service area/jurisdiction of those entities.

2. Existing potable water service:

- A. Upon adoption of these Rules and Regulations, and each Reclaimed Water Master Plan update, the District may determine areas where existing water use should be served with reclaimed water.
- B. A notice of the determination to use reclaimed water shall be sent to the current owner, explaining the District's reasons for use and the procedures needed to facilitate reclaimed water use.

3. New reclaimed water service: Upon submittal by applicant of a tentative map, land use permit or request for reclaimed water service, the District shall review the Reclaimed Water Master Plan and make preliminary determinations if reclaimed water service should be provided to the area of question.

- (e) Authorized Uses: In accordance with the goals of the District, as stated in these Rules and Regulations, the uses of reclaimed water include only those uses approved by the California State Department of Health Services and for which Title 22 of the California Code of Regulations provides treatment requirements. Each such use will be considered for approval on a case-by-case basis. Prior to approval and at its discretion, the District may set forth specific requirements as conditions to providing service and/or require specific prior approval from the appropriate regulatory agencies. See Table 1, of the Reclaimed Water User's Manual as prepared by the San Diego County Water Authority, Water Resources Department for allowed uses.

ARTICLE 175 RECLAIMED WATER SERVICE — RULES & REGULATIONS (Cont'd.)Sec. 175.1 General Requirements and Conditions (Cont'd.)

- (f) Conditions of Service: Reclaimed water service shall be provided by the District only if a permit for such service is obtained in the manner provided in these Rules and Regulations. Reclaimed water service shall be available, provided and used in accordance with other codes, rules, and regulations as listed in Section 175.1(g).

If any of the following conditions of service are not satisfied at all times, the user's permit may be revoked by the District after which reclaimed water service shall cease in the manner described in these rules and regulations. Connection to a potable water system will not be allowed.

1. Financial: Reclaimed water requirements relating to service fees and billing shall be the same as the applicable requirements established for water service in accordance with Article 160 of the District's Administrative Code. Rates for reclaimed water service shall be set by the District Board of Directors on an annual basis.

2. Operational:

- A. Liability: The District shall not be liable for any damage by reclaimed or potable water resulting from:

- on-site defective plumbing
- broken or faulty services, water mains or other appurtenances on the reclaimed or potable water systems
- on-site facilities failures or cross-connections
- high or low pressure conditions
- interruptions of service
- matters involving quantities, qualities or time of delivery

- B. Service Basis: All reclaimed water will be provided to the user in the conditions and quantity specified in the user's Permit for Reclaimed Water Service. An agreement may be used in lieu of a permit. Reclaimed water use will be subject to restrictions stated in other governing documents.

3. Regulatory: Reclaimed water service may be suspended or terminated whenever reclaimed water quality does not comply with the requirements of the regulatory agencies. In addition, the RWQCB may initiate enforcement action against any reclaimed water user that discharges reclaimed water in violation of any applicable discharge prohibitions or in a manner which creates or could create conditions of pollution, contamination or nuisance as defined in the California Water Code Section 13050. Such enforcement action may also be initiated at any time these Rules and Regulations are violated.

ARTICLE 175 RECLAIMED WATER SERVICE — RULES & REGULATIONS (Cont'd.)Sec. 175.1 General Requirements and Conditions (Cont'd.)(g) Other Applicable Codes, Rules and Regulations:

1. Regulations, or sections of, already adopted for potable water systems by the District are applicable for reclaimed water system operations. Regulations governing potable water system features and operations that govern reclaimed water systems are included in the District's Administrative Code.
2. Other applicable guidelines, rules and regulations, ordinances and/or specifications that govern the use of reclaimed water within the District include:

