MWD
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 16, 1998

To: Board of Directors (Budget and Finance Committee--Action)
(Water Planning and Resources Committee--Action)

From: for General Manager

Submitted by: Gary M. Snyder
for Chief Engineer

Subject: Informal Approval of Thirty-Eighth Fringe Area Annexation Concurrently to The Metropolitan Water District, Western Municipal Water District and Murrieta County Water District and Approval of the Resolution of Intent to Impose Standby Charges

RECOMMENDATION(S)

It is recommend that the Board:

1. Give informal approval as defined in Administrative Code 3100(b) for the concurrent annexation of Thirty-Eighth Fringe Area Annexation concurrently to The Metropolitan Water District of Southern California (Metropolitan), Western Municipal Water District (Western), and Murrieta County Water District (MCWD); conditioned upon a cash payment to Metropolitan of the annexation charge of approximately $296,510.56, if completed by December 31, 1998, or at the then current annexation charge rate, if completed after December 31, 1998, subject to such terms and conditions as may be fixed by your Board in granting formal consent to such annexation when a request therefore has been received;

2. Approve the plans for Implementing Water Use Efficiency Guidelines for this proposed annexation; and

3. Approve the resolution of intention to impose standby charges at the rate of $9.23 per acre or per parcel of less than one acre within the proposed annexation, substantially in the form of Exhibit A to this letter.

EXECUTIVE SUMMARY

Western has requested informal approval for the concurrent annexation of Thirty-Eighth Fringe Area Annexation to Metropolitan, Western, and MCWD. This currently uninhabited territory which contains an approximate gross area of 97.43 acres, is expected to be developed for residential purposes.

Western has submitted acceptable plans for Implementing Water Use Efficiency Guidelines (Plans) pursuant to Section 3107 of Metropolitan's Administrative Code. The total projected water demand of the annexing area is 83 AFY, with 85 percent from local sources and 15 percent (12.5 AFY) from imported supplies.

Western has requested that Metropolitan impose standby charges within the annexing territory at the rate of $9.23 per acre or per parcel of less than one acre (the rate at which standby charges are presently levied in other portions of Western).

DETAILED REPORT

By a letter dated May 12, 1998, Western has requested informal approval as defined in Administrative Code 3100(b) for the concurrent annexation of Thirty-Eighth Fringe Area Annexation to Metropolitan, Western and MCWD. Fiesta Development, Inc., the property owners of the vacant site, intend to develop 213 single-family residential lots pursuant to their approved Tentative Tract 28333.

The proposed annexation territory is located in the City of Murrieta on Washington Avenue north west of Nutmeg Street (outlined on the attached map). City of Murrieta zoning for the site is R-1 which is consistent with the General Plan designation of medium density residential.

Western has submitted an acceptable Plan pursuant to Section 3107 of Metropolitan's Administrative Code. The total projected water demand is 83 AFY. The water supply for the annexing area is blend of 85 percent local sources with 15 percent imported Metropolitan water from Western. The projected annual water demand upon Metropolitan is therefore 12.5 AFY. A copy of the Plan is attached hereto.

This annexation is subject to the provisions of the California Environmental Quality Act (CEQA). CEQA will be complied prior to the time that formal approval of this annexation is requested from Metropolitan. At that time, as required by CEQA, your Board will be required to review and consider pertinent environmental documentation.

The annexation charge has been calculated pursuant to Section 3300 of Metropolitan's Administrative Code. Utilizing the current rate of $2,992 per acre and the sum of $5,000 for processing costs, the annexation charge amount is $296,510.56, if completed by December 31, 1998. The $5,000 processing charge has already been paid. If the annexation is completed after December 31, 1998, the annexation will be calculated based on the then current rate.

