

- **Board of Directors**
Asset and Real Property Committee

February 8, 2005 Board Meeting

7-6

Subject

Adopt final resolutions for annexation and imposition of water standby charge for the Baxter Annexation to San Diego County Water Authority and Metropolitan

Description

The San Diego County Water Authority (SDCWA) requests final terms and conditions and the imposition of a water standby charge for the Baxter Annexation concurrently to SDCWA and Metropolitan Water District of Southern California (Metropolitan) by Resolution 2004-36 dated September 23, 2004. The proposed action is to adopt a resolution setting terms and conditions for the annexation and environmental findings (see [Attachment 2](#)) and a second resolution fixing and adopting water standby charges (see [Attachment 3](#)). The proposed Baxter Annexation consists of 31.84 acres of the Baxter Gravel site in the city of Lakeside in San Diego County. The property is located at the intersection of State Highway 67 and Old Vigilante Road near the San Vicente Reservoir. The parcels are currently being used by an existing drilling and blasting company and the property is mined for aggregate materials. As part of the reclamation process for the mining operations, the area will be developed into six heavy industrial business pads and the remaining property landscaped. An on-site well provides water for irrigation and limited manufacturing use and will continue after annexation. See [Attachment 1](#) for the map and legal description.

Prior to completion of the annexation, SDCWA will pay a fee of \$115,164.67 if the annexation is completed prior to December 31, 2005, or if the annexation is completed later, the fee would be the then current annexation charge rate pursuant to Section 3300 of Metropolitan's Administrative Code. The projected annual water demand on Metropolitan is approximately 4.5 acre-feet per year.

Metropolitan's Board adopted a resolution of intention to impose a water standby charge within the proposed Baxter Annexation at its meeting on June 8, 2004. Pursuant to Resolution 8906, the Board held a public hearing on August 17, 2004. Interested parties were given the opportunity to present their views regarding the proposed charge and the Engineer's Report. Also, pursuant to Resolution 8906 and in accordance with the requirements of Article XIII D, Section 4, of the California Constitution, the Executive Secretary provided written notice by mail of such hearing to the owners of record of the parcels identified in the Engineer's Report. Enclosed in the mailed notice was an assessment ballot whereby the owners could indicate either support or opposition to the proposed water standby charge. No majority protest (as defined in Article XIII D, Section 4 of the California Constitution) was found to exist upon conclusion of the hearing; it was requested that Metropolitan's Board consider and act upon the recommendation to adopt a second resolution (see [Attachment 3](#)), the Resolution Fixing and Adopting Water Standby Charge, which imposes a Metropolitan water standby charge in the amount of \$11.51 per acre, or per parcel less than one acre, within the territory of the Baxter Annexation.

Approval of Metropolitan's water standby charge in the amount noted above, which is equal to the amount of Metropolitan's water standby charge imposed elsewhere within SDCWA's territory, is a condition to complete this annexation. Pursuant to the terms of the attached resolution ([Attachment 3](#)), Metropolitan may levy standby charge at the rate stated in this resolution beginning in a subsequent fiscal year.

Staff is taking a transitional approach to deal with the annexation requests received prior to the October 12, 2004 board adoption of changes to Administrative Code Section 3107 (code) also known as the new water-use efficiency guidelines for annexations. As reference, [Attachment 4](#) provides the adopted code changes. Staff would handle these requests using the following approach:

1. Annexation requests that received conditional approval by the Board prior to the October 2004 changes to the water-use efficiency guidelines would be considered in compliance under the guidelines in effect at the time of the approval. These requests would not be expected to meet the new October 2004 guidelines.
2. Annexation requests currently under review, which have not received conditional approval, would be required to comply with the new October 2004 guidelines.
3. The October 2004 Board action also set new reporting criteria effective April 1, 2005. All annexation requests approved by the Board prior to April 1, 2005 would not be subject to the new reporting criteria. However, requests approved by the Board after April 1, 2005 would be subject to the new reporting criteria.

The Board granted conditional approval of this annexation on June 8, 2004; staff recommends that the water-use efficiency plan be deemed in compliance.

