



- Board of Directors
Finance and Insurance Committee

12/13/2011 Board Meeting

7-2

Subject

Grant conditional approval for Annexation No. 96 to Calleguas Municipal Water District and to Metropolitan; and adopt resolution of intention to impose water standby charge

Description

This action authorizes a resolution consenting to conditional annexation request by Calleguas Municipal Water District (Calleguas) and imposing a water standby charge. The total annexed area of 4.8 acres is included in this request for conditional approval for Annexation No. 96 concurrently to Calleguas and Metropolitan (**Attachment 1**- annexation map and legal description). The total water demand is approximately 19.73 acre-feet per year (AFY). Imported water demand on Calleguas and Metropolitan is estimated to be 6.9 AFY, with a peak daily demand for imported water estimated at 1,027 cubic feet per day. Calleguas has certified that it is in compliance and meets the Best Management Practices of the California Urban Water Conservation Council for this project (**Attachment 2**). The charge for this annexation is \$25,308.40, which includes the \$5,000 processing fee collected at the time of the initial request and the remaining annexation charge is received prior to completion. If the annexation is completed later, the fee would be based on the then current annexation charge rate pursuant to Section 3300 of Metropolitan's Administrative Code. The annexation charge for calendar year 2012 is \$4,159 per acre. After annexation, the city of Oxnard will provide service.

The Water Use Efficiency Certificate will be reviewed and approved with this request. Metropolitan relies on its member agency's certificate of compliance with the Best Management Practices (BMPs) (**Attachment 2**), which can be met via the industry-adopted memorandum of understanding by: (1) strict compliance; (2) good faith efforts; or (3) qualification for an exemption, including demonstration of a lack of local authority to require the BMPs or that they are not cost-effective. Calleguas certified that it is a signatory to the California Urban Water Conservation Council (CUWCC) since 1991 and, based on Calleguas' BMP reports that were submitted to CUWCC, Calleguas is in strict compliance with the wholesale water agency BMPs, which complies with the Metropolitan Administrative Code amendment approved on October 12, 2004.

Completion of this annexation would be subject to such terms and conditions as may be fixed by Metropolitan's Board in granting final consent to such annexation. Calleguas has requested that Metropolitan impose a water standby charge within the annexation territory at the rate of \$9.58 per acre or per parcel of less than one acre, which is the water standby charge rate presently levied in the other portions of the Calleguas service area. Under the requirements of Article XIII D of the California Constitution (Proposition 218), such charges must be treated as new assessments, subject to voter approval by the property owners in the area to be annexed. **Attachment 3** contains the forms of resolution of intention to impose a water standby charge which, if adopted by the Board, will authorize the Board Executive Secretary to carry out mailed ballot proceedings to obtain voter approval, as required by Proposition 218. Notices will be sent to property owners with ballots, which the property owners will be asked to mark and return. Ballots will be tabulated at a public hearing scheduled to commence on February 10, 2012, or such other date as the Board shall determine. The ballots received from property owners are weighted according to the proportionate obligation of each property. Unless a majority vote protests the charges, the Board may impose the water standby charge in the annexed area concurrently with final approval of annexation.

Policy

Metropolitan's policy for annexation is referenced in Chapter 1, Article 1, Section 350 through 356 of the Metropolitan Act (Act), and Division III, Section 3100 through 3108 of its Administrative Code.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA because they involve 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 actions in question may have a significant effect on the environment, the proposed actions are not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines). Prior to final 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 further action.

The CEQA determination is: The proposed actions are 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

Option #1

Adopt the CEQA determination and

- a. Grant conditional approval for the Calleguas Annexation No. 96 concurrently to Calleguas and to Metropolitan, conditioned upon receipt in full of annexation fee of approximately \$25,308.40 to Metropolitan if completed by December 31, 2012, or if completed later, at the then current annexation charge rate;
- b. Approve Calleguas' Statement of Compliance with the current 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 of approximately \$25,308.40 for Annexation No. 96 and water sales revenue from newly annexed territory

Business Analysis: This annexation will provide the ability for water service and associated benefits to the area of Annexation No. 96. The initial fixed and variable costs will be 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 member agency requests and provides essential benefits to community redevelopment.

