



- Board of Directors
Finance and Insurance Committee

3/11/2014 Board Meeting

7-2

Subject

Adopt final resolutions for annexation and water standby charge levy for Annexation No. 98 to Calleguas Municipal Water District and to Metropolitan Water District

Executive Summary

This action grants final approval for Annexation No. 98 request and imposition of water standby charges for Calleguas Municipal Water District (Calleguas). There are no substantial changes from conditional board approval to this request for final terms and conditions. The total area included in this annexation is 109.06 acres ([Attachment 1](#) – Legal Description and Map). The new water demand from Metropolitan Water District (Metropolitan) is 81.8 acre-feet per year (AFY). Calleguas is in compliance and meets the Best Management Practices of the California Urban Water Conservation Council ([Attachment 2](#)). The charge for this annexation, if completed in 2014, is \$487,059.66, which includes the \$5,000 processing fee.

Details

This action authorizes a resolution granting final terms and conditions for Annexation No. 98 requested by Calleguas, along with a resolution for imposition of water standby charges. On December 10, 2013, Metropolitan's Board conditionally approved the current area of Annexation No. 98 and resolution of intention to collect the standby charge. On December 18, 2013, Resolution No. 1808 of the Board of Directors of Calleguas made application to Metropolitan for final terms and conditions and imposition of water standby charges. Metropolitan's Board conducted a public hearing and was approved by the property owners on February 11, 2014, of the proposed water standby charge to maintain compliance with Proposition 218. Metropolitan's Board will review and approve the resolution for levying the standby charge and grant resolution for annexation.

The municipal project consists of a single 109.06-acre parcel located at the southeast corner of Rose Avenue and Cesar Chavez Drive together with 1.888 acres of adjacent public right-of-way leaving a net annexation area of 107.172 acres as the basis of the annexation fee. It is surrounded on four sides by incorporated area of the city of Oxnard. The charge for this annexation is \$487,059.66, which includes the \$5,000 processing fee collected at the time of the initial request; the balance is received prior to completion. The annexation charge is calculated based on the 2014 per-acre fee of \$4,498. If the annexation is completed later, the fee would be based on the then-current annexation rate pursuant to Section 3300 of Metropolitan's Administrative Code. After annexation, the city of Oxnard will provide service.

Metropolitan's Board also adopted a resolution of intention to impose a water standby charge within the proposed annexation area in support of Annexation No. 98 (Resolution 9164) on December 10, 2013. Pursuant to Resolution 9164, the Board held a public hearing on February 11, 2014. Interested parties were given the opportunity to present their views regarding the proposed charge and the Engineer's Report. In addition, pursuant to Resolution 9164 and in accordance with the requirements of Article XIII D, Section 4, of the California Constitution, the Board Executive Secretary provided written notice by mail of the hearing to the owners of record of the parcels identified in the Engineer's Report. Enclosed in the mailed notices were assessment ballots on which the owners could indicate support or oppose the proposed water standby charge. This action adopts a resolution consenting to Calleguas' request for annexation ([Attachment 2](#)); and Resolution Fixing and Adopting

Water Standby Charge (**Attachment 3**), which imposes a Metropolitan water standby charge in the amount of \$9.58 per acre, or per parcel of less than one acre, within the territory of Annexation No. 98, contingent upon completion of the annexation. Approval of Metropolitan's standby charge imposed elsewhere within Calleguas' territory is a condition to complete this annexation. Pursuant to the terms of the attached resolution (**Attachment 3**), Metropolitan may levy said standby charge at the rate stated in the resolution.

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

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 May 7, 2013. The Lead Agency also approved the Findings of Fact, the Statement of Overriding Considerations (SOC), and the Mitigation Monitoring and Reporting Program (MMRP). 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 (**Attachment 4**).

The CEQA determination is: Review and consider information provided in the certified May 7, 2013 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

Review and consider information provided in the certified Final Environmental Impact Report (Final EIR) and adopt the Lead Agency's findings related to the proposed actions, and

- a. Adopt resolution granting Calleguas' request for approval of Annexation No. 98 concurrently to Calleguas and Metropolitan and establish Metropolitan's terms and conditions for the annexation (**Attachment 2**), conditioned upon approval by Ventura Local Agency Formation Commission, and upon receipt of annexation fee of \$487,059.66; and
- b. Adopt resolution to impose water standby charge at a rate of \$9.58 per acre, or per parcel of less than one acre, within the proposed annexation area (**Attachment 3**).

