



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

6/11/2013 Board Meeting

8-2

Subject

Suspend the tax rate limitations in Section 124.5 of the Metropolitan Water District Act to maintain the ad valorem tax rate for fiscal year 2013/14

Executive Summary

On May 13, 2013, Metropolitan's Board set a public hearing pursuant to Section 124.5 of the Metropolitan Water District Act (MWD Act) for the June board meeting to hear comments and consider whether to suspend the tax rate restriction in Section 124.5. A proposed resolution is included as **Attachment 1**. If adopted by the Board, the resolution formally determines that maintaining Metropolitan's property tax rate at current levels is reasonable and necessary to preserve Metropolitan's overall financial health and thus is essential to the fiscal integrity of Metropolitan, as provided in Section 124.5 of the MWD Act. Adoption of the resolution maintains the tax rate for fiscal year (FY) 2013/14.

Details

The Metropolitan Water District has assessed ad valorem taxes in its service area since its inception. Metropolitan has constitutional and statutory authority, as well as voter authorization, to collect revenues through ad valorem taxes assessed on real property within its service territory. Generally, Metropolitan may collect ad valorem taxes to cover its general obligation bonds and its State Water Contract (SWC) payments, as described below. Since fiscal year 1990/91, Section 124.5 of the MWD Act has limited property tax collections to the amount necessary to pay the total of annual debt service on Metropolitan's general obligation bonds plus a small portion of its SWC payment obligation, limited to the debt service on state general obligation bonds (Burns Porter bonds) for facilities benefitting Metropolitan as of 1990/91. Under this approach, ad valorem property tax revenue has been decreasing, and will continue to decrease, as the bonds are paid off. In the meantime, Metropolitan's SWC obligations are increasing. For example, the State is expecting substantial costs associated with repair and replacement of the 50-year-old State Water Project (SWP) infrastructure. Further, implementation of the Delta Habitat Conservation and Conveyance Program (DHCCP) and Bay Delta Conservation Plan (BDCCP) would lead to increased SWC payments.

Section 124.5 permits Metropolitan to suspend the restriction discussed above if, following a public hearing, the Board finds that such revenue is essential to the fiscal integrity of the District. At its May 2013 meeting, the Board set a public hearing to occur at its June 11, 2013 meeting. Notice of the public hearing was filed with the offices of the Speaker of the California Assembly and the President pro Tempore of the Senate on May 29, 2013. At the public hearing, the Board will hear information regarding the action under Section 124.5, and thereafter will determine whether to adopt a resolution to maintain the current ad valorem tax rate. Adoption of the resolution will take some pressure off water rates and provide the Board with flexibility as it funds Metropolitan's SWC obligations.

Historical Revenue Sources

Metropolitan assesses ad valorem taxes pursuant to authority to “levy and collect taxes on all property within the district for the purposes of carrying on the operations and paying the obligations of the district.” (MWD Act, Section 124.) Prior to 1942, Metropolitan was constructing the Colorado River Aqueduct and had no water to sell so all of its revenues came from ad valorem taxes. In FY 1941/42, Metropolitan began to sell water, but the majority of Metropolitan's revenues were still derived from ad valorem taxes. Not until 1974 did 50 percent of Metropolitan's revenues come from water sales, with the remainder derived from ad valorem taxes.

Metropolitan executed its State Water Contract in 1960. The ability to levy property taxes to provide for payments under the SWC is expressly provided for in the contract. (See “State Water Contract Obligations” below.) Indeed, under certain circumstances, upon written notice from the state, Metropolitan *must* levy a property tax sufficient to provide for SWC payments then due or coming due.

In 1984, the Legislature adopted SB 1445, amending the MWD Act to add section 124.5. Section 124.5 sets Metropolitan's annual property tax levy at the amount needed to pay the total of annual debt service on Metropolitan's general obligation bonds and the portion of the SWC payment for debt service on State Burns Porter bonds for facilities benefitting Metropolitan as of FY 1990/91, unless after notice and hearing the Board finds that it should not reduce the tax rate in order to protect the District's fiscal integrity. SB 1445 also authorized alternative sources of fixed revenue, including standby or readiness-to-serve charges and benefit assessments. It was not until FY 1992/93, when standby charges were initially adopted, that Metropolitan had any fixed revenue other than property tax. Due to the formula to decrease tax rates as bonds are paid off, Section 124.5 accelerated the shift to revenue from the sale of water so that today over 80 percent of Metropolitan's revenue is derived from volumetric water sales.

State Water Contract Obligations

Metropolitan is one of 29 agencies that contract with the State of California for service from the SWP. Metropolitan's SWC was the first contract executed and the prototype for the state water contracts that followed; its terms were validated by the California Supreme Court in *Metropolitan Water Dist. v. Marquardt* (1963) 59 Cal.2d 159.

Under the SWC, Metropolitan is obligated to pay allocable portions of the cost of construction of the system and ongoing operating and maintenance costs. Metropolitan is obligated to pay fixed costs regardless of quantities of water available from the project. Other payments are based on deliveries requested and actual deliveries received, costs of power required for actual deliveries of water, and offsets for credits received. Metropolitan is the largest agency in terms of the number of people it serves, the share of the SWP water that it has contracted to receive, and the percentage of total annual payments made to the Department of Water Resources by agencies with State Water Contracts.

The ability of state water contractors to levy property taxes sufficient to provide for payments under their state water contracts, if they determine to do so, was a foundation of the Burns-Porter Act and a factor relied on by California voters in approving it. *Goodman v. County of Riverside* (1983) 140 Cal.App.3d 900, 905-06; *see also, Alameda County Flood Control v. Department of Water Resources, Antelope Valley-East Kern Water Agency* (2013) 213 Cal. App. 4th 1163. In approving the Burns-Porter Act, California's voters approved “an indebtedness in the amount necessary for building, operating, maintaining, and replacing the [State Water] Project, and they intended that the costs were to be met by payments from local agencies with water contracts. Further, ... the voters necessarily approved the use of local property taxes whenever the boards of directors of the agencies determined such use to be necessary to fund their water contract obligations...” *Goodman*, 140 Cal.App.3d 900, 910. Thus, SWC obligations are voter-approved indebtedness that may be funded by override property taxes (taxes above Article XIII A's one percent general tax limit).

Most of the other state water contractors substantially rely on ad valorem taxes to satisfy their SWC payment obligations. Metropolitan is unique in that it collects only a declining portion of the state general obligation bond debt service (the Burns Porter Bonds)—which is a small portion of its SWC payment obligation—through its ad valorem tax rate.

Maintaining the Ad Valorem Tax Rate

As noted above, Section 124.5 provides Metropolitan's Board with the flexibility to maintain the ad valorem tax rate "...if the board of directors of the district, following a hearing held to consider that issue, finds that a tax in excess of these restrictions is essential to the fiscal integrity of the district..."

SB 1445 did not define "essential" or "fiscal integrity" but the legislative history provides some guidance to their intended meaning. Overall, SB 1445 and Section 124.5 were meant to increase Metropolitan's financial flexibility. Section 124.5 permits the Board to find that it should maintain current tax rates as "essential to the fiscal integrity of the district" if the record demonstrates that such action is reasonably necessary to preserve Metropolitan's overall financial health.

Fundamental to Metropolitan's fiscal health is consideration of current and anticipated SWC payment obligations and a balancing of proper mechanisms for funding the obligations. SWC obligations have steadily increased since Section 124.5 was added to the MWD Act, and they are expected to continue to increase. In FY 2012/13, budgeted SWC costs are \$595 million, and comprise approximately 37 percent of Metropolitan's annual expenditures and are Metropolitan's single largest cost category. SWC obligations are expected to increase to \$625 million by fiscal year 2016/17. If taxes continue to be reduced, in FY 2013/14, the amount of property taxes available to satisfy SWC obligations will be approximately \$40 million and the proportion of SWC obligations that would be covered are approximately 7 percent. The amount of property taxes available to satisfy SWC obligations will continue to decline and by 2016/17, the portion of SWC obligations that would be paid with tax revenues will be less than 4 percent.

Also important to fiscal health is a fair and appropriate balance between fixed costs and fixed revenues (charges, such as property taxes and Metropolitan's standby and readiness-to-serve (RTS) charges and capacity charges, that do not vary directly depending on the amount of water purchased). For fiscal year 2012/13, Metropolitan anticipates that fixed costs will make up 80 percent of total expenditures, whereas fixed revenue sources will provide only 17 percent of revenues. The RTS and capacity charges combined represent about 12 percent of total revenues. The ad valorem tax contributes approximately 5 percent. By fiscal year 2016/17, the RTS and capacity charges will still contribute about 12 percent to Metropolitan's forecasted total revenues, but ad valorem taxes will decline to 3.5 percent. Absent maintenance of the tax rate or other changes, fixed revenues as a percentage of total revenues will decline from 17 percent to 15.5 percent, and this decline will continue.

A diverse portfolio of revenue sources preserves equity across member agencies. Metropolitan ensures a reliable supplemental water supply to a broad service area. Although its member agencies rely on Metropolitan's supplemental supplies to varying degrees, the entire region and its substantial economy benefit from the availability of Metropolitan water. An agency that normally purchases small amounts of Metropolitan water may need to substantially increase its reliance on Metropolitan in the event of a local source interruption or other emergency. A mix of fixed and volumetric revenues balances the burdens so that each member agency bears a fair share of costs.

Ad valorem taxes are an important and unique tool for ensuring that the cost of Metropolitan's services are shared by all residents and businesses within Metropolitan's area, because all benefit from Metropolitan's infrastructure and capacity. Unlike volumetric charges, ad valorem property taxes ensure that those who benefit from the availability of Metropolitan's services bear some costs related to that availability. And unlike charges upon member agencies, charges upon real property within Metropolitan's service area help ensure that all residents and businesses bear a share of the costs for availability of Metropolitan's services.

Holding the ad valorem tax rate at .0035 percent simply would maintain a modest portion of Metropolitan's revenues, about 5 percent, on the tax roll. For example, a house with a \$300,000 assessed valuation in Metropolitan's service area currently pays about \$10 a year in taxes towards Metropolitan's costs. Importantly, maintaining the ad valorem tax revenues helps mitigate future rate hikes that would be needed to make up for the loss of tax revenues. By helping mitigate future rate hikes, this action provides Metropolitan's Board with flexibility as it considers funding for programs such as a potential BDCP solution; ongoing needed repair and replacement work; conservation, recycling and reclamation projects; groundwater clean-up efforts; environmental

mitigation work; and the many other costs associated with ensuring a safe and reliable supply of water for Southern California.

Staff Recommendation

Staff proposes that the Board adopt the attached resolution to suspend the restriction in Section 124.5 of the MWD Act, and maintain the ad valorem tax rate in effect for FY 2012/13 of .0035 percent of assessed valuations. This would maintain tax revenues which are voter-approved indebtedness. Staff recommends that this tax rate remain in effect for FY 2013/14.

Policy

MWD Act Section 124.5

Metropolitan Water District Administrative Code Section 4301: Cost of Service and Revenue Requirement

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves 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).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2: None required

Board Options

Option #1

Adopt the CEQA determination and the Resolution Finding that Maintaining the Ad Valorem Tax Rate for Fiscal Year 2013/14 is Essential to the Fiscal Integrity of the District.

Fiscal Impact: Additional revenue compared to the current forecast, projected to be approximately \$4.4 million in FY 2013/14, if property tax rates are fixed at .0035 percent of assessed valuation

Business Analysis: Not applicable

Option #2


Take no action

Fiscal Impact: Ad valorem tax revenues in FY 2013/14 based on Section 124.5

Business Analysis: Not applicable

Staff Recommendation

Option #1



Gary Breaux
Chief Financial Officer

5/31/2013
Date



Jeffrey Rightinger
General Manager

5/31/2013
Date

Attachment 1 – Resolution Finding that Maintaining the Ad Valorem Tax Rate for Fiscal Year 2013/14 is Essential to the Fiscal Integrity of the District

Ref# cfo12623912

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

RESOLUTION _____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
FINDING THAT MAINTAINING THE AD VALOREM TAX RATE FOR FISCAL
YEAR 2013-14 IS ESSENTIAL TO THE FISCAL INTEGRITY OF THE DISTRICT**

WHEREAS, The Metropolitan Water District of Southern California (“Metropolitan”), pursuant to Section 124 of the Metropolitan Water District Act (the “Act”), is authorized to levy and collect taxes on all property within the district for the purposes of carrying on the operations and paying the obligations of the district; and

WHEREAS, since its inception Metropolitan has levied and collected property taxes for such purposes; and

WHEREAS, the Board of Directors (“Board”), pursuant to Section 307 of the Act, is authorized to determine the amount of money necessary to be raised by taxation for district purposes each fiscal year, to fix rates of taxation upon the assessed valuation of property taxable by the district and to levy a tax accordingly; and

WHEREAS, before 1942, all revenues to pay for operations, construction of the Colorado River Aqueduct and other facilities and payment of obligations came from *ad valorem* taxes. After deliveries of Metropolitan water began in fiscal year 1941/42, water sales were an additional source of revenues, but not until 1974 did revenues from water sales equal revenues from *ad valorem* taxes; and

WHEREAS, on November 4, 1960, Metropolitan entered into its contract with the California Department of Water Resources (the “State Water Contract”) for water service from the State Water Project. Metropolitan’s was the first contract executed and the prototype for the 28 state water contracts that followed; its terms were validated by the California Supreme Court in *Metropolitan Water Dist. v. Marquardt* (1963) 59 Cal.2d 159; and

WHEREAS, Metropolitan is obligated to pay allocable portions of the cost of construction of the State Water Project system and ongoing operating and maintenance costs, regardless of quantities of water available from the project and regardless of the amounts of water it sells to its member agencies. Approximately 75 percent of Metropolitan’s State Water Project expenditures are fixed, or do not vary with the quantity of water delivered; and

WHEREAS, Metropolitan is authorized to collect property taxes to pay its State Water Contract obligations. Under circumstances provided in the State Water Contract, if other funds are not sufficient, it must levy a tax or assessment sufficient to provide for all payments under the State Water Contract then due and becoming due; and

WHEREAS, Metropolitan currently utilizes tax revenues solely to pay debt service on its general obligation bonds, approved by the voters in 1966 and presently outstanding in the amount of \$196,085,000, and a portion of its State Water Contract obligations; and

WHEREAS, Metropolitan's outstanding general obligation bonds and State Water Contract obligations are indebtedness approved by the California voters before Article XIII A of the California Constitution (Proposition 13) was adopted; and

WHEREAS, the Board and Metropolitan's member agencies periodically have evaluated the appropriate mix of property taxes and water rates and charges to enhance Metropolitan's fiscal stability and ability to ensure the region's long-term water supply while reasonably and fairly allocating the cost of providing service to its member agencies; and

WHEREAS, on May 8, 1984, the Board approved proposed amendments to the Act, set forth in Board Letter 6-2 dated April 30, 1984; and

WHEREAS, such amendments were incorporated into Assembly Bill 1445, which was approved by the Legislature and filed with the California Secretary of State on July 3, 1984, and added to the Act as Section 124.5; and

WHEREAS, in Board Letter 9-9 dated December 20, 1990, General Manager Carl Boronkay transmitted additional information on the water revenues/tax compromise that led to inclusion of Section 124.5 in the Act; and

WHEREAS, commencing with fiscal year 1990/91, Section 124.5 has limited Metropolitan's property tax revenues (and thereby the tax levy rate), to the total of annual debt service on Metropolitan's general obligation bonds and the portion of the State Water Contract payment for debt service on State general obligation bonds for facilities benefitting Metropolitan as of 1990/91; and

WHEREAS, Metropolitan's tax levies have complied and continue to comply with the requirements of Section 124.5; and

WHEREAS, Metropolitan's tax levy rate has declined from .0089% in fiscal year 1999/2000 to .0035% in fiscal year 2012/13; and

WHEREAS, at the time SB 1445 was passed, 33 percent of Metropolitan's revenues were from property taxes, while in fiscal year 2012/13 property taxes account for about only 5 percent of total estimated revenues, with the remainder of Metropolitan's revenues primarily derived from water sales and charges; and

WHEREAS, Metropolitan's State Water Contract costs are projected to increase, because existing facilities of the State Water Project are over 50 years old and in need of repair and replacement, and payments are expected to further increase with the implementation of the Delta Habitat Conservation and Conveyance Program and Bay Delta Conservation Plan; while property tax collections linked to the State Water Contract are decreasing; and

WHEREAS, consideration of current and anticipated State Water Contract payment obligations and a balancing of proper mechanisms for funding the obligations is fundamental to Metropolitan's fiscal health; and

WHEREAS, maintaining the existing ad valorem tax rate for fiscal year 2013/14 will take pressure off Metropolitan's water rates and allow the Board flexibility as it funds Metropolitan's State Water Contract obligations fully and fairly; and

WHEREAS, Section 124.5 affirms the Board's discretion to determine the amount of money necessary to be raised by taxation for district purposes each fiscal year, providing that the restriction contained in such Section do not apply if the Board, following a hearing held to consider that issue, finds that a tax in excess of this restriction is essential to the fiscal integrity of the district, and written notice of the hearing is filed with the offices of the Speaker of the Assembly and the President pro Tempore of the Senate at least 10 days prior to the date of the hearing; and

WHEREAS, on May 13, 2013, the Finance and Insurance Committee of the Board reviewed Board Letter 8-1, executed by the Chief Financial Officer and General Manager on May 3, 2013, and recommended that the Board set a public hearing for the June 2013 Board meeting to consider suspending the tax restriction clause of Section 124.5 to maintain the ad valorem tax at current levels, and instruct the Board Executive Secretary to provide notice of the public hearing, as required by Section 124.5; and

WHEREAS, the Board approved such recommendation on May 14, 2013; and

WHEREAS, notices of the public hearing were filed with the offices of the Speaker of the Assembly and the President pro Tempore of the Senate on May 29, 2013; and

WHEREAS, the Board conducted a public hearing at its regular meeting on June 11, 2013, at which interested parties were given the opportunity to present their views regarding the recommendation to suspend the tax restriction clause of Section 124.5 to maintain the ad valorem tax at current levels; and

WHEREAS, each of the meetings of the Board were conducted in accordance with the Brown Act (commencing at Section 54950 of the Government Code), for which due notice was provided and at which quorums were present and acting throughout;

NOW, THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California, after receiving, considering, and evaluating public comments and evidence and all material factors pertaining thereto, including the financial and operating information

summarized in Board Letter 8-2 executed by the Chief Financial Officer and General Manager on May 31, 2013, hereby finds that a tax rate in excess of the restriction set out in Section 124.5 of the Act is essential to the fiscal integrity of Metropolitan. Therefore, the Board resolves and determines that the tax rate restriction in Section 124.5 of the Act is hereby suspended for fiscal year 2013/14 and the Board in its discretion may levy taxes at the tax rate levied for fiscal year 2012/13 (.0035% of assessed valuation, excluding annexation levies).

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution of the Board of Directors of The Metropolitan Water District of Southern California, adopted at its meeting held June 11, 2013.

Board Executive Secretary
The Metropolitan Water District
of Southern California

MINUTES

REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

JUNE 11, 2013

49421 The Board of Directors of The Metropolitan Water District of Southern California met in Regular Meeting in the Board Room located in the building at 700 North Alameda Street in the city of Los Angeles, state of California, on Tuesday, June 11, 2013.

Chairman Foley called the Meeting to order at 11:36 a.m.

49422 The Meeting was opened with an invocation by Warren Teitz, Senior Resource Specialist, Water Resource Management.

49423 The Pledge of Allegiance to the Flag was given by Director Bill Wright.

49424 Board Secretary Morris called the roll. Those answering present were: Directors Abdo, Ackerman, Apodaca, Babcock, Ballin, Barbre, Brown, Camacho, De Jesus, Dick, Edwards, Evans (via telephone participation), Fleming, Foley, Friedman, Gray, Griset, Grunfeld, Lewinger, Little, Morris, Mudd, Peterson, Pringle, Quiñonez, Record, Sanchez, Steiner, Touhey, Wright, and Wunderlich.

Those not answering were: Directors Kurtz, Lowenthal (entered 11:47 a.m.), J. Murray, K. Murray, Vasquez, and Wilson.

Board Secretary Morris declared a quorum present.

49425 At 11:37 a.m., Chairman Foley called a public hearing to receive comments on the proposed standby charge for the 103rd Fringe Area Annexation to Eastern Municipal Water District.

No members of the public responded; and with no protests received from the owners, the Chair closed the public hearing at 11:38 a.m.

49426 At 11:38 a.m., Chairman Foley called a public hearing to receive comments on suspending the tax rate limitations in Section 124.5 of the Metropolitan Water District Act to maintain the ad valorem tax rate for fiscal year 2013/14.

The following members of the public spoke in reference to Agenda Item 8-2, the suspension of the tax rate limitations in Section 124.5 of the MWD Act:

Opposition to Agenda Item 8-2

Breanna Norton, Los Angeles resident
Alexandra Nagy, Food and Water Watch
Jerome Kern, Deputy Mayor, City of Oceanside
Michael Hogan, San Diego County Water Authority
James Knott, Vice Chair, Utilities Commission, City of Oceanside
Michael Burdin, Santa Fe Irrigation District
Jim Cunningham, Councilman, City of Poway
Michael Combs, San Diego Regional Economic Development Corporation
Jessica Parra-Fitch, Food and Water Watch

Director Lowenthal took her seat at 11:47 a.m.

Support of Agenda Item 8-2

Susan Mulligan, General Manager, Calleguas Municipal Water District
Shane Chapman, General Manager, Upper San Gabriel Valley Municipal Water District
Richard Atwater, Southern California Water Committee
Paul Jones, General Manager, Eastern Municipal Water District

Chairman Foley stated that comments have been submitted in writing relating to Agenda Item 8-2 and will be included in the record of this hearing. The letters are on file in the Office of the Board Executive Secretary.

Chairman Foley thanked all the members of the public for their input on Agenda Item 8-2. The Chair closed the public hearing at 12:16 p.m.