Completion of the annexation will be subject to such terms and conditions as may be fixed by your Board in granting formal consent to such annexation. Western has requested that Metropolitan impose standby charges within the annexation territory at the rate of $9.23 per acre or per parcel of less than one acre (the rate at which standby charges are presently levied in other portions of Western). Under the requirements of Article XIII D of the California Constitution (Proposition 218), such charges must be treated as new assessments, subject to approval by the

property owners in the area to be annexed through mailed ballot proceedings. Exhibit A is the form of Resolution of Intention to impose standby charges which, if adopted by your Board, will authorize the Executive Secretary to mail notices to the property owners. The notices to property owners will include ballots which the property owners will be asked to mark and return. Ballots will be tabulated at a public hearing on the assessments scheduled to commence on September 15, 1998, and unless a majority of those ballots received from property owners (weighted according to the proportionate obligation of each property) protest the charges, imposition of the standby charges in the annexed area will be considered by your Board concurrently with formal approval of annexation.

ESY\vlh:rev3
(InformalAnnexationWestern38)
Attachment(s)

Exhibit A
Engineering Division
June 16, 1998
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THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

RESOLUTION ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA GIVING NOTICE OF INTENTION TO IMPOSE STANDBY CHARGE CONTINGENT UPON ANNEXATION

WHEREAS, at its meeting on December 14, 1993, the Board of Directors ("Board") of The Metropolitan Water District of Southern California ("Metropolitan") approved the rate structure and additional revenue sources described in the Board letter on the Financial Structure Study dated December 1, 1993, including a readiness-to-serve charge;

WHEREAS, under authority of Section 134.5 of the Metropolitan Water District Act, a readiness-to-serve charge may be collected as an availability service charge from the member public agencies within Metropolitan, or may be imposed as a standby charge against individual parcels within Metropolitan;

WHEREAS, under such authority, the water standby charge may be imposed on each acre of land or each parcel of land less than an acre within Metropolitan to which water is made available for any purpose by Metropolitan, whether the water is actually used or not;

WHEREAS, certain member public agencies of Metropolitan (including Western Municipal Water District) have requested the option to provide collection of all or a portion of their readiness-to-serve charge obligation through a Metropolitan water standby charge imposed on parcels within those member agencies;

WHEREAS, the owners of the parcels identified in the attached Engineer's Report dated July 1998 have applied for annexation into Western, Murrieta County Water District and Metropolitan;

WHEREAS, upon annexation, Metropolitan water will be available to such properties and such parcels will receive the benefit of the projects provided in part with proceeds of Metropolitan water standby charges, as described in the Engineer's Report; and

WHEREAS, Western has requested that Metropolitan impose water standby charges on such properties at the rate specified in the Engineer's Report and provided herein, following annexation of such properties into Metropolitan;

NOW THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California does hereby resolve, determine and order as follows:

Section 1. That notice is hereby given to the public and to each member public agency of The Metropolitan Water District of Southern California of the intention of Metropolitan's Board to consider and take action at its regular meeting to be held September 15, 1998, on the General Manager's recommendation to impose a water standby charge for fiscal year 1998-99 on the properties described in the Engineer's Report attached as Attachment 1 to this Resolution and incorporated herein by reference. The Engineer's Report was prepared by a registered professional engineer certified by the State of California.

Section 2. That the proposed standby charge per acre of land, or per parcel of land less than an acre, as shown in the Engineer's Report, shall be $9.23, which is equal to the amount of Metropolitan's existing standby charge on other properties located within the territory of Western Municipal Water District. The Engineer's Report separates the special benefits from the general benefits and identifies each of the parcels on which a special benefit is conferred. No charge on any parcel shall exceed the reasonable cost of the proportional special benefit conferred on that parcel.

Section 3. That the proposed water standby charge, if imposed following completion of the proposed Thirty-Eighth Fringe Area Annexation, shall be collected on the tax rolls, together with the ad valorem property taxes which are levied by Metropolitan for the payment of pre-1978 voter-approved indebtedness, or at Metropolitan's election may be billed directly to the property owners. Any amounts so collected shall be applied as a credit against Western Municipal Water District's obligation to pay its readiness-to-serve charge. After such member agency's readiness-to-serve charge allocation is fully satisfied, any additional collections shall be credited to other outstanding obligations of such member agency to Metropolitan or future readiness-to-serve obligations of such agency.

