

● **Board of Directors**
Business and Finance Committee

April 10, 2007 Board Meeting

7-1

Subject

Grant conditional and final terms and conditions in a one-step approval for Annexation No. 92 to Calleguas Municipal Water District and Metropolitan

Description

On November 27, 2006, Calleguas Municipal Water District (Calleguas) board of directors adopted Resolution No. 1535, requesting annexation for Calleguas Annexation No. 92. Calleguas requests conditional and final terms and conditions in a one-step board approval process for Calleguas Annexation No. 92 concurrently to Calleguas and The Metropolitan Water District of Southern California (Metropolitan). The proposed annexation consists of 69.225 gross acres with no public roads. For this annexation, the net area is 69.225 acres. The area is located within the county of Ventura, immediately south of the Santa Clara River and east of Victoria Avenue in the city of Oxnard. See [Attachment 1](#) for the legal description and map.

The land was formerly a landfill and remains under the ownership of the Ventura Regional Sanitation District. The city of Oxnard has entered into a long-term lease of the land and plans to improve it with a public park and a nine-hole golf course. Calleguas will pay a fee of \$245,349.20 if the annexation is completed prior to December 31, 2007. If the annexation is completed later, the fee will be the then-current annexation charge rate pursuant to Section 3300 of Metropolitan's Administrative Code. The annexation charge is calculated by the per-acre method based on net acreage and a \$5,000 processing fee. The projected annual water demand on Metropolitan is approximately 88 acre-feet per year. The Water Use Efficiency Certificate ([Attachment 2](#)) is in compliance with the Administrative Code amendment approved on October 12, 2004.

This action adopts a resolution consenting to Calleguas' request for annexation ([Attachment 3](#)) for Calleguas Annexation No. 92.

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 the Administrative Code.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

Pursuant to the provisions of CEQA and the State CEQA Guidelines, the city of Oxnard, acting as Lead Agency, prepared and processed a Final Environmental Impact Report (Final EIR) for the proposed project. The Final EIR was certified and the project was approved by the Lead Agency on July 17, 1999. The Lead Agency also approved the Findings of Fact, the Statement of Overriding Considerations (SOC), and the Mitigation Monitoring and Reporting Program (MMRP). Calleguas Municipal Water District, as a Responsible Agency under CEQA, adopted the Lead Agency's Findings, SOC, and MMRP, and approved the project on November 27, 2006.

Metropolitan, as a Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in the certified Final EIR and adopt the Lead Agency's findings, SOC, and MMRP prior to approval of the formal terms and conditions for the annexation and water standby charges. The environmental documentation is available in the Board Executive Secretary's Office for review.

The CEQA determination is: Review and consider information provided in the certified 1999 Final EIR and adopt the Lead Agency's findings, SOC, and MMRP related to the annexation.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination and

- a. Adopt resolution granting approval of Calleguas Annexation No. 92 concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$245,349.20 to Metropolitan if completed by December 31, 2007, or if completed later, at the then-current annexation charge rate, conditioned upon approval by the Ventura County Local Agency Formation Commission, and establishing Metropoltian's terms and conditions for the annexation ([Attachment 3](#)); and
- b. Approve Calleguas' Statement of Compliance with the current Water Use Efficiency Guidelines ([Attachment 2](#)).

Fiscal Impact: Receipt of annexation fee of \$245,349.20 for Calleguas Annexation No. 92 and water sales revenue from newly annexed territory

Business Analysis: This annexation will provide a service area connection and associated benefits to Annexation No. 92. The initial fixed and variable costs are borne by the local water supplier and property owners including processing, infrastructure, and the cost of raw and treated water. The annexation helps to meet Metropolitan's obligations to member agencies and provides essential benefits to public health and safety.

Option #2

Decline the request for Calleguas Annexation No. 92

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

Business Analysis: This service area annexation will not be done. The subject area will not receive the direct benefits of water supplied through Metropolitan and Calleguas.