49427 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

The following members of the public spoke in reference to Agenda Item 8-1, the Mid-cycle Biennial Budget Review and Recommendations for Use of Reserves over Target:

Opposition to Agenda Item 8-1

Melanie Winter, The River Project
Conner Everts, Southern California Watershed Alliance
Charming Evelyn, Sierra Club
B. Anatole Falagan, Long Beach Water Department

Support of Agenda Item 8-1

Tracy Rafter, BizFed, Los Angeles County Business Federation
Bryan Starr, Orange County Business Council
Ruben Gonzalez, Los Angeles Area Chamber of Commerce
Paul Jones, General Manager, Eastern Municipal Water District
Susan Mulligan, General Manager, Calleguas Municipal Water District

Jeannette Vosburg, Grassroots Coalition Outreach, commented on hydraulic fracturing.

Chairman Foley stated that comments have been submitted in writing relating to Agenda Item 8-1 and will be included in the record. The letters are on file in the Office of the Board Executive Secretary.

49428 There being no objection, Chairman Foley ordered the reading of the Minutes of the Meeting of May 14, 2013, dispensed with, a copy having been mailed to each Director.

Director Grunfeld moved, seconded by Director Fleming, approving the foregoing Minutes as mailed.

Chairman Foley called for the vote.

The following is a record of the vote to approve the Minutes of the Meeting of May 14, 2013:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Eastern

Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Long Beach (Dir. Lowenthal, 3,872 votes), Los Angeles (Ayes: Dirs. Fleming, Grunfeld and Quiñonez. Absent: Dir. J. Murray. 41,025 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 202,370 votes.

Noes: None.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the approval of the Minutes of May 14, 2013 passed by a vote of 202,370 ayes and 5,696 absent.

49429 A written report of meetings attended by Directors at Metropolitan expense during the month of May was distributed. The report was received and filed after revisions to show the following:

Added: May 7-10, Association of California Water Agencies 2012 Spring Conference, Sacramento - Directors Ackerman, De Jesus, Griset, Morris, Peterson, and Vasquez

Removed: May 17, MWDOC-6th Annual Orange County Water Summit - Director De Jesus

49430 Director Grunfeld moved, seconded by Director Edwards, approving the following committee assignments:

Director Ackerman to the Special Committee on Bay-Delta

Director Apodaca to the Finance and Insurance Committee and off the Organization, Personnel and Technology Committee

Director Dick to the Real Property and Asset Management Committee as Vice Chair

Director Fleming as Vice Chair of the Water Planning and Stewardship Committee, effective July 1, 2013

Chairman Foley called for the vote.

The following is a record of the vote to approve the committee assignments:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Long Beach (Dir. Lowenthal, 3,872 votes), Los Angeles (Ayes: Dirs. Fleming, Grunfeld and Quiñonez. Absent: Dir. J. Murray. 41,025 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 202,370 votes.

Noes: None.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the approval of the Minutes of May 14, 2013 passed by a vote of 202,370 ayes and 5,696 absent.

49431 There was no Chairman's monthly activity report.

49432 Regarding matters relating to Metropolitan's operations and activities, General Manager Kightlinger referred to the activity report for May dated May 31, 2013, which was posted to the Directors' website.

General Manager Kightlinger commented on the recent passing of Ronald Palmer, long-time general manager of Foothill Municipal Water District, and also the general manager of the Raymond Basin Management Board. Mr. Kightlinger stated that through the 1980s and 1990s, Mr. Palmer worked very closely with Metropolitan and many of the member agencies on the conjunctive use programs.

49433 Regarding Legal Department activities, General Counsel Scully referred to the General Counsel's activity report for May dated June 4, 2013, which was posted to the Directors' website.

General Counsel Scully had no further report.

49434 General Auditor Riss referred to the Audit Department's activity report for the month of May dated May 31, 2013, which was posted to the Directors' website.

General Auditor Riss had no further report.

49435 Ethics Officer Ghaly referred to the Ethics Department activity report for May dated May 31, 2013, which was posted to the Directors' website.

Ethics Officer Ghaly had no further report.

Director Grunfeld moved, seconded by Director Edwards that the Board take action on the Consent Calendar Items, **M.I. 49436** through **M.I. 49442**, as follows:

49436 Adopt the California Environmental Quality Act (CEQA) determination that the proposed action is not subject to CEQA and (a) affirm the General Manager's determination that the subject property comprised of 8.426 acres in the unincorporated community of Mentone, San Bernardino County, California is surplus and authorize disposition of the property in its current condition; and (b) authorize marketing the combined 18.426-acre parcel for sale on the open market for not less than its appraised value, as set forth in the letter signed by the General Manager on May 21, 2013.

49437 Adopt the CEQA determination that the proposed action is not subject to CEQA and approve up to \$1.161 million to renew or replace the Aircraft Liability, Crime, Property Damage, Excess General Liability Policies, and Excess Workers' Compensation Policy maintaining the existing \$5 million self-insured retention, coverage limits of \$50 million; and obtain coverage for the employees in Washington, D.C., as set forth in the letter signed by the General Manager on May 29, 2013.

49438 Adopt the CEQA determination that the proposed action is not subject to CEQA and (a) grant conditional approval for Annexation No. 97 concurrently to Calleguas Municipal Water District and Metropolitan, conditioned upon receipt in full of annexation fee of \$8,149.28 to Metropolitan if completed by December 31 2013, or if completed later, the then-current annexation charge applies; (b) approve Calleguas' Statement of Compliance with the current Water Use Efficiency Guidelines; and (c) adopt the resolution of intention (**Resolution 9153**) to impose water standby charge within the proposed annexation territories, substantially in the form of Attachment 3 to the board letter signed by the General Manager on May 30, 2013, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF CALIFORNIA GIVING NOTICE OF INTENTION TO IMPOSE WATER STANDBY CHARGES CONTINGENT UPON ANNEXATION – ANNEXATION NO. 97 -- CALLEGUAS MUNICIPAL WATER DISTRICT

49439 Review and consider the Negative Declaration prepared by Eastern Municipal Water District as Lead Agency, adopt the Lead Agency's findings, and adopt (a) **Resolution 9154** granting Eastern Municipal Water District's request for approval of the 103rd Fringe Area concurrently to Eastern and Metropolitan and establish Metropolitan's terms and conditions for the annexation, conditioned upon approval by Riverside Local Agency Formation Commission, and upon receipt of annexation fee of \$56,611.93; and (b) **Resolution 9155** to impose water standby charge at a rate of \$6.94 per acre, or per parcel of less than one acre, within the proposed annexation area, as set forth in the letter signed by the General Manager on May 29, 2013, said resolutions entitled:

Resolution 9154 RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO EASTERN MUNICIPAL WATER DISTRICT'S 103RD FRINGE AREA ANNEXATION AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Resolution 9155 RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FIXING AND ADOPTING WATER STANDBY CHARGE CONTINGENT UPON EASTERN MUNICIPAL WATER DISTRICT'S 103RD FRINGE AREA ANNEXATION

49440 Adopt the CEQA determination that the proposed action is categorically exempt and (a) appropriate \$1.63 million (Appropriation No. 15438, No. 23, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize construction to replace flow meters at the five Colorado River Aqueduct pumping plants, as set forth in the letter signed by the General Manager on May 30, 2013.

49441 Adopt the CEQA determination that the proposed action is categorically exempt and (a) appropriate \$800,000 (Appropriation No. 15377, No. 36, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize construction to upgrade the sodium hypochlorite feed system at Garvey Reservoir, as set forth in the letter signed by the General Manager on May 29, 2013.

49442 Adopt the CEQA determination that the proposed action is categorically exempt and (a) appropriate \$270,000 (Appropriation No. 15438, No. 24, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize final design to relocate the Intake Pumping Plant 2.4 kV power line, as set forth in the letter signed by the General Manager on May 29, 2013.

Chairman Foley called for a vote on Consent Calendar Items 49436 through 49442.

The following is a record of the vote on the Consent Calendar Items:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Long Beach (Dir. Lowenthal, 3,872 votes), Los Angeles (Ayes: Dirs. Fleming, Grunfeld and Quiñonez. Absent: Dir. J. Murray. 41,025 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 202,370 votes.

Noes: None.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the Consent Calendar Items passed by a vote of 202,370 ayes and 5,696 absent.

49443 Chairman Foley stated that Agenda Items 8-1 and 8-2 received considerable discussion yesterday at the Finance and Insurance Committee meeting. Chairman Foley then turned the Meeting over to Finance and Insurance Committee Chairman Grunfeld.

49444 Finance and Insurance Committee Chairman Grunfeld commented on Item 8-1, the Mid-cycle Budget Review and Recommendations for Use of Reserves over Target. Committee Chairman Grunfeld then called on Chief Financial Officer Breaux, who gave a presentation on Item 8-1.

Finance and Insurance Committee Vice Chairman Barbre moved Option #1, seconded by Director Griset that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and authorize the use of reserves over the reserve target established in Administrative Code Section 5202, estimated at \$75 million, and transfer of monies to the Replacement and Refurbishment (PAYGO) Fund, the OPEB Trust, and the Water Transfer Fund in fiscal year 2012/13, as specified by the Board, and as set forth in the letter signed by the General Manager on May 30, 2013. The committee also recommended that the Board hold a workshop on the use of reserves and fixed revenues.

Committee Vice Chairman Barbre stated that written comments relating to this item have been received and will be included in the record of this hearing. The letters are on file in the Office of the Board Executive Secretary.

Director Edwards asked if action on this item could wait until after the workshop. Director Edwards therefore moved, seconded by Director Mudd, that this item be tabled.

Chairman Foley called for the vote to table Agenda Item 8-1.

The following is a record of the vote to table Agenda Item 8-1:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Long Beach (Dir. Lowenthal, 3,872 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes). Total 59,000 votes.

Noes: Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Los Angeles (Ayes: Dirs. Fleming, Grunfeld and Quiñonez. Absent: Dir. J. Murray. 41,025 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 143,370 votes.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the tabling of Agenda Item 8-1 failed by a vote of 59,000 ayes, 143,370 noes, and 5,696 absent.

Following a discussion on Item 8-1, the Mid-cycle Biennial Budget Review, Director Lewinger then moved a substitute motion, seconded by Director Lowenthal, that the Board (1) refund \$75 million in excess reserves, (2) rescind the 5% increase in water rates for calendar year 2014, and (3) establish a fiscal sustainability task force.

Director Quiñonez withdrew from the Meeting at 1:37 p.m.

Chairman Foley called for the vote on Director Lewinger's substitute motion.

The following is a record of the vote on the substitute motion:

Ayes: Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Fullerton (Dir. Babcock, 1,478 votes), Long Beach (Dir. Lowenthal, 3,872 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes), West Basin Municipal Water District (Dir. Little, 7,112.5 votes. Total 59,182.5 votes.

Noes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Los Angeles (Noes: Dirs. Fleming, and Grunfeld. Absent: Dirs. J. Murray and Quiñonez. 41,025 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dir. Gray, 7,112.5 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 143,187.5 votes.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the vote on the substitute motion failed by a vote of 59,182.5 ayes, 143,187.5 noes, and 5,696 absent.

Chairman Foley then called for the vote on the original motion to approve Option #1.

The following is a record of the vote on the original motion to approve Option #1:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Los Angeles (Ayes: Dirs. Fleming, and Grunfeld. Absent: Dirs. J. Murray and Quiñonez. 41,025 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Fernando (Dir. Ballin, 151 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 148,616 votes.

Noes: Burbank (Dir. Brown, 1,835 votes), Central Basin Municipal Water District (No: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Long Beach (Dir. Lowenthal, 3,872 votes), San Diego County Water Authority (Noes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes). Total 53,754 votes.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the vote on the original motion passed by a vote of 148,616 ayes, 53,754 noes, and 5,696 absent.

Director Lewinger then moved, seconded by Director Babcock, that the Board also vote to approve Option #2 as set forth in the letter signed by the General Manager dated May 30, 2013, as follows: "Adopt the CEQA determination and reduce the approved rate increase effective January 1, 2014 from 5 percent to 3 percent."

Chairman Foley then called for the vote to approve Option #2.

The following is a record of the vote to approve Option #2:

Ayes: Central Basin Municipal Water District (Aye: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Fullerton (Dir. Babcock, 1,478 votes), Long Beach (Dir. Lowenthal, 3,872 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes), San Fernando (Dir. Ballin, 151 votes). Total 53,548 votes.

Noes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Burbank (Dir. Brown, 1,835 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes), Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Los Angeles (Noes: Dirs. Fleming, and Grunfeld. Absent: Dirs. J. Murray and Quiñonez. 41,025 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 148,822 votes.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the vote to approve Option #2 failed by a vote of 53,548 ayes, 148,822 noes, and 5,696 absent.

49445 Finance and Insurance Committee Chairman Grunfeld commented on Item 8-2, the suspension of the tax rate limitations in Section 124.5 of the Metropolitan Water District Act in order to maintain the ad valorem tax for fiscal year 2013/14. Committee Chairman Grunfeld then called on Chief Financial Officer Breaux, who gave a presentation on Item 8-2.

Following a discussion by Board members, Finance and Insurance Committee Vice Chairman Barbre moved, seconded by Director Griset that the Board approve Option #1 and adopt (a) the CEQA determination that the proposed action is not subject to CEQA and (b) **Resolution 9156**, Resolution Finding that Maintaining the Ad Valorem Tax Rate for Fiscal Year 2013/14 is Essential to the Fiscal Integrity of the District, as set forth in the letter signed by the General Manager on May 31, 2013, with a corrected dollar amount for the general obligation bonds stated in the resolution from \$195,085,000 to \$165,085,000, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FINDING THAT MAINTAINING THE AD VALOREM TAX RATE FOR FISCAL YEAR 2013-14 IS ESSENTIAL TO THE FISCAL INTEGRITY OF THE DISTRICT

Committee Vice Chairman Barbre stated that written comments relating to this item have been received and will be included in the record of this hearing. The letters are on file in the Office of the Board Executive Secretary.

Chairman Foley then called for the vote on the motion to approve Option #1.

The following is a record of the vote to approve Option #1:

Ayes: Beverly Hills (Dir. Wunderlich, 2,265 votes), Calleguas Municipal Water District (Dir. Pringle, 7,869 votes), Eastern Municipal Water District (Dir. Record, 5,323 votes),

Foothill Municipal Water District (Dir. Edwards, 1,352 votes), Fullerton (Dir. Babcock, 1,478 votes), Glendale (Dir. Friedman, 2,317 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,024 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,935 votes), Los Angeles (Ayes: Dirs. Fleming, and Grunfeld. Absent: Dirs. J. Murray and Quiñonez. 41,025 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not participating: Dir. Foley. 35,306 votes), San Fernando (Dir. Ballin, 151 votes), San Marino (Dir. Morris, 461 votes), Santa Ana (Dir. Griset, 2,004 votes), Santa Monica (Dir. Abdo, 2,559 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,057 votes), Torrance (Dir. Wright, 2,248 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,592 votes), West Basin Municipal Water District (Dirs. Gray and Little, 14,225 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,425 votes). Total 148,616 votes.

Noes: Burbank (Dir. Brown, 1,835 votes), Central Basin Municipal Water District (No: Dir. Apodaca. Absent: Dir. Vasquez. 11,170 votes), Compton (Dir. Sanchez, 325 votes), Long Beach (Dir. Lowenthal, 3,872 votes), San Diego County Water Authority (Noes: Dirs. Lewinger, Mudd, and Steiner. Absent: Dir. Wilson. 36,552 votes). Total 53,754 votes.

Abstain: None.

Absent: Anaheim (Dir. K. Murray, 3,554 votes), Pasadena (Dir. Kurtz, 2,142 votes). Total 5,696 votes.

Chairman Foley declared the vote on Option #1 passed by a vote of 148,616 ayes, 53,754 noes, and 5,696 absent.

Director Evans withdrew from the Meeting at 2:10 p.m.

Directors Ballin and Wright withdrew from the Meeting at 2:11 p.m.

49446 Following actions on both Agenda Items 8-1 and 8-2, Finance and Insurance Committee Chairman Grunfeld turned the Meeting back to Chairman Foley.

49447 Communications and Legislation Committee Chair Ackerman moved, seconded by Director Grunfeld and carried, that the Board adopt the CEQA determination that the proposed action

is not subject to CEQA and authorize the General Manager to express Metropolitan's support and seek amendments to AB 803 (Gomez, D-Los Angeles) - Water Recycling Act of 2013, as set forth in the letter signed by the General Manager on June 4, 2013.

49448 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Committee Vice Chairman Barbre, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and approve the amended motion as follows: (a) Approve the Statement of Investment Policy, with the addition of the statement that "Reverse repurchases may be entered into for temporary liquidity needs and not for the purpose of leverage"; and (b) Delegate authority to invest to the Treasurer for fiscal year 2013/14, as set forth in the letter signed by the General Manager on May 29, 2013.

Chairman Foley called for a vote on the amended motion, which carried.

Director Ballin returned to the Meeting at 2:13 p.m.

Director Steiner withdrew from the Meeting at 2:13 p.m.

49449 Finance and Insurance Committee Chairman Grunfeld stated that written comments relating to Agenda Item 8-5 have been received from Municipal Water District of Orange County and San Diego County Water Authority and will be included in the record of this Meeting. The letters are on file in the Office of the Board Executive Secretary.

Finance and Insurance Committee Chairman Grunfeld moved, seconded by Director Peterson and carried, that the Board adopt the CEQA determination and (a) approve the draft Official Statement substantially in the form attached to the board letter, with changes approved by the General Manager and General Counsel; and authorize (b) the General Manager to execute the Official Statement; and (c) distribution of the Official Statement in connection with remarketing and marketing of the bonds, as set forth in the letter signed by the General Counsel on May 30, 2013.

Directors Lewinger and Mudd requested to be recorded as voting no.

49450 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Director Edwards and carried by more than the required two-thirds vote, that the Board adopt the CEQA determination and authorize (a) the General Manager to make payment of \$2.67 million to the State Water Contractors; and (b) the General Manager to make payment up to \$832,025 to the State Water Project Contractors Authority, as set forth in the letter signed by the General Manager on May 30, 2013.

Director Steiner returned to the Meeting at 2:14 p.m.

49451 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Board Vice Chairman Record and carried, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and authorize the General Manager to enter into a two-year agreement with the California Department of Water Resources to pay up to \$15.18 million for State Water Project supplies under the Multi-Year Water Pool Demonstration Program to help improve dry-year water supplies in 2013 and 2014, as set forth in the letter signed by the General Manager on May 31, 2013.

Board Vice Chair Gray withdrew from the Meeting at 2:17 p.m.

49452 Legal and Claims Committee Chairman Fleming moved, seconded by Director Edwards and carried, that the Board adopt the CEQA determination that the proposed action is not a project under CEQA and authorize the General Counsel to file or participate in litigation challenging the adequacy of the Final EIR as well as the validity of the Delta Plan, as set forth in the confidential letter signed by the General Counsel on June 4, 2013.

Directors Lewinger, Mudd, and Steiner requested to be recorded as abstaining.

Board Vice Chair Gray returned to the Meeting at 2:19 p.m.

49453 Legal and Claims Committee Chair Fleming moved, seconded by Director Edwards and carried, that the Board adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and authorize amendment of the contract for legal services with Atkinson, Andelson, Loya, Ruud & Romo to

increase the maximum amount payable by \$25,000 to \$125,000 in the litigation *John Del Toro v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC482264, as set forth in the confidential letter signed by the General Counsel on June 4, 2013.

49454 Chairman Foley announced that the Board members will receive an email that begins the annual department heads' performance evaluation, which must be completed no later than Friday, July 12, 2013.

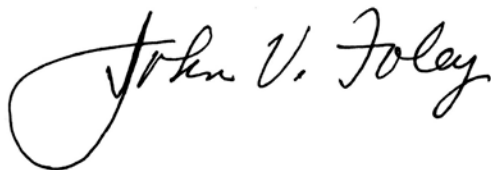
Director Steiner requested that a discussion of the long range finance plan be taken up at a future Finance and Insurance Committee meeting.

49455 There being no objection, at 2:28 p.m., Chairman Foley adjourned the Meeting in memory of Ronald Palmer, former General Manager of Foothill Municipal Water District.