Policy

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

By Minute Item 45941, dated October 12, 2004, the Board adopted revisions to Administrative Code Section 3107 (Water Use Efficiency Guidelines).

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

Pursuant to the provisions of CEQA, Lakeside Water District acting as the Lead Agency, adopted an Addendum to a Final Supplemental Environmental Impact Report (EIR) in August 2004 for the proposed annexation of the property associated with the Baxter Annexation. The original Final Supplemental EIR prepared by the San Diego County, Department of Planning and Land Use was certified in March 2000. Metropolitan, as a Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in the addendum to the EIR and adopt both lead agencies' findings prior to approval of the final terms and conditions for the annexation. The environmental documentation for the Baxter Annexation area is available in the Executive Secretary's Office for review.

The CEQA determination is: Review and consider information provided in the Addendum to the EIR and adopt the lead agencies' findings related to the Baxter Annexation

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and

- a. Adopt a resolution granting SDCWA's request for approval of the Baxter Annexation, concurrently to Metropolitan and SDCWA, conditioned upon approval by the San Diego Local Agency Formation Commission, and establishing Metropolitan's terms and conditions for this annexation (**Attachment 2**); and
- b. Adopt a resolution to impose water standby charge at a rate of \$11.51 per acre or per parcel of less than one acre within the proposed annexation area (**Attachment 3**).

Fiscal Impact: Receipt of annexation fee of \$115,164.67 for the Baxter Annexation and water sales revenue from the newly annexed territory.

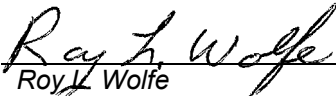
Option #2

Decline the request for the Baxter Annexation

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

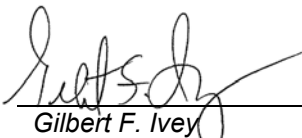
Staff Recommendation

Option #1



Roy L. Wolfe
Manager, Corporate Resources

1/6/2005
Date



Gilbert F. Ivey
Interim Chief Executive Officer

1/16/2005
Date

Attachment 1 – Baxter Legal Description and Map

Attachment 2 – Baxter Resolution Setting Terms and Conditions for Annexation and Environmental Findings