Staff Recommendation

Option #1



3/8/2007

Date

Jill J. Wicke
Manager, Real Property Development and Management Group



3/26/2007

Date

Jeffrey Kightlinger
General Manager

[Attachment 1 – Calleguas Annexation No. 92 Legal Description and Map](#)

[Attachment 2 – Calleguas Annexation No. 92 Water Use Efficiency Compliance Statement](#)

[Attachment 3 – Calleguas Annexation No. 92 Resolution Setting Terms and Conditions for Annexation](#)

EXHIBIT A**CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION
VICTORIA LAKES
(ANNEXATION NO. 92)**

Being a portion of Parcel A of Subdivision 4, of Rancho El Rio De Santa Clara O'La Colonia, in the City of Oxnard, County of Ventura, State of California, as shown on the map recorded in the Office of the County Recorder of said County, in Book 3, Page 44 of Miscellaneous Records, described as follows:

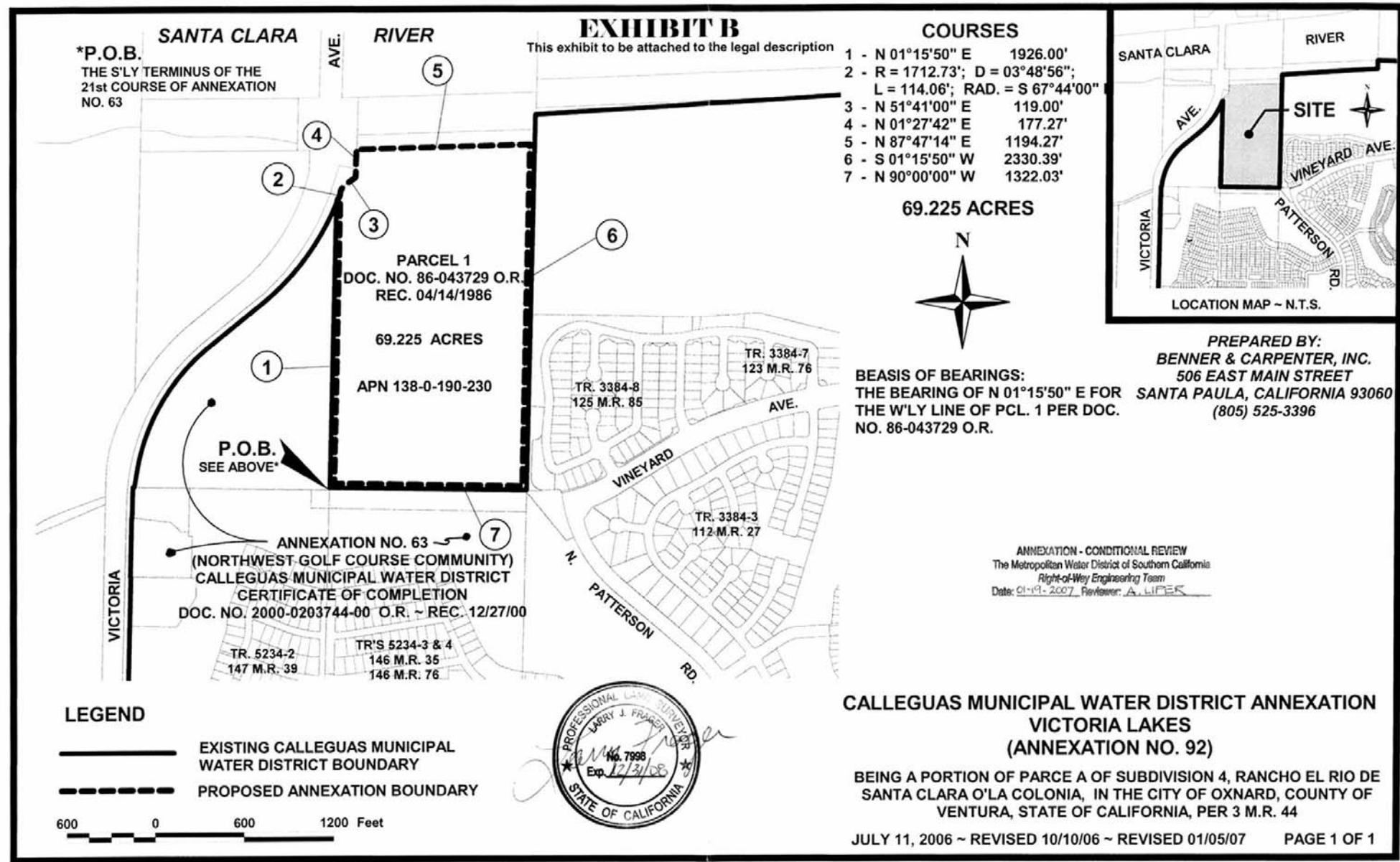
Beginning at the southwesterly corner of Parcel 1, described in the Grant Deed recorded in the Office of said County Recorder on April 14, 1986 as Document No. 86-043729 of Official Records, said corner also being the southerly terminus of the 21st course of Annexation No. 63 (Northwest Golf Course Community) to the Calleguas Municipal Water District, as described and shown in the Certificate of Completion recorded on December 27, 2000, in the Office of said County Recorder, as Document No. 2000-0203744-00 of Official Records; thence, along the existing boundary of said Calleguas Municipal Water District and along the boundary of said Parcel 1 by the following seven courses:

- 1st - North 01°15'50" East 1926.00 feet to the beginning of a nontangent curve concaved westerly, having a radius of 1712.73 feet, a radial line to said beginning bears South 67°44'00" East; thence, leaving said existing District boundary along said curve,
 - 2nd - Northerly 114.06 feet through a central angle of 03°48'56"; thence,
 - 3rd - North 51°41'00" East 119.00 feet; thence,
 - 4th - North 01°27'42" East 177.54 feet; thence,
 - 5th - North 87°47'14" East 1194.27 feet to the existing boundary of said Calleguas Municipal Water District; thence, along said existing boundary by the following two courses:
 - 6th - South 01°15'50" West 2330.39 feet; thence,
 - 7th - WEST 1322.03 feet to the point of beginning.
- Containing 69.225 acres.

For assessment purposes only. This description of land is not a legal description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

ANNEXATION - CONDITIONAL REVIEW
The Metropolitan Water District of Southern California
Right-of-Way Engineering Team
Date: 01-19-2007 Reviewer: A. LIPER





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*Looks ok.
APC*

Documentation for Annexation of Lands to The Metropolitan Water District of Southern California

Water Use Efficiency Compliance Statement

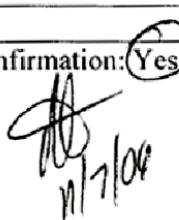
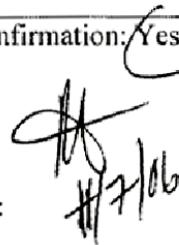
A. General Information

Description of Annexing Area	<p>Member Agency: Calleguas Municipal Water District Annexation Name: Calleguas Municipal Water District Annexation – Victoria Lakes (Calleguas Annexation No. 92) Projected Water Demand: 175 AF Per Year (gross) Peaking Water Demand: 31,327 CF Per Day @ 1.5 X Average Day (gross) Percent MWD Supplied: Less than 1% (net) Development Plans: Golf course with restroom facilities. Zoning: Additional Water Agencies Involved in Annexation: The City of Oxnard holds a 99-year lease on the property and will be its retail water supplier.</p>	<p>MWD Staff Confirmation: Yes No</p> <p><i>Ed G</i></p>
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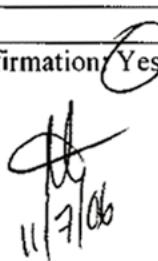
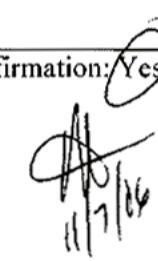
B. Member Agency Water Use and Efficiency Plans