Option #2

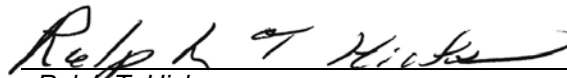
Decline the request for annexation of Calleguas Annexation No. 96.

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

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

Staff Recommendation

Option #1



Ralph T. Hicks 11/14/2011
Manager, Real Property Development and Date
Management



Jeffrey Kightlinger 12/1/2011
General Manager Date

Attachment 1 – Calleguas Annexation No. 96 Legal Description and Map

Attachment 2 – Calleguas Annexation No. 96 Water Use Efficiency Certificate (Compliance Statement)

Attachment 3 – Calleguas Annexation No. 96 Resolution of Intention to Impose Water Standby Charge

Ref# rpdm12614895

**CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION
PASEO NUEVO
(CALLEGUAS ANNEXATION NO. 96)**

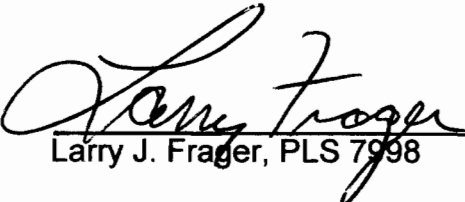
All of Lot 10 of the Garden City Acres Tract, being a portion of Subdivision No.83 of Rancho El Rio De Santa Clara O'la Colonia, in the City of Oxnard, County of Ventura, State of California, as shown on the map recorded in the Office of the County Recorder of said County in Book 11, Page 105 of Miscellaneous Records, described as follows:

Beginning at the northwest corner of said Lot 10, said corner also being the westerly terminus of the 8th course of Parcel 3 of Annexation No. 7 (Oxnard Second Fringe Area) to Calleguas Municipal Water District as described in the Certificate of Filing recorded November 13, 1969, in said Recorders Office, in Book 3579, Page 129 of Official Records; thence, along the boundary of said Calleguas Municipal Water District along said 8th course and along the boundary of said Lot 10 by the following five courses:

- 1st - North 89°53'00" East 635.39 feet, at 435.39 feet leaving said existing Calleguas Water District boundary, at 653.39 feet begins said existing Calleguas Water District boundary; thence, along said existing boundary by the following four courses:
- 2nd - South 00°02'00" East 231.74 feet; thence,
- 3rd - South 37°12'00" West 138.66 feet; thence,
- 4th - South 89°53'00" West 551.49 feet; thence,
- 5th - North 00°02'00" West 342.02 feet to the point of beginning.

Contains 4.883 Acres

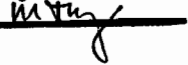
Prepared under my supervision:


Larry J. Frager, PLS 7998 8/19/11
Date

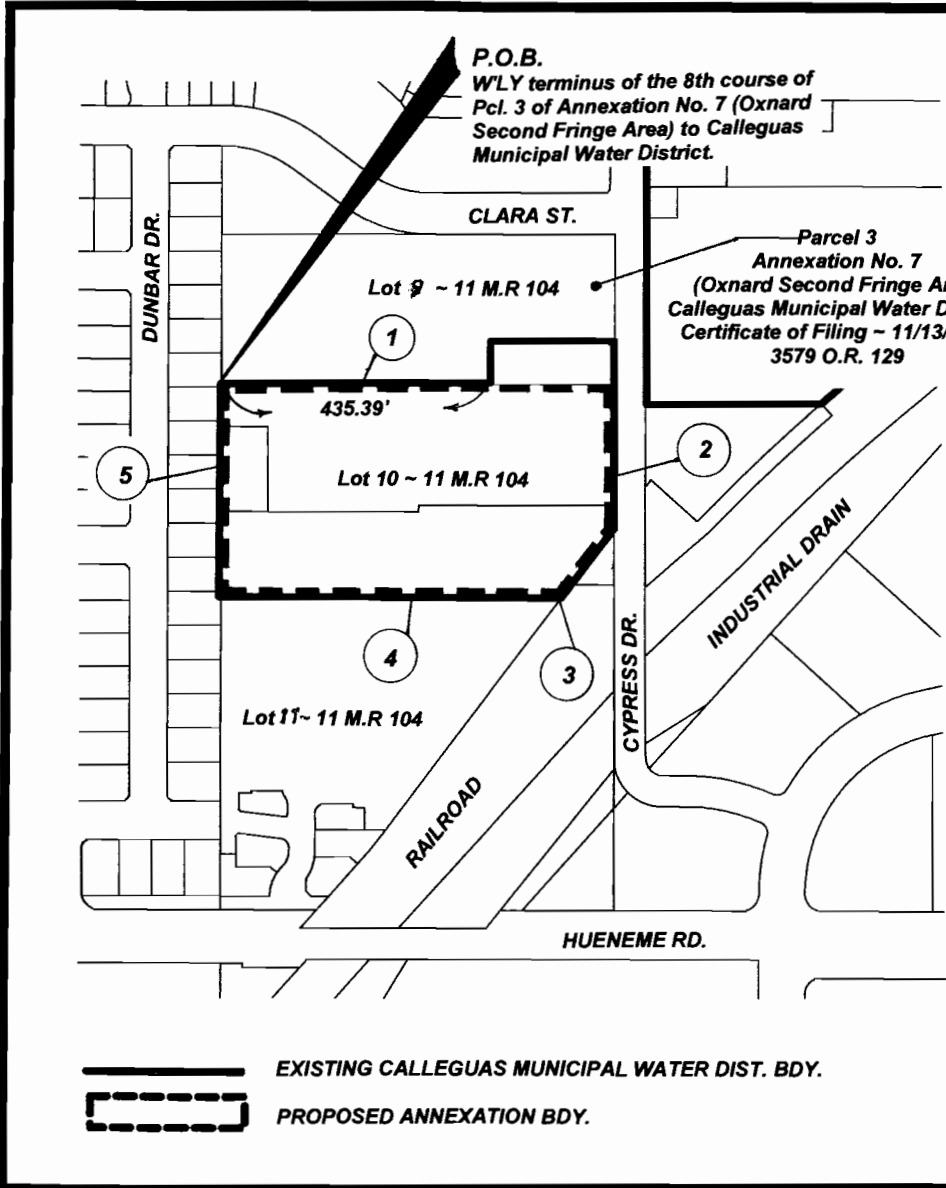


For assessment purposes only. This description of land is not a legal description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

2011:2011-0511-05 LEGAL - ANNEX NO. 96 TO CMWD - 8/17/2011 11:50 PM

ANNEXATION - FINAL REVIEW
The Metropolitan Water District of Southern California
Right-of-Way Engineering Team
Date: 10-19-11 Reviewer: 

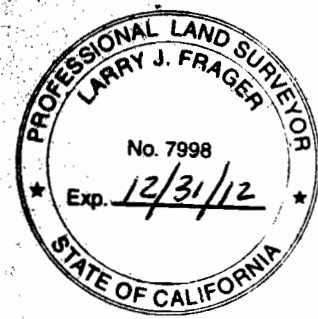
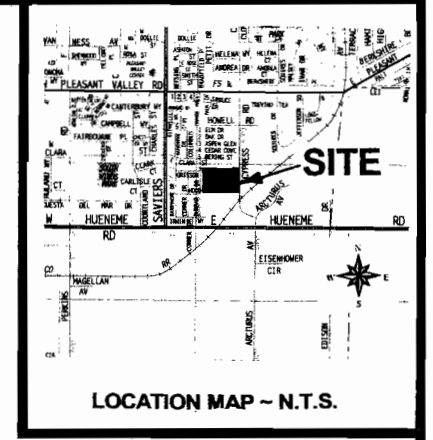
ANNEXATION - FINAL REVIEW
 The Metropolitan Water District of Southern California
 Right-of-Way Engineering Team
 Date: 10-19-11 Reviewer: mtay