Section 4. That the Executive Secretary is hereby directed to provide written notice of the proposed standby charge by mail to the record owner of each property identified in the Engineer's Report not less than 45 days prior to the date of the public hearing identified in Section 5. Each notice shall be given in accordance with the requirements of Article XIII D, Section 4, of the California Constitution, and shall be in a form approved by the General Counsel. Each notice shall include an assessment ballot whereby the owner may indicate his or her name, reasonable identification of his or her parcel, and his or her support for or opposition to the proposed water standby charge. Each notice shall also include a description of the procedures for the completion, return and tabulation of ballots, which shall be in a form approved by the General Counsel.

Section 5. That the Board will meet in regular session at its meeting on September 15, 1998, to hold a public protest hearing at which interested parties may present their views regarding the proposed standby charges and the Engineer's Report. All written protests and comments presented at the hearings or received by the Executive Secretary on or before the conclusion of the public hearing which contain a description sufficient to identify the land owned by the landowner will be given due consideration by the Board before its final action on the proposed standby charge, and all assessment ballots will be tabulated. If, upon the conclusion of the hearing, ballots submitted in opposition to the water standby charge (weighted according to the proportionate financial obligation of the affected property) exceed the ballots submitted in favor of the water standby charge, the water standby charge shall not be imposed.

Section 6. That imposition of the proposed standby charges, if authorized by the Board following the public protest hearing, will be contingent upon completion of the concurrent annexation of the Thirty-Eighth Fringe Area to Metropolitan, Murrieta County Water District and Western Municipal Water District. If standby charges are approved and such annexation is not completed in time to permit imposition of standby charges for fiscal year 1998-99, Metropolitan may levy standby charges at the rate stated in this Resolution beginning in a subsequent fiscal year.

Section 7. That in the event that the water standby charge, or any portion thereof, is determined to be an unauthorized or invalid fee, charge or assessment by a final judgment in any proceeding at law or in equity, which judgment is not subject to appeal, or if the collection of the water standby charge shall be permanently enjoined and appeals of such injunction have been declined or exhausted, or if Metropolitan shall determine to rescind or revoke the water standby charge, then no further standby charge shall be collected within the territory described in the Engineer's Report and Western Municipal Water District shall pay its readiness-to-serve charge obligation to Metropolitan in full, as if imposition of such water standby charges had never been sought.

Section 8. That this Board finds that the proposed water standby charges provided in this Resolution are exempt from the provisions of the California Environmental Quality Act (CEQA) under State CEQA Guidelines 15378(b)(5) since they constitute the creation of government funding mechanisms which do not involve commitment to any specific project which may result in a potentially significant physical impact on the environment or which will be used to fund projects which have CEQA documentation in place prior to construction of any facility or facilities.

Section 9. That the General Manager is hereby authorized and directed to take all necessary action to satisfy relevant statutes requiring notice by mailing or by publication.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on July 14, 1998.

_____

Executive Secretary
The Metropolitan Water District
of Southern California

Attachment A
Engineering Division
June 16, 1998
8-9

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

ENGINEER'S REPORT

PROPOSED PROGRAM TO LEVY STANDBY CHARGES IN WESTERN MUNICIPAL WATER DISTRICT THIRTY-EIGHTH FRINGE AREA

July 1998

REPORT PURPOSE

The Metropolitan Water District of Southern California (Metropolitan) has built and is building major capital facilities that provide water supplies and delivery throughout its service area. This report has two purposes: (1) to describe the water supply and delivery capital projects and programs, which provide benefits both locally and throughout the service area and will be financed in part by Metropolitan's readiness-to-serve (RTS) charge, including a request by Western Municipal Water District (Western) to collect a portion of its RTS obligation through the levy of a Metropolitan standby charge, and (2) to address the method and basis for levying a standby charge on benefiting properties.

These facilities and programs consist of the State Water Project system, a major regional water storage reservoir, and system-wide improvements and rehabilitation. This combination of facilities and programs is an integral part of the region's and Metropolitan's strategic plan to maintain reliable water supplies and to insulate the service area from disruptions in water service during droughts and natural emergencies.