Attachment 3 – Baxter Resolution Imposing Water Standby Charges

Attachment 4 – Water Efficiency Guidelines

BLA #3293

LAKESIDE WATER DISTRICT ANNEXATION

BAXTER GRAVEL, L. P.
A CALIFORNIA LIMITED PARTNERSHIP

APN 326-060-11 AND 17

BAXTER ANNEXATION

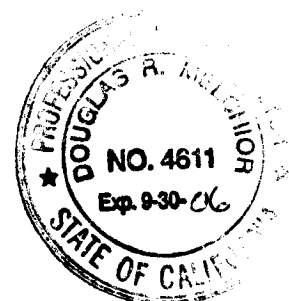
GOVERNMENT LOT 2 AND THAT PORTION OF GOVERNMENT LOT 1 IN FRACTIONAL SECTION 36, TOWNSHIP 14 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY APPROVED FEBRUARY 24, 1876, DESCRIBED IN PARCEL A AND PARCEL B OF DEED TO BAXTER GRAVEL, L.P., A CALIFORNIA LIMITED PARTNERSHIP, RECORDED APRIL 24, 2003 AS DOCUMENT NUMBER 2003-0477435, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 2, SAID CORNER BEING THE TRUE POINT OF BEGINNING, THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID GOVERNMENT LOT 2 NORTH 00°45'09" EAST 939.76 FEET (NORTH 00°45'09" EAST 939.76 FEET PER RECORD OF SURVEY MAP 13399 RECORDED SEPTEMBER 5, 1991 AS FILE NO. 91-455048) TO THE NORTHEASTERLY CORNER OF SAID GOVERNMENT LOT 2, THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID GOVERNMENT LOT 2 AND SAID GOVERNMENT LOT 1 NORTH 88°59'10" WEST 1645.45 FEET (NORTH 88°59'10" WEST 1645.45 FEET PER SAID RECORD OF SURVEY 13399) TO A POINT WHICH IS SOUTH 88°59'10" EAST 1068.11 FEET (SOUTH 89°20'44" EAST 1068.11 FEET PER SAID DOCUMENT NUMBER 2003-0477435) FROM THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 1 THEREOF; THENCE LEAVING SAID NORTHERLY LINE, SOUTHWESTERLY ALONG THE FOLLOWING RECORD COURSES PER SAID RECORD OF SURVEY 13399, SOUTH 19°04'34" WEST 191.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 270.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16°46'00" A DISTANCE OF 79.01 FEET; THENCE TANGENT TO SAID CURVE SOUTH 02°18'34" WEST 166.60 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 270.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 34°54'00" A DISTANCE OF 164.46 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE WESTERLY HAVING A RADIUS OF 130.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 54°31'50" A DISTANCE OF 123.73 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID GOVERNMENT LOT 1, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 68°03'36" EAST; THENCE SOUTHEASTERLY ALONG SAID SOUTHERLY LINE OF SAID GOVERNMENT LOT 1 AND ALONG THE SOUTHERLY LINE OF SAID GOVERNMENT LOT 2 SOUTH 80°47'40" EAST 1684.95 FEET (SOUTH 80°47'40" EAST 1684.95 FEET PER SAID RECORD OF SURVEY 13399) TO THE TRUE POINT OF BEGINNING.