1. Does your agency minimize annual water demand by incorporating water conservation measures into new development plans? Describe.	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No Description: CMWD supports water conservation in all new development. Staff includes a water conservation coordinator who actively manages outreach programs for public education and conservation advocacy. CMWD contributes cash incentives beyond MWD rebates for water conserving plumbing fixtures and appliances. Through CMWD retail purveyors, all projects are required to meet BMPs.</p> <p>CMWD has implemented a conservation program focused on new development that includes additional cash incentives to, and conservation requirements on, new development. Please see related responses to questions 4, 5 and 7 below for more detail.</p> <p>Supporting Documentation: Please refer to: 1) the Urban Water Management Plan for 2005 Pages 4-1 through 4-4. 2) Calleguas BMP reports for 2003 and 2004. 3) Attachment C; 4) Conservation Agreement and Acknowledgement.</p>	<p>Yes <input checked="" type="checkbox"/> No Comments: <i>11/1/06</i></p> <p>Documentation: Received On File (Date: _____)</p>
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<p>2. Does your agency use groundwater, surface water, and recycling to reduce annual demand on MWD? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No Description: CMWD member agencies produce approximately 50,000 AF of water from local sources annually, net of exports. Sources include imported surface water, groundwater and recycled water. Please see response to Question 6 regarding CMWD Regional Salinity Management Project. The City of Oxnard plans to supply the annexing territory with irrigation water from its existing on-site wells with backup recycled water supplied by its GREAT Program. Supporting Documentation: Please see: 1) Calleguas Urban Water Management Plan 2005, Pages 2-12 through 2-17 and 2-20 through 2-25; 2) 2004 Local Production Survey.</p>	<p>MWD Staff Confirmation: Yes <input checked="" type="checkbox"/> No Comments:  4/1/04 Documentation: Received On File (Date: _____)</p>
<p>3. Does your agency use storage and groundwater facilities and conservation to reduce peak demand on MWD? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No Description: CMWD participates in all MWD conservation programs including hardware rebates in conjunction with its own Model Home Program and independently funded rebates. Member purveyors with groundwater pump more heavily in summer months. Drawing from 10,000 AF Lake Bard reduces daily and seasonal peaking. A recent expansion of the Lake Bard Water Filtration Plant increased its capacity by a third, further reducing peaking. The jointly funded Las Posas Aquifer Storage and Recovery well field is partially operational and will ultimately store 300,000 AF of water to satisfy seasonal peaking and drought-proof Calleguas. In addition the District operates ten reservoirs with a combined capacity of 63 million gallons to reduce daily peaking. CMWD Ordinance No. 12 penalizes member purveyors for extremes of high and low flow and imposes the Capacity Reservation Charge on member purveyors as an incentive to reduce peaking. Impact fees collected on new construction are proportionate to meter capacity, thereby providing a disincentive to peaking. Supporting Documentation: Please see: 1) Calleguas Urban Water Management Plan 2005, Pages 2-5 through 2-7, pages 2-20- through 2-25, Pages 4-1 through 4-4 and Page 5-9 ; 2) Calleguas Final Water Master Plan (July 1999) Pages 6-1 to 6-3; 3) Calleguas Ordinance No. 12, Page 2 4) Calleguas Ordinance No. 14 Page 5. 5) 2003 and 2004 CMWD BMP</p>	<p>MWD Staff Confirmation: Yes <input checked="" type="checkbox"/> No Comments:  4/7/06 Documentation: Received On File (Date: _____)</p>

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	Report	
4. Does your agency offer all MWD new development conservation programs? Describe how they are promoted.	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Description: Calleguas' Conservation Coordinator actively promotes and coordinates Metropolitan and Calleguas conservation programs. Activities include direct contact with builders, dissemination of literature, presentations to public and industry groups. Conservation agreements with applicants seeking permits for new development will enumerate all MWD and CMWD programs and contain an acknowledgment by the applicant. All applicants will receive conservation literature germane to their project. Please see related response to Question No. 5 below.</p> <p>Supporting Documentation: Please see 1) Conservation Agreement and Acknowledgement; 2) Conservation program summary for development applicants.</p>	<p>MWD Staff Confirmation: Yes No Comments:</p>  <p>Documentation: Received On File (Date: _____)</p>
5 Does your agency have a specific conservation program for new development independent of MWD funding? Describe.	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Description: CMWD is implementing a program focused on new development including:</p> <ul style="list-style-type: none"> ▪ A requirement that all developments of 100 homes or more demonstrate water conserving technology similar to the Metropolitan Model Home Program. Required features will include: <ul style="list-style-type: none"> • ETo irrigation controllers • Landscaping with native California plant palette. • 1.0 gallon or dual-flush toilets • High Efficiency Clothes Washer • Signage describing features and their benefits. • Displays of literature provided by the District. CMWD will inspect participating projects. ▪ CMWD will independently fund grants of \$2,500 toward installation of water conserving devices, landscaping and signage in the demonstration model homes, either supplementing or independent of the project's participation in the Metropolitan Model Home Program. ▪ All applicants proposing new development in CMWD will be required to sign a conservation agreement With the following 	<p>MWD Staff Confirmation: Yes No Comments:</p>  <p>Documentation: Received On File (Date: _____)</p>