JOHN T. MORRIS

SECRETARY



JOHN V. FOLEY

CHAIRMAN

**THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA**

RESOLUTION 9156

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA**

**FINDING THAT MAINTAINING THE AD VALOREM TAX RATE FOR FISCAL
YEAR 2013-14 IS ESSENTIAL TO THE FISCAL INTEGRITY OF THE DISTRICT**

WHEREAS, The Metropolitan Water District of Southern California (“Metropolitan”), pursuant to Section 124 of the Metropolitan Water District Act (the “Act”), is authorized to levy and collect taxes on all property within the district for the purposes of carrying on the operations and paying the obligations of the district; and

WHEREAS, since its inception Metropolitan has levied and collected property taxes for such purposes; and

WHEREAS, the Board of Directors (“Board”), pursuant to Section 307 of the Act, is authorized to determine the amount of money necessary to be raised by taxation for district purposes each fiscal year, to fix rates of taxation upon the assessed valuation of property taxable by the district and to levy a tax accordingly; and

WHEREAS, before 1942, all revenues to pay for operations, construction of the Colorado River Aqueduct and other facilities and payment of obligations came from *ad valorem* taxes. After deliveries of Metropolitan water began in fiscal year 1941/42, water sales were an additional source of revenues, but not until 1974 did revenues from water sales equal revenues from *ad valorem* taxes; and

WHEREAS, on November 4, 1960, Metropolitan entered into its contract with the California Department of Water Resources (the “State Water Contract”) for water service from the State Water Project. Metropolitan’s was the first contract executed and the prototype for the 28 state water contracts that followed; its terms were validated by the California Supreme Court in *Metropolitan Water Dist. v. Marquardt* (1963) 59 Cal.2d 159; and

WHEREAS, Metropolitan is obligated to pay allocable portions of the cost of construction of the State Water Project system and ongoing operating and maintenance costs, regardless of quantities of water available from the project and regardless of the amounts of water it sells to its member agencies. Approximately 75 percent of Metropolitan’s State Water Project expenditures are fixed, or do not vary with the quantity of water delivered; and

WHEREAS, Metropolitan is authorized to collect property taxes to pay its State Water Contract obligations. Under circumstances provided in the State Water Contract, if other funds are not sufficient, it must levy a tax or assessment sufficient to provide for all payments under the State Water Contract then due and becoming due; and

WHEREAS, Metropolitan currently utilizes tax revenues solely to pay debt service on its general obligation bonds, approved by the voters in 1966 and presently outstanding in the amount of \$165,085,000, and a portion of its State Water Contract obligations; and

WHEREAS, Metropolitan's outstanding general obligation bonds and State Water Contract obligations are indebtedness approved by the California voters before Article XIII A of the California Constitution (Proposition 13) was adopted; and

WHEREAS, the Board and Metropolitan's member agencies periodically have evaluated the appropriate mix of property taxes and water rates and charges to enhance Metropolitan's fiscal stability and ability to ensure the region's long-term water supply while reasonably and fairly allocating the cost of providing service to its member agencies; and

WHEREAS, on May 8, 1984, the Board approved proposed amendments to the Act, set forth in Board Letter 6-2 dated April 30, 1984; and

WHEREAS, such amendments were incorporated into Assembly Bill 1445, which was approved by the Legislature and filed with the California Secretary of State on July 3, 1984, and added to the Act as Section 124.5; and

WHEREAS, in Board Letter 9-9 dated December 20, 1990, General Manager Carl Boronkay transmitted additional information on the water revenues/tax compromise that led to inclusion of Section 124.5 in the Act; and

WHEREAS, commencing with fiscal year 1990/91, Section 124.5 has limited Metropolitan's property tax revenues (and thereby the tax levy rate), to the total of annual debt service on Metropolitan's general obligation bonds and the portion of the State Water Contract payment for debt service on State general obligation bonds for facilities benefitting Metropolitan as of 1990/91; and

WHEREAS, Metropolitan's tax levies have complied and continue to comply with the requirements of Section 124.5; and

WHEREAS, Metropolitan's tax levy rate has declined from .0089% in fiscal year 1999/2000 to .0035% in fiscal year 2012/13; and

WHEREAS, at the time SB 1445 was passed, 33 percent of Metropolitan's revenues were from property taxes, while in fiscal year 2012/13 property taxes account for about only 5 percent of total estimated revenues, with the remainder of Metropolitan's revenues primarily derived from water sales and charges; and

WHEREAS, Metropolitan's State Water Contract costs are projected to increase, because existing facilities of the State Water Project are over 50 years old and in need of repair and replacement, and payments are expected to further increase with the implementation of the Delta Habitat Conservation and Conveyance Program and Bay Delta Conservation Plan; while property tax collections linked to the State Water Contract are decreasing; and

WHEREAS, consideration of current and anticipated State Water Contract payment obligations and a balancing of proper mechanisms for funding the obligations is fundamental to Metropolitan's fiscal health; and

WHEREAS, maintaining the existing ad valorem tax rate for fiscal year 2013/14 will take pressure off Metropolitan's water rates and allow the Board flexibility as it funds Metropolitan's State Water Contract obligations fully and fairly; and

WHEREAS, Section 124.5 affirms the Board's discretion to determine the amount of money necessary to be raised by taxation for district purposes each fiscal year, providing that the restriction contained in such Section do not apply if the Board, following a hearing held to consider that issue, finds that a tax in excess of this restriction is essential to the fiscal integrity of the district, and written notice of the hearing is filed with the offices of the Speaker of the Assembly and the President pro Tempore of the Senate at least 10 days prior to the date of the hearing; and

WHEREAS, on May 13, 2013, the Finance and Insurance Committee of the Board reviewed Board Letter 8-1, executed by the Chief Financial Officer and General Manager on May 3, 2013, and recommended that the Board set a public hearing for the June 2013 Board meeting to consider suspending the tax restriction clause of Section 124.5 to maintain the ad valorem tax at current levels, and instruct the Board Executive Secretary to provide notice of the public hearing, as required by Section 124.5; and

WHEREAS, the Board approved such recommendation on May 14, 2013; and

WHEREAS, notices of the public hearing were filed with the offices of the Speaker of the Assembly and the President pro Tempore of the Senate on May 29, 2013; and

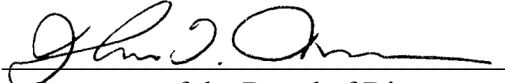
WHEREAS, the Board conducted a public hearing at its regular meeting on June 11, 2013, at which interested parties were given the opportunity to present their views regarding the recommendation to suspend the tax restriction clause of Section 124.5 to maintain the ad valorem tax at current levels; and

WHEREAS, each of the meetings of the Board were conducted in accordance with the Brown Act (commencing at Section 54950 of the Government Code), for which due notice was provided and at which quorums were present and acting throughout;

NOW, THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California, after receiving, considering, and evaluating public comments and evidence and all material factors pertaining thereto, including the financial and operating information

summarized in Board Letter 8-1 executed by the Chief Financial Officer and General Manager on May 31, 2013, hereby finds that a tax rate in excess of the restriction set out in Section 124.5 of the Act is essential to the fiscal integrity of Metropolitan. Therefore, the Board resolves and determines that the tax rate restriction in Section 124.5 of the Act is hereby suspended for fiscal year 2013/14 and the Board in its discretion may levy taxes at the tax rate levied for fiscal year 2012/13 (.0035% of assessed valuation, excluding annexation levies).

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution of the Board of Directors of The Metropolitan Water District of Southern California, adopted at its meeting held June 11, 2013.


Secretary of the Board of Directors
of the Metropolitan Water District
of Southern California



- Board of Directors
Finance and Insurance Committee

8/20/2013 Board Meeting

5G-2

Subject

Adopt resolution maintaining the tax rate for FY 2013/14

Executive summary

On June 11, 2013, Metropolitan's Board adopted Resolution 9156 authorizing the Board to maintain the tax rate at .0035 percent of assessed valuation for FY 2013/14. Every August, Metropolitan receives the certified assessed valuations from the county auditor for the six counties where Metropolitan provides water service. This action confirms the FY 2013/14 tax rate at .0035 percent of assessed valuation, applies the .0035 tax rate to the certified assessed valuations, and transmits that resolution to the county auditors.

Details

Pursuant to Section 305 of The Metropolitan Water District Act, each fiscal year Metropolitan applies the board-determined tax rate to the certified assessed valuations received from the county auditors for the six counties that include portions of Metropolitan's service area to produce the gross tax levy

Metropolitan's tax rate for FY 2012/13 was .0035 percent of assessed valuations. Consistent with Resolution 9156 adopted by the Board on June 11, 2013, the attached resolution to be transmitted to the six county auditors maintains Metropolitan's tax rate for FY 2013/14 at .0035 percent of assessed valuations.

The certified assessed valuations from the county auditors show an increase of 4.1 percent. A tax rate of .0035 percent will produce a gross tax levy of \$95 million. This amount will produce an estimated net tax levy of \$85.8 million, including an additional \$0.8 million for supplemental tax collections associated with properties reassessed during the year and \$7.2 million for prior years' tax collections, as well as a \$9 million reduction as an allowance for delinquencies and \$8.1 million reduction for redevelopment agencies.

California redevelopment agencies were dissolved as of February 1, 2012, and with the June 27, 2012 passage of AB 1484, the Redevelopment Agency Dissolution/Unwind Trailer Bill, new rules for successor agencies were established that will be implemented over the next several years. However, the treatment of redevelopment areas in the calculation of the tax rate is unchanged for this tax year.

In light of the certified assessed valuations and to maintain Metropolitan's overall fiscal integrity, the Board affirms its authorization in Resolution 9156 to maintain the tax rate at .0035 percent of assessed valuation for FY 2013/14.

The resolution maintaining Metropolitan's tax rate for FY 2013/14 ([Attachment 1](#)) provides for:

1. A secured property tax rate of .0035 percent of assessed valuations, comprised of .0015 percent for Metropolitan's general obligation bond debt service, and .0020 percent for State Contract obligations.

This applies the secured property tax rate for FY 2012/13 authorized under Resolution 9156, "RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FINDING THAT MAINTAINING THE AD VALOREM TAX RATE FOR FISCAL YEAR 2013-14 IS ESSENTIAL TO THE FISCAL INTEGRITY OF THE DISTRICT" approved by the Board on June 11, 2013.

2. A .0035 percent tax rate for unsecured property.
3. Various tax rates for annexation charges due Metropolitan.

Also attached and included as Section 9 of the resolution are two schedules:

Schedule A - Estimated Funds to be Produced by Tax Levy, FY 2013/14; and

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas.

Policy

Metropolitan Water District Act, Sections 124.5, 305 and 307

California Environmental Quality Act (CEQA)

CEQA determination for staff recommendation:

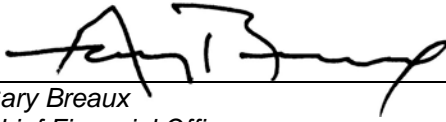
The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other government 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).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

Staff Recommendation

Adopt the CEQA determination and adopt a resolution levying taxes for the fiscal year commencing July 1, 2013 and ending June 30, 2014 for the purposes of The Metropolitan Water District of Southern California ([Attachment 1](#)).

Fiscal Impact: Approximately \$85.8 million net tax revenues.


 _____ 08/16/2013
 Gary Breaux Date
 Chief Financial Officer


 _____ 08/16/2013
 Jeffrey Kightlinger Date
 General Manager

Attachment 1 – Resolution 9157

[cfo12625675](#)

RESOLUTION 9157**A RESOLUTION LEVYING TAXES FOR THE FISCAL YEAR
COMMENCING JULY 1, 2013 AND ENDING JUNE 30, 2014
FOR THE PURPOSES OF THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA**

The Board of Directors of The Metropolitan Water District of Southern California, after receiving, considering, and evaluating evidence and all material factors pertaining thereto, including budget requirements, water rates and revenues, and tax rates and revenues, finds, determines, and resolves:

Section 1.

FINDINGSWater Rates

With full review of (1) evidence presented, and (2) all material factors and considerations, the Board of Directors has fixed water rates to be effective for the fiscal year beginning July 1, 2013, which, in the debated, informed and considered discretion of the Board, are in compliance with Section 134 of the Metropolitan Water District Act, in that the Board, so far as practicable, has fixed such rates as will result in revenue which will pay the District's operating expenses, provide for maintenance and repairs, provide for payment of the purchase price or other charges for property or services or other rights acquired by the District, and provide for the payment of the interest and principal of District bonds, notes and other evidences of indebtedness under the applicable provisions of the Metropolitan Water District Act authorizing debt issuance and retirement.

Taxation

In its informed discretion, based upon full review of evidence presented and all material factors and considerations, including the budget and Resolution 9156 adopted by the Board on June 11, 2013, the Board of Directors finds and determines that the District's revenues for the said fiscal year from water sales and sources other than ad valorem property taxes, after payment of the District's operation and maintenance expenses, the operation, maintenance, power, and replacement charges due under the District's State contract, revenue bond service, deposits to the revenue bond reserve fund, short term revenue certificate (commercial paper note) service, net costs of operating equipment, and net inventory costs during the fiscal year, as well as the maintenance of prudent reserves for unforeseen District expenditures or unforeseen reduction in District revenue, will be insufficient to provide for general obligation bond service and to pay the District's remaining contract obligations to the State of California for sale and delivery of water. Therefore, the Board finds and determines that it is necessary, and required by law, to levy taxes as provided in this Resolution and the exhibits attached, sufficient, when taken with other revenues available for the purpose, to meet all of the foregoing obligations and financial requirements, in the amounts and rates set forth in this Resolution and the schedules attached and incorporated therein.

Consistent with Section 124.5 of the Metropolitan Water District Act and Resolution 9156 adopted by the Board on June 11, 2013, the Board of Directors finds and determines that maintaining the tax rate at .0035 percent of

assessed valuation for FY 2013/14 is essential to Metropolitan's fiscal integrity. Further, a gross tax levy of \$95 million is necessary to preserve Metropolitan's overall financial health for the reasons stated in Resolution 9156.

Section 2.

DEFINITIONS

The following terms as used herein shall have the following meanings:

- (1) "MWD OF SC" shall mean The Metropolitan Water District of Southern California

"MWD" shall mean Municipal Water District

"SDCWA" shall mean the San Diego County Water Authority

"ID" shall mean Irrigation District

"PUD" shall mean Public Utility District.

- (2) "Fiscal year" shall mean the fiscal year commencing July 1, 2013 and ending June 30, 2014.

- (3) "Schedule A and B" as shown in Section 9 shall mean:

Schedule A - a tabulation setting forth for the fiscal year the estimated funds to be produced by MWD of SC tax levies made by this resolution.

Schedule B - a tabulation setting forth for the fiscal year such tax rates as set forth in Sections 4, 5, and 6 hereof, the total tax rates, and the amounts of money to be derived from respective areas from the tax levies made by this resolution.

- (4) The following city areas represent the corporate areas of cities at their respective times of annexation to MWD of SC, and may include areas subsequently annexed to said city areas at times when such areas were not within MWD of SC, and may include those areas which, at the time of their respective annexation to said city areas, were within non-city member public agencies and subsequently excluded from such non-city member public agencies:

"City of Beverly Hills Area"	December 6, 1928
"City of Burbank Area"	December 6, 1928
"City of Glendale Area"	December 6, 1928
"City of Los Angeles Area"	December 6, 1928
(Including portion of Original Area of Las Virgenes MWD excluded from Las Virgenes MWD on November 9, 1962)	
"City of Pasadena Area"	December 6, 1928
"City of San Marino Area"	December 6, 1928
"City of Santa Monica Area"	December 6, 1928
"City of Long Beach Area"	February 27, 1931
"City of Torrance Area"	February 27, 1931
"City of Compton Area"	June 23, 1931
"City of San Fernando Area"	November 12, 1971

- (5) “West Basin MWD” shall include the following areas; annexed to West Basin MWD and to MWD of SC on the dates cited:

Original Area	July 23, 1948
City of Gardena Area	December 9, 1948
Inglewood Area	June 9, 1952
Dominguez Area	October 16, 1952
Hawthorne Area	October 23, 1953
La Casa Territory Area	November 23, 1953
A B C Territory Area	January 11, 1955
Culver City-County Territory Area	January 11, 1955
Frawley Territory Area	January 13, 1958
Imperial Strip Territory Area	November 22, 1960
Marina Area	January 10, 1962
Belle View Area	November 12, 1963
Municipal Parking Area	November 12, 1963
La Tijera Area	December 21, 1965
Jefferson Blvd. Area	October 30, 1969
Marina Second Fringe Area	May 3, 1978
West Hollywood Area	June 23, 1981

- (6) “Three Valleys MWD” shall include the following areas, annexed to Three Valleys MWD (formerly Pomona Valley MWD) and to MWD of SC on the dated cited:

Original Area	November 15, 1950
Glendora Area	October 2, 1952
Rowland Area	June 15, 1953
Stephens Area	November 27, 1957

- (7) “Foothill MWD” shall include the following areas, annexed to Foothill MWD and to MWD of SC on the dates cited:

Original Area of Foothill MWD	January 15, 1953
Foothill First Fringe Area	March 21, 1968
Foothill Second Fringe Area	November 21, 1968
La Vina Annexation	July 13, 1993

- (8) “Central Basin MWD” shall include the following areas, annexed to Central Basin MWD and to MWD of SC on the dates cited:

Original Area	November 12, 1954
Compton Territory Area	January 4, 1957
Bellflower Territory Area	December 30, 1958
Shoestring Strip Territory Area	January 23, 1961
Signal Hill Territory Area	November 14, 1963
Lakewood Area	November 14, 1963
Vernon Area	June 24, 1965
Dairy Valley Area	June 21, 1967
Boyle Heights Area	July 24, 1967

Cerritos Area	December 22, 1969
Hawaiian Gardens Area	November 22, 1977

- (9) "Las Virgenes MWD" shall include the following areas annexed to Las Virgenes MWD and to MWD of SC on the dates cited, excluding that portion annexed to the City of Los Angeles on November 9, 1962:

Original Area	December 1, 1960
Twin Lakes Area	March 12, 1965
Bell Canyon Area	March 16, 1966
Hidden Hills Annexation 87-1	April 22, 1988

- (10) "Upper San Gabriel Valley MWD" shall include the following areas annexed to Upper San Gabriel Valley MWD and to MWD of SC on the dates cited:

Original Area	March 27, 1963
West Covina Area	November 1, 1965
Garvey Reservoir Area	December 1, 1976
Mountain Cove Annexation	July 17, 2002

- (11) The following city areas represent the corporate areas of cities at their respective times of annexation to MWD of SC, and may include areas subsequently annexed to said city areas at times when such areas were not within MWD of SC, and may include those areas which, at the time of their respective annexation to said city areas, were within non-city member public agencies and subsequently excluded from such non-city member public agencies:

City of Anaheim Area	December 6, 1928
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Including:

Serrano/Nohl Ranch Rd. Reorganization (RO 01-05), Parcel 2, detached from MWD of Orange County on April 19, 2001;

Reorganization Area 1 (RO 03-17) detached from MWD of Orange County on August 26, 2003;

Reorganization Area 2 (RO 03-17) detached from MWD of Orange County on August 26, 2003;

Reorganization Brookhurst ARCO (RO 02-02) detached from MWD of Orange County on July 8, 2003;

North-Central Islands Annexation (IA 04-08) detached from MWD of Orange County on August 20, 2004;

Serrano Heights Reorganization (RO 04-01) detached from MWD of Orange County on May 28, 2004;

Ball Road/Santa Ana River Reorganization (RO 04-02) detached from MWD of Orange County on December 13, 2004

City of Santa Ana Area	December 6, 1928
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Including:

Reorganization Area 4 (RO 03-17) detached from MWD of Orange County on August 26, 2003

City of Fullerton Area

February 27, 1931

Including:

Hawks Point Reorganization (RO 00-11) detached from
MWD of Orange County on April 19, 2001;

Reorganization Area 3 (RO 03-17) detached from
MWD of Orange County on August 26, 2003;

Page Avenue Island Annex. (IA 04-14) detached from
MWD of Orange County on November 3, 2004;

Somerset Island Annex. (IA 04-15) detached from
MWD of Orange County on November 3, 2004

- (12) "Remainder of MWD of Orange County" shall include the following areas, annexed to MWD of Orange County and to MWD of SC on the dates cited excluding that portion thereof of Reorganization No. 62 annexed to Coastal MWD on March 7, 1984:

Original Area

November 26, 1951

Annexation No. 1 Territory Area

November 25, 1957

Annexation No. 4 Territory Area

December 11, 1958

Annexation No. 5 Territory Area

December 7, 1959

Annexation No. 7 Territory Area

December 8, 1960

Annexation No. 10 Territory Area

December 11, 1961

Annexation No. 11 Territory Area

January 6, 1964

Annexation No. 8A Territory Area

March 29, 1965

Annexation No. 8B Territory Area

March 29, 1965

Annexation No. 8D Territory Area

March 29, 1965

Annexation No. 8E Territory Area

March 29, 1965

Annexation No. 8F Territory Area

March 29, 1965

Annexation No. 8G Territory Area

March 29, 1965

Annexation No. 8H Territory Area

March 29, 1965

Annexation No. 13 Territory Area

June 30, 1969

(Excluded from Coastal MWD for purpose of such annexation)

Annexation No. 16 Territory Area

November 7, 1972

Annexation No. 15 Territory Area

November 15, 1972

Annexation No. 18 Territory Area

December 16, 1982

Annexation No. 19 Territory Area

December 27, 1983

Annexation No. 17 Territory Area

December 29, 1983

City of Brea Area

March 7, 1984

Brea Fringe Annexation Area

March 7, 1984

Serrano/Nohl Ranch Road Reorganization Parcel 1
(RO 01-05) detached from City of Anaheim

April 19, 2001

Coastal MWD

January 17, 2001

Coastal MWD and MWD of Orange County have been consolidated into a single district (RO 97-06) effective January 17, 2001. It shall include the following areas, annexed to Coastal MWD and to MWD of SC on the dates cited:

Original Area

June 15, 1942

Fairview Farms Area	September 21, 1946
Irvine Subdivision Areas	November 26, 1948
1948 Portion of City of Newport Beach Area	November 29, 1948
Parts of Dana Point Area	August 3, 1949
Capistrano Beach-San Clemente Area	October 28, 1954
Tri-Cities Annexation No. 2 Area	December 12, 1962
Laguna Canyon Annexation Area	December 20, 1962
Lido Sands Annexation Area	January 6, 1964
Laguna Niguel Area	June 30, 1969
(Including Reorganization 32 Parcel A Area excluded from Annexation No. 4 on January 4, 1977)	
Tri-Cities Annexation No. 79-1 Area	December 22, 1982
Reorganization No. 62 Parcel C and that portion of Parcel B Area excluded from Annexation No. 5 of MWD of Orange County	March 7, 1984
Reorganization No. 64 Area excluded from Annexation No. 7 of MWD of Orange County	March 18, 1983
Reorganization No. 123 excluded from Annexation No. 7 of MWD of Orange County	August 6, 1990

- (13) "Remainder of Eastern MWD" shall include the following areas, annexed to Eastern MWD and to MWD of SC on the dates cited:

Original Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	July 20, 1951
Adjacent Area	May 22, 1953
First Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	April 20, 1956
Third Fringe Area (Area excluded from Original Area of Western MWD)	November 20, 1958
Fourth Fringe Area	December 6, 1960
Fifth Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	May 31, 1962
Sixth Fringe Area	December 10, 1962
Seventh Fringe Area	March 11, 1963
Eight Fringe Area	April 23, 1963
Ninth Fringe Area	April 23, 1963
Tenth Fringe Area	September 22, 1964
Eleventh Fringe Area	September 22, 1964
Twelfth Fringe Area	October 22, 1965
Thirteenth Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	October 13, 1967
Fourteenth Fringe Area	October 23, 1967
Sixteenth Fringe Area (Area excluded from First Fringe Area of Western MWD)	July 1, 1969
Fifteenth Fringe Area	August 12, 1969