Fiscal Impact: Receipt of annexation fees of \$487,059.66 for the annexation area and water sales revenue from newly annexed territory

Business Analysis: This annexation will provide the ability for water service and associated benefits to the property owners.

Option #2

Decline the request for annexation of Calleguas Annexation No. 98.

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

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

Staff Recommendation

Option #1



Roy L. Wolfe
Manager, Business Technology

2/12/2014
Date



Jeffrey Kightlinger
General Manager

2/21/2014
Date

Attachment 1 – Calleguas No. 98 Legal Description and Map

Attachment 2 – Calleguas No. 98 Resolution Fixing Terms and Conditions of Annexation

Attachment 3 – Calleguas No. 98 Resolution of Intention to Levy Standby Charge

Attachment 4 – Calleguas No. 98 Environmental Documentation (available for review in the Board Executive Secretary's Office)

Ref#bt12628859

EXHIBIT A**CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION
EAST VILLAGE PHASE 3
(CALLEGUAS ANNEXATION NO. 98)**

That portion of Subdivision 26 Rancho El Rio De Santa Clara O' La Colonia in the County of Ventura, State of California as per Partition Map thereof filed in the office of the County Clerk of said County, in that certain action entitled "Thomas A. Scott, et al., Plffs. VS. Rafael Gonzales, et al., Defts" particularly described as follows:

Beginning at the intersection of the westerly line of Parcel A of Parcel Map No. 3796, recorded in Book 37, at Page 54A & 55 and the northerly line of Camino del Sol (Colonia Road) 50 feet wide, said intersection being also the southerly terminus of the 3rd course of the parcel described in Annexation No. 55 to the Calleguas Municipal Water District, as recorded on January 27th, 1999 as instrument number 99-016130, of Official Records in the Office of the County Recorder of said County said point is on the northerly line of Parcel 7, Oxnard First Fringe Area, Annexation No. 5 per Resolution No. 188, adopted, signed and approved on December 2nd, 1964 by the President of the board of directors of the Calleguas Municipal Water District; thence along said northerly line,

- 1st South 89°59'00" West, a distance of 1931.93 feet to the southeast corner of Parcel 63, Annexation No. 7 to the Calleguas Municipal Water District, as recorded on November 13th, 1969 in Book 3579, at Page 129, of Official Records in the Office of the County Recorder of said County; thence along the east line of said Parcel 63 and the east line of Annexation No. 54 to the Calleguas Municipal Water District, as recorded on January 26th, 1999 as Instrument number 99-015464, of Official Records in the Office of the County Recorder of said County,
- 2nd North 00°04'34" West, a distance of 2455.55 feet to the southerly line of Parcel G, Annexation No. 29 to the Calleguas Municipal Water District, as recorded on October 10th, 1989, as Instrument number 89-160094, of Official Records in the Office of the County Recorder of said County; thence along said southerly line and along the southerly line of Parcel A, Annexation No. 47 to the Calleguas Municipal Water District, as recorded on September 19th, 1995, as Instrument number 95-112424, of Official Records in the Office of the County Recorder of said County,
- 3rd North 89°59'58" East, a distance of 1937.83 feet to the west line of said Annexation No. 55; thence along said west line of said Annexation No. 55,

4th South 00°03'42" West, a distance of 2455.00 feet to the **Point of Beginning.**

Contains 109.060 Acres

Prepared under my supervision:



Maren Cartellieri
PLS 8606

10-07-2013
Date



For assessment purposes only. This document 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.

The Metropolitan Water District
of Southern California
Geodetics & Mapping Team
ANNEXATION - **CONDITIONAL REV**
Reviewer: ES Date: 10/17/13

L:\AU14700\Survey\Exhibits\4700 Annexation Exhibit-Calleguas-REV-2.dwg Oct 07, 2013, 11:33am mcartelli

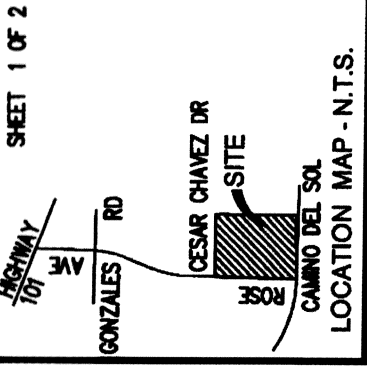


EXHIBIT B

PARCEL A
ANNEXATION NO. 47
CALLEGUAS MUNICIPAL WATER DISTRICT
CERTIFICATE OF COMPLETION-09/19/1985
INSTR. # 95-112424, OR