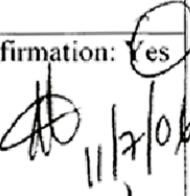
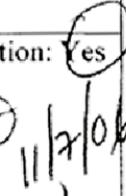
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	<p>provisions:</p> <ul style="list-style-type: none">▪ Require installation of all water saving devices and implementation of procedures to comply with existing state and local law and applicable BMPs.▪ State that failure to comply will void the will serve letter and the District Memorandum of Understanding.▪ State that the District may make compliance inspections with a 30-day advance notice.▪ Require use of recycled water, in accordance with California Water Code Sections 13550-13554 and Calleguas Resolution No. 903 and Ordinance No. 17.▪ Require participation in Calleguas Model Home Program when developments involve 100 or more homes. <p><u>In addition, the agreement enumerates conservation programs available through MWD and CMWD:</u></p> <ol style="list-style-type: none">1. Model Home Program2. High Efficiency Clothes Washer (HEW) Rebate Program3. ETo Irrigation Controller Rebate Program4. Ultra Low Flush Toilet Retrofit Rebate Program.5. <i>Save Water Save A Buck</i> Rebate Program for commercial retrofits.6. Industrial Process Improvement Grants <ul style="list-style-type: none">▪ All Memorandums of Understanding issued by CMWD will be conditioned upon signature and compliance with the conservation agreement and will condition member agency will serve letters on compliance with BMPs.▪ CMWD will fund a hardware rebate program in conjunction with participation by member purveyors. <p>Please see related response to Question No. 1 above.</p> <p>Supporting Documentation: Please see: 1) Example Attachment C to annexation resolutions; 2) Conservation Agreement and Acknowledgement 3) Conservation Program Summary for building applicants.</p>	
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<p>6. Does your agency use recycled water in accordance with Water Code Section 13550-13554? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Description: CMWD operates three pipelines to facilitate distribution of recycled water by its member purveyors. In 2005 these pipelines delivered 1,481 acre feet of recycled water. CMWD is a partner in the Conejo Creek Diversion, which captures an average of 7,400 A.F. of water annually that receives primary treatment and is used for agriculture. A more ambitious project is the Regional Salinity Management Program, a regional pipeline to facilitate the use of high salinity groundwater and recycled wastewater in the Calleguas watershed. The first reach (4 miles) is complete. Ultimately the project will extend 32 miles from Simi Valley to an ocean outfall. When complete and fully utilized by CMWD member agencies, the \$85 million pipeline will substantially increase local recycled water supplies. Working with its member purveyors, CMWD has identified several other potential projects for recovering low quality groundwater and recycling. Together, these projects have the potential of providing 31,000 AF annually, directly offsetting demand on MWD.</p> <p>Supporting Documentation: Please see: 1) Calleguas Urban Water Management Plan 2005, pages 2-20- through 2-25, Pages 4-1 through 4-4; 2) Calleguas Final Water Master Plan (July 1999) Pages 6-2 to 6-6.; 3) Regional Salinity Management Program brochure</p>	<p>MWD Staff Confirmation: Yes No Comments:</p> <p><i>[Signature]</i> 11/7/06</p> <p>Documentation: Received On File (Date: _____)</p>
<p>7. Are Best Management Practices conditioned on all new development?</p> <p>What are the conditions required in current service area.</p> <p>What are the conditions required in newly annexed lands.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Description: All CMWD member purveyors are signatories to the CUWCC Memorandum of Understanding (save six small mutuals with combined service connections totaling less than 2000.) Calleguas' purveyors observe BMPs at the local level. Also please see responses to Questions No. 1 and No. 5 above.</p> <p>Newly annexing territory will be conditioned with BMPs ;compliance with California Water Code Sections 13550-13554 and Calleguas Resolution No. 903 and Calleguas Ordinance No. 17; and conservation reporting.</p> <p>Supporting Documentation: Please see Acknowledgement and Agreement regarding District-wide conditions. Please refer to Attachment C for conditions on newly annexing land.</p>	<p>MWD Staff Confirmation: Yes No Comments:</p> <p><i>[Signature]</i> 11/7/06</p> <p>Documentation: Received On File (Date: _____)</p>