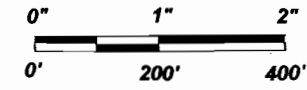
Annexation Courses

- 1st - N 89°53'00" E 635.39'
- 2nd - S 00°02'00" E 231.74'
- 3rd - S 37°12'00" W 138.66'
- 4th - S 89°53'00" W 551.49'
- 5th - N 00°02'00" W 342.02'

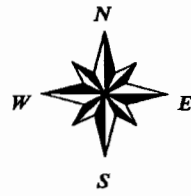
Contains 4.883 Acres



Prepared under my supervision:
Larry J. Frager 8/19/11
 Larry J. Frager, PLS 7998 Date



Benner & Carpenter, Inc.
 506 E. Main St.
 Santa Paula, CA 93060
 (805) 525-3396



**CALLEGUAS MUNICIPAL WATER DISTRICT
 ANNEXATION
 PASEO NUEVO
 (CALLEGUAS ANNEXATION NO. 96)**

All of Lot 10 of the Garden City Acres Tract, being a portion of Subdivision No.83 of Rancho El Rio De Santa Clara O'la Colonia, in the City of Oxnard, County of Ventura, State of California, per 11 M.R. 105.

August 18, 2011

Sheet 1 of 1

FOR ASSESSMENT PURPOSES ONLY. THIS MAP IS NOT A MAP AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND SHOWN.

EB

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

Water Use Efficiency Compliance Statement

A. General Information

<p>Description of Annexing Area</p>	<p>Member Agency: Calleguas Municipal Water District Annexation Name: Calleguas Municipal Water District Annexation – Paseo Nuevo (Calleguas Annexation No. 96) Projected Water Demand: 19.73 AFY Peaking Water Demand: 2,943 CF Per Day @ 1.25 X Average Day Percent MWDC Supplied: 35% of demand. (6.9 AFY) Development Plans: 72-unit apartment complex Zoning: R-2</p> <p>Additional Water Agencies Involved in Annexation: Present supplier is Cypress Road Mutual Water Company. After annexation: the City of Oxnard</p>	<p>MWDC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p><i>Rufus [Signature]</i> 10/12/2011</p>
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B. Member Agency Water Use and Efficiency Plans

<p>1. Does your agency minimize annual water demand by incorporating water conservation measures into new development plans? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Description: CMWD requires the use of water conservation measures in all new development plans. CMWD contributes cash incentives beyond MWDC rebates for water conserving plumbing fixtures and appliances. Through CMWD retail purveyors, all projects are required to employ BMPs.</p> <p>CMWD has implemented a program focused on new development including:</p> <ul style="list-style-type: none"> ▪ A CMWD requirement that all developments of 50 single family detached homes or more demonstrate water conserving technology. Required features will include: <ul style="list-style-type: none"> • ETo irrigation controllers • Rotator irrigation nozzles • 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. 	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>TJ 10/12/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>
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	<p>CMWD will inspect participating projects.</p> <ul style="list-style-type: none"> ▪ CMWD will fund grants of \$2,500 toward installation of water conserving devices, landscaping and signage in the demonstration model homes. All applicants proposing new development in CMWD will be required to sign a conservation agreement with the following provisions: <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 50 or more homes. ▪ In addition, the agreement enumerates conservation programs available through the MWDSC So Cal Water Smart Program. ▪ 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>Calleguas' staff includes a Conservation Coordinator who actively promotes and coordinates Metropolitan and Calleguas conservation programs. Activities include direct contact with builders, dissemination of literature, presentations to public and industry groups.</p> <p>All CMWD member purveyors are signatories to the CUWCC Memorandum of Understanding (with the exception of six small mutuals with combined service connections totaling less than 2,000.)</p> <p>Calleguas' purveyors observe BMPs at the local level. Also please see</p>	
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	<p>responses to Questions No. 1 and No. 5 above.</p> <p>Newly annexing territory is 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 refer to: 1) CMWD Urban Water Management Plan for 2010 Pages 4-1 through 4-4. 2) Calleguas BMP reports for 2007 and 2008. 3) Attachment C; 4) Conservation Agreement and Acknowledgement.</p>	
<p>2. Does your agency use groundwater, surface water, and recycling to reduce annual demand on MWDSC? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Description: CMWD member agencies produce approximately 50,000 AF of water from local sources annually, net of exports. Sources include imported surface water supplied to the City of Oxnard by United Water Conservation District, groundwater and recycled water.</p> <p>CMWD operates three pipelines to facilitate distribution of recycled water by its member purveyors. In 2010 these pipelines delivered 1,339 Acre-feet of recycled water. Another 4,870 AF was distributed for M and I use by CMWD purveyors independently. CMWD is a partner in the Conejo Creek Diversion, which captures an average of 7,400 AF 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. 8.7 miles of the pipeline and the ocean outfall are complete. Ultimately it will extend from the outfall 32 miles inland to Simi Valley. When complete and fully utilized by CMWD member agencies, the \$222 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 39,000 AF of potable water annually and 350 AF, directly offsetting demand on MWDSC. Roughly 16,000 in additional agricultural water will also be produced, partially offsetting demand on MWDSC.</p>	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>By 10/12/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>

