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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SEP 15 1994

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EXECUTIVE SECRETARY

Office of Board of Directors

August 31, 1994

TO: Board of Directors

FROM: Ad Hoc Committee on Water Standby Charge Exemption Appeals

RE: Recommendation of the Ad Hoc Committee on Water Standby Charge Exemption Appeals

Report

The Ad Hoc Committee on Water Standby Charge Exemption Appeals met on August 29, 1994. Property owners Mr. and Mrs. Jess C. Ramirez appeared before the Committee to appeal the General Manager's denial of exemption of their property from the District's water standby charge.

Mr. and Mrs. Ramirez own a vacant lot in Capistrano Beach in Orange County for which they requested exemption because the lot is undeveloped, uses no water and they have no plans to develop the lot in their lifetimes, unless, because of illness or some other emergency, they need to sell it. The lot is in a subdivided tract, surrounded by improved properties and adjacent to a public water line in the adjoining street. It was determined that this property has a high potential for future development and therefore it is not reasonable to conclude that the property will not benefit from the District's water facilities in the future. Based on this determination the General Manager denied the request for exemption.

Mr. and Mrs. Ramirez told the Committee that they felt the exemption should be granted because the property was undeveloped and did not use water. They further stated that the property was being held for their five children to inherit. Committee Chairman Morris explained to the property owners that the purpose of the standby charge was to collect revenue from property that benefits or will benefit from the District's water facilities to help pay for those facilities, and that because of the likely future development of this property it does not qualify for exemption.

After further discussion between the Committee members and the property owners, the Committee voted unanimously to deny the appeal.

Recommendation

The Ad Hoc Committee on Water Standby Charge Exemption Appeals recommends that the Board deny Mr. and Mrs. Ramirez's appeal on the basis that their property benefits from the District's water facilities.



John T. Morris
Ad Hoc Committee
Chairman