The Metropolitan Water District
of Southern California
Geodetics & Mapping Team
ANNEXATION - CONDITIONAL REV
Reviewer: *[Signature]* Date: 10/17/13



PREPARED UNDER MY SUPERVISION:

[Signature] 10-07-2013
DATE

MAREN CARTELLIERI, PLS 8608

JENSEN DESIGN & SURVEY, INC
1672 DONLON STREET
VENTURA, CA 93003
(805) 654-9677



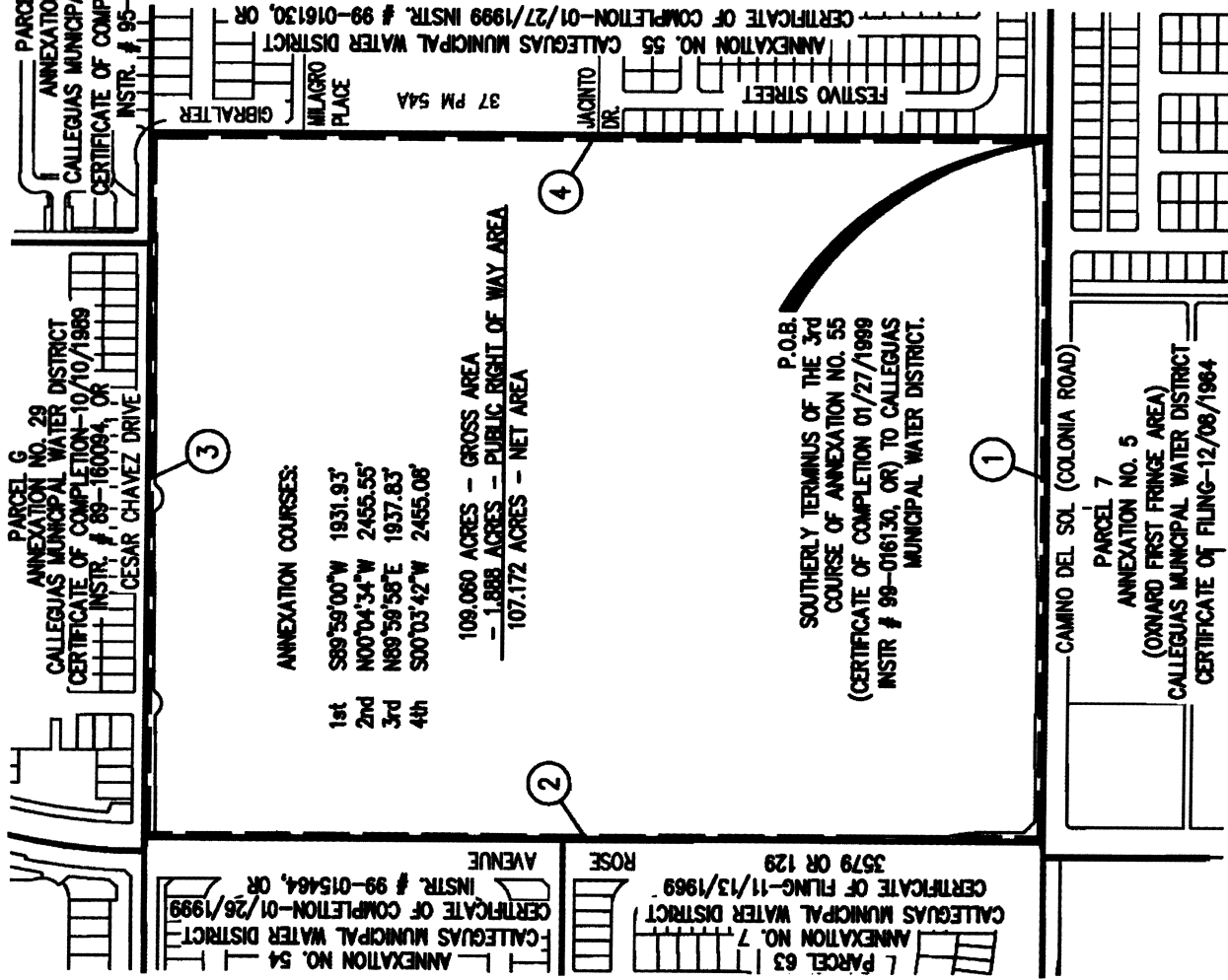
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CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION
EAST VILLAGE PHASE 3
(CALLEGUAS ANNEXATION NO. 98)

A PORTION OF SUBDIVISION 28 OF THE RANCHO EL RIO DE SANTA CLARA O' LA
COLONIA, IN THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AS PER PARTITION
MAP THEREOF FILED IN THE OFFICE OF THE COUNTY CLERK OF SARD COUNTY, IN
THAT CERTAIN ACTION ENTITLED "THOMAS A SCOTT, ET AL., PLFTS VS. RAFAEL
GONZALES, ET AL., DEFTS"

AUGUST 13, 2013

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.