<p>3. Does your agency use storage and groundwater facilities and conservation to reduce peak demand on MWDSC? Describe.</p>	<p>Supporting Documentation: Please see: 1) CMWD Urban Water Management Plan 2010, Chapter 2; 2) 2010 Local Production Survey.</p> <p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Description: Member purveyors with groundwater pump more heavily in summer months. Drawing from Lake Bard's storage of roughly 10,000 AF reduces daily and seasonal peaking. The Lake Bard Water Filtration Plant was expanded to produce 100 CFS. The jointly funded Las Posas Aquifer Storage and Recovery well field is partially operational and can be used to satisfy peaking. 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.</p> <p>Supporting Documentation: Please see: 1) Calleguas Urban Water Management Plan 2010, Chapters 2 and 4 ; 2) Calleguas 2006 Potable Water Master Plan Executive Summary Pages 4, 12-13 and 20-21. Calleguas Ordinance No. 12, Page 2 4) Calleguas Ordinance No. 14 Page 5. 5) 2007 and 2008 CMWD BMP Report</p>	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>By 10/12/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>
<p>4. Does your agency offer all MWDSC new development conservation programs? Describe how they are promoted.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></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 enumerate all MWDSC and CMWD programs and contain an acknowledgment by the applicant. All applicants receive conservation literature germane to their project.</p> <p>CMWD has implemented a program focused on new development including:</p> <ul style="list-style-type: none"> ▪ A CMWD requirement that all developments of 50 or more single family detached homes demonstrate water conserving technology. Required features will include: <ul style="list-style-type: none"> ▪ ETo irrigation controllers 	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>By 10/12/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>