Seventeenth Fringe Area	March 5, 1970
Eighteenth Fringe Area	March 5, 1970
Nineteenth Fringe Area	May 8, 1970
Twentieth Fringe Area	September 29, 1971
Twenty-First Fringe Area	September 30, 1971
Twenty-Second Fringe Area	April 27, 1972
Twenty-Third Fringe Area	May 23, 1975
Twenty-Fourth Fringe Area	December 30, 1975
Twenty-Fifth Fringe Area	April 26, 1983
Twenty-Sixth Fringe Area	November 27, 1985
Twenty-Seventh Fringe Area	December 19, 1985
Twenty-Eighth Fringe Area	November 18, 1986
Twenty-Ninth Fringe Area	May 4, 1987
Thirty-First Fringe Area	July 9, 1987
Thirty-Second Fringe Area	July 9, 1987
Thirty-Third Fringe Area	August 27, 1987
Thirtieth Fringe Area	December 15, 1987
Thirty-Fourth Fringe Area	March 16, 1988
Thirty-Fifth Fringe Area	May 2, 1988
Thirty-Eighth Fringe Area	October 14, 1988
Thirty-Sixth Fringe Area	December 5, 1988
Fortieth Fringe Area	August 1, 1989
Forty-Second Fringe Area	May 25, 1990
Forty-Third Fringe Area	June 19, 1990
Thirty-Ninth Fringe Area	July 13, 1990
Forty-First Fringe Area	July 27, 1990
Forty-Fifth Fringe Area	March 13, 1991
Forty-Seventh Fringe Area	June 3, 1991
Forty-Eighth Fringe Area	November 21, 1991
Forty-Ninth Fringe Area	November 21, 1991
Fiftieth Fringe Area	November 21, 1991
Fifty-First Fringe Area	December 19, 1991
Forty-Fourth Fringe Area	June 3, 1992
Fifty-Second Fringe Area	June 29, 1992
Forty-Sixth Fringe Area	July 7, 1992
Fifty-Third Fringe Area	August 27, 1992
Fifty-Fifth Fringe Area	April 29, 1993
Fifty-Sixth Fringe Area	June 22, 1993
Fifty-Eighth Fringe Area	June 22, 1993
Fifty-Ninth Fringe Area	June 22, 1993
Sixtieth Fringe Area	November 29, 1993
Fifty-Seventh Fringe Area	December 9, 1994
Sixty-Second Fringe Area	July 3, 1996
Sixty-Third Fringe Area	October 28, 1996
Sixty-Fourth Fringe Area	August 28, 1997
Sixty-Fifth Fringe Area	December 28, 2000
Seventieth Fringe Area	August 29, 2001
Sixty-Seventh Fringe Area Reorganization (Area detached from portion of Original Area of Western MWD)	August 29, 2001
Sixty-Eighth Fringe Area	January 15, 2002
Seventy-First Fringe Area	June 20, 2002

Sixty-Ninth Fringe Area	November 27, 2002
Seventy-Second Fringe Area	October 21, 2003
Sixty-Sixth Fringe Area	November 17, 2003
Seventy-Third Fringe Area	November 17, 2003
Seventy-Fourth Fringe Area	November 17, 2003
Seventy-Fifth Fringe Area	June 2, 2004
Seventy-Sixth Fringe Area	April 6, 2004
Seventy-Eighth Fringe Area	April 19, 2005
Eighty-Third Fringe Area	December 15, 2005
Seventy-Ninth Fringe Area	December 20, 2005
Eighty-First Fringe Area	December 20, 2005
Eighty-Fourth Fringe Area	December 20, 2005
Eighty-Seventh Fringe Area	February 14, 2006
Eighty-Sixth Fringe Area	March 24, 2006
Eighty-Fifth Fringe Area	May 22, 2006
Eighty-Eighth Fringe Area	May 22, 2006
Eighty-Ninth Fringe Area	June 28, 2006
Ninety-Second Fringe Area	August 2, 2006
Ninety-First Fringe Area	November 28, 2006
Ninety-Fifth Fringe Area	December 14, 2006
Ninetieth Fringe Area	December 19, 2006
Ninety-Seventh Fringe Area	April 16, 2007
Ninety-Third Fringe Area	July 26, 2007
101st Fringe Area	January 24, 2008
Ninety-Ninth Fringe Area Reorganization (Area detached from Western Municipal Water District)	September 10, 2008
100 th Fringe Area	November 17, 2008
Ninety-Sixth Fringe Area	December 11, 2008
102 nd Fringe Area	December 22, 2009

- (14) “Eleventh Fringe Area of Western MWD” shall mean the Eleventh Fringe area annexed to Western MWD and to MWD of SC on July 17, 1969.
- (15) “Fifteenth Fringe Area of Western MWD” shall mean the Fifteenth Fringe area annexed to Western MWD and to MWD of SC on July 13, 1972. (Said area lying entirely within the County of Orange.)
- (16) “Remainder of Western MWD” shall include the following areas, annexed to Western MWD and to MWD of SC on the dates cited:

Original Area (Portion of area excluded from Western MWD and annexed to Eastern MWD)	November 12, 1954
First Fringe Area (Portion of area excluded from Western MWD and annexed to Eastern MWD)	December 20, 1957
Second Fringe Area	December 18, 1961
Third Fringe Area	June 27, 1962
Fifth Fringe Area	July 2, 1964
Fourth Fringe Area	December 19, 1966
Seventh Fringe Area	December 19, 1966
Eighth Fringe Area	September 18, 1967

(Area excluded from Fifth Fringe Area of Eastern MWD on July 26, 1967)	
Sixth Fringe Area	September 27, 1967
Ninth Fringe Area	November 17, 1967
Tenth Fringe Area	June 12, 1968
Thirteenth Fringe Area	June 23, 1969
(Area excluded from Fifth Fringe Area of Eastern MWD)	
Twelfth Fringe Area	July 1, 1969
(Area excluded from First Fringe Area of Eastern MWD)	
Fourteenth Fringe Area	October 11, 1973
Sixteenth Fringe Area	August 30, 1977
(Area excluded from Thirteenth Fringe Area of Eastern MWD)	
Seventeenth Fringe Area	December 23, 1980
Eighteenth Fringe Area	December 15, 1981
Twentieth Fringe Area	December 4, 1987
Twenty-Second Fringe Area	October 14, 1988
Twenty-First Fringe Area	December 5, 1988
Twenty-Third Fringe Area	November 3, 1989
Twenty-Fourth Fringe Area	May 18, 1990
Twenty-seventh Fringe Area	May 18, 1990
Twenty-Sixth Fringe Area	June 6, 1990
Twenty-Fifth Fringe Area	July 13, 1990
Twenty-Eighth Fringe Area	January 28, 1991
Thirtieth Fringe Area	March 13, 1991
Twenty-Ninth Fringe Area	November 4, 1991
Thirty-First Fringe Area	February 19, 1992
Thirty-Third Fringe Area	May 26, 1993
Thirty-Fourth Fringe Area	October 31, 1994
(Area excluded from Fifth Fringe Area of Eastern MWD)	
Thirty-Sixth Fringe Area	September 29, 1997
(Area excluded from Original Area of Eastern MWD)	
Thirty-Seventh Fringe Area	December 30, 1997
Thirty-Eighth Fringe Area	June 29, 1999
Fortieth Fringe Area	November 22, 1999
Thirty-Ninth Fringe Area	October 24, 2000
Forty-First Fringe Area	December 28, 2000
Forty-Fifth Fringe Area	June 20, 2002
Forty-Second Fringe Area	February 7, 2002
(Area excluded from Fifth Fringe Area of Eastern MWD)	
Forty-Sixth Fringe Area	November 24, 2003
Forty-Eighth Fringe Area	December 15, 2003
Forty-Ninth Fringe Area	April 28, 2004
Fiftieth Fringe Area	May 27, 2005
Forty-Seventh Fringe Area	June 21, 2005
Forty-Fourth Fringe Area	June 22, 2006

- (17) "Original Area of Chino Basin MWD" shall mean the area of Chino Basin MWD annexed to MWD of SC on November 26, 1951.
- (18) "Mid-Valley Area of Chino Basin MWD" shall mean the Mid-Valley area annexed to

Chino Basin MWD and to MWD of SC on April 20, 1954.

- (19) “Bryant Annexation Area of Chino Basin MWD” shall mean the “Bryant Annexation area annexed to Chino Basin MWD and to MWD of SC on November 25, 1957.
- (20) “North Perimeter No. 1 Annexation Area of Chino Basin MWD” shall mean the North Perimeter No. 1 Annexation area annexed to Chino Basin MWD and to MWD of SC on November 28, 1969.
- (21) “Remainder of SDCWA” shall include the following areas annexed to SDCWA and to MWD of SC on the dates cited:

Original Area of SDCWA Annexation (Including areas subsequently annexed to city public agencies which were included within Original Area of SDCWA at times when such areas were not within MWD of SC, and areas excluded from non-city public agencies of SDCWA at times when such areas were within said city public agencies)	December 17, 1946
Crest PUD Territory Area	December 13, 1948
San Dieguito ID Area	December 13, 1948
Santa Fe ID Area	December 13, 1948
1950 Fallbrook PUD Annexation Area (Including De Luz Heights MWD Reorganization, originally De Luz Heights MWD annexed to MWD of SC on June 28, 1967 and dissolved on July 1, 1990)	August 1, 1950
City of Escondido Area	October 9, 1950
San Diego Gas and Electric Company Area	May 14, 1952
San Diego Eucalyptus Company’s Lands Area	July 18, 1952
South Bay ID Area	November 3, 1952
Rainbow MWD Area	April 10, 1954
City of Poway Area	April 21, 1954
Bueno Colorado MWD Area (Area dissolved and annexed to Rainbow MWD, Vista Irrigation District, Carlsbad MWD and Vallecitos Water District on November 24, 1993)	June 11, 1954
Rincon Del Diablo MWD	June 14, 1954
Costa Real MWD Area	June 16, 1954
El Cajon Valley-Dry Island Area (Including Lakeside-Boukai Joint Venture Reorganization detached from Padre Dam MWD on September 11, 1996)	December 20, 1954
Valley Center MWD Area	May 9, 1955
Sweetwater Reservoir Area	October 10, 1955
Padre Dam MWD Area	June 7, 1956
Bueno Colorado Annexation No. 1 Area	June 11, 1956
Otay MWD Area	October 26, 1956
Original Area of Ramona MWD within MWD of SC	August 27, 1957
Fallbrook No. 2 Annexation Area	November 24, 1958
Helix Watson Ranch-Island Area	February 20, 1959
Rainbow No. 1 Annexation Area	May 12, 1959
Ramona No. 1 Annexation Area	May 29, 1959
Helix-Fletcher Annexation Area	June 26, 1959
San Dieguito Concurrent Annexation No. 1 Area	September 15, 1959

Helix-Sunnyslope Heights Annexation Area	September 17, 1959
Poway No. 1 Annexation Area	September 21, 1959
Padre Dam MWD No. 2 Annexation Area	November 6, 1959
Padre Dam MWD No. 1 Annexation Area	November 10, 1959
San Dieguito Local Inclusion Annexation Area	November 18, 1959
Santa Fe No. 1 Annexation Area	November 30, 1959
Olivenhain MWD Area	July 25, 1960
(Including Encinitas Municipal Services Reorganization Parcels 1, 2, & 3 detached from San Dieguito No. 2 Annexation Area of SDCWA on June 16, 1995)	
Helix-Willis-Houston Annexation Area	August 10, 1960
Padre Dam MWD No. 3 Annexation Area	October 16, 1960
Otay No. 3 Annexation Area	October 20, 1960
Valley Center No. 1 Annexation Area	December 12, 1960
Rincon del Diablo No. 1 Annexation Area	December 12, 1960
Ramona No. 2 Annexation Area within MWD of SC	September 22, 1961
Rincon del Diablo No. 2 Annexation Area	September 29, 1961
City of Del Mar Area	November 23, 1962
Ramona No. 3 Annexation Area	September 20, 1963
Yuima MWD Area	December 16, 1963
(Excluding Adams/Fitzsimmons Reorganization Parcel 1 annexed to Valley Center MWD, including Adams/Fitzsimmons Reorganization Parcel 2 excluded from Valley Center MWD on March 26, 1991)	
Rincon del Diablo No. 3 Annexation Area	August 27, 1964
Olivenhain No. 1 Annexation Area	February 11, 1965
South Bay Tidelands Area	May 11, 1965
De Luz Heights Annexation Area (Reorganization)	June 28, 1967
Olivenhain No. 4 Annexation Area	November 13, 1967
Yuima No. 1 Annexation Area	November 21, 1967
Ramona Dos Picos Area	November 27, 1967
Ramona No. 4 Annexation Area	November 27, 1967
Valley Center No. 2 Annexation Area	November 29, 1967
Valley Center No. 3 Annexation Area	November 30, 1967
Rainbow No. 3 Annexation Area of SDCWA within MWD of SC” shall mean the Rainbow No. 3 Annexation area annexed to SDCWA and to MWD of SC; omitting therefrom the Werner Detachment excluded on August 4, 1980, the Brown Detachment excluded on January 1, 1981, and the Mann- Gosser Detachment excluded on March 4, 1981 from SDCWA and MWD of SC.	December 6, 1967
De Luz Heights No. 1 Annexation Area	October 15, 1969
Yuima No.2 Annexation Area	November 24, 1969
Fallbrook Community Air Park Annexation Area of SDCWA shall mean the Fallbrook Community Air Park Annexation area annexed to SDCWA and to MWD of SC	December 22, 1969
Padre Dam MWD No. 4	August 3, 1970
Ramona No. 5 Annexation Area	May 17, 1972
Rincon del Diablo No. 4 Annexation Area	November 2, 1972
San Dieguito No. 2 Annexation Area	December 8, 1972
(Including Encinitas Municipal Services Reorganization	

on June 16, 1995)	
Santa Fe No. 2 Annexation Area	April 11, 1973
Valley Center No. 4 Annexation Area	November 5, 1973
Rainbow No. 5 Annexation Area	November 22, 1973
San Onofre State Beach and Park Area	December 16, 1977
Pendleton Military Reservation Area -Nuclear Generating Plant Portion	December 16, 1977
Remainder of Pendleton Military Reservation Area	December 16, 1977
Rancho Jamul Estates Annexation Area	March 13, 1979
Lake Hodges Estates Annexation Area	June 26, 1980
Burdick Annexation No. 5 Area to Padre Dam MWD	July 26, 1982
Palo Verde Annexation No. 6 Area to Padre Dam MWD	November 15, 1983
Lake Ranch Viejo Annexation to Rainbow MWD	December 13, 1983
Honey Springs Ranch Annexation Area to Otay MWD	December 14, 1983
Thweatt Annexation Area to Rincon del Diablo MWD	December 30, 1983
Hewlett-Packard Annexation Area to Rainbow MWD	December 31, 1985
4S Ranch Annexation Area to Olivenhain MWD	November 5, 1986
Quail Park Reorganization Area Annexed to San Dieguito Water District and excluded from Olivenhain MWD	July 11, 1989
Paradise Mountain Area Annexed to Valley Center MWD	January 11, 1993
Boathouse Area Annexed to Otay Water District	September 6, 1994
Guajome Regional Park Annexation to Vista Irrigation District	October 23, 1998
Podrasky Ohlson Annexation to Valley Center MWD	March 11, 2004
San Elijo Ridge Reorganization (Altman) to Vallecitos Water District	August 9, 2004
Baxter Annexation (RO 03-19) to Padre Dam MWD	July 9, 2005
Citrus Heights Annexation	March 4, 2008
Erreca Annexation	November 4, 2009

- (22) "Remainder of Calleguas MWD" shall include the following areas annexed to Calleguas MWD and to MWD of SC on the dates cited:

Original Area of Calleguas MWD	December 14, 1960
Calleguas Annexation No. 1 Area	March 16, 1961
Lake Sherwood Area	March 14, 1963
Annexation No. 3 Territory	March 15, 1963
Oxnard Mandalay Area	December 8, 1964
Oxnard First Fringe Area	December 8, 1964
Annexation No. 6 Territory	October 17, 1968
Oxnard Second Fringe Area	November 7, 1969
Camarillo First Fringe Area	December 19, 1969
Oxnard Third Fringe Area	December 14, 1970
Oxnard Fourth Fringe Area	December 19, 1972
Point Mugu State Park Area	June 22, 1973
Oxnard Fifth Fringe Area	December 16, 1974
Oxnard Sixth Fringe Area	December 30, 1975
Oxnard Seventh Fringe Area	December 17, 1976
Ventura School for Girls Area	December 17, 1976
Oxnard Eighth Fringe Area	December 12, 1977
Calleguas Annexation No. 17 Area	December 28, 1979
Calleguas Annexation No. 19 Area	December 9, 1981

Calleguas Annexation No. 20 Area	December 21, 1981
Calleguas Annexation No. 18 Area	December 29, 1981
Calleguas Annexation No. 21 Area	March 24, 1982
Calleguas Annexation No. 22 Area	December 2, 1983
Calleguas Annexation No. 23 Area	November 30, 1984
Calleguas Annexation No. 24 Area	June 19, 1985
Calleguas Annexation No. 25 Area	November 27, 1985
Calleguas Annexation No. 26 Area	July 25, 1986
Calleguas Annexation No. 27 Area	December 31, 1987
Calleguas Annexation No. 28 Area	October 4, 1988
Calleguas Annexation No. 29 Area	October 10, 1989
Calleguas Annexation No. 30 Area	July 6, 1990
Calleguas Annexation No. 31 Area	September 25, 1990
Calleguas Annexation No. 33 Area	November 27, 1991
Calleguas Annexation No. 34 Area	June 24, 1992
Calleguas Annexation No. 35 Area	February 26, 1993
Calleguas Annexation No. 36 Area	February 26, 1993
Calleguas Annexation No. 39 Area	February 2, 1994
Calleguas Annexation No. 40 Area	May 16, 1994
Calleguas Annexation No. 41 Area	August 16, 1994
Calleguas Annexation No. 43 Area	August 16, 1994
Calleguas Annexation No. 45 Area	August 16, 1994
Calleguas Annexation No. 46 Area	September 27, 1994
Calleguas Annexation No. 38 Area	December 19, 1994
Calleguas Annexation No. 44 Area	December 19, 1994
Calleguas Annexation No. 47 Area	September 19, 1995
Calleguas Annexation No. 48 Area	December 21, 1995
Calleguas Annexation No. 32 Area	March 5, 1996
Calleguas Annexation No. 49 Area	December 18, 1996
Calleguas Annexation No. 52A Area	November 4, 1997
Calleguas Annexation No. 53 Area	December 19, 1997
Calleguas Annexation No. 52B Area	December 23, 1997
Calleguas Annexation No. 51 Area	June 9, 1998
Calleguas Annexation No. 54 Area	January 26, 1999
Calleguas Annexation No. 55 Area	January 27, 1999
Calleguas Annexation No. 61 Area	October 27, 1999
Calleguas Annexation No. 57 Area	December 29, 1999
Calleguas Annexation No. 58 Area	December 29, 1999
Calleguas Annexation No. 60 Area	December 29, 1999
Calleguas Annexation No. 65 Area	August 2, 2000
Calleguas Annexation No. 66 Area	August 4, 2000
Calleguas Annexation No. 63 Area	December 27, 2000
Calleguas Annexation No. 68 Area	April 17, 2001
Calleguas Annexation No. 69 Area	July 20, 2001
Calleguas Annexation No. 70 Area	July 27, 2001
Calleguas Annexation No. 74 Area	November 26, 2001
Calleguas Annexation No. 72 Area	December 17, 2001
Calleguas Annexation No. 75 Area	April 24, 2002
Calleguas Annexation No. 76-A Area	July 2, 2002
Calleguas Annexation No. 76-B Area	July 26, 2002
Calleguas Annexation No. 79	May 27, 2003

Calleguas Annexation No. 81	August 11, 2003
Calleguas Annexation No. 82	September 22, 2003
Calleguas Annexation No. 80	December 9, 2002
Calleguas Annexation No. 67	December 22, 2003
Calleguas Annexation No. 73	December 22, 2003
Calleguas Annexation No. 77	June 4, 2004
Calleguas Annexation No. 78	March 3, 2004
Calleguas Annexation No. 84	October 22, 2004
Calleguas Annexation No. 83	November 23, 2005
Calleguas Annexation No. 85	January 3, 2006
Calleguas Annexation No. 92	November 28, 2007
Calleguas Annexation No. 91	April 7, 2008
Calleguas Annexation No. 90	May 21, 2008
Calleguas Annexation No. 89	September 25, 2008
Calleguas Annexation No. 87	December 28, 2009
Calleguas Annexation No. 93	December 28, 2009
Calleguas Annexation No. 94	September 21, 2010
Calleguas Annexation No. 96	April 23, 2012

- (23) “Exclusions from City of Los Angeles Area” shall mean the following areas excluded from the City of Los Angeles and from MWD of SC on the dates cited:

Alhambra Hills Annexation to City of Alhambra	January 27, 1964
Portion of Reorganization No. 85-2 of City of Los Angeles	December 30, 1985
Creekside Condominiums (Reorganization 98-01)	September 11, 2002

- (24) “Exclusion from Las Virgenes MWD” shall mean the following area excluded from Las Virgenes MWD and from MWD of SC on the date cited:

Portion of Reorganization No. 85-2 of Original Area of Las Virgenes MWD	December 30, 1985
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- (25) “Exclusion from Three Valleys MWD” shall mean the following area excluded from Three Valleys MWD and from MWD of SC on the date cited:

Azusa Reorganization (Parcels 1, 2, 3 & 20)	May 21, 1996
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- (26) “Exclusions from Ramona No. 2 Annexation Area” shall mean the following areas excluded from Ramona No. 2 Annexation area of SDCWA and from MWD of SC on the dates cited:

Schlueter Detachment	December 19, 1977
Bonfils Detachment	December 29, 1978

- (27) “Exclusions from Rainbow No. 3 Annexation Area” shall mean the following areas excluded from Rainbow No. 3 Annexation area of SDCWA and from MWD of SC on the dates cited:

Werner Detachment	August 4, 1980
Brown Detachment	January 1, 1981
Mann-Gosser Detachment	March 4, 1981

- (28) “Exclusion from Original Area of Ramona MWD” shall mean the following area excluded from Ramona MWD Area of SDCWA and from MWD of SC on the date cited:

Meyer Detachment

March 10, 1983

- (29) “Exclusion from Original Area of Western MWD” shall mean the following area excluded from Original Area of Western MWD and from MWD of SC on the date cited:

LAFCO 94-28-2 Detachment

January 21, 1997

- (30) “Exclusion from Central Basin MWD” shall mean the following area excluded from Central Basin MWD and from MWD of SC on the date cited:

Reorganization No. 1-1998, Parcel 1 & 2 to San Gabriel Valley Water District December 29, 1999

Section 3.