The RTS charge is imposed by Metropolitan on its member agencies to recover the debt service on bonds issued to finance capital facilities needed to maintain reliable service of good quality water to meet existing demands on Metropolitan's system. The standby charge is an existing charge levied on parcels of land within certain of Metropolitan's member agencies, including Western. At the request of these member agencies, a standby charge is levied as a method of collecting part or all of the RTS charge obligation of the member agency containing the parcel. The standby charge will be utilized for capital payments, and debt service on capital projects.

The properties identified on Attachment A have applied for annexation into Metropolitan. Consent by the property owners to Metropolitan's levying of an annual standby charge in the amount of $9.23 per acre, or $9.23 per parcel of less than one acre, is a condition to annexation of these properties into Western and Metropolitan.

BACKGROUND

Delivery of water is one of the essential infrastructure services in an industrial economy. Like electrical energy, natural gas, transportation, and telecommunications, every

household and virtually every business and industry in Southern California uses water. Because these services are so widespread in a modern economy, shortages can have far reaching and serious consequences.

Metropolitan imports supplemental water supplies for 16.1 million residents in portions of six counties: Los Angeles, Orange, Ventura, Riverside, San Bernardino, and San Diego. In this 5,200-square mile service area, more than half of the water supplies are imported from the Colorado River and California's State Water Project (SWP). Metropolitan, a public agency, provides these water supplies as a supplement to local groundwater and surface water resources.

Growing Demand for Water

About one out of every two Californians lives in Metropolitan's service area. During the 1980's more than 300,000 people were added to the service area each year, as a result of a strong economy. Regional growth management plans project that Southern California's population will continue to grow by more than 200,000 people each year over the next 23 years -- increasing from the current 16.1 million to over 21.5 million by 2020. Based on this projected growth, regional water demands under normal weather conditions are expected to increase from the current 3.6 million acre-feet to 4.9 million acre-feet by 2020. Above-normal demands, under hot and dry weather conditions, can be about seven to nine percent greater than normal-weather demands.

The ongoing competition for water to serve the urban, agricultural, and environmental needs of the Western states has resulted in the need to invest in infrastructure and operational improvement, to ensure the continued certainty of firm deliveries to Southern California from the Colorado River and the State Water Project. Coupled with the diverse and competing needs of locally developed water in the region, the problem of providing a reliable water supply becomes even more difficult. What is needed is a coordinated and balanced regional response to growing demands.

METROPOLITAN'S RESPONSE TO GROWING WATER DEMANDS

To respond to growing demands for water, Metropolitan and its member agencies developed an Integrated Resources Planning (IRP) process. The focus of the IRP process was to collectively examine all of the available local and imported resource options in order to develop a least-cost plan that meets the reliability and quality needs of the region. The product of this intensive effort is a 25-year resources plan that offers a realistic means of achieving a reliable and affordable water supply for Southern California into the next century.

The major objective for the IRP was developing a comprehensive water resources plan that ensures: (1) reliability, (2) affordability, (3) water quality, (4) diversity of supply, and (5) adaptability for the region, while recognizing the environmental, institutional, and political constraints to resource development.

As part of the Integrated Resources Plan, Metropolitan is continuing its water supply program to maintain the reliability of its water supply and delivery system and to meet the

needs of existing and potential consumers and land uses within its service area. This program includes the construction of capital facilities and implementation of water management programs. Capital facilities, representing substantial current expenditures, include the State Water Project aqueduct system, the Eastside Reservoir Project, and water distribution system improvements and rehabilitation. These facilities provide the storage and transmission of water required throughout Metropolitan's service area. These capital projects benefit local water users as the facilities directly increase supplies and reliable delivery of water throughout Metropolitan's service area.

State Water Project

The State Water Project (SWP) is a major water source for Metropolitan. Metropolitan, one of twenty-nine agencies that have contracts for water service with the Department of Water Resources, is entitled to over 2 million acre-feet of the total SWP entitlements of 4.2 million acre-feet. The SWP transports water directly from the Sacramento-San Joaquin Delta and Feather River water released from Oroville Dam that has traveled to the Delta, south via the California Aqueduct to Metropolitan's service area. Currently, the State Department of Water Resources (DWR) cannot meet all of its contractors' demands for SWP entitlement water. DWR is planning additional facilities to increase the reliability of SWP supplies.