	<ul style="list-style-type: none"> ▪ Rotator irrigation nozzles ▪ 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. <p>CMWD will inspect participating projects.</p> <ul style="list-style-type: none"> ▪ CMWD will fund grants of \$2,500 toward installation of water conserving devices, landscaping and signage in the demonstration model homes. All applicants proposing new development in CMWD will be required to sign a conservation agreement With the following provisions: <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. ▪ In addition, the agreement enumerates all conservation programs available through the MWDSC So Cal Water Smart Program. ▪ 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>Supporting Documentation: Please see 1) Conservation Agreement and Acknowledgement; 2) Conservation program summary for development applicants.</p>	
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<p>5 Does your agency have a specific conservation program for new development independent of MWDSC funding? Describe.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Description: CMWD has implemented a program focused on new development including:</p> <ul style="list-style-type: none"> ▪ A CMWD requirement that all developments of 50 homes or more demonstrate water conserving technology. Required features will include: <ul style="list-style-type: none"> ▪ ETo irrigation controllers ▪ Rotator irrigation nozzles ▪ 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 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 Model Home Program. ▪ All applicants proposing new development in CMWD will be required to sign a conservation agreement With the following provisions: <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. ▪ In addition, the agreement enumerates all conservation programs available through the MWDSC So Cal Water 	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>PJ 10/12/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>
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	<p>Smart Program.</p> <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>Supporting Documentation: Please see: 1) Example Attachment C to annexation resolutions; 2) Conservation Agreement and Acknowledgement 3) Conservation Program Summary for building applicants.</p>	
<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 <input type="checkbox"/></p> <p>Description: CMWD operates three pipelines to facilitate distribution of recycled water by its member purveyors. In 2010 these pipelines delivered 1,339 acre feet of recycled water. Another 4,870 AF was distributed for M and I use by CMWD purveyors independently. CMWD is a partner in the Conejo Creek Diversion, which captures an average of 7,400 AF 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. 8.7 miles of the pipeline and the ocean outfall are complete. Ultimately it will extend from the outfall 32 miles inland to Simi Valley. When complete and fully utilized by CMWD member agencies, the \$222 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 39,000 AF of potable water annually, and 350 AF, directly offsetting demand on MWDCS. Roughly 16,000 in additional agricultural water will also be produced, partially offsetting demand on MWDCS.</p> <p>Supporting Documentation: Please see: 1) Calleguas Urban Water Management Plan 2010, Chapters 2 and 4; Calleguas Calleguas 2006 Potable Water Master Plan Executive Summary Pages 4, 12-13 and 20-21; 3) Regional Salinity Management Program brochure</p>	<p>MWDCS Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: <i>PJ 10/2/11</i></p> <p>Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>

<p>7. Are Best Management Practices conditioned on all new development? What are the conditions required in current service area. What are the conditions required in newly annexed lands.</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Description: All CMWD member purveyors are signatories to the CUWCC Memorandum of Understanding (with the exception of 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. 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. Supporting Documentation: Please see Acknowledgement and Agreement regarding District-wide conditions. Please refer to Attachment C for conditions on newly annexing land.</p>	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: PJ 10/12/11 Documentation: <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>
<p>8. Can your agency sustain a 7-day interruption in service as described in MWDSC Admin. Code Section 4503?</p>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Calleguas can call on multiple sources of water to sustain service through a 7-day interruption of supplies from Metropolitan. Lake Bard has usable storage capacity of 8,000 AF. The Lake Bard Water Filtration Plant was recently expanded to produce 100 CFS. Calleguas presently holds the right to roughly 68,000 AF of groundwater, most of it stored in its' Las Posas Aquifer Storage and Recovery Project (ASR). During a shutdown, the ASR can produce 65 CFS. Other Calleguas groundwater can by agreement be extracted by its member purveyors. These supplies are sufficient to meet demand in the Calleguas service area 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>	<p></p>
<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>	<p>Member Agency Response: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Description: Calleguas is a charter signatory to the MOU. The City of Oxnard is also a signatory of the CUWCC MOU. The 2009-10 report will be completed by Formal Terms and Conditions and confirmed their compliance with CUWCC BMP. Per WUE Guidelines Section 3107 (F) member agencies and wholesale water agency, and local purveyor must be in compliance with CUWCC</p>	<p>MWDSC Staff Confirmation: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Documentation: PJ 10/12/11 <input type="checkbox"/> Received <input type="checkbox"/> On File (Date: _____)</p>

	MOU to be considered for annexation Form of Documentation: Please see: 1) 2007-2008 Calleguas BMP report; 2) Oxnard City Council Resolution No. 12,783 3) Copy of CUWCC signature page.	
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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: Susan B. Mulligan
Susan B. Mulligan, General Manager

Date: 9/27/2011

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
GIVING NOTICE OF INTENTION TO
IMPOSE WATER STANDBY CHARGES
CONTINGENT UPON ANNEXATION
ANNEXATION NO. 96
CALLEGUAS MUNICIPAL WATER DISTRICT