ASSESSED VALUATIONS

The county auditors of the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura have certified the assessed valuations of all property taxable by MWD of SC for the fiscal year and their respective certificates have been filed with the Board of Directors.

Section 3.1

STATEMENT REGARDING ARTICLE XIII A OF
THE CONSTITUTION OF THE STATE OF CALIFORNIA

None of the tax levies made by the Board of Directors of MWD of SC in the next succeeding sections fall with Section 1(a) of Article XIII A approved by the electorate on June 6, 1978 for addition to the California Constitution, effective July 1, 1978. All of said levies fall under the Section 1(b) exemption to said Section 1(a) and are otherwise exempt from said Section 1(a) by reason of the impairment of contract clause of Article I, Section 10 of the United States Constitution. Accordingly, none of said levies fall with Article XIII C and XIII D approved by the electorate on November 5, 1996, for addition to the California Constitution, by reason of the aforementioned exemptions and the provisions of Section 2(d) of Article XIII C and Section 3(a)(2) of Article XIII D. All of said levies are made pursuant to Revenue and Taxation Code Section 93(a) and are for the purpose of and shall be used for payment of "voter-approved indebtedness."

Section 4.

ANNEXATION LEVY

For the dual purposes of raising the amounts required to be raised by means of special tax levies on taxable properties as prescribed by resolutions of the Board of Directors of MWD of SC fixing terms and conditions for annexation to MWD of SC (or as such terms and conditions may have been modified in accordance with the Metropolitan Water District Act of the State of California, Statutes 1969, Chapter 209, as amended) and for raising funds necessary to provide for payment of a portion of the capital cost component of either the Transportation Charge or the Delta Water Charge, or both, billed to MWD of SC under the "State Water Contract" (as identified in Section 6 of this Resolution) due or to become due within the current fiscal year of within the following fiscal year before the time when money will be available from the next tax levy;

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year is the sum set forth in the last line of Column #1 of Schedule A.
- b. The rates of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property in each of the areas subject to such levies hereby are set forth in Column #1 of Schedule B.
- c. The amounts of money to be derived from said levies are set forth in Column #3 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 5.

BOND LEVY

For the purposes of paying the annual interest on the outstanding bonded indebtedness of MWD of SC incurred as a result of approval by the voters residing within MWD of SC and such part of the principal of such bonds as shall become due before the time when money will be available from the next general tax levy, or such portion thereof as shall not be met from previous levies or other revenues of the District;

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year is the sum set forth in the last line in column #2 of Schedule A.
- b. The rate of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property within MWD of SC hereby is fixed and levied at .0015% of assessed valuation. The rate of such taxation for the fiscal year 2013/2014 upon unsecured taxable property is the rate fixed and levied for the preceding year applicable to secured taxable property, as required by operation of law.
- c. The amounts of money necessary to be derived from said levy are set forth in Column #4 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 6.

STATE WATER CONTRACT LEVY

For the purpose of raising funds in excess of those funds raised under Section 4 of this Resolution, necessary and sufficient to provide for payments due or to become due within the current fiscal year or within the following fiscal year before the time when money will be available from the next tax levy, or such portion thereof as shall not be met from previous levies or other revenues of the District under the

“CONTRACT BETWEEN THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR A WATER SUPPLY, dated November 4, 1960” (State Water Contract):

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year in excess of the sum raised under Section 4 of this Resolution is the sum set forth in the last line of Column #3 of Schedule A.
- b. The rate of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property within MWD of SC hereby is fixed and levied at .0020% of assessed valuation. The rate of such taxation for the fiscal year 2013/2014 upon the unsecured taxable property is the rate fixed for the preceding year applicable to secured taxable property, as required by operation of law.
- c. The amounts of money necessary to be derived from said levy are set forth in column #5 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 7.

TOTALS

The total rates of ad valorem property taxation of MWD of SC for the fiscal year upon secured taxable property are set forth in Column #2 of Schedule B. The total amounts of money to be derived by virtue of such tax levies for the fiscal year are set forth in Column #6 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 8.

REDEVELOPMENT AGENCIES

Pursuant to Assembly Bill X1 26 ("ABX1 26"), chaptered and effective on June 27, 2011, and as modified in part by the California Supreme Court in the decision of *California Redevelopment Association v. Matosantos*, Case No. S194681, redevelopment agencies in California were dissolved. Such dissolution laws were modified in part by Assembly Bill 1484 ("AB 1484"), chaptered and effective on June 27, 2012.

The total rates of taxation of MWD of SC for the fiscal year set forth in Column #2 of Schedule B are the rates of taxation upon taxable property taxable by MWD of SC within the areas shown in said Schedule, including taxable property formerly within redevelopment agencies as well as all other property so taxable by MWD of SC. The total amounts of money shown in Column #6 of Schedule B to be derived from some of said areas by virtue of tax levies of MWD of SC include monies to be allocated to the successors agencies of former redevelopment agencies for the payment of enforceable obligations and allowable administrative expenses approved by the State Department of Finance and local successor agency oversight boards, as well as amounts of money to be allocated to MWD of SC. The estimated adjustment to be made to account for the difference between the total amount levied and the amount to be derived is included in the provision for estimated collection delinquencies shown in Schedule A.

Section 9

SCHEDULES A AND B

Schedules A and B are attached after the last page of the resolution.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution of the Board of Directors of The Metropolitan Water District of Southern California, adopted at its meeting held August 20, 2013.

Secretary of the Board of Directors
The Metropolitan Water District
of Southern California

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SCHEDULE A

Estimated Funds to be Produced by Tax Levy, Fiscal Year 2013/14
(Cents Omitted)

	Annexation Levies Column #1	Bond Levy Column #2	State Contract Levy Column #3	Totals Column #4
<u>Secured Property</u>				
Assessed Value	\$ 2,095,465,264,072			
Tax Rate	Various	0.0015%	0.0020%	
Amount of Levy	\$ 44,659	\$ 31,431,332	\$ 41,909,304	\$ 73,385,295
<u>Unsecured Property</u>				
Assessed Value	\$ 87,921,273,179			
Tax Rate	Various	0.0017%	0.0018%	
Amount of Levy	\$ -	\$ 1,494,662	\$ 1,582,583	\$ 3,077,245
<u>All Property</u>				
Assessed Value	\$ 2,183,386,537,251			
Amount of Levy from Schedule B	\$ 44,659	\$ 32,925,994	\$ 43,491,887	\$ 76,462,540
Allocation of County-wide Tax on Utilities	-	7,928,571	10,571,429	18,500,000
Total Tax Levy	44,659	40,854,565	54,063,316	94,962,540
Estimated Collection Adjustments *	(4,243)	(3,961,333)	(5,191,460)	(9,157,036)
Estimated Funds to be Produced by Tax Levy	\$ 40,416	\$ 36,893,232	\$ 48,871,856	\$ 85,805,504

* 9.5% allowance for delinquencies
8.6% allowance for allocations to redevelopment agencies
\$0.8 million estimated supplemental tax collections
\$7.2 million estimated prior years tax collections

Note: All rates expressed as percent of A.V.

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
City of Beverly Hills							
City of Beverly Hills Area	1-1-01-000-0	0.000000	0.003500	0.00	363,778.65	482,679.70	846,458.35
Agency Totals:				0.00	363,778.65	482,679.70	846,458.35
City of Burbank							
City of Burbank Area	1-1-02-000-0	0.000000	0.003500	0.00	289,008.98	376,085.13	665,094.12
Agency Totals:				0.00	289,008.98	376,085.13	665,094.12
City of Glendale							
City of Glendale Area	1-1-03-000-0	0.000000	0.003500	0.00	366,171.36	484,736.54	850,907.91
Agency Totals:				0.00	366,171.36	484,736.54	850,907.91
City of Los Angeles							
City of Los Angeles Area	1-1-04-000-0	0.000000	0.003500	0.00	6,542,152.23	8,644,535.10	15,186,687.32
Agency Totals:				0.00	6,542,152.23	8,644,535.10	15,186,687.32
City of Pasadena							
City of Pasadena Area	1-1-05-000-0	0.000000	0.003500	0.00	341,766.57	453,083.35	794,849.93
Agency Totals:				0.00	341,766.57	453,083.35	794,849.93
City of San Marino							
City of San Marino Area	1-1-06-000-0	0.000000	0.003500	0.00	73,770.21	98,312.79	172,083.00
Agency Totals:				0.00	73,770.21	98,312.79	172,083.00
City of Santa Monica							
City of Santa Monica Area	1-1-07-000-0	0.000000	0.003500	0.00	412,850.70	546,099.46	958,950.16
Agency Totals:				0.00	412,850.70	546,099.46	958,950.16

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
City of Long Beach							
City of Long Beach Area	1-1-08-000-0	0.000000	0.003500	0.00	631,205.54	830,435.19	1,461,640.73
Agency Totals:				0.00	631,205.54	830,435.19	1,461,640.73
City of Torrance							
City of Torrance Area	1-1-09-000-0	0.000000	0.003500	0.00	357,161.22	471,434.11	828,595.33
Agency Totals:				0.00	357,161.22	471,434.11	828,595.33
City of Compton							
City of Compton Area	1-1-10-000-0	0.000000	0.003500	0.00	51,006.85	67,537.00	118,543.85
Agency Totals:				0.00	51,006.85	67,537.00	118,543.85
West Basin Municipal Water District							
West Basin Municipal Water District Area	1-1-11-000-0	0.000000	0.003500	0.00	2,262,211.00	2,984,569.94	5,246,780.93
Agency Totals:				0.00	2,262,211.00	2,984,569.94	5,246,780.93
Three Valleys Municipal Water District							
Three Valleys Municipal Water District Area	1-1-12-000-0	0.000000	0.003500	0.00	804,567.18	1,065,049.32	1,869,616.50
Agency Totals:				0.00	804,567.18	1,065,049.32	1,869,616.50
Foothill Municipal Water District							
Foothill Municipal Water District Area	1-1-13-000-0	0.000000	0.003500	0.00	214,041.30	284,918.92	498,960.23
Agency Totals:				0.00	214,041.30	284,918.92	498,960.23
Central Basin Municipal Water District							
Central Basin Municipal Water District Area	1-1-14-000-0	0.000000	0.003500	0.00	1,759,059.88	2,316,916.42	4,075,976.30
Agency Totals:				0.00	1,759,059.88	2,316,916.42	4,075,976.30

Notes: (a) MWD Code-County-Agency-Area-Sub Area

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Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
Las Virgenes Municipal Water District							
Las Virgenes Municipal Water District Area	1-1-15-000-0	0.000000	0.003500	0.00	303,504.12	402,973.13	706,477.25
Agency Totals:				0.00	303,504.12	402,973.13	706,477.25
Upper San Gabriel Valley MWD							
Upper San Gabriel Valley MWD Area	1-1-16-000-0	0.000000	0.003500	0.00	1,202,226.77	1,591,053.97	2,793,280.74
Agency Totals:				0.00	1,202,226.77	1,591,053.97	2,793,280.74
City of San Fernando							
City of San Fernando Area Area	1-1-17-000-0	0.000000	0.003500	0.00	23,636.84	30,935.14	54,571.99
Agency Totals:				0.00	23,636.84	30,935.14	54,571.99
County Totals:				0.00	15,998,119.41	21,131,355.22	37,129,474.62
Orange County							
City of Anaheim							
City of Anaheim Area Area	1-2-01-000-0	0.000000	0.003500	0.00	548,645.67	722,563.35	1,271,209.01
Agency Totals:				0.00	548,645.67	722,563.35	1,271,209.01
City of Santa Ana							
City of Santa Ana Area Area	1-2-02-000-0	0.000000	0.003500	0.00	319,016.29	418,170.65	737,186.95
Agency Totals:				0.00	319,016.29	418,170.65	737,186.95
City of Fullerton							
City of Fullerton Area Area	1-2-03-000-0	0.000000	0.003500	0.00	231,573.92	305,574.39	537,148.30
Agency Totals:				0.00	231,573.92	305,574.39	537,148.30
Municipal Water District of Orange County							
Remainder of MWD of Orange County	1-2-05-999-0	0.000000	0.003500	0.00	5,567,245.34	7,355,246.08	12,922,491.43
Agency Totals:				0.00	5,567,245.34	7,355,246.08	12,922,491.43

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Orange County							
County Totals:				0.00	6,666,481.22	8,801,554.46	15,468,035.69
Riverside County							
Eastern Municipal Water District							
Remainder of Eastern MWD	1-3-01-999-0	0.000000	0.003500	0.00	842,200.38	1,114,137.48	1,956,337.86
Agency Totals:				0.00	842,200.38	1,114,137.48	1,956,337.86
Western Municipal Water District							
Eleventh Fringe Area of Western MWD	1-3-02-011-0	0.187500	0.191000	44,645.99	357.17	476.22	45,479.38
Fifteenth Fringe Area of Western Mwd	1-3-02-012-0	0.187500	0.191000	13.34	0.11	0.14	13.59
Remainder of Western MWD	1-3-02-999-0	0.000000	0.003500	0.00	1,172,883.35	1,548,426.26	2,721,309.61
Agency Totals:				44,659.33	1,173,240.62	1,548,902.62	2,766,802.58
County Totals:				44,659.33	2,015,441.00	2,663,040.10	4,723,140.43
San Bernardino County							
Inland Empire Utilities Agency							
Original Area of Chino Basin MWD	1-4-01-001-0	0.000000	0.003500	0.00	501,573.71	659,469.06	1,161,042.77
Mid-valley Area of Chino Basin MWD	1-4-01-002-0	0.000000	0.003500	0.00	760,106.51	996,567.58	1,756,674.09
Bryant Annexation Area of Chino Basin MWD	1-4-01-003-0	0.000000	0.003500	0.00	873.61	1,163.10	2,036.70
North Perimeter No. 1 Annexation Area of Chino Basin MWD	1-4-01-004-0	0.000000	0.003500	0.00	427.61	569.74	997.35
Agency Totals:				0.00	1,262,981.44	1,657,769.48	2,920,750.92
County Totals:				0.00	1,262,981.44	1,657,769.48	2,920,750.92

Notes: (a) MWD Code-County-Agency-Area-Sub Area

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Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
San Diego County							
San Diego County Water Authority							
Remainder of SDCWA +	1-5-01-999-9	0.000000	0.003500	0.00	5,749,948.84	7,606,463.91	13,356,412.75
Agency Totals:				0.00	5,749,948.84	7,606,463.91	13,356,412.75
County Totals:				0.00	5,749,948.84	7,606,463.91	13,356,412.75
Ventura County							
Calleguas Municipal Water District							
Remainder of Calleguas MWD	1-6-01-999-0	0.000000	0.003500	0.00	1,232,843.38	1,630,604.64	2,863,448.02
Agency Totals:				0.00	1,232,843.38	1,630,604.64	2,863,448.02
County Totals:				0.00	1,232,843.38	1,630,604.64	2,863,448.02
Incl/Excl Totals:				44,659.33	32,925,815.29	43,490,787.82	76,461,262.44

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Excluded from MWD							
Los Angeles County							
City of Los Angeles							
Alhambra Hills	2-1-04-001-0	0.000000	0.002000	0.00	0.00	861.35	861.35
Portion of Reorganization No. 85-2	2-1-04-002-0	0.000000	0.003500	0.00	96.51	128.68	225.18
Agency Totals:				0.00	96.51	990.02	1,086.53
Three Valleys Municipal Water District							
Exclusion From Three Valleys MWD-Azusa Reorg.	2-1-12-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
Central Basin Municipal Water District							
Exclusion from Central Basin MWD - Reorg No. 1-1998	2-1-14-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
Las Virgenes Municipal Water District							
Portion of Reog No. 85-2 Exclusion from Las Virgenes MWD	2-1-15-001-0	0.000000	0.003500	0.00	7.45	9.93	17.37
Agency Totals:				0.00	7.45	9.93	17.37
County Totals:				0.00	103.95	999.95	1,103.90
Riverside County							
Western Municipal Water District							
Exclusion from Original Area of Western MWD	2-3-02-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
County Totals:				0.00	0.00	0.00	0.00

Notes: (a) MWD Code-County-Agency-Area-Sub Area

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Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Excluded from MWD							
San Diego County							
San Diego County Water Authority							
Exclusion from Original Area of Ramona MWD	2-5-01-017-0	0.000000	0.003500	0.00	1.74	2.32	4.05
Exclusions From Ramona No.2 Annexation Area	2-5-01-030-0	0.000000	0.003500	0.00	26.93	35.91	62.85
Rainbow No.3 Annexation Area	2-5-01-041-0	0.000000	0.003500	0.00	45.90	61.20	107.10
Agency Totals:				0.00	74.57	99.43	174.00
County Totals:				0.00	74.57	99.43	174.00
Incl/Excl Totals:				0.00	178.52	1,099.38	1,277.90
Report Totals:				44,659.33	32,925,993.82	43,491,887.20	76,462,540.34

MINUTES

ADJOURNED REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AUGUST 20, 2013

49490 The Board of Directors of The Metropolitan Water District of Southern California met in Adjourned Regular Meeting in the Board Room located in the building at 700 North Alameda Street in the city of Los Angeles, state of California, on Tuesday, August 20, 2013.

Chairman Foley called the Meeting to order at 12:11 p.m.

49491 The Meeting was opened with an invocation by Alicia Benbow, Administrative Analyst, External Affairs.

49492 The Pledge of Allegiance to the Flag was given by Director Laura Friedman.

49493 Board Secretary Morris called the roll. Those answering present were: Directors Abdo, Ackerman, Apodaca, Babcock, Ballin, Barbre, Brown, Camacho, De Jesus, Dick, Edwards, Evans, Fleming, Foley, Friedman, Gray, Griset, Grunfeld, Kurtz, Lewinger, Little, Morris, Mudd, J. Murray, K. Murray, Peterson, Quiñonez, Sanchez, Touhey, Vasquez, and Wunderlich.

Those not answering were: Directors Lowenthal, Pringle, Record, Steiner, and Wilson.

Not Represented: City of Torrance.

Board Secretary Morris declared a quorum present.

49494 At 12:15 p.m., Chairman Foley called a public hearing to receive comments on the standby charge levy supporting Annexation No. 97 to Calleguas Municipal Water District and Metropolitan.

No members of the public responded; and with no protests received from the owners, the Chair closed the public hearing at 12:16 p.m.

49495 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

Alan Shanahan, president of AFSCME Local 1902, commented on Metropolitan using California Employer's Retiree Benefit Trust as the preferred provider for Other Post Employment Benefits. Mr. Shanahan also referred to the proposed ethics changes.

49496 There being no objection, Chairman Foley ordered the reading of the Minutes of the Meeting of July 9, 2013, dispensed with, a copy having been mailed to each Director.

Director Grunfeld moved, seconded by Director Fleming and carried, approving the foregoing Minutes as mailed.

49497 A written report of meetings attended by Directors at Metropolitan expense during the month of July was distributed. The report was received and filed.

49498 Chairman Foley announced that Mr. Michael T. Hogan from San Diego County Water Authority would not take his seat today as a new Director due to illness.

49499 Chairman Foley presented to Director Dick a pin for his ten years of service on Metropolitan's Board, representing Municipal Water District of Orange County.

49500 There were no new committee assignments.

49501 Chairman Foley announced that the dates and times of committee and Board meetings in November would be reviewed at the September Executive Committee meeting due to the holidays in November.

49502 A letter from the General Manager, signed August 14, 2013, was presented, reporting that the original Certificates of the County Auditors for the six counties within which Metropolitan's service territory is included are on file in the Office of the Controller, certifying the fiscal year 2013/14 assessed valuations of all property used for calculating Metropolitan's tax levy. There being no objection, Chairman Foley ordered that the tabulations transmitted with the foregoing letter from the General Manager setting forth the assessed valuations, percentage participation, and vote entitlement of member public agencies of The Metropolitan Water District of Southern California, as of August 15, 2013, based on certificates of assessed valuation of property taxable by Metropolitan for fiscal year 2013/14, as submitted by the various County Auditors, be filed, and that the Board Executive Secretary send a copy to each absent Director and to each member public agency.

Assessed Valuations, Percentage Participation, and Vote
Entitlement of Member Public Agencies of
The Metropolitan Water District of Southern California
as of August 15, 2013

Assessed Valuation

<u>Member Agency</u>	<u>Amount Certified</u>	<u>Percent of Total</u>	<u>Vote Entitlement</u>
Anaheim	\$ 36,087,893,337	1.67	3,609
Beverly Hills	24,152,008,512	1.11	2,415
Burbank	18,901,080,179	0.87	1,890
Calleguas MWD	81,100,246,544	3.74	8,110
Central Basin MWD	115,338,601,554	5.32	11,534
Compton	3,331,345,743	0.15	333
Eastern MWD	55,197,424,644	2.55	5,520
Foothill MWD	14,134,703,805	0.65	1,413
Fullerton	15,219,830,521	0.70	1,522
Glendale	24,165,112,835	1.12	2,417
Inland Empire Utilities Agency	82,769,382,362	3.82	8,277
Las Virgenes MWD	20,079,038,738	0.93	2,008
Long Beach	41,479,253,650	1.91	4,148
Los Angeles	431,353,067,124	19.91	43,135
MWD of Orange County	366,690,698,073	16.92	36,669
Pasadena	22,577,293,860	1.04	2,258
San Diego County Water Authority	378,242,631,731	17.45	37,824
San Fernando	1,544,890,114	0.07	154
San Marino	4,894,877,433	0.23	489
Santa Ana	20,907,441,364	0.96	2,091
Santa Monica	27,326,167,143	1.26	2,733
Three Valleys MWD	52,880,930,203	2.44	5,288
Torrance	23,506,683,208	1.08	2,351
Upper San Gabriel Valley MWD	79,050,509,317	3.65	7,905
West Basin MWD	149,073,339,919	6.88	14,907
Western MWD	76,985,855,030	3.55	7,699
TOTAL ASSESSED VALUATIONS WITHIN METROPOLITAN	<u>\$2,166,990,306,943</u>	<u>100.00</u>	<u>216,699</u>

The above valuations include only those which have been certified by the County Auditors, in accordance with Section 305 of the Metropolitan Water District Act, Statutes of 1969, as amended. The certified valuations have been reduced to reflect Homeowners' Property Exemptions and do not include areas excluded from Metropolitan.