CONTAINING: 31.8395 ACRES MORE OR LESS

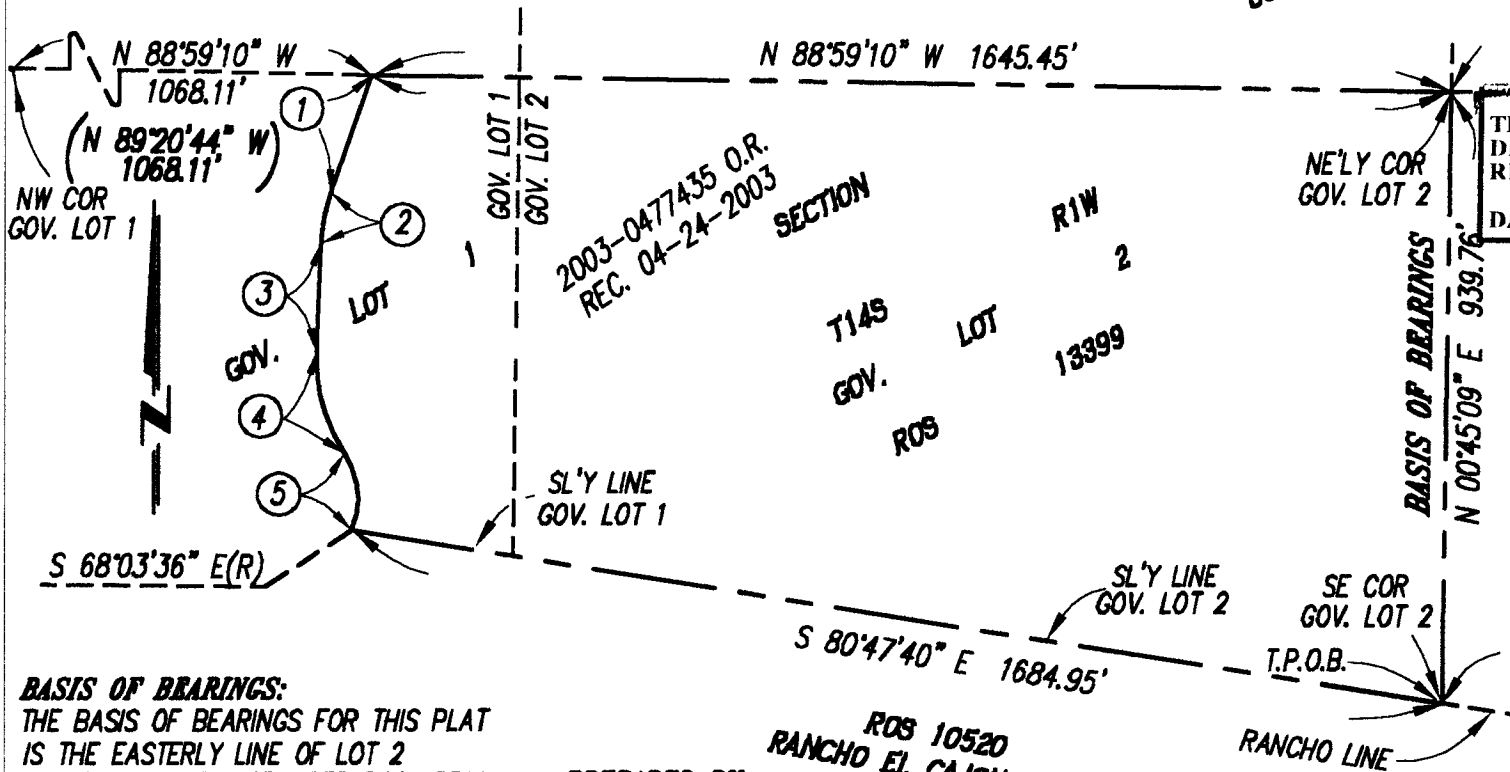

DOUGLAS R. MELCHIOR, P.L.S. 4611
REGISTRATION EXPIRES 9-30-06

4-2-04
DATE

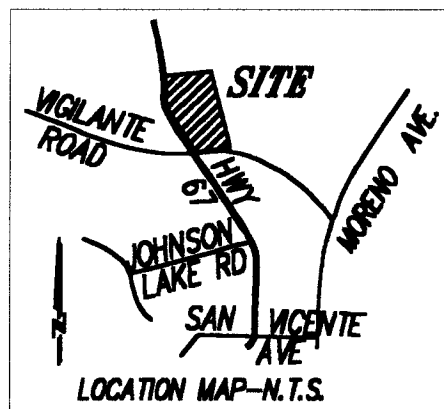


REVIEWED BY
THE METROPOLITAN WATER
DISTRICT OF SOUTHERN CALIFORNIA
RIGHT OF WAY ENGINEERING TEAM
DATE: 04-06-2004

- ① S 19°04'34" W 191.00'
- ② D=16°46'00"
R=270.00'
L=79.01'
- ③ S 02°18'34" W 166.60'
- ④ D=34°54'00"
R=270.00'
L=164.46'
- ⑤ D=54°31'50"
R=130.00'
L=123.73'



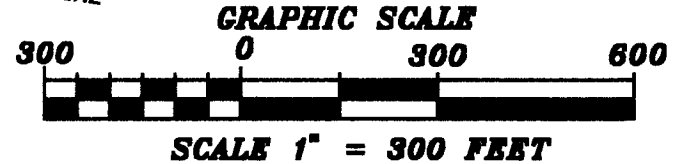
REVIEWED BY
 THE METROPOLITAN WATER
 DISTRICT OF SOUTHERN CALIFORNIA
 RIGHT OF WAY ENGINEERING TEAM
 DATE: 04-06-2004



BASIS OF BEARINGS:
 THE BASIS OF BEARINGS FOR THIS PLAT
 IS THE EASTERLY LINE OF LOT 2
 SEC 36, T14S, R1W, SBM PER ROS 13399
 I.E. N 00°45'09" E

PREPARED BY:
 ROS 10520
 RANCHO EL CAJON

MELCHIOR LAND SURVEYING, INC
 5731 PALMER WAY, SUITE G L.S. 4811
 CARLSBAD, CALIFORNIA 92008
 (760) 438-1726 FAX (760) 438-3991



GOV. = GOVERNMENT LOT
 APN 326-060-11
 APN 326-060-17

() = INDICATES RECORD DATA PER DEED
 REC. 4-24-2003, AS DOC#2003-0477435, O.R.