In 1960, Metropolitan contracted with DWR to receive SWP supplies. Under this contract Metropolitan pays allocable portions of the construction and operation and maintenance costs of the system through at least year 2035, regardless of the quantities of project water Metropolitan takes.

All Metropolitan member agencies benefit from SWP and State project water is distributed to existing consumers in all six counties within Metropolitan's service area. The potential benefit of the State Water Project in fiscal year 1998-99 is shown in Table 1.

Eastside Reservoir Project

The Eastside Reservoir Project, along with water transfers, comprehensive groundwater management, conservation, and recycling programs already implemented, is needed to ensure reliable water supplies and delivery to Metropolitan's consumers throughout the service area. This new reservoir will provide 800,000 acre-feet of storage capacity. Water from the Colorado River Aqueduct and SWP is scheduled for Eastside Reservoir Project storage and subsequent distribution throughout Metropolitan's service area.

Storage within Metropolitan's water system is vital to regulate fluctuating sources of supply, to meet varying customer demands, and to ensure water service during droughts and earthquakes. The water sources available to Metropolitan are subject to extended droughts and to interruption from earthquakes, since both the California Aqueduct and the Colorado River Aqueduct cross major faults. The reservoir will permit Metropolitan to accumulate water from a variety of sources, to be held in storage or scheduled for replenishment delivery to groundwater basins. This stored water provides a reserve against shortages when supply sources are limited or disrupted. The reservoir also preserves Metropolitan's capability to deliver water during scheduled maintenance periods, when facilities must be removed from service for rehabilitation,

repair, or maintenance. The potential benefit of the Eastside Reservoir Project in fiscal year 1998-99 is shown in Table 1.

System Improvements

Metropolitan has an ongoing commitment, through physical system improvements, to maintain the reliable delivery of water throughout the entire service area. System improvement projects include additional conveyance facilities to increase dependable water supplies, provide alternative system delivery capacity, and enhance system operations. It also includes projects to upgrade obsolete facilities or equipment, or to rehabilitate or replace spent facilities or equipment. These projects are needed to enhance system operations, comply with new regulations, and maintain a reliable distribution system. A list of distribution system improvement projects is given in Table 2.

LONG-RANGE FINANCIAL PLANNING

The development and delivery of a reliable water supply comes at a cost. Since passage of Article XIIIA of the California Constitution (Proposition 13 of 1978), Metropolitan has necessarily relied more on water sales revenue than on ad valorem property taxes for the payment of construction debt. Water sales have become the dominant source of revenue, not only for operation and maintenance of the vast network of facilities supplying water to Southern California's coastal plains, but also for replacement and improvement of capital facilities.

The increased reliance on highly variable water sales revenue increases the probability of substantial rate swings from year to year mainly resulting from changing weather patterns and has placed an increasing burden on current rate payers, which might more equitably be paid in part by assessments on land that in part derives its value from the availability of water.

Standby Charge

Metropolitan's standby charge is authorized by the State Legislature and has been levied by Metropolitan since fiscal year 1992-93. The projects to be supported in part by a standby charge are capital projects that are of both local and Metropolitan-wide benefit to existing water users, as well as current landowners. The estimated potential benefits system-wide are several times the amount to be recovered by means of the standby charge.

Standby charges are levied by Metropolitan only within the areas served by member agencies which requested that standby charges be utilized as a means of collecting that agency's RTS obligation. Western has requested that a standby charge be utilized to collect part of its RTS obligation.

The following table lists the parcels included in Western's Thirty-Eighth Fringe Area and the proposed standby charge for fiscal year 1998-99.