<u>Document Title</u>	<u>Document #</u>	<u>Agency</u>
Wastewater Reclamation Criteria	Title 22, Div. 4	CA Dept. of Health Services (DOHS)
Regulations Relating to Cross-Connections	Title 17	DOHS
Guidelines for Use of Reclaimed Water		DOHS
Guidelines for the Use of Reclaimed Water for Construction Purposes		DOHS
Guidelines for Worker Protection at Water Reclamation Use Areas		DOHS
Guidelines for Use of Reclaimed Water for Irrigation and Impoundments		DOHS
Criteria for the Separation of Water Mains From Sanitary Sewers and Pipes Carrying Reclaimed Water		DOHS
Guideline for the Preparation of An Engineering Report on the Production Distribution, and Use of Reclaimed Water		DOHS
Criteria for Mosquito Prevention on Wastewater Reclamation or Disposal Projects		DOHS

ARTICLE 175 RECLAIMED WATER SERVICE — RULES & REGULATIONS (Cont'd.)Sec. 175.1 General Requirements and Conditions (Cont'd.)(g) Other Applicable Codes, Rules and Regulations (Cont'd.)

<u>Document Title</u>	<u>Document #</u>	<u>Agency</u>
Guidelines for Distribution of Non-Potable Water		Calif.-Nevada Section American Water Works Assoc. (AWWA)
Manual of Cross-Connection Control		Foundation for Cross- Connection Control and Hydraulic Research, School of Eng. Univ. South. Calif.
Uniform Plumbing Code		International Assoc. of Plumbing and Mechanical Officials
Reclaimed Water User's Manual		San Diego County Water Authority

Sec. 175.2 Administration Requirements

- (a) Procedures for Receiving Reclaimed Water Service: The following sections define the steps a potential reclaimed water user must complete in order to receive service. These steps may in special cases be modified; however, for the majority of applicants these will be the procedures that define the process. Approval for service shall be indicated by the District issuing a Permit for Reclaimed Water Service. This permit shall be in addition to permits and conditions required by all other regulatory agencies. Normally, the agencies involved in this process include the reclaimed water purveyor and San Diego County Department of Environmental health (DEH). In addition, the local municipality planning department, and RWQCB may be involved in the review process. A checklist that summarizes the steps for obtaining reclaimed water service is from the Engineering Services Department.



ATTACHMENT TO THE WATER USE REPORT FOR VALLEY CENTER MWD FOR
THE PODRASKY/OHLSON ANNEXATION

Regarding Section 3107(d) of Metropolitan Water District's Administrative Code, the San Diego County Water Authority (SDCWA) is signatory to the Memorandum of Understanding Regarding Urban Water Conservation in California (MOU) and applies the relevant Best Management Practices (BMPs) throughout its service area. The BMPs are implemented in accordance with the MOU and SDCWA's BMP Report is submitted to California Urban Water Conservation Council (CUWCC) and is available for review with SDCWA. SDCWA is a member of the CUWCC

In addition, according to Valley Center MWD's 2000 Urban Water Management Plan Update, Valley Center MWD participates in the BMPs as a signatory to the MOU and is a member of the CUWCC. The District's Conservation Coordinator prepares reports on the implementation of the BMPs and provides them to the CUWCC by October 31st on a biennial basis.

Ken Weinberg
 Director of Water Resources
 San Diego County Water Authority

MEMBER AGENCIES

CITIES
 • Del Mar • Escondido • National City
 • Oceanside • Poway • San Diego

COUNTY
 • San Diego
 (ex officio)

IRRIGATION DISTRICTS
 • Santa Fe • South Bay
 • Vista

PUBLIC UTILITY DISTRICT
 • Fallbrook

WATER DISTRICTS
 • Hells • Otay
 • San Dieguito
 • Vallecitos

FEDERAL AGENCY
 • Pendleton Military Reservation

MUNICIPAL WATER DISTRICTS
 • Carlsbad • Ramona
 • Olivenhain • Rincon del Diablo
 • Padre Dam • Valley Center
 • Rainbow • Yuma

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ADDENDUM TO PLAN FOR IMPLEMENTING WATER USE EFFICIENCY
GUIDELINES FOR VALLEY CENTER MUNICIPAL WATER DISTRICT'S
ANNEXATION OF PODRASKY/OHLSON PROPERTIES TO METROPOLITAN
WATER DISTRICT

COMPLIANCE

The Member Agency (San Diego County Water Authority) within which the annexed area is located, shall be responsible for assuring compliance with Metropolitan's Water Use Efficiency Guidelines per Metropolitan's Administrative Code Section 3107. The San Diego County Water Authority agrees to comply with these provisions and shall be responsible for reporting to Metropolitan regarding such compliance.