PROPOSED ANNEXATION BOUNDARY
 AREA = 31.8395 +/- ACRES
 DOUGLAS R. MELCHIOR, P.L.S. DATE 4-2-04



LAKESIDE WATER DISTRICT ANNEXATION of
 PORTION OF LOT 1 AND ALL OF LOT 2
 IN FRACTIONAL SECTION 36, TOWNSHIP
 14 SOUTH, RANGE 1 WEST, SBM,
 IN THE COUNTY OF SAN DIEGO,
 STATE OF CALIFORNIA
 ACCORDING TO UNITED STATES GOVERNMENT
 SURVEY APPROVED FEBRUARY 24, 1876.
APRIL 2, 2004 SHEET 1 OF 1 SHEET

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO SAN DIEGO COUNTY WATER AUTHORITY'S BAXTER ANNEXATION AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AND MAKING CERTAIN ENVIRONMENTAL FINDINGS RELATING THERETO

A. WHEREAS, the Board of Directors of the San Diego County Water Authority (SDCWA), a county water authority, situated in the county of San Diego, state of California, pursuant to Resolution No. 2004-36, in accordance with the provisions of the Metropolitan Water District Act, has applied to the Board of Directors of The Metropolitan Water District of Southern California (Metropolitan) for consent to annex thereto certain uninhabited territory situated in the county of San Diego, particularly described in an application to the San Diego County Local Agency Formation Commission (LAFCO), concurrently with the annexation thereof to San Diego County Water Authority, such annexation to Metropolitan to be upon such terms and conditions as may be fixed by the Board of Directors of Metropolitan; and

B. WHEREAS, completion of said annexation shall be conditioned upon approval by the Local Agency Formation Commission of San Diego County; and

C. WHEREAS, pursuant to the provisions of the California Environmental Quality Act (CEQA), Lakeside Water District, a subagency to San Diego County Water Authority and acting as the Lead Agency, adopted an Addendum to a Final Supplemental Environmental Impact Report (EIR) in August 2004 for the proposed annexation of the property associated with the Baxter Annexation. The original Final Supplemental EIR prepared by the San Diego County, Department of Planning and Land Use was certified in March 2000. Metropolitan, as a Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in the addendum to the EIR and adopt both lead agencies' findings prior to approval of the final terms and conditions for the annexation; and

D. WHEREAS, it appears to this Board of Directors that such application should be granted, subject to the terms and conditions hereinafter set forth.

E. NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Metropolitan, acting as Responsible Agency, has reviewed and considered the information in the Addendum to the EIR and the Final Supplemental EIR and adopts the Lead Agencies' findings prior to approval of the formal terms and conditions for the Baxter Annexation; and subject to the following terms and conditions, does hereby grant the application of the governing body of San Diego County Water Authority for consent to annex the Baxter Annexation to Metropolitan and does hereby fix the terms and conditions of such annexation:

Section 1. The annexation of said area to SDCWA shall be made concurrently with the annexation thereof to Metropolitan, and all necessary certificates, statements, maps, and other documents required to be filed by or on behalf of SDCWA to effectuate the annexation shall be filed on or before December 31, 2006.

Section 2. Prior to filing a request for a Certificate of Completion of the annexation proceedings with LAFCO, SDCWA shall submit a certified copy of LAFCO's resolution approving the annexation to the

member agency, and shall pay to Metropolitan in cash \$115,164.67, if the annexation is completed by December 31, 2005. If the annexation is completed during the 2006 calendar year, the annexation charge will be calculated based on the then current rate, in accordance with Metropolitan's Administrative Code Section 3300.

Section 3. All necessary steps (including without limitation, pursuant to Article XIII D of the California Constitution) for imposition of Metropolitan water standby charge in the amount of \$11.51 per acre or per parcel of less than one acre for fiscal year 2004/05 shall be completed.