49503 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Board Vice Chairman J. Murray, that the Board adopt the California Environmental Quality Act (CEQA) determination and **Resolution 9157** which fixes the District's secured property tax rate for District purposes for fiscal year 2013/14 at .0035 percent of assessed valuation and an unsecured property tax rate of .0035 percent, together with various tax rates for annexation charges due Metropolitan, thereby producing a total levy of \$95.0 million. After allowing for estimated delinquencies, allocations for successor agencies to redevelopment agencies and adjustments for supplemental tax collections and prior years' tax collections, this results in projected net tax revenues of \$85.8 million, as set forth in the General Manager's letter signed August 16, 2013, said resolution entitled:

A RESOLUTION LEVYING TAXES FOR THE FISCAL YEAR COMMENCING JULY 1, 2013 AND ENDING JUNE 30, 2014 FOR THE PURPOSES OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Chair called for a vote on the motion, which carried.

Directors Lewinger and Mudd requested to be recorded as voting no.

49504 Regarding matters relating to Metropolitan's operations and activities, General Manager Kightlinger referred to the activity report for July dated July 31, 2013, which was posted to the Directors' website.

General Manager Kightlinger announced that Debra Man, Assistant General Manager/Chief Operating Officer, was recently honored as the Water Woman of the Year by the Urban Water Institute.

General Manager Kightlinger commented on the pending water shortage from the Colorado River. Mr. Kightlinger reported on the meeting held with Senator Feinstein and members from federal and state water agencies regarding water supplies for the upcoming years.

49505 Regarding Legal Department activities, General Counsel Scully referred to the General Counsel's activity report for July dated August 13, 2013, which was posted to the Directors' website.

General Counsel Scully had no further report.

49506 General Auditor Riss referred to the Audit Department's activity report for the month of July dated July 31, 2013, which was posted to the Directors' website.

General Auditor Riss reported that representatives from KPMG are currently on-site to start their annual audit.

49507 Ethics Officer Ghaly referred to the Ethics Department activity report for July dated July 31, 2013, which was posted to the Directors' website.

Ethics Officer Ghaly stated that the majority of issues for the Ethics Office this month dealt with the outstanding initiative, which will be taken up later in the meeting. Mrs. Ghaly had no further report.

49508 Director Lewinger requested that Agenda Item 7-3 regarding the exchange and purchase agreement with the San Gabriel Valley Municipal Water District be withdrawn from the Consent Calendar.

Director Grunfeld moved, seconded by Director Edwards and carried, and the Board approved the Consent Calendar Items, **M.I. 49509** through **M.I. 49514**, as follows:

49509 Adopted the California Environmental Quality Act (CEQA) determination that the proposed action is categorically exempt and authorized the General Manager to grant a permanent easement to San Diego Gas and Electric Company in San Diego County, as set forth in the letter signed by the General Manager on July 16, 2013.

49510 Reviewed and considered information in the adopted Mitigated Negative Declaration and adopted the Lead Agency's findings related to the proposed actions, and adopted (a) **Resolution 9158** granting Calleguas Municipal Water District's request for approval of Annexation No. 97 concurrently to Calleguas and Metropolitan and establishing

Metropolitan's terms and conditions for the annexation, conditioned upon approval by Ventura Local Agency Formation Commission, and upon receipt of annexation fee of \$8,149.28; and (b) **Resolution 9159** 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, as set forth in the letter signed by the General Manager on July 31, 2013, said resolutions entitled:

Resolution 9158 **RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO CALLEGUAS MUNICIPAL WATER DISTRICT'S ANNEXATION NO. 97 AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

Resolution 9159 **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. 97**

49511 Adopted the CEQA determination that the proposed action is categorically exempt and (a) appropriated \$610,000 (Appropriation No. 15391, No. 10, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and authorized (b) final design to replace the HVAC system at Metropolitan's Water Quality Laboratory; and (c) procurement and installation of a new chiller unit, as set forth in the letter signed by the General Manager on July 31, 2013.

49512 Adopted the CEQA determination that the proposed action is statutorily and categorically exempt and (a) appropriated \$350,000 (Appropriation No. 15441, No. 56, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and authorized (b) installation of pavement at Temescal Power Plant; and (c) preliminary design of pavement repairs at the Skinner area facilities, as set forth in the letter signed by the General Manager on July 31, 2013.

49513 Adopted the CEQA determination that the proposed action is categorically exempt and (a) appropriated \$175,000 (Appropriation No. 15441, No. 57, from the Revenue Bonds,

Replacement and Refurbishment or General Funds); and authorized (b) preliminary design to upgrade the surge tank system at the OC-88 Pumping Plant; and (c) preliminary design to replace a sectionalizing valve on the Santiago Lateral, as set forth in the letter signed by the General Manager on August 7, 2013.

49514 Adopted the CEQA determination that the proposed action is not subject to CEQA and authorized agreements with AECOM, Black & Veatch, HDR Engineering, and MWH Americas, in an amount not to exceed \$2 million per year each for a maximum period of five years, to provide engineering services, as set forth in the letter signed by the General Manager on August 7, 2013.

Board Secretary Morris requested to be recorded as abstaining.

49515 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Director Dick, that the Board adopt the CEQA determination that the project is categorically exempt and authorize the General Manager to enter into an exchange and purchase agreement with San Gabriel Valley Municipal Water District consistent with the terms in Attachment 1 to the board letter signed by the General Manager on August 7, 2013.

Director Lewinger inquired about the costs associated with the program, which staff responded to.

Chairman Foley called for the motion, which carried.

Directors Lewinger and Mudd requested to be recorded as voting no.

49516 Audit and Ethics Committee Chairman Edwards moved, seconded by Director Quiñonez, that the Board adopt the CEQA determination that the proposed actions are not subject to CEQA and adopt (a) the policy principles in Attachment 1 to the board letter; (b) the investigations procedures in Attachment 2 to the board letter; and (c) authorize adjustment to the Ethics Department fiscal year 2013/14 budget, as set forth in the letter signed by the Ethics Officer on August 15, 2013.

A discussion took place among the Directors and Ethics Officer Ghaly regarding the new guidelines, the increase in the

budget, and having workshops to review and clarify the policy and procedures.

Director Evans moved a substitute motion that the Board adopt the CEQA determination that the proposed actions are not subject to CEQA and adopt (a) the policy principles in Attachment 1 to the board letter; and (b) the investigations procedures in Attachment 2 to the board letter as set forth in the letter signed by the Ethics Officer on August 15, 2013. The substitute motion was seconded by Director Peterson.

Following further discussion, Director Camacho offered a second substitute motion to divide the original motion into two separate motions: first consider parts (a) and (b) as one motion; and consider part (c) in another motion. The second substitute motion was seconded by Director Lewinger.

After further comments regarding all the motions, Directors Evans and Camacho withdrew their substitute motions.

Chairman Foley then called for a vote on the original motion to adopt the CEQA determination that the proposed actions are not subject to CEQA and adopt (a) the policy principles in Attachment 1 to the board letter; (b) the investigations procedures in Attachment 2 to the board letter; and (c) authorize adjustment to the Ethics Department fiscal year 2013/14 budget, as set forth in the letter signed by the Ethics Officer on August 15, 2013.

The following is a record of the vote on the original motion:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Compton (Dir. Sanchez, 333 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 43,135 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger and Mudd. Absent: Dirs. Steiner and Wilson. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus,

5,288 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dir. Gray, 7,453.5 votes). Total 138,960.5 votes.

Noes: Fullerton (Dir. Babcock, 1,522 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman, Barbre, and Dick. Not Participating: Dir. Foley. 36,669 votes), West Basin Municipal Water District (Dir. Little, 7,453.5 votes). Total 47,652.5 votes.

Abstain: Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 7,699 votes.

Absent: Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Long Beach (Dir. Lowenthal, 4,148 votes), Pasadena (Dir. Kurtz, 2,258 votes). Total 20,036 votes.

Not Represented: Torrance (2,351 votes). Total 2,351 votes.

Chairman Foley declared the original motion passed by a vote of 138,960.5 ayes; 47,652.5 noes, 7,699 abstain, and 2,351 absent.

49517 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Director Babcock, that the Board adopt the CEQA determination that the project is not subject to CEQA and authorize the General Manager, with approval of the General Counsel, to execute a contract with PFM Asset Management (PFMAM) to administer and invest Metropolitan's pre-funding of Other Post Employment Benefits (OPEB), as set forth in the letter signed by the General Manager on August 6, 2013.

Following a discussion on the costs of the program offered by the three providers, Director Peterson moved a substitute motion that the Board adopt the CEQA determination that the project is not subject to CEQA and authorize the General Manager, with approval of the General Counsel, to execute a contract with California Employer's Retiree Benefit Trust (CERBT) to administer and invest Metropolitan's pre-funding of Other Post Employment Benefits (OPEB), as set forth in the letter signed by the General Manager on August 6, 2013.

Chairman Foley called for a vote on the substitute motion.

The following is a record of the vote:

Ayes: Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Compton (Dir. Sanchez, 333 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Dirs. Fleming, J. Murray, and Quiñonez, 32,351.25 votes), San Diego County Water Authority (Ayes: Dirs. Lewinger and Mudd. Absent: Dirs. Steiner and Wilson. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), West Basin Municipal Water District (Dir. Gray, 7,453.5 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 126,014.25 votes.

Noes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Babcock, 1,522 votes), Los Angeles (Dir. Grunfeld, 10,783.75 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman, Barbre, and Dick. Not Participating: Dir. Foley. 36,669 votes), Santa Ana (Dir. Griset, 2,091 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes). Total 68,297.75 votes.

Abstain: None.

Absent: Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Long Beach (Dir. Lowenthal, 4,148 votes), Pasadena (Dir. Kurtz, 2,258 votes). Total 20,036 votes.

Not Represented: Torrance (2,351 votes). Total 2,351 votes.

Chairman Foley declared the substitute motion passed by a vote of 126,014.25 ayes; 68,297.75 noes, and 2,351 absent.

49518 Engineering and Operations Committee Chairman Evans moved, seconded by Director De Jesus and carried, that the Board adopt the CEQA determination that the proposed action is categorically exempt and (a) appropriate \$19.3 million (Appropriation No. 15380, No. 25, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) award \$11.11 million contract to Southern Contracting Company to construct the Stage 2 electrical upgrades at the Diemer plant, as set forth in the letter signed by the General Manager on July 31, 2013.

49519 Engineering and Operations Committee Chairman Evans moved, seconded by Director Sanchez and carried, that the Board adopt the CEQA determination that the proposed action has been previously addressed in the certified EIR and that no further environmental analysis or documentation is required and (a) appropriate \$5.65 million (Appropriation No. 15369, No. 39, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) award \$3,801,758 contract to J. F. Shea Construction, Inc. for seismic upgrades to the Weymouth filter buildings, as set forth in the letter signed by the General Manager on August 7, 2013.

Directors Fleming and K. Murray withdrew from the meeting at 1:47 p.m.

49520 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Director Babcock and carried, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and authorize (a) the General Manager to sign a nonbinding Memorandum of Understanding stating Metropolitan's intention to pay its proportionate share of the Hoover Dam Visitors Center and the Hoover Dam Air Slots debt obligations, as approved the General Manager and General Counsel; and (b) the General Manager to provide approximately \$26 million of available cash funding from the Water Rate Stabilization Fund to repay Metropolitan's proportionate share of the Hoover Dam Visitors Center and the Hoover Dam Air Slots debt obligations, with the exact amount to be determined at the time of the repayment, as set forth in the letter signed by the General Manager on August 7, 2013.

49521 Engineering and Operations Committee Chairman Evans moved, seconded by Director Mudd and carried, that the Board adopt the CEQA determination that the action is not subject to CEQA and adopt **Resolution 9160** authorizing the General Manager to apply for Safe Drinking Water State Revolving Fund financing for two projects, with separate applications for (a) the Palos Verdes Reservoir floating cover replacement; and (b) enhanced bromate control, coagulation, and filter biomass control at the Weymouth plant, as set forth in the letter signed by the General Manager on July 31, 2013, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AUTHORIZING SUBMITTAL OF APPLICATIONS FOR STATE REVOLVING FUND FUNDING FROM THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH FOR THE PALOS VERDES RESERVOIR COVER REPLACEMENT AND WEYMOUTH ENHANCED BROMATE CONTROL/COAGULATION/FILTER BIOMASS CONTROL PROJECTS

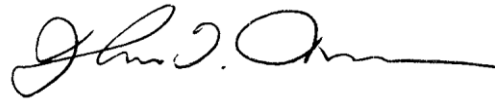
Director Fleming returned to the meeting at 1:50 p.m.

49522 Communications and Legislation Committee Chair Ackerman moved, seconded by Board Secretary Morris and carried, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and is categorically exempt and authorize the General Manager to express Metropolitan's opposition to Senate Bill 731 (Steinberg, D-Sacramento) - California Environmental Quality Act Modernization Act of 2013, unless amended as described in the board letter signed by the General Manager on August 9, 2013.

49523 Communications and Legislation Committee Chair Ackerman moved, seconded by Director Babcock and carried, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and is categorically exempt and authorize the General Manager to express Metropolitan's opposition to Assembly Bill 52 (Gatto, D-Silver Lake) - Native Americans: California Environmental Quality Act, unless amended as described in the board letter signed by the General Manager on August 9, 2013.

Director Friedman requested to be recorded as voting no.

49524 There being no objection, at 1:50 p.m., Chairman Foley adjourned the Meeting in memory of Clayton Record, Jr., brother of Director Randy Record; and Roslyn Menkes, mother of Director Fern Steiner.



JOHN T. MORRIS
SECRETARY



JOHN V. FOLEY
CHAIRMAN

RESOLUTION 9157

**A RESOLUTION LEVYING TAXES FOR THE FISCAL YEAR
COMMENCING JULY 1, 2013 AND ENDING JUNE 30, 2014
FOR THE PURPOSES OF THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA**

The Board of Directors of The Metropolitan Water District of Southern California, after receiving, considering, and evaluating evidence and all material factors pertaining thereto, including budget requirements, water rates and revenues, and tax rates and revenues, finds, determines, and resolves:

Section 1.

FINDINGS

Water Rates

With full review of (1) evidence presented, and (2) all material factors and considerations, the Board of Directors has fixed water rates to be effective for the fiscal year beginning July 1, 2013, which, in the debated, informed and considered discretion of the Board, are in compliance with Section 134 of the Metropolitan Water District Act, in that the Board, so far as practicable, has fixed such rates as will result in revenue which will pay the District's operating expenses, provide for maintenance and repairs, provide for payment of the purchase price or other charges for property or services or other rights acquired by the District, and provide for the payment of the interest and principal of District bonds, notes and other evidences of indebtedness under the applicable provisions of the Metropolitan Water District Act authorizing debt issuance and retirement.

Taxation

In its informed discretion, based upon full review of evidence presented and all material factors and considerations, including the budget and Resolution 9156 adopted by the Board on June 11, 2013, the Board of Directors finds and determines that the District's revenues for the said fiscal year from water sales and sources other than ad valorem property taxes, after payment of the District's operation and maintenance expenses, the operation, maintenance, power, and replacement charges due under the District's State contract, revenue bond service, deposits to the revenue bond reserve fund, short term revenue certificate (commercial paper note) service, net costs of operating equipment, and net inventory costs during the fiscal year, as well as the maintenance of prudent reserves for unforeseen District expenditures or unforeseen reduction in District revenue, will be insufficient to provide for general obligation bond service and to pay the District's remaining contract obligations to the State of California for sale and delivery of water. Therefore, the Board finds and determines that it is necessary, and required by law, to levy taxes as provided in this Resolution and the exhibits attached, sufficient, when taken with other revenues available for the purpose, to meet all of the foregoing obligations and financial requirements, in the amounts and rates set forth in this Resolution and the schedules attached and incorporated therein.

Consistent with Section 124.5 of the Metropolitan Water District Act and Resolution 9156 adopted by the Board on June 11, 2013, the Board of Directors finds and determines that maintaining the tax rate at .0035 percent of

assessed valuation for FY 2013/14 is essential to Metropolitan's fiscal integrity. Further, a gross tax levy of \$95 million is necessary to preserve Metropolitan's overall financial health for the reasons stated in Resolution 9156.

Section 2.

DEFINITIONS

The following terms as used herein shall have the following meanings:

(1) "MWD OF SC" shall mean The Metropolitan Water District of Southern California

"MWD" shall mean Municipal Water District

"SDCWA" shall mean the San Diego County Water Authority

"ID" shall mean Irrigation District

"PUD" shall mean Public Utility District.

(2) "Fiscal year" shall mean the fiscal year commencing July 1, 2013 and ending June 30, 2014.

(3) "Schedule A and B" as shown in Section 9 shall mean:

Schedule A - a tabulation setting forth for the fiscal year the estimated funds to be produced by MWD of SC tax levies made by this resolution.

Schedule B - a tabulation setting forth for the fiscal year such tax rates as set forth in Sections 4, 5, and 6 hereof, the total tax rates, and the amounts of money to be derived from respective areas from the tax levies made by this resolution.

(4) The following city areas represent the corporate areas of cities at their respective times of annexation to MWD of SC, and may include areas subsequently annexed to said city areas at times when such areas were not within MWD of SC, and may include those areas which, at the time of their respective annexation to said city areas, were within non-city member public agencies and subsequently excluded from such non-city member public agencies:

"City of Beverly Hills Area"	December 6, 1928
"City of Burbank Area"	December 6, 1928
"City of Glendale Area"	December 6, 1928
"City of Los Angeles Area" (Including portion of Original Area of Las Virgenes MWD excluded from Las Virgenes MWD on November 9, 1962)	December 6, 1928
"City of Pasadena Area"	December 6, 1928
"City of San Marino Area"	December 6, 1928
"City of Santa Monica Area"	December 6, 1928
"City of Long Beach Area"	February 27, 1931
"City of Torrance Area"	February 27, 1931
"City of Compton Area"	June 23, 1931
"City of San Fernando Area"	November 12, 1971

- (5) “West Basin MWD” shall include the following areas; annexed to West Basin MWD and to MWD of SC on the dates cited:

Original Area	July 23, 1948
City of Gardena Area	December 9, 1948
Inglewood Area	June 9, 1952
Dominguez Area	October 16, 1952
Hawthorne Area	October 23, 1953
La Casa Territory Area	November 23, 1953
A B C Territory Area	January 11, 1955
Culver City-County Territory Area	January 11, 1955
Frawley Territory Area	January 13, 1958
Imperial Strip Territory Area	November 22, 1960
Marina Area	January 10, 1962
Belle View Area	November 12, 1963
Municipal Parking Area	November 12, 1963
La Tijera Area	December 21, 1965
Jefferson Blvd. Area	October 30, 1969
Marina Second Fringe Area	May 3, 1978
West Hollywood Area	June 23, 1981

- (6) “Three Valleys MWD” shall include the following areas, annexed to Three Valleys MWD (formerly Pomona Valley MWD) and to MWD of SC on the dated cited:

Original Area	November 15, 1950
Glendora Area	October 2, 1952
Rowland Area	June 15, 1953
Stephens Area	November 27, 1957

- (7) “Foothill MWD” shall include the following areas, annexed to Foothill MWD and to MWD of SC on the dates cited:

Original Area of Foothill MWD	January 15, 1953
Foothill First Fringe Area	March 21, 1968
Foothill Second Fringe Area	November 21, 1968
La Vina Annexation	July 13, 1993

- (8) “Central Basin MWD” shall include the following areas, annexed to Central Basin MWD and to MWD of SC on the dates cited:

Original Area	November 12, 1954
Compton Territory Area	January 4, 1957
Bellflower Territory Area	December 30, 1958
Shoestring Strip Territory Area	January 23, 1961
Signal Hill Territory Area	November 14, 1963
Lakewood Area	November 14, 1963
Vernon Area	June 24, 1965
Dairy Valley Area	June 21, 1967
Boyle Heights Area	July 24, 1967

Cerritos Area December 22, 1969
Hawaiian Gardens Area November 22, 1977

- (9) “Las Virgenes MWD” shall include the following areas annexed to Las Virgenes MWD and to MWD of SC on the dates cited, excluding that portion annexed to the City of Los Angeles on November 9, 1962:

Original Area December 1, 1960
Twin Lakes Area March 12, 1965
Bell Canyon Area March 16, 1966
Hidden Hills Annexation 87-1 April 22, 1988

- (10) “Upper San Gabriel Valley MWD” shall include the following areas annexed to Upper San Gabriel Valley MWD and to MWD of SC on the dates cited:

Original Area March 27, 1963
West Covina Area November 1, 1965
Garvey Reservoir Area December 1, 1976
Mountain Cove Annexation July 17, 2002

- (11) The following city areas represent the corporate areas of cities at their respective times of annexation to MWD of SC, and may include areas subsequently annexed to said city areas at times when such areas were not within MWD of SC, and may include those areas which, at the time of their respective annexation to said city areas, were within non-city member public agencies and subsequently excluded from such non-city member public agencies:

City of Anaheim Area December 6, 1928

Including:

Serrano/Nohl Ranch Rd. Reorganization (RO 01-05),
Parcel 2, detached from MWD of Orange County on
April 19, 2001;
Reorganization Area 1 (RO 03-17) detached from
MWD of Orange County on August 26, 2003;
Reorganization Area 2 (RO 03-17) detached from
MWD of Orange County on August 26, 2003;
Reorganization Brookhurst ARCO (RO 02-02) detached
from MWD of Orange County on July 8, 2003;
North-Central Islands Annexation (IA 04-08) detached
from MWD of Orange County on August 20, 2004;
Serrano Heights Reorganization (RO 04-01) detached
from MWD of Orange County on May 28, 2004;
Ball Road/Santa Ana River Reorganization (RO 04-02)
detached from MWD of Orange County on
December 13, 2004

City of Santa Ana Area December 6, 1928

Including:

Reorganization Area 4 (RO 03-17) detached from
MWD of Orange County on August 26, 2003

City of Fullerton Area

February 27, 1931

Including:

Hawks Point Reorganization (RO 00-11) detached from
MWD of Orange County on April 19, 2001;

Reorganization Area 3 (RO 03-17) detached from
MWD of Orange County on August 26, 2003;