Standby Charges for Western's Thirty-Eighth Fringe Area

Parcel Number	Acres	Standby Charge (FY 98-99)
906-020-005	17.73	$163.65
906-020-006	2.00	$18.46
906-020-007	20.70	$191.06
906-020-008	40.91	$377.60
906-020-010	10.06	$92.85
906-020-011	4.89	$45.13
Total		$888.75

The estimated potential benefits of Metropolitan's water supply program to property throughout its service area is approximately $230 million for fiscal year 1998-99, as shown in Table 1. An average total standby charge of $55.22 per acre of land or per parcel of less than one acre would be necessary to pay for the total potential program benefits. Benefits in this amount will accrue to each acre of property and parcel within Western's Thirty-Eighth Fringe Area upon annexation into Metropolitan, as these properties become eligible to use Metropolitan water. Because only properties located within Metropolitan's boundaries may receive water supplies from Metropolitan, any benefit received by the public at large or by properties outside of the proposed area to be annexed is merely incidental. It is estimated that the general benefit portion of the benefit received from the improvements to be financed in part through the proposed water standby charges is less than five percent of the total benefit.

Table 3 shows that the distribution of standby charge revenues from the various counties and agencies, including Western's Thirty-Eighth Fringe Area, would provide a net revenue flow of approximately $42 million for fiscal year 1998-99. Metropolitan will use other revenue sources, such as water sale revenues, readiness-to-serve charge revenues (except to the extent collected through standby charges, as described above), interest income, and revenue from sales of hydroelectric power, to pay for the remaining program benefits. About eighty percent of the total cost of the improvements benefiting the annexing area will be paid from these other sources, thus ensuring that no parcel within Western's Thirty-Eighth Fringe Area is assessed standby charges in excess of the reasonable cost of the proportional special benefit conferred on that parcel.

SUMMARY

The foregoing and the attached tables describe the current benefits provided by the projects listed as mainstays to the water supply system for Metropolitan's service area. Western has requested that a standby charge be imposed on lands within Thirty-Eighth Fringe Area as a credit against Western' readiness-to-serve charge for fiscal year 1998-99, in the amount of $9.23 per acre or parcel of less than one acre levied by Metropolitan within Western. The special benefits described in this Engineer's Report far exceed the recommended charge. The standby charges for parcels within Western's Thirty-Eighth Fringe Area total $888.75.

Prepared Under the Supervision Of:
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Recommended By:
Christine M. Morioka
Principal Resource Specialist

Christine M. Morioka

TABLE 1

ESTIMATED DISTRIBUTION OF BENEFITS OF WATER SUPPLY PROGRAM THAT COULD BE PAID BY RTS CHARGE

Water Transmision Storage and Supply Program	Estimated Potential Program Benefits FY 1998-99	$ Per Acre or $ Per Parcel Less Than 1 Acre
Net Capital Payments to State Water Project (Less Portion Paid by Property Tax Revenue)	$85,128,582	$20.48
Debt Service for Water Storage Including the Eastside Reservoir Project	$104,672,318	$25.18
Debt Service for System Improvements (less Portion Paid by Treatment Surcharge)	$39,705,730	$9.55
Total Capital and Debt Service Payments	$229,506,630	$55.22
less Estimated Standby Charge Revenues (Including Thrity-Eighth Fringe Area)	($41,836,018)	($10.07)
Remaining Capital and Debt Service Costs Recovered by RTS, Water Sales, Interest Income and Other Revenues	$187,670,612	$45.15