Section 4. a. Metropolitan shall be under no obligation to provide, construct, operate, or maintain feeder pipelines, structures, connections, and other facilities required for the delivery of water to said area from works owned or operated by Metropolitan.

b. SDCWA shall not be entitled to demand that Metropolitan deliver water to SDCWA for use, directly or indirectly, within said area, except for domestic or municipal use therein.

c. The delivery of all water by Metropolitan, regardless of the nature and time of use of such water shall be subject to the water service regulations, including rates promulgated from time to time by Metropolitan.

d. Except upon the terms and conditions specifically approved by the Board of Directors of Metropolitan, water sold and delivered by Metropolitan shall not be used in any manner which intentionally or avoidably results in the direct or indirect benefit of areas outside Metropolitan, including use of such water outside Metropolitan or use thereof within Metropolitan in substitution for other water outside Metropolitan.

F. BE IT FURTHER RESOLVED that the Executive Secretary be, and she hereby is, directed to transmit forthwith to the governing body of SDCWA a certified copy of this resolution.

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 February 8, 2005.

Executive Secretary
The Metropolitan Water District
of Southern California

RESOLUTION**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
FIXING AND ADOPTING WATER STANDBY CHARGE
CONTINGENT UPON SAN DIEGO COUNTY WATER AUTHORITY'S
BAXTER ANNEXATION**

WHEREAS, pursuant to Resolution 8906, The Metropolitan Water District of Southern California's ("Metropolitan") Resolution of Intention to Impose Water Standby Charge, adopted by the Board of Directors (the "Board") of Metropolitan at its meeting held June 8, 2004, the Board gave notice to the public and to each member public agency of Metropolitan of the intention of the Board to consider and take action on the Chief Executive Officer's recommendation to impose a water charge for fiscal year 2004/05 on the property described in the Engineer's Report, dated August 2004 (the "Engineer's Report"), which was prepared by a registered professional engineer certified by the state of California and was attached to Resolutions 8906;

WHEREAS, the owner of the parcel identified in the Engineer's Report has applied for annexation into the San Diego County Water Authority ("Authority") and Metropolitan;

WHEREAS, upon annexation, Metropolitan water will be available to such property 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;

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

WHEREAS, Resolution 8906 provide that the Board would meet in regular session to hold a public protest hearing at which interested parties could present their views regarding the proposed water standby charges and the Engineer's Report;

WHEREAS, pursuant to the terms of Resolution 8906, the Executive Secretary provided written notice in accordance with the requirements of Article XIII D, Section 4 of the California Constitution of the proposed water standby charge by mail to the record owner of the property identified in the Engineer's Report of such public hearing, and the notice included an assessment ballot whereby the owner could 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;

WHEREAS, the Board conducted in conformance with Resolution 8906 a public hearing. The hearing was held August 17, 2004, at which interested parties were given the opportunity to present their views regarding the proposed water standby charge and the Engineer's Report and to protest the charges, if they so desired, and the Board duly considered any such protests and other views presented to it at the public hearing; and

WHEREAS, prior to the conclusion of the public hearing the Executive Secretary reviewed the assessment ballots submitted, and it was found that no majority protest (as defined in Article XIII D, Section 4 of the California Constitution) exists;

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 the Board of Metropolitan, pursuant to the Engineer's Report, finds that the land described in said Engineer's Report upon annexation to Metropolitan will be benefited as described in such report and on that basis, hereby fixes and adopts a water standby charge for fiscal year 2004/05 on such lands to which Metropolitan water is made available for any purpose, whether water is actually used or not.

Section 2. That the 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 water standby charge on other properties located within the territory of Authority.

Section 3. That no water standby charge on any parcel exceeds the reasonable cost of the proportional special benefit conferred on that parcel, as shown in the Engineer's Report. 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.

Section 4. That the water standby charge 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. Any amounts so collected shall be applied as a credit against Authority's obligation to pay its readiness-to-serve charge for fiscal year 2004/05. 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 5. That the water standby charge is fixed and adopted contingent upon completion of annexation of the land described in the Engineer's Report. If such annexation is not completed in time to permit imposition of standby charges for fiscal year 2004/05, Metropolitan may levy standby charges at the rate stated in this resolution beginning in a subsequent fiscal year.