Page Avenue Island Annex. (IA 04-14) detached from
MWD of Orange County on November 3, 2004;

Somerset Island Annex. (IA 04-15) detached from
MWD of Orange County on November 3, 2004

- (12) “Remainder of MWD of Orange County” shall include the following areas, annexed to MWD of Orange County and to MWD of SC on the dates cited excluding that portion thereof of Reorganization No. 62 annexed to Coastal MWD on March 7, 1984:

Original Area

November 26, 1951

Annexation No. 1 Territory Area

November 25, 1957

Annexation No. 4 Territory Area

December 11, 1958

Annexation No. 5 Territory Area

December 7, 1959

Annexation No. 7 Territory Area

December 8, 1960

Annexation No. 10 Territory Area

December 11, 1961

Annexation No. 11 Territory Area

January 6, 1964

Annexation No. 8A Territory Area

March 29, 1965

Annexation No. 8B Territory Area

March 29, 1965

Annexation No. 8D Territory Area

March 29, 1965

Annexation No. 8E Territory Area

March 29, 1965

Annexation No. 8F Territory Area

March 29, 1965

Annexation No. 8G Territory Area

March 29, 1965

Annexation No. 8H Territory Area

March 29, 1965

Annexation No. 13 Territory Area

June 30, 1969

(Excluded from Coastal MWD for purpose of such annexation)

Annexation No. 16 Territory Area

November 7, 1972

Annexation No. 15 Territory Area

November 15, 1972

Annexation No. 18 Territory Area

December 16, 1982

Annexation No. 19 Territory Area

December 27, 1983

Annexation No. 17 Territory Area

December 29, 1983

City of Brea Area

March 7, 1984

Brea Fringe Annexation Area

March 7, 1984

Serrano/Nohl Ranch Road Reorganization Parcel 1
(RO 01-05) detached from City of Anaheim

April 19, 2001

Coastal MWD

January 17, 2001

Coastal MWD and MWD of Orange County have been consolidated into a single district (RO 97-06) effective January 17, 2001. It shall include the following areas, annexed to Coastal MWD and to MWD of SC on the dates cited:

Original Area

June 15, 1942

Fairview Farms Area	September 21, 1946
Irvine Subdivision Areas	November 26, 1948
1948 Portion of City of Newport Beach Area	November 29, 1948
Parts of Dana Point Area	August 3, 1949
Capistrano Beach-San Clemente Area	October 28, 1954
Tri-Cities Annexation No. 2 Area	December 12, 1962
Laguna Canyon Annexation Area	December 20, 1962
Lido Sands Annexation Area	January 6, 1964
Laguna Niguel Area	June 30, 1969
(Including Reorganization 32 Parcel A Area excluded from Annexation No. 4 on January 4, 1977)	
Tri-Cities Annexation No. 79-1 Area	December 22, 1982
Reorganization No. 62 Parcel C and that portion of Parcel B Area excluded from Annexation No. 5 of MWD of Orange County	March 7, 1984
Reorganization No. 64 Area excluded from Annexation No. 7 of MWD of Orange County	March 18, 1983
Reorganization No. 123 excluded from Annexation No. 7 of MWD of Orange County	August 6, 1990

- (13) "Remainder of Eastern MWD" shall include the following areas, annexed to Eastern MWD and to MWD of SC on the dates cited:

Original Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	July 20, 1951
Adjacent Area	May 22, 1953
First Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	April 20, 1956
Third Fringe Area (Area excluded from Original Area of Western MWD)	November 20, 1958
Fourth Fringe Area	December 6, 1960
Fifth Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	May 31, 1962
Sixth Fringe Area	December 10, 1962
Seventh Fringe Area	March 11, 1963
Eight Fringe Area	April 23, 1963
Ninth Fringe Area	April 23, 1963
Tenth Fringe Area	September 22, 1964
Eleventh Fringe Area	September 22, 1964
Twelfth Fringe Area	October 22, 1965
Thirteenth Fringe Area (Portion of area excluded from Eastern MWD and annexed to Western MWD)	October 13, 1967
Fourteenth Fringe Area	October 23, 1967
Sixteenth Fringe Area (Area excluded from First Fringe Area of Western MWD)	July 1, 1969
Fifteenth Fringe Area	August 12, 1969

Seventeenth Fringe Area	March 5, 1970
Eighteenth Fringe Area	March 5, 1970
Nineteenth Fringe Area	May 8, 1970
Twentieth Fringe Area	September 29, 1971
Twenty-First Fringe Area	September 30, 1971
Twenty-Second Fringe Area	April 27, 1972
Twenty-Third Fringe Area	May 23, 1975
Twenty-Fourth Fringe Area	December 30, 1975
Twenty-Fifth Fringe Area	April 26, 1983
Twenty-Sixth Fringe Area	November 27, 1985
Twenty-Seventh Fringe Area	December 19, 1985
Twenty-Eighth Fringe Area	November 18, 1986
Twenty-Ninth Fringe Area	May 4, 1987
Thirty-First Fringe Area	July 9, 1987
Thirty-Second Fringe Area	July 9, 1987
Thirty-Third Fringe Area	August 27, 1987
Thirtieth Fringe Area	December 15, 1987
Thirty-Fourth Fringe Area	March 16, 1988
Thirty-Fifth Fringe Area	May 2, 1988
Thirty-Eighth Fringe Area	October 14, 1988
Thirty-Sixth Fringe Area	December 5, 1988
Fortieth Fringe Area	August 1, 1989
Forty-Second Fringe Area	May 25, 1990
Forty-Third Fringe Area	June 19, 1990
Thirty-Ninth Fringe Area	July 13, 1990
Forty-First Fringe Area	July 27, 1990
Forty-Fifth Fringe Area	March 13, 1991
Forty-Seventh Fringe Area	June 3, 1991
Forty-Eighth Fringe Area	November 21, 1991
Forty-Ninth Fringe Area	November 21, 1991
Fiftieth Fringe Area	November 21, 1991
Fifty-First Fringe Area	December 19, 1991
Forty-Fourth Fringe Area	June 3, 1992
Fifty-Second Fringe Area	June 29, 1992
Forty-Sixth Fringe Area	July 7, 1992
Fifty-Third Fringe Area	August 27, 1992
Fifty-Fifth Fringe Area	April 29, 1993
Fifty-Sixth Fringe Area	June 22, 1993
Fifty-Eighth Fringe Area	June 22, 1993
Fifty-Ninth Fringe Area	June 22, 1993
Sixtieth Fringe Area	November 29, 1993
Fifty-Seventh Fringe Area	December 9, 1994
Sixty-Second Fringe Area	July 3, 1996
Sixty-Third Fringe Area	October 28, 1996
Sixty-Fourth Fringe Area	August 28, 1997
Sixty-Fifth Fringe Area	December 28, 2000
Seventieth Fringe Area	August 29, 2001
Sixty-Seventh Fringe Area Reorganization (Area detached from portion of Original Area of Western MWD)	August 29, 2001
Sixty-Eighth Fringe Area	January 15, 2002
Seventy-First Fringe Area	June 20, 2002

Sixty-Ninth Fringe Area	November 27, 2002
Seventy-Second Fringe Area	October 21, 2003
Sixty-Sixth Fringe Area	November 17, 2003
Seventy-Third Fringe Area	November 17, 2003
Seventy-Fourth Fringe Area	November 17, 2003
Seventy-Fifth Fringe Area	June 2, 2004
Seventy-Sixth Fringe Area	April 6, 2004
Seventy-Eighth Fringe Area	April 19, 2005
Eighty-Third Fringe Area	December 15, 2005
Seventy-Ninth Fringe Area	December 20, 2005
Eighty-First Fringe Area	December 20, 2005
Eighty-Fourth Fringe Area	December 20, 2005
Eighty-Seventh Fringe Area	February 14, 2006
Eighty-Sixth Fringe Area	March 24, 2006
Eighty-Fifth Fringe Area	May 22, 2006
Eighty-Eighth Fringe Area	May 22, 2006
Eighty-Ninth Fringe Area	June 28, 2006
Ninety-Second Fringe Area	August 2, 2006
Ninety-First Fringe Area	November 28, 2006
Ninety-Fifth Fringe Area	December 14, 2006
Ninetieth Fringe Area	December 19, 2006
Ninety-Seventh Fringe Area	April 16, 2007
Ninety-Third Fringe Area	July 26, 2007
101st Fringe Area	January 24, 2008
Ninety-Ninth Fringe Area Reorganization (Area detached from Western Municipal Water District)	September 10, 2008
100 th Fringe Area	November 17, 2008
Ninety-Sixth Fringe Area	December 11, 2008
102 nd Fringe Area	December 22, 2009

- (14) “Eleventh Fringe Area of Western MWD” shall mean the Eleventh Fringe area annexed to Western MWD and to MWD of SC on July 17, 1969.
- (15) “Fifteenth Fringe Area of Western MWD” shall mean the Fifteenth Fringe area annexed to Western MWD and to MWD of SC on July 13, 1972. (Said area lying entirely within the County of Orange.)
- (16) “Remainder of Western MWD” shall include the following areas, annexed to Western MWD and to MWD of SC on the dates cited:

Original Area (Portion of area excluded from Western MWD and annexed to Eastern MWD)	November 12, 1954
First Fringe Area (Portion of area excluded from Western MWD and annexed to Eastern MWD)	December 20, 1957
Second Fringe Area	December 18, 1961
Third Fringe Area	June 27, 1962
Fifth Fringe Area	July 2, 1964
Fourth Fringe Area	December 19, 1966
Seventh Fringe Area	December 19, 1966
Eighth Fringe Area	September 18, 1967

(Area excluded from Fifth Fringe Area of Eastern MWD on July 26, 1967)	
Sixth Fringe Area	September 27, 1967
Ninth Fringe Area	November 17, 1967
Tenth Fringe Area	June 12, 1968
Thirteenth Fringe Area (Area excluded from Fifth Fringe Area of Eastern MWD)	June 23, 1969
Twelfth Fringe Area (Area excluded from First Fringe Area of Eastern MWD)	July 1, 1969
Fourteenth Fringe Area	October 11, 1973
Sixteenth Fringe Area (Area excluded from Thirteenth Fringe Area of Eastern MWD)	August 30, 1977
Seventeenth Fringe Area	December 23, 1980
Eighteenth Fringe Area	December 15, 1981
Twentieth Fringe Area	December 4, 1987
Twenty-Second Fringe Area	October 14, 1988
Twenty-First Fringe Area	December 5, 1988
Twenty-Third Fringe Area	November 3, 1989
Twenty-Fourth Fringe Area	May 18, 1990
Twenty-seventh Fringe Area	May 18, 1990
Twenty-Sixth Fringe Area	June 6, 1990
Twenty-Fifth Fringe Area	July 13, 1990
Twenty-Eighth Fringe Area	January 28, 1991
Thirtieth Fringe Area	March 13, 1991
Twenty-Ninth Fringe Area	November 4, 1991
Thirty-First Fringe Area	February 19, 1992
Thirty-Third Fringe Area	May 26, 1993
Thirty-Fourth Fringe Area (Area excluded from Fifth Fringe Area of Eastern MWD)	October 31, 1994
Thirty-Sixth Fringe Area (Area excluded from Original Area of Eastern MWD)	September 29, 1997
Thirty-Seventh Fringe Area	December 30, 1997
Thirty-Eighth Fringe Area	June 29, 1999
Fortieth Fringe Area	November 22, 1999
Thirty-Ninth Fringe Area	October 24, 2000
Forty-First Fringe Area	December 28, 2000
Forty-Fifth Fringe Area	June 20, 2002
Forty-Second Fringe Area (Area excluded from Fifth Fringe Area of Eastern MWD)	February 7, 2002
Forty-Sixth Fringe Area	November 24, 2003
Forty-Eighth Fringe Area	December 15, 2003
Forty-Ninth Fringe Area	April 28, 2004
Fiftieth Fringe Area	May 27, 2005
Forty-Seventh Fringe Area	June 21, 2005
Forty-Fourth Fringe Area	June 22, 2006

(17) “Original Area of Chino Basin MWD” shall mean the area of Chino Basin MWD annexed to MWD of SC on November 26, 1951.

(18) “Mid-Valley Area of Chino Basin MWD” shall mean the Mid-Valley area annexed to

Chino Basin MWD and to MWD of SC on April 20, 1954.

- (19) “Bryant Annexation Area of Chino Basin MWD” shall mean the “Bryant Annexation area annexed to Chino Basin MWD and to MWD of SC on November 25, 1957.
- (20) “North Perimeter No. 1 Annexation Area of Chino Basin MWD” shall mean the North Perimeter No. 1 Annexation area annexed to Chino Basin MWD and to MWD of SC on November 28, 1969.
- (21) “Remainder of SDCWA” shall include the following areas annexed to SDCWA and to MWD of SC on the dates cited:

Original Area of SDCWA Annexation (Including areas subsequently annexed to city public agencies which were included within Original Area of SDCWA at times when such areas were not within MWD of SC, and areas excluded from non-city public agencies of SDCWA at times when such areas were within said city public agencies)	December 17, 1946
Crest PUD Territory Area	December 13, 1948
San Dieguito ID Area	December 13, 1948
Santa Fe ID Area	December 13, 1948
1950 Fallbrook PUD Annexation Area (Including De Luz Heights MWD Reorganization, originally De Luz Heights MWD annexed to MWD of SC on June 28, 1967 and dissolved on July 1, 1990)	August 1, 1950
City of Escondido Area	October 9, 1950
San Diego Gas and Electric Company Area	May 14, 1952
San Diego Eucalyptus Company’s Lands Area	July 18, 1952
South Bay ID Area	November 3, 1952
Rainbow MWD Area	April 10, 1954
City of Poway Area	April 21, 1954
Bueno Colorado MWD Area (Area dissolved and annexed to Rainbow MWD, Vista Irrigation District, Carlsbad MWD and Vallecitos Water District on November 24, 1993)	June 11, 1954
Rincon Del Diablo MWD	June 14, 1954
Costa Real MWD Area	June 16, 1954
El Cajon Valley-Dry Island Area (Including Lakeside-Boukai Joint Venture Reorganization detached from Padre Dam MWD on September 11, 1996)	December 20, 1954
Valley Center MWD Area	May 9, 1955
Sweetwater Reservoir Area	October 10, 1955
Padre Dam MWD Area	June 7, 1956
Bueno Colorado Annexation No. 1 Area	June 11, 1956
Otay MWD Area	October 26, 1956
Original Area of Ramona MWD within MWD of SC	August 27, 1957
Fallbrook No. 2 Annexation Area	November 24, 1958
Helix Watson Ranch-Island Area	February 20, 1959
Rainbow No. 1 Annexation Area	May 12, 1959
Ramona No. 1 Annexation Area	May 29, 1959
Helix-Fletcher Annexation Area	June 26, 1959
San Dieguito Concurrent Annexation No. 1 Area	September 15, 1959

Helix-Sunnyslope Heights Annexation Area	September 17, 1959
Poway No. 1 Annexation Area	September 21, 1959
Padre Dam MWD No. 2 Annexation Area	November 6, 1959
Padre Dam MWD No. 1 Annexation Area	November 10, 1959
San Dieguito Local Inclusion Annexation Area	November 18, 1959
Santa Fe No. 1 Annexation Area	November 30, 1959
Olivenhain MWD Area	July 25, 1960
(Including Encinitas Municipal Services Reorganization Parcels 1, 2, & 3 detached from San Dieguito No. 2 Annexation Area of SDCWA on June 16, 1995)	
Helix-Willis-Houston Annexation Area	August 10, 1960
Padre Dam MWD No. 3 Annexation Area	October 16, 1960
Otay No. 3 Annexation Area	October 20, 1960
Valley Center No. 1 Annexation Area	December 12, 1960
Rincon del Diablo No. 1 Annexation Area	December 12, 1960
Ramona No. 2 Annexation Area within MWD of SC	September 22, 1961
Rincon del Diablo No. 2 Annexation Area	September 29, 1961
City of Del Mar Area	November 23, 1962
Ramona No. 3 Annexation Area	September 20, 1963
Yuima MWD Area	December 16, 1963
(Excluding Adams/Fitzsimmons Reorganization Parcel 1 annexed to Valley Center MWD, including Adams/Fitzsimmons Reorganization Parcel 2 excluded from Valley Center MWD on March 26, 1991)	
Rincon del Diablo No. 3 Annexation Area	August 27, 1964
Olivenhain No. 1 Annexation Area	February 11, 1965
South Bay Tidelands Area	May 11, 1965
De Luz Heights Annexation Area (Reorganization)	June 28, 1967
Olivenhain No. 4 Annexation Area	November 13, 1967
Yuima No. 1 Annexation Area	November 21, 1967
Ramona Dos Picos Area	November 27, 1967
Ramona No. 4 Annexation Area	November 27, 1967
Valley Center No. 2 Annexation Area	November 29, 1967
Valley Center No. 3 Annexation Area	November 30, 1967
Rainbow No. 3 Annexation Area of SDCWA within MWD of SC” shall mean the Rainbow No. 3 Annexation area annexed to SDCWA and to MWD of SC; omitting therefrom the Werner Detachment excluded on August 4, 1980, the Brown Detachment excluded on January 1, 1981, and the Mann- Gosser Detachment excluded on March 4, 1981 from SDCWA and MWD of SC.	December 6, 1967
De Luz Heights No. 1 Annexation Area	October 15, 1969
Yuima No.2 Annexation Area	November 24, 1969
Fallbrook Community Air Park Annexation Area of SDCWA shall mean the Fallbrook Community Air Park Annexation area annexed to SDCWA and to MWD of SC	December 22, 1969
Padre Dam MWD No. 4	August 3, 1970
Ramona No. 5 Annexation Area	May 17, 1972
Rincon del Diablo No. 4 Annexation Area	November 2, 1972
San Dieguito No. 2 Annexation Area	December 8, 1972
(Including Encinitas Municipal Services Reorganization	

on June 16, 1995)	
Santa Fe No. 2 Annexation Area	April 11, 1973
Valley Center No. 4 Annexation Area	November 5, 1973
Rainbow No. 5 Annexation Area	November 22, 1973
San Onofre State Beach and Park Area	December 16, 1977
Pendleton Military Reservation Area -Nuclear Generating Plant Portion	December 16, 1977
Remainder of Pendleton Military Reservation Area	December 16, 1977
Rancho Jamul Estates Annexation Area	March 13, 1979
Lake Hodges Estates Annexation Area	June 26, 1980
Burdick Annexation No. 5 Area to Padre Dam MWD	July 26, 1982
Palo Verde Annexation No. 6 Area to Padre Dam MWD	November 15, 1983
Lake Ranch Viejo Annexation to Rainbow MWD	December 13, 1983
Honey Springs Ranch Annexation Area to Otay MWD	December 14, 1983
Thweatt Annexation Area to Rincon del Diablo MWD	December 30, 1983
Hewlett-Packard Annexation Area to Rainbow MWD	December 31, 1985
4S Ranch Annexation Area to Olivenhain MWD	November 5, 1986
Quail Park Reorganization Area Annexed to San Dieguito Water District and excluded from Olivenhain MWD	July 11, 1989
Paradise Mountain Area Annexed to Valley Center MWD	January 11, 1993
Boathouse Area Annexed to Otay Water District	September 6, 1994
Guajome Regional Park Annexation to Vista Irrigation District	October 23, 1998
Podrasky Ohlson Annexation to Valley Center MWD	March 11, 2004
San Elijo Ridge Reorganization (Altman) to Vallecitos Water District	August 9, 2004
Baxter Annexation (RO 03-19) to Padre Dam MWD	July 9, 2005
Citrus Heights Annexation	March 4, 2008
Erreca Annexation	November 4, 2009

(22) “Remainder of Calleguas MWD” shall include the following areas annexed to Calleguas MWD and to MWD of SC on the dates cited:

Original Area of Calleguas MWD	December 14, 1960
Calleguas Annexation No. 1 Area	March 16, 1961
Lake Sherwood Area	March 14, 1963
Annexation No. 3 Territory	March 15, 1963
Oxnard Mandalay Area	December 8, 1964
Oxnard First Fringe Area	December 8, 1964
Annexation No. 6 Territory	October 17, 1968
Oxnard Second Fringe Area	November 7, 1969
Camarillo First Fringe Area	December 19, 1969
Oxnard Third Fringe Area	December 14, 1970
Oxnard Fourth Fringe Area	December 19, 1972
Point Mugu State Park Area	June 22, 1973
Oxnard Fifth Fringe Area	December 16, 1974
Oxnard Sixth Fringe Area	December 30, 1975
Oxnard Seventh Fringe Area	December 17, 1976
Ventura School for Girls Area	December 17, 1976
Oxnard Eighth Fringe Area	December 12, 1977
Calleguas Annexation No. 17 Area	December 28, 1979
Calleguas Annexation No. 19 Area	December 9, 1981