EXISTING CALLEGUAS MUNICIPAL
WATER DISTRICT BOUNDARY

PROPOSED ANNEXATION BOUNDARY

LA111700 Survey Exhibits 1700 Annotation Exhibit Calleguas-REV-2.dwg Oct 07, 2013 11:32am mcr/ta/ht

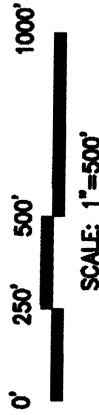
SHEET 2 OF 2

EXHIBIT B

PUBLIC RIGHT OF WAY AREA:

- A. Doc. 2000-139888 O.R., Rec. 08/31/2000 Area = 0.8800 AC
 - B. Doc. 96-006100 O.R., Rec. 01/18/1986 Area=6,460 SF = 0.1483 AC
 - C. Book 2188 Page 582 O.R., Rec. 08/09/1962 Area = 0.0120 AC
 - D. Doc. 93-001399 O.R., Rec. 01/06/1993 Area=4,467 SF = 0.1025 AC
 - E. Doc. 2001-0086108 O.R., Rec. 05/24/2001 Area = 0.7451 AC
- TOTAL = 1.8879 AC

JENSEN DESIGN & SURVEY, INC
 1672 DONLON STREET
 VENTURA, CA 93003
 (805) 654-9677

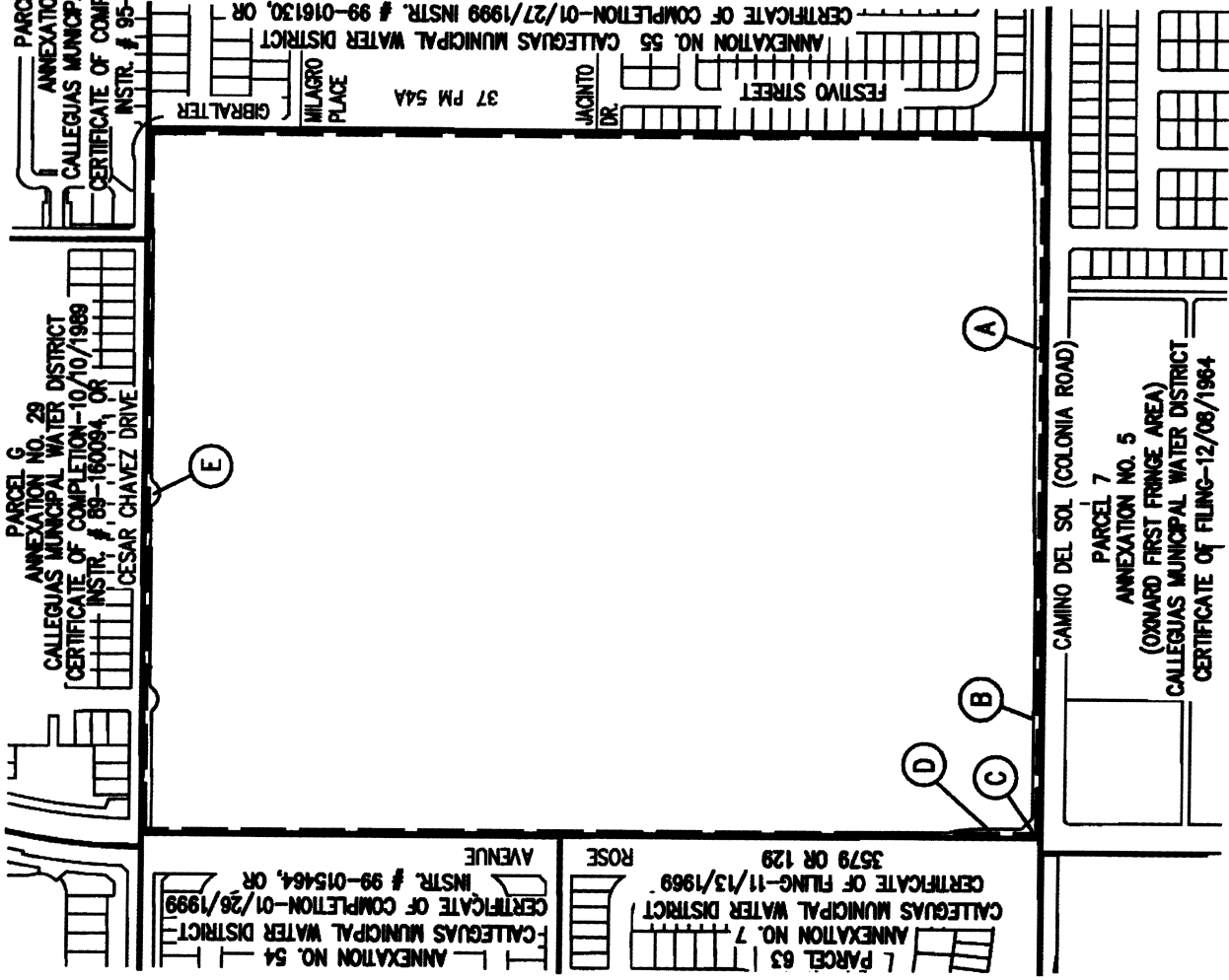


CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION
 EAST VILLAGE PHASE 3
 (CALLEGUAS ANNEXATION NO. 98)

A PORTION OF SUBDIVISION 26 OF THE RANCHO EL RIO DE SANTA CLARA O' LA COLONIA, IN THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AS PER PARTITION MAP THEREOF FILED IN THE OFFICE OF THE COUNTY CLERK OF SARD COUNTY, IN THAT CERTAIN ACTION ENTITLED "THOMAS A SCOTT, ET AL., PLFTS VS. RAFAEL GONZALES, ET AL., DEFTS"

AUGUST 13, 2013

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.



EXISTING CALLEGUAS MUNICIPAL WATER DISTRICT BOUNDARY
 PROPOSED ANNEXATION BOUNDARY

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO CALLEGUAS MUNICIPAL WATER DISTRICT'S ANNEXATION NO. 98 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. 1808, 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 Annexation No. 98, 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 LAFCO; and

C. WHEREAS, pursuant to the provisions of the California Environmental Quality Act (CEQA), city of Oxnard, acting as Lead Agency, and a subagency to Calleguas Municipal Water District, certified the East Village Phase III Annexation Project (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 May 7, 2013, for the development of the proposed annexation parcel, 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. 98; 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. 98; 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. 98, 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 for consent of Annexation No. 98 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, 2016.

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 approximately \$487,059.66, if the annexation is completed by December 31, 2014. The annexation fee of \$5,000 for processing this annexation was received prior to approval. The annexation charge is calculated by the per-acre method based on the net acreage. If the annexation is completed during the 2014 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 March 11, 2014.