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 Section 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 Calleguas Municipal Water District (“Calleguas”) 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 October 2011 (the “Engineer’s Report”) has applied for annexation into Calleguas 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, Calleguas 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 14, 2012, or such other date as the Board shall determine, on the General Manager's recommendation to impose a water standby charge for fiscal year 2011/12 on the properties described in the attached Engineer's Report 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 \$9.58, which is equal to the amount of Metropolitan's existing standby charge on other properties located within the territory of Calleguas. 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 Calleguas Annexation No. 96, 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 Calleguas' 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 Board 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 February 14, 2012, 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 hearing or received by the Board 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) exceed 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 Calleguas Annexation No. 96 to Metropolitan and Calleguas. If water standby charges are approved and such annexation is not completed in time to permit imposition of standby charges for fiscal year 2011/12, 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 Calleguas 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 General Manager 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 13, 2011.

Board 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,
CALLEGUAS MUNICIPAL WATER DISTRICT
Calleguas Annexation No. 96
October 2011

BACKGROUND

This 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 2011/12, dated October 2010, adopted by Metropolitan's Board on April 12, 2011 (Engineer's Report). A copy of the Engineer's Report is on file with the Board Executive Secretary. Metropolitan collects a readiness-to-serve charge (RTS) as an availability-of- service charge from the member public agencies. Member public agencies 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 Calleguas Municipal Water District (Calleguas) has requested that Metropolitan collect all or a portion of its RTS obligation through a Metropolitan water standby charge imposed on parcels within Calleguas service area boundary. The owners of property constituting proposed Calleguas Annexation No. 96 have applied for annexation into Calleguas. 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. Calleguas 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 property owners have applied to Metropolitan for annexation of the properties identified in this report. Consent by the property owners to Metropolitan's levying of an annual water standby charge in the amount of \$9.58 per acre, or \$9.58 per parcel of less than one acre, is a condition to annexation of these properties into Calleguas and Metropolitan.

The following table lists the parcels included in Calleguas Annexation No. 96 and the proposed water standby charge for fiscal year 2011/12.

Table A
Water standby charges for Calleguas Annexation No. 96

Parcel Number	Acres *	Standby Charge (Fiscal Year 2011/12)
222-0-070-110	0.24	\$ 9.58
222-0-070-185	1.96	\$ 18.78
222-0-070-190	2.69	\$ 25.77

* Acres per Assessor’s Parcel Number

The estimated potential benefits of Metropolitan’s water supply program that could be paid by a standby charge are approximately \$330 million for fiscal year 2011/12, as shown in Table 1 of the Engineer’s Report. An average total standby charge of \$76.12 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 that the total benefits of this magnitude accrue to each acre of property and parcel within Metropolitan, as these properties are eligible for water from the Metropolitan system. Because only properties located within Metropolitan’s boundaries 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 \$43.6 million for fiscal year 2011/12. 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 the annexation is assessed water standby charges in excess of the reasonable cost of the proportional special benefit conferred on that parcel.

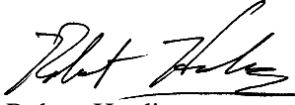
SUMMARY

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. Calleguas has requested that a water standby charge be imposed on lands within Calleguas Annexation No. 96 as a credit against Calleguas RTS obligation for fiscal year 2011/12, in the

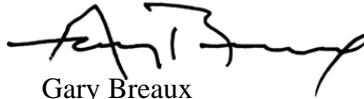
amount of \$9.58 per acre or parcel of less than one acre, to be levied by Metropolitan within Calleguas. The special benefits described in this Engineer's Report exceed the recommended charge. The water standby charge for parcels (identified in Table A above) within Calleguas Annexation No. 96 total \$54.13.

Prepared Under the Supervision of:

Prepared Under the Supervision of:



Robert Harding
RCE 50185
Engineer
Water Resource Management



Gary Breaux
Chief Financial Officer