William J. Rose
Director, Right of Way Department
San Diego County Water Authority

RESOLUTION

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
GIVING NOTICE OF INTENTION TO
IMPOSE WATER STANDBY CHARGES
CONTINGENT UPON ANNEXATION**

WHEREAS, at the meeting of the Board of Directors ("Board") of The Metropolitan Water District of Southern California ("Metropolitan") on December 14, 1993, the Board approved the rate structure and additional revenue sources described in the board letter on the Financial Structure Study, dated December 1, 1993, including a readiness-to-serve charge;

WHEREAS, pursuant to § 134.5 of the Metropolitan Water District Act (the "Act"), a readiness-to-serve charge may be collected as an availability service charge from the member public agencies within Metropolitan, or may be imposed as a water standby charge against individual parcels within Metropolitan;

WHEREAS, under the Act, the water standby charge may be imposed on each acre of land or each parcel of land less than an acre within Metropolitan to which water is made available for any purpose by Metropolitan, whether the water is actually used or not;

WHEREAS, certain member public agencies of Metropolitan including the San Diego County Water Authority ("SDCWA") have requested the option to provide collection of all or a portion of their readiness-to-serve charge obligation through a Metropolitan water standby charge imposed on parcels within those member agencies;

WHEREAS, the owner of the parcel identified in the attached Engineer's Report, dated September 2002 (the "Engineer's Report") has applied for annexation into SDCWA and Metropolitan;

WHEREAS, upon annexation, Metropolitan water will be available to such properties and such parcels will receive the benefit of the projects provided in part with proceeds of Metropolitan water standby charges, as described in the Engineer's Report; and

WHEREAS, SDCWA has requested that Metropolitan impose water standby charges on such properties at the rate specified in the Engineer's Report and provided herein, following annexation of such properties into Metropolitan;

NOW THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California does hereby resolve, determine and order as follows:

Section 1. That notice is hereby given to the public and to each member public agency of The Metropolitan Water District of Southern California of the intention of Metropolitan's Board to consider and take action at its meeting to be held on February 11, 2003, or such other date as the Board shall determine, on the Chief Executive Officer's (CEO) recommendation to impose a water standby charge for fiscal year 2002/03 on the properties described in the Engineer's Report attached hereto and incorporated herein by reference. A registered professional engineer certified by the state of California prepared the Engineer's Report.

Section 2. That the proposed water standby charge per acre of land, or per parcel of land less than an acre, as shown in the Engineer's Report, shall be \$11.51, which is equal to the amount of Metropolitan's existing standby charge on other properties located within the territory of SDCWA. The Engineer's Report separates the special benefits from the general benefits and identifies each of the parcels on which a special benefit is conferred. No charge on any parcel shall exceed the reasonable cost of the proportional special benefit conferred on that parcel.

Section 3. That the proposed water standby charge, if imposed following completion of the proposed Podrasky Ohlson Annexation, shall be collected on the tax rolls, together with the *ad valorem* property taxes which are levied by Metropolitan for the payment of pre-1978 voter-approved indebtedness, or at Metropolitan's election may be billed directly to the property owners. Any amounts so collected shall be applied as a credit against SDCWA's obligation to pay its readiness-to-serve charge. After such member agency's readiness-to-serve charge allocation is fully satisfied, any additional collections shall be credited to other outstanding obligations of such member agency to Metropolitan or future readiness-to-serve obligations of such agency.