Calleguas Annexation No. 20 Area	December 21, 1981
Calleguas Annexation No. 18 Area	December 29, 1981
Calleguas Annexation No. 21 Area	March 24, 1982
Calleguas Annexation No. 22 Area	December 2, 1983
Calleguas Annexation No. 23 Area	November 30, 1984
Calleguas Annexation No. 24 Area	June 19, 1985
Calleguas Annexation No. 25 Area	November 27, 1985
Calleguas Annexation No. 26 Area	July 25, 1986
Calleguas Annexation No. 27 Area	December 31, 1987
Calleguas Annexation No. 28 Area	October 4, 1988
Calleguas Annexation No. 29 Area	October 10, 1989
Calleguas Annexation No. 30 Area	July 6, 1990
Calleguas Annexation No. 31 Area	September 25, 1990
Calleguas Annexation No. 33 Area	November 27, 1991
Calleguas Annexation No. 34 Area	June 24, 1992
Calleguas Annexation No. 35 Area	February 26, 1993
Calleguas Annexation No. 36 Area	February 26, 1993
Calleguas Annexation No. 39 Area	February 2, 1994
Calleguas Annexation No. 40 Area	May 16, 1994
Calleguas Annexation No. 41 Area	August 16, 1994
Calleguas Annexation No. 43 Area	August 16, 1994
Calleguas Annexation No. 45 Area	August 16, 1994
Calleguas Annexation No. 46 Area	September 27, 1994
Calleguas Annexation No. 38 Area	December 19, 1994
Calleguas Annexation No. 44 Area	December 19, 1994
Calleguas Annexation No. 47 Area	September 19, 1995
Calleguas Annexation No. 48 Area	December 21, 1995
Calleguas Annexation No. 32 Area	March 5, 1996
Calleguas Annexation No. 49 Area	December 18, 1996
Calleguas Annexation No. 52A Area	November 4, 1997
Calleguas Annexation No. 53 Area	December 19, 1997
Calleguas Annexation No. 52B Area	December 23, 1997
Calleguas Annexation No. 51 Area	June 9, 1998
Calleguas Annexation No. 54 Area	January 26, 1999
Calleguas Annexation No. 55 Area	January 27, 1999
Calleguas Annexation No. 61 Area	October 27, 1999
Calleguas Annexation No. 57 Area	December 29, 1999
Calleguas Annexation No. 58 Area	December 29, 1999
Calleguas Annexation No. 60 Area	December 29, 1999
Calleguas Annexation No. 65 Area	August 2, 2000
Calleguas Annexation No. 66 Area	August 4, 2000
Calleguas Annexation No. 63 Area	December 27, 2000
Calleguas Annexation No. 68 Area	April 17, 2001
Calleguas Annexation No. 69 Area	July 20, 2001
Calleguas Annexation No. 70 Area	July 27, 2001
Calleguas Annexation No. 74 Area	November 26, 2001
Calleguas Annexation No. 72 Area	December 17, 2001
Calleguas Annexation No. 75 Area	April 24, 2002
Calleguas Annexation No. 76-A Area	July 2, 2002
Calleguas Annexation No. 76-B Area	July 26, 2002
Calleguas Annexation No. 79	May 27, 2003

Calleguas Annexation No. 81	August 11, 2003
Calleguas Annexation No. 82	September 22, 2003
Calleguas Annexation No. 80	December 9, 2002
Calleguas Annexation No. 67	December 22, 2003
Calleguas Annexation No. 73	December 22, 2003
Calleguas Annexation No. 77	June 4, 2004
Calleguas Annexation No. 78	March 3, 2004
Calleguas Annexation No. 84	October 22, 2004
Calleguas Annexation No. 83	November 23, 2005
Calleguas Annexation No. 85	January 3, 2006
Calleguas Annexation No. 92	November 28, 2007
Calleguas Annexation No. 91	April 7, 2008
Calleguas Annexation No. 90	May 21, 2008
Calleguas Annexation No. 89	September 25, 2008
Calleguas Annexation No. 87	December 28, 2009
Calleguas Annexation No. 93	December 28, 2009
Calleguas Annexation No. 94	September 21, 2010
Calleguas Annexation No. 96	April 23, 2012

- (23) “Exclusions from City of Los Angeles Area” shall mean the following areas excluded from the City of Los Angeles and from MWD of SC on the dates cited:

Alhambra Hills Annexation to City of Alhambra	January 27, 1964
Portion of Reorganization No. 85-2 of City of Los Angeles	December 30, 1985
Creekside Condominiums (Reorganization 98-01)	September 11, 2002

- (24) “Exclusion from Las Virgenes MWD” shall mean the following area excluded from Las Virgenes MWD and from MWD of SC on the date cited:

Portion of Reorganization No. 85-2 of Original Area of Las Virgenes MWD	December 30, 1985
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- (25) “Exclusion from Three Valleys MWD” shall mean the following area excluded from Three Valleys MWD and from MWD of SC on the date cited:

Azusa Reorganization (Parcels 1, 2, 3 & 20)	May 21, 1996
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- (26) “Exclusions from Ramona No. 2 Annexation Area” shall mean the following areas excluded from Ramona No. 2 Annexation area of SDCWA and from MWD of SC on the dates cited:

Schlueter Detachment	December 19, 1977
Bonfils Detachment	December 29, 1978

- (27) “Exclusions from Rainbow No. 3 Annexation Area” shall mean the following areas excluded from Rainbow No. 3 Annexation area of SDCWA and from MWD of SC on the dates cited:

Werner Detachment	August 4, 1980
Brown Detachment	January 1, 1981
Mann-Gosser Detachment	March 4, 1981

- (28) “Exclusion from Original Area of Ramona MWD” shall mean the following area excluded from Ramona MWD Area of SDCWA and from MWD of SC on the date cited:

Meyer Detachment

March 10, 1983

- (29) “Exclusion from Original Area of Western MWD” shall mean the following area excluded from Original Area of Western MWD and from MWD of SC on the date cited:

LAFCO 94-28-2 Detachment

January 21, 1997

- (30) “Exclusion from Central Basin MWD” shall mean the following area excluded from Central Basin MWD and from MWD of SC on the date cited:

Reorganization No. 1-1998, Parcel 1 & 2 to San Gabriel Valley Water District December 29, 1999

Section 3.

ASSESSED VALUATIONS

The county auditors of the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura have certified the assessed valuations of all property taxable by MWD of SC for the fiscal year and their respective certificates have been filed with the Board of Directors.

Section 3.1

STATEMENT REGARDING ARTICLE XIII A OF
THE CONSTITUTION OF THE STATE OF CALIFORNIA

None of the tax levies made by the Board of Directors of MWD of SC in the next succeeding sections fall with Section 1(a) of Article XIII A approved by the electorate on June 6, 1978 for addition to the California Constitution, effective July 1, 1978. All of said levies fall under the Section 1(b) exemption to said Section 1(a) and are otherwise exempt from said Section 1(a) by reason of the impairment of contract clause of Article I, Section 10 of the United States Constitution. Accordingly, none of said levies fall with Article XIII C and XIII D approved by the electorate on November 5, 1996, for addition to the California Constitution, by reason of the aforementioned exemptions and the provisions of Section 2(d) of Article XIII C and Section 3(a)(2) of Article XIII D. All of said levies are made pursuant to Revenue and Taxation Code Section 93(a) and are for the purpose of and shall be used for payment of “voter-approved indebtedness.”

Section 4.

ANNEXATION LEVY

For the dual purposes of raising the amounts required to be raised by means of special tax levies on taxable properties as prescribed by resolutions of the Board of Directors of MWD of SC fixing terms and conditions for annexation to MWD of SC (or as such terms and conditions may have been modified in accordance with the Metropolitan Water District Act of the State of California, Statutes 1969, Chapter 209, as amended) and for raising funds necessary to provide for payment of a portion of the capital cost component of either the Transportation Charge or the Delta Water Charge, or both, billed to MWD of SC under the “State Water Contract” (as identified in Section 6 of this Resolution) due or to become due within the current fiscal year of within the following fiscal year before the time when money will be available from the next tax levy;

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year is the sum set forth in the last line of Column #1 of Schedule A.
- b. The rates of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property in each of the areas subject to such levies hereby are set forth in Column #1 of Schedule B.
- c. The amounts of money to be derived from said levies are set forth in Column #3 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 5.

BOND LEVY

For the purposes of paying the annual interest on the outstanding bonded indebtedness of MWD of SC incurred as a result of approval by the voters residing within MWD of SC and such part of the principal of such bonds as shall become due before the time when money will be available from the next general tax levy, or such portion thereof as shall not be met from previous levies or other revenues of the District;

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year is the sum set forth in the last line in column #2 of Schedule A.
- b. The rate of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property within MWD of SC hereby is fixed and levied at .0015% of assessed valuation. The rate of such taxation for the fiscal year 2013/2014 upon unsecured taxable property is the rate fixed and levied for the preceding year applicable to secured taxable property, as required by operation of law.
- c. The amounts of money necessary to be derived from said levy are set forth in Column #4 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 6.

STATE WATER CONTRACT LEVY

For the purpose of raising funds in excess of those funds raised under Section 4 of this Resolution, necessary and sufficient to provide for payments due or to become due within the current fiscal year or within the following fiscal year before the time when money will be available from the next tax levy, or such portion thereof as shall not be met from previous levies or other revenues of the District under the

“CONTRACT BETWEEN THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR A WATER SUPPLY, dated November 4, 1960” (State Water Contract):

- a. The amount of money necessary to be raised by ad valorem property taxation during the fiscal year in excess of the sum raised under Section 4 of this Resolution is the sum set forth in the last line of Column #3 of Schedule A.
- b. The rate of such taxation of MWD of SC for the fiscal year 2013/2014 upon secured taxable property within MWD of SC hereby is fixed and levied at .0020% of assessed valuation. The rate of such taxation for the fiscal year 2013/2014 upon the unsecured taxable property is the rate fixed for the preceding year applicable to secured taxable property, as required by operation of law.
- c. The amounts of money necessary to be derived from said levy are set forth in column #5 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 7.

TOTALS

The total rates of ad valorem property taxation of MWD of SC for the fiscal year upon secured taxable property are set forth in Column #2 of Schedule B. The total amounts of money to be derived by virtue of such tax levies for the fiscal year are set forth in Column #6 of Schedule B, including the amounts of money to be derived from the area of MWD of SC within each separate municipality.

Section 8.

REDEVELOPMENT AGENCIES

Pursuant to Assembly Bill X1 26 (“ABX1 26”), chaptered and effective on June 27, 2011, and as modified in part by the California Supreme Court in the decision of *California Redevelopment Association v. Matosantos*, Case No. S194681, redevelopment agencies in California were dissolved. Such dissolution laws were modified in part by Assembly Bill 1484 (“AB 1484”), chaptered and effective on June 27, 2012.

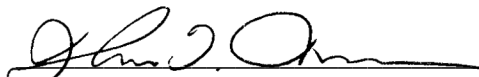
The total rates of taxation of MWD of SC for the fiscal year set forth in Column #2 of Schedule B are the rates of taxation upon taxable property taxable by MWD of SC within the areas shown in said Schedule, including taxable property formerly within redevelopment agencies as well as all other property so taxable by MWD of SC. The total amounts of money shown in Column #6 of Schedule B to be derived from some of said areas by virtue of tax levies of MWD of SC include monies to be allocated to the successors agencies of former redevelopment agencies for the payment of enforceable obligations and allowable administrative expenses approved by the State Department of Finance and local successor agency oversight boards, as well as amounts of money to be allocated to MWD of SC. The estimated adjustment to be made to account for the difference between the total amount levied and the amount to be derived is included in the provision for estimated collection delinquencies shown in Schedule A.

Section 9

SCHEDULES A AND B

Schedules A and B are attached after the last page of the resolution.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution of the Board of Directors of The Metropolitan Water District of Southern California, adopted at its meeting held August 20, 2013.


Secretary of the Board of Directors
The Metropolitan Water District
of Southern California

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SCHEDULE A

Estimated Funds to be Produced by Tax Levy, Fiscal Year 2013/14
(Cents Omitted)

		Annexation Levies Column #1	Bond Levy Column #2	State Contract Levy Column #3	Totals Column #4
<u>Secured Property</u>					
Assessed Value	\$ 2,095,465,264,072				
Tax Rate		Various	0.0015%	0.0020%	
Amount of Levy		\$ 44,659	\$ 31,431,332	\$ 41,909,304	\$ 73,385,295
<u>Unsecured Property</u>					
Assessed Value	\$ 87,921,273,179				
Tax Rate		Various	0.0017%	0.0018%	
Amount of Levy		\$ -	\$ 1,494,662	\$ 1,582,583	\$ 3,077,245
<u>All Property</u>					
Assessed Value	\$ 2,183,386,537,251				
Amount of Levy from Schedule B		\$ 44,659	\$ 32,925,994	\$ 43,491,887	\$ 76,462,540
Allocation of County-wide Tax on Utilities		-	7,928,571	10,571,429	18,500,000
Total Tax Levy		44,659	40,854,565	54,063,316	94,962,540
Estimated Collection Adjustments *		(4,243)	(3,961,333)	(5,191,460)	(9,157,036)
Estimated Funds to be Produced by Tax Levy		\$ 40,416	\$ 36,893,232	\$ 48,871,856	\$ 85,805,504

* 9.5% allowance for delinquencies
8.6% allowance for allocations to redevelopment agencies
\$0.8 million estimated supplemental tax collections
\$7.2 million estimated prior years tax collections

Note: All rates expressed as percent of A.V.

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
City of Beverly Hills							
City of Beverly Hills Area	1-1-01-000-0	0.000000	0.003500	0.00	363,778.65	482,679.70	846,458.35
Agency Totals:				0.00	363,778.65	482,679.70	846,458.35
City of Burbank							
City of Burbank Area	1-1-02-000-0	0.000000	0.003500	0.00	289,008.98	376,085.13	665,094.12
Agency Totals:				0.00	289,008.98	376,085.13	665,094.12
City of Glendale							
City of Glendale Area	1-1-03-000-0	0.000000	0.003500	0.00	366,171.36	484,736.54	850,907.91
Agency Totals:				0.00	366,171.36	484,736.54	850,907.91
City of Los Angeles							
City of Los Angeles Area	1-1-04-000-0	0.000000	0.003500	0.00	6,542,152.23	8,644,535.10	15,186,687.32
Agency Totals:				0.00	6,542,152.23	8,644,535.10	15,186,687.32
City of Pasadena							
City of Pasadena Area	1-1-05-000-0	0.000000	0.003500	0.00	341,766.57	453,083.35	794,849.93
Agency Totals:				0.00	341,766.57	453,083.35	794,849.93
City of San Marino							
City of San Marino Area	1-1-06-000-0	0.000000	0.003500	0.00	73,770.21	98,312.79	172,083.00
Agency Totals:				0.00	73,770.21	98,312.79	172,083.00
City of Santa Monica							
City of Santa Monica Area	1-1-07-000-0	0.000000	0.003500	0.00	412,850.70	546,099.46	958,950.16
Agency Totals:				0.00	412,850.70	546,099.46	958,950.16

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
City of Long Beach							
City of Long Beach Area	1-1-08-000-0	0.000000	0.003500	0.00	631,205.54	830,435.19	1,461,640.73
Agency Totals:				0.00	631,205.54	830,435.19	1,461,640.73
City of Torrance							
City of Torrance Area	1-1-09-000-0	0.000000	0.003500	0.00	357,161.22	471,434.11	828,595.33
Agency Totals:				0.00	357,161.22	471,434.11	828,595.33
City of Compton							
City of Compton Area	1-1-10-000-0	0.000000	0.003500	0.00	51,006.85	67,537.00	118,543.85
Agency Totals:				0.00	51,006.85	67,537.00	118,543.85
West Basin Municipal Water District							
West Basin Municipal Water District Area	1-1-11-000-0	0.000000	0.003500	0.00	2,262,211.00	2,984,569.94	5,246,780.93
Agency Totals:				0.00	2,262,211.00	2,984,569.94	5,246,780.93
Three Valleys Municipal Water District							
Three Valleys Municipal Water District Area	1-1-12-000-0	0.000000	0.003500	0.00	804,567.18	1,065,049.32	1,869,616.50
Agency Totals:				0.00	804,567.18	1,065,049.32	1,869,616.50
Foothill Municipal Water District							
Foothill Municipal Water District Area	1-1-13-000-0	0.000000	0.003500	0.00	214,041.30	284,918.92	498,960.23
Agency Totals:				0.00	214,041.30	284,918.92	498,960.23
Central Basin Municipal Water District							
Central Basin Municipal Water District Area	1-1-14-000-0	0.000000	0.003500	0.00	1,759,059.88	2,316,916.42	4,075,976.30
Agency Totals:				0.00	1,759,059.88	2,316,916.42	4,075,976.30

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Los Angeles County							
Las Virgenes Municipal Water District							
Las Virgenes Municipal Water District Area	1-1-15-000-0	0.000000	0.003500	0.00	303,504.12	402,973.13	706,477.25
Agency Totals:				0.00	303,504.12	402,973.13	706,477.25
Upper San Gabriel Valley MWD							
Upper San Gabriel Valley MWD Area	1-1-16-000-0	0.000000	0.003500	0.00	1,202,226.77	1,591,053.97	2,793,280.74
Agency Totals:				0.00	1,202,226.77	1,591,053.97	2,793,280.74
City of San Fernando							
City of San Fernando Area Area	1-1-17-000-0	0.000000	0.003500	0.00	23,636.84	30,935.14	54,571.99
Agency Totals:				0.00	23,636.84	30,935.14	54,571.99
County Totals:				0.00	15,998,119.41	21,131,355.22	37,129,474.62
Orange County							
City of Anaheim							
City of Anaheim Area Area	1-2-01-000-0	0.000000	0.003500	0.00	548,645.67	722,563.35	1,271,209.01
Agency Totals:				0.00	548,645.67	722,563.35	1,271,209.01
City of Santa Ana							
City of Santa Ana Area Area	1-2-02-000-0	0.000000	0.003500	0.00	319,016.29	418,170.65	737,186.95
Agency Totals:				0.00	319,016.29	418,170.65	737,186.95
City of Fullerton							
City of Fullerton Area Area	1-2-03-000-0	0.000000	0.003500	0.00	231,573.92	305,574.39	537,148.30
Agency Totals:				0.00	231,573.92	305,574.39	537,148.30
Municipal Water District of Orange County							
Remainder of MWD of Orange County	1-2-05-999-0	0.000000	0.003500	0.00	5,567,245.34	7,355,246.08	12,922,491.43
Agency Totals:				0.00	5,567,245.34	7,355,246.08	12,922,491.43

Notes: (a) MWD Code-County-Agency-Area-Sub Area

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Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
Orange County							
County Totals:				0.00	6,666,481.22	8,801,554.46	15,468,035.69
Riverside County							
Eastern Municipal Water District							
Remainder of Eastern MWD	1-3-01-999-0	0.000000	0.003500	0.00	842,200.38	1,114,137.48	1,956,337.86
Agency Totals:				0.00	842,200.38	1,114,137.48	1,956,337.86
Western Municipal Water District							
Eleventh Fringe Area of Western MWD	1-3-02-011-0	0.187500	0.191000	44,645.99	357.17	476.22	45,479.38
Fifteenth Fringe Area of Western Mwd	1-3-02-012-0	0.187500	0.191000	13.34	0.11	0.14	13.59
Remainder of Western MWD	1-3-02-999-0	0.000000	0.003500	0.00	1,172,883.35	1,548,426.26	2,721,309.61
Agency Totals:				44,659.33	1,173,240.62	1,548,902.62	2,766,802.58
County Totals:				44,659.33	2,015,441.00	2,663,040.10	4,723,140.43
San Bernardino County							
Inland Empire Utilities Agency							
Original Area of Chino Basin MWD	1-4-01-001-0	0.000000	0.003500	0.00	501,573.71	659,469.06	1,161,042.77
Mid-valley Area of Chino Basin MWD	1-4-01-002-0	0.000000	0.003500	0.00	760,106.51	996,567.58	1,756,674.09
Bryant Annexation Area of Chino Basin MWD	1-4-01-003-0	0.000000	0.003500	0.00	873.61	1,163.10	2,036.70
North Perimeter No. 1 Annexation Area of Chino Basin MWD	1-4-01-004-0	0.000000	0.003500	0.00	427.61	569.74	997.35
Agency Totals:				0.00	1,262,981.44	1,657,769.48	2,920,750.92
County Totals:				0.00	1,262,981.44	1,657,769.48	2,920,750.92

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Included in MWD							
San Diego County							
San Diego County Water Authority							
Remainder of SDCWA +	1-5-01-999-9	0.000000	0.003500	0.00	5,749,948.84	7,606,463.91	13,356,412.75
Agency Totals:				0.00	5,749,948.84	7,606,463.91	13,356,412.75
County Totals:				0.00	5,749,948.84	7,606,463.91	13,356,412.75
Ventura County							
Calleguas Municipal Water District							
Remainder of Calleguas MWD	1-6-01-999-0	0.000000	0.003500	0.00	1,232,843.38	1,630,604.64	2,863,448.02
Agency Totals:				0.00	1,232,843.38	1,630,604.64	2,863,448.02
County Totals:				0.00	1,232,843.38	1,630,604.64	2,863,448.02
Incl/Excl Totals:				44,659.33	32,925,815.29	43,490,787.82	76,461,262.44

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Excluded from MWD							
Los Angeles County							
City of Los Angeles							
Alhambra Hills	2-1-04-001-0	0.000000	0.002000	0.00	0.00	861.35	861.35
Portion of Reorganization No. 85-2	2-1-04-002-0	0.000000	0.003500	0.00	96.51	128.68	225.18
Agency Totals:				0.00	96.51	990.02	1,086.53
Three Valleys Municipal Water District							
Exclusion From Three Valleys MWD-Azusa Reorg.	2-1-12-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
Central Basin Municipal Water District							
Exclusion from Central Basin MWD - Reorg No. 1-1998	2-1-14-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
Las Virgenes Municipal Water District							
Portion of Reog No. 85-2 Exclusion from Las Virgenes MWD	2-1-15-001-0	0.000000	0.003500	0.00	7.45	9.93	17.37
Agency Totals:				0.00	7.45	9.93	17.37
County Totals:				0.00	103.95	999.95	1,103.90
Riverside County							
Western Municipal Water District							
Exclusion from Original Area of Western MWD	2-3-02-001-0	0.000000	0.003500	0.00	0.00	0.00	0.00
Agency Totals:				0.00	0.00	0.00	0.00
County Totals:				0.00	0.00	0.00	0.00

Notes: (a) MWD Code-County-Agency-Area-Sub Area

Schedule B - Tax Rates and Amounts to be Derived from Respective Areas

2013-14

for State Controller and MWD Board of Directors

Tax Levy System

Agency	Area (a)	Annex Rate Col. 1	Total Rate Col. 2	Annexation Levy Col. 3	Bond Levy Col. 4	SWC Levy Col. 5	Total Levy Col. 6
Excluded from MWD							
San Diego County							
San Diego County Water Authority							
Exclusion from Original Area of Ramona MWD	2-5-01-017-0	0.000000	0.003500	0.00	1.74	2.32	4.05
Exclusions From Ramona No.2 Annexation Area	2-5-01-030-0	0.000000	0.003500	0.00	26.93	35.91	62.85
Rainbow No.3 Annexation Area	2-5-01-041-0	0.000000	0.003500	0.00	45.90	61.20	107.10
Agency Totals:				0.00	74.57	99.43	174.00
County Totals:				0.00	74.57	99.43	174.00
Incl/Excl Totals:				0.00	178.52	1,099.38	1,277.90
Report Totals:				44,659.33	32,925,993.82	43,491,887.20	76,462,540.34