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8. Can your agency sustain a 7-day interruption in service as described in MWD Admin. Code Section 4503?	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Calleguas can call on multiple sources of water to sustain service through a 7-day interruption of supplies from Metropolitan. Lake Bard has a capacity of 10,000 A.F. The Lake Bard Water Filtration Plant was recently expanded to produce 100 CFS. The Las Posas Aquifer Storage and Recovery Project presently contains 70,000 A.F., ultimately will store 300,000 A.F. and is partially operational. It can produce 70 CFS now. Within five years it will deliver 100 CFS. These supplies are sufficient to meet demand in the Calleguas service area today in winter and spring months. In addition, Los Angeles DWP maintains a small connection to Calleguas. Calleguas' member purveyors can augment these supplies during such short term interruptions with increased groundwater pumping and other regional resources so that summer demand can be largely satisfied with minimal delivery curtailment.</p>	 
9. Is your agency and all other agencies listed in (A) above signatory to and in compliance with the California Urban Water Conservation Council's BMP MOU?	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No</p> <p>Description: Calleguas is a charter signatory to the MOU. The Cities of Oxnard and Camarillo are also signatories to the CUWCC MOU.</p> <p>Form of Documentation: Please see: 1) 2003 and 2004 Calleguas BMP report; 2) 2003 and 2004 City of Camarillo BMP report; 3) Oxnard City Council Resolution No. 12,783; 4) Copy of CUWCC signature page.</p>	MWD Staff Confirmation: Yes <input checked="" type="checkbox"/> No Documentation: Received On File (Date:  

B. Agency Certification and Signature

The following member agencies assure compliance with the provisions of Metropolitan's Water-Use Efficiency Guidelines as indicated in Metropolitan's Administrative Code Section 3107 and shall report to Metropolitan Regarding such compliance.

CALLEGUAS MUNICIPAL WATER DISTRICT

By: _____
Donald R. Kendall, General Manager

Date: _____

THE CITY OF OXNARD

By: _____
Matthew Winegar, Director of Public Services

Date: _____

RESOLUTION

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
CONSENTING TO CALLEGUAS MUNICIPAL WATER DISTRICT'S
CALLEGUAS ANNEXATION NO. 92
AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

A. WHEREAS, the Board of Directors of the Calleguas Municipal Water District (Calleguas), a municipal water district, situated in the county of Ventura, state of California, pursuant to Resolution No. 1535, 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 Ventura referred to as Calleguas Annexation No. 92, more particularly described in an application to the Ventura County Local Agency Formation Commission (LAFCO), concurrently with the annexation thereof to Calleguas, 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 LAFCO; and

C. WHEREAS, pursuant to the provisions of the California Environmental Quality Act (CEQA), the city of Oxnard, acting as Lead Agency, certified the Northwest Golf Course Community Specific Plan (Project) Final Environmental Impact Report (Final EIR), adopted the Findings of Fact (findings), Statement of Overriding Considerations (SOC), and Mitigation Monitoring and Reporting Program (MMRP) and approved the Project on July 13, 1999, for the development of the proposed annexation parcel. Calleguas Municipal Water District (Calleguas), as Responsible Agency under CEQA adopted the Lead Agency's findings and SOC, and approved the project (also known as Calleguas Annexation No. 92) on November 27, 2006, and Metropolitan, as Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information contained in the Final EIR and MMRP, and adopt the Lead Agency's findings and SOC prior to approval of the formal terms and conditions for Annexation No. 92; 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; and

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 Final EIR, findings, SOC, and MMRP and adopted the Lead Agency's findings and SOC prior to approval of the final terms and conditions for Annexation No. 92; and subject to the following terms and conditions, does hereby grant the application of the governing body of Calleguas Municipal Water District for consent to annex Annexation No. 92, to Metropolitan and does hereby fix the terms and conditions of such annexation;

F. BE IT FURTHER RESOLVED that the Board of Directors of Metropolitan, subject to the following terms and conditions, does hereby grant the application of the governing body of Calleguas Municipal Water District for consent to annex of Calleguas Annexation No. 92 to Metropolitan and does hereby fix the terms and conditions of such annexation:

Section 1. The annexation of said area to Calleguas 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 Calleguas to effectuate the annexation shall be filed on or before December 31, 2008.

Section 2. Prior to filing a request for a Certificate of Completion of the annexation proceedings with LAFCO, Calleguas shall submit a certified copy of LAFCO's resolution approving the annexation to the member agency, and shall pay to Metropolitan in cash \$245,349.20, if the annexation is completed by December 31, 2007. The annexation fee for processing this annexation was received prior to conditional approval. If the annexation is completed during the 2008 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. 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. Calleguas shall not be entitled to demand that Metropolitan deliver water to Calleguas 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.

G. BE IT FURTHER RESOLVED that the Board Executive Secretary is directed to transmit forthwith to the governing body of Calleguas 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 April 10, 2007.

Board Executive Secretary
The Metropolitan Water District
of Southern California