Section 6. 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 water standby charge shall be collected within the territory described in the Engineer's Report and Authority 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 7. That pursuant to the provisions of CEQA and the State CEQA Guidelines, the Lakeside Water District, a subagency to San Diego County Water Authority, acting as the Lead Agency, adopted an Addendum to Final Supplemental Environmental Impact Report (EIR) in August 2004 for the proposed annexation of the property associated with the Baxter Annexation. The original Final Supplemental EIR prepared by the San Diego County, DPLU was certified in March 2000. Metropolitan, as a Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in the addendum to the EIR along with the Final Supplemental EIR and adopt both lead agencies' findings prior to approval of the final terms and conditions for the annexation.

Section 8. That the Chief Executive Officer is hereby authorized and directed to take all necessary action to secure the collection of the water standby charges by the appropriate county officials, including payment of the reasonable cost of collection.

Section 9. That the Chief Executive Officer and General Counsel are hereby authorized to do all things necessary and desirable to accomplish the purposes of this resolution, including, without limitation, the commencement or defense of litigation.

Section 10. That if any provision of this resolution or the application to any member agency, property or person whatsoever is held invalid, that invalidity shall not affect the other provisions or applications of this resolution which can be given effect without the invalid portion or application, and to that end the provisions of this resolution are severable.

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 February 8, 2005.

Executive Secretary
The Metropolitan Water District
of Southern California

Section 3107. Water Use Efficiency Guidelines.

The member agency representing the parcels considered for annexation shall submit evidence of compliance with the following:

(a) Annual member agency water demand shall be minimized by incorporating water conservation measures into new development plans and service agreements. Use of groundwater, local surface water, and recycled wastewater supplies shall be maximized to reduce demands on the District.

(b) Peak demands on the District shall be minimized by construction and operation of local storage and groundwater production facilities and water conservation measures. Member agencies shall offer all District sponsored water conservation programs to new developments and encourage participation in those programs. Member agencies shall offer a specific program, independent of District funding, to new development to encourage water use efficiency of landscapes or other water savings opportunity.

(c) Recycled water of adequate quality shall be used whenever it is available to be used, in accordance with California Water Code Sections 13550 - 13554.

(d) "Best management practices" conservation measures shall be conditioned on all new developments within the member agency consistent with applicable City or County building codes for areas already within the District, and to District water conservation guidelines for annexing areas.

(e) Local storage, groundwater production capacity, system interconnections, and other measures shall be able to sustain a 7-day interruption in service from the District pursuant to MWD Administrative Code Section 4503 "Suspension of Deliveries."

(f) The member agency, wholesale water agency, and local water purveyor of the annexing area shall be signatories and in compliance with the California Urban Water Conservation Council (CUWCC) Memorandum of Understanding (MOU) Regarding Urban Water Conservation in California.

The District may request amendments to the water conservation measures to be imposed on new development within the member agency based on current water-use efficiency policies and reasonable conservation practices and measures.

Reporting Requirement

The member public agency shall be responsible for assuring compliance with these provisions and shall report to the District on a yearly basis regarding such compliance. Reports would include the following information regarding the member agency:

- (a) Incorporated conservation measures in new development plans and service agreements;
- (b) Recycled water, groundwater, and local surface water use including total annual production of local water supplies;
- (c) 7-day interruption contingency;
- (d) Report as submitted to CUWCC; and
- (e) Member agency and local water purveyor shall have submitted a current Urban Water Management Plan (UWMP) provided the agency or purveyor is required to submit an UWMP under State law.

District staff shall review the reports and provide an annual information report to the Board on member agencies' reporting compliance. District staff will ensure that the annexing member agency is in compliance with its reporting before presenting subsequent annexation requests to the Board. Staff shall provide any prior member agency reports to the Board for its consideration in future annexation requests. The District's CEO or designee is authorized to make minor adjustments to reporting requirements for member agencies as deemed reasonable and appropriate.

Reporting requirements under this section of the Code are required for annexation requests after April 1, 2005. Reporting will be continuous on an annual basis for a six-year period following the latest annexation by the member agency.