Section 4. That the Executive Secretary is hereby directed to provide written notice of the proposed water standby charge by mail to the record owner of each property identified in the Engineer's Report not less than 45 days prior to the date of the public hearing identified in Section 5. Each notice shall be given in accordance with the requirements of Article XIII D, Section 4, of the California Constitution, and shall be in a form approved by the General Counsel. Each notice shall include an assessment ballot whereby the owner may indicate his or her name, reasonable identification of his or her parcel, and his or her support for or opposition to the proposed water standby charge. Each notice shall also include a description of the procedures for the completion, return and tabulation of ballots, which shall be in a form approved by the General Counsel.

Section 5. That the Board will meet in regular session at its meeting on January 14, 2003, or such other date as the Board shall determine, to hold a public protest hearing at which interested parties may present their views regarding the proposed water standby charges and the Engineer's Report. All written protests and comments presented at the hearings or received by the Executive Secretary on or before the conclusion of the public hearing which contain a description sufficient to identify the land owned by the landowners will be given due consideration by the Board before its final action on the proposed water standby charge, and all assessment ballots will be tabulated. If, upon the conclusion of the hearing, ballots submitted in opposition to the water standby charge (weighted according to the proportionate financial obligation of the affected property) exceeds the ballots submitted in favor of the water standby charge, the water standby charge shall not be imposed.

Section 6. That imposition of the proposed water standby charges, if authorized by the Board following the public protest hearing, will be contingent upon completion of the concurrent annexation of Podrasky Ohlson Annexation to Metropolitan and SDCWA. If water standby charges are approved and such annexation is not completed in time to permit imposition of standby charges for fiscal year 2002/03, Metropolitan may levy standby charges at the rate stated in this resolution beginning in a subsequent fiscal year.

Section 7. That in the event that the water standby charge, or any portion thereof, is determined to be an unauthorized or invalid fee, charge or assessment by a final judgment in any proceeding at law or in equity, which judgment is not subject to appeal, or if the collection of the water standby charge shall be permanently enjoined and appeals of such injunction have been declined or exhausted, or if Metropolitan shall determine to rescind or revoke the water standby charge, then no further standby charge shall be collected within the territory described in the Engineer's Report and SDCWA shall pay its readiness-to-serve charge obligation to Metropolitan in full, as if imposition of such water standby charges had never been sought.

Section 8. That this Board finds that the intention to adopt proposed water standby charges provided in this Resolution is not defined as a project under the provisions of the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, because it involves the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378 (b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines). Prior to formal approval of the annexation and water standby charges from the Board, CEQA documentation will be prepared by the Lead Agency and processed in accordance with CEQA and the State CEQA Guidelines. As the Responsible Agency, Metropolitan's Board will then review and consider the CEQA documentation before taking action.

Section 9. That the CEO is hereby authorized and directed to take all necessary actions to satisfy relevant statutes requiring notice by mailing or by publication.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on December 10, 2002.

Executive Secretary
The Metropolitan Water District
of Southern California

**Attachment to Resolution of Intention
to Impose Standby Charges**

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

ENGINEER'S REPORT

Supplement I

PROPOSED PROGRAM TO LEVY STANDBY CHARGES,

SAN DIEGO COUNTY WATER AUTHORITY

PODRASKY OHLSON ANNEXATION

September 2002

BACKGROUND

This revised report is a supplement to The Metropolitan Water District of Southern California (Metropolitan) Engineer's Report for the Program to Levy Readiness-To-Serve Charge, Including Local Option for Standby Charge During Fiscal Year 2002/03, dated December 2001, adopted by Metropolitan's board on March 12, 2002 (Engineer's Report). A copy of the Engineer's Report is on file with the Board Secretary. Metropolitan collects a readiness-to-serve charge (RTS) as an availability of service charge from the member public agencies. Member public agencies may request that Metropolitan collect a portion of their RTS obligation through Metropolitan's water standby charge. This Supplement to the Engineer's Report satisfies the requirements of Proposition 218, the "Right to Vote on Taxes Act", approved by California voters November 5, 1996, which classifies standby charges as assessments on newly annexed properties.