Board 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 CALLEGUAS MUNICIPAL WATER DISTRICT'S
ANNEXATION NO. 98**

WHEREAS, pursuant to Resolution 9164, 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 December 10, 2013, 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 General Manager's recommendation to impose a water charge for fiscal year 2013/14 on the property described in the Engineer's Report, dated November 2013 (the "Engineer's Report"), which was prepared by a registered professional engineer certified by the state of California and was attached to Resolution 9164;

WHEREAS, the owner of the parcel identified in the Engineer's Report has applied for annexation into the Calleguas Municipal Water District ("Calleguas") 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, Calleguas 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 9164 provided 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 9164, the Board 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 9164 a public hearing. The hearing was held February 11, 2014 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 Board 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 2013/14 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 \$9.58 which is equal to the amount of Metropolitan's existing water standby charge on other properties located within the territory of Calleguas.

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 Calleguas' obligation to pay its readiness-to-serve charge for fiscal year 2013/14. 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 2013/14, 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 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 7. That pursuant to the provisions of the California Environmental Quality Act (CEQA), city of Oxnard, acting as Lead Agency, and a subagency to Calleguas Municipal Water District, certified a Final Environmental Impact Report (Final EIR) and approved the project on May 7, 2013, for the development of the proposed annexation parcel (i.e., East Village Phase III Annexation Project), and that the Board of Directors of Metropolitan, as Responsible Agency under CEQA, has certified that it reviewed and considered the information contained in the Final EIR and in the Mitigation Monitoring and Reporting Program, and has adopted the Lead Agency's Findings of Fact and Statement of Overriding Considerations prior to approval of fixing and adopting water standby charges for Annexation No. 98.

Section 8. That the General Manager 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 General Manager 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 March 11, 2014.

Board Executive Secretary
The Metropolitan Water District
of Southern California