DESCRIPTION OF ANNEXING AREA

The San Diego County Water Authority (SDCWA) has requested that Metropolitan collect all or a portion of its RTS obligation through a Metropolitan water standby charge imposed on parcels within SDCWA's service area boundary. The owners of property constituting proposed Podrasky Ohlson Annexation have applied for annexation into SDCWA. Once the territory is annexed, Metropolitan water will be available to these parcels and these parcels will receive the benefit of the projects funded in part by Metropolitan water standby charges, as described in the Engineer's Report. SDCWA has requested that Metropolitan impose water standby charges on these properties at the rate specified in the Engineer's Report, following annexation of these properties into Metropolitan.

COST BENEFIT OF THE ANNEXING AREA

The properties identified in this report have applied for annexation into Metropolitan. Consent by the property owners to Metropolitan's levying of an annual water standby charge in the amount of \$11.51 per acre, or \$11.51 per parcel of less than one acre, is a condition to annexation of these properties into SDCWA and Metropolitan.

The following table lists the parcels included in Podrasky Ohlson Annexation and the proposed water standby charge for fiscal year 2002/03.

Table A
Water standby charges for Podrasky Ohlson Annexation

<u>Parcel Number</u>	<u>Acres</u>	<u>Standby Charge</u> <u>(Fiscal Year 2002/03)</u>
189-230-30	3.10	35.68
189-230-31	3.22	37.06
Total	6.32	\$ 72.74

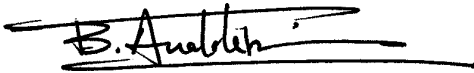
The estimated potential benefits of Metropolitan's water supply program that could be paid by a standby charge are approximately \$345 million for fiscal year 2002/03, as shown in Table 1 of the Engineer's Report. An average total standby charge of \$81.77 per acre of land or per parcel of less than one acre would be necessary to pay for the total potential program benefits within Metropolitan's service area. The Engineer's Report has estimated total benefits of this magnitude accrue to each acre of property and parcel within Metropolitan, as these properties are eligible to use water from the Metropolitan system. Because only properties located within Metropolitan's boundaries may receive water supplies from Metropolitan (except for certain contractual deliveries as permitted under Section 131 of the Metropolitan Water District Act), any benefit received by the public at large or by properties outside of the proposed area to be annexed is merely incidental.

Table 5 of the Engineer's Report shows that the distribution of standby charge revenues from the various member agencies would provide revenue of approximately \$42 million for fiscal year 2002/03. This total amount is less than projected collections from the RTS charge. Metropolitan will use other revenue sources, such as water sales revenues, RTS revenues (except to the extent collected through standby charges, as described above), interest income, and revenue from sales of hydroelectric power, to pay for the remaining program benefits. Thus, the benefits of Metropolitan's investments in water conveyance, storage, distribution and supply programs far exceed the recommended standby charge, thus ensuring that no parcel within Podrasky Ohlson Annexation is assessed water standby charges in excess of the reasonable cost of the proportional special benefit conferred on that parcel.

SUMMARY

The foregoing and the attached tables in the Engineer's Report describe the current benefits provided by the projects listed as mainstays to the water supply system for Metropolitan's service area. SDCWA has requested that a water standby charge be imposed on lands within Podrasky Ohlson Annexation as a credit against SDCWA's RTS obligation for fiscal year 2002/03, in the amount of \$11.51 per acre or parcel of less than one acre, to be levied by Metropolitan within SDCWA. The special benefits described in this Engineer's Report exceed the recommended charge. The water standby charges for parcels (identified in Table A above) within Podrasky Ohlson Annexation total \$72.74.

Prepared Under the Supervision of:

A handwritten signature in black ink, appearing to read "B. Anatole Falagan", with a horizontal line drawn underneath it.

B. Anatole Falagan RCE 45669
Assistant Group Manager
Water Resources Management

Prepared Under the Supervision of:

A handwritten signature in black ink, appearing to read "Brian G. Thomas", written in a cursive style.

Brian G. Thomas
Chief Financial Officer