TABLE 2

DISTRIBUTION SYSTEM IMPROVEMENT PROJECT BENEFITS

Distribution System Improvement
All Plants - Replace Power Supply System
All Plants - Replace Water Flowmeter Instruments
All Pump Plants 230KV External Heat Exchangers
Allen-McColloch Pipeline Purchase
Auld Valley Pipeline #1
Box Springs Feeder - Schedule 316
Central Pool Augmentation Project
Centralized Control System - Eagle Rock Area
Centralized Control System - General Design
Centralized Control System - Hdqtrs Monitoring
Chemical Unloading Facility
Chlorination Structure - Foothill Feeder
Chlorination System at Reservoirs
Colorado River Aqueduct - Gene Plant Heat Exchanger
Colorado River Aqueduct - Hinds Pump Plant, Modify Pump Impeller
Colorado River Aqueduct - Install Water Level Alarm System
Colorado River Aqueduct - Modification of Blowoff Structure
Colorado River Aqueduct - Replace Circuit Breakers
Colorado River Aqueduct - Replace Gene Pump Plant Station Service
Colorado River Aqueduct - Replace Transformer Bank No. 1
Colorado River Aqueduct - Water Storage
Colorado River Aqueduct - Intake Pump Plants, Replace Sta Service
CRA Lakeview Siphon - Repair Deteriorated Joints in 1st Barrel
Desalination Demonstration Project
Distribution System - Replace Flowmeter Instruments
District Reservoirs - Aqueous Ammonia Feed
Dist. System Improvements - Chemical Unloading
Eagle Mountain, Hinds - Service Facilities
Eagle Mountain, Hinds - Modify Pumps
Eagle Mountain, Hinds - Pump Modifications
Eagle Mountain, Hinds Rehabilitate 2 Main Transformer
Eagle Mountain, Hinds - Replace Vibration Monitors
East Valley Feeder - Relocate at Hollywood
East Valley Feeder - Structural Modifications
Enlarge Foothill Feeder Control Structure
Enlargement of Chemical Unloading Facility
Etiwanda Pipeline
Foothill Area Study
Foothill Feeder - Devil Canyon Power Plant
Foothill Feeder - Rialto Pipeline
Foothill Feeder - San Dimas Facilities
Foothill Feeder - San Fernando Tunnel
Foothill Feeder - San Fernando Tunnel
Garvey Reservoir Junction Structure
Garvey Reservoir Junction Structure - Replace Valves
Garvey Reservoir - Floating Cover
Garvey Reservoir - Inlet & Outlet Conduit
Garvey Reservoir - Junction Structure
Garvey Reservoir - Modify Desilting Basins

TABLE 2 (CONTINUED)

DISTRIBUTION SYSTEM IMPROVEMENT PROJECT BENEFITS

Distribution System Improvement
Gene Pump Plant - Mechanical Maintenance Shop
Gene Pump Plant - Replace 230KV Circuit Breaker
Gene Pump Plant - Replace Power Cable
Gene Pumping Plants - Testing Lab Addition
Hinds - Rehabilitation Bank 1 Main Transformer
Hinds - Replace 230V Circuit Breakers
Inland Feeder R/W (BSF, Lakeview, SD 4 & 5)
Inland Feeder System - Perris Control Facility
Inland Feeder
Install Chlorine & Ammonia Analyzers
Intake Pumping Plant - Replace Standby Generator
La Verne Facility - Machine Shop
La Verne Facility - Maintenance Shop
La Verne Facility - Paint Drying Facility
La Verne Facility - Replace Machine Shop
La Verne Facility - Wheeler Ave Entrance
La Verne Maintenance Facility Expansion
Lake Mathews - Chlorination Facility
Lake Mathews - Control Tower - Replace Valves
Lake Mathews - Dike #1 - Install Piezometers
Lake Mathews - Forebay Outlet Structure
Lake Mathews - Outlet Tower - Maintenance
Lake Mathews - Domestic Water System
Lake Mathews - Electrical System
Lake Mathews - Lumber Storage Building
Lake Mathews - Propane Storage Tank
Lake Mathews - Rehabilitate Electrical System
Lake Mathews - Replace Electrical Service
Lake Mathews - Replace Howell-Bunger Valve
Lake Mathews - Replace Southerly Security Fence
Lake Mathews - Seepage Alarms
Lake Perris Bypass Pipeline
Lake Perris Pumpback Expansion
Lake Perris Pumpback Facility
Lake Skinner
Lake Skinner - Install Aeration System
Lake Skinner - Propane Storage Tank
Lake View Pipeline - Install Cathodic Protection
Live Oak Reservoir - Foothill Feeder System
Live Oak Reservoir - Improvements
Lower Feeder - Relocation in Imperial Hwy
Lower Feeder - Replace/Protect Imperial Highway
Mathews & Diemer - Modify Chlorine Tanks
Microwave Communication System
Microwave Communication System - ROW
Mills Filtration Plant - Service Connection
Modify Control System
MWD Share Design & Construction LA-35

TABLE 2 (CONTINUED)

DISTRIBUTION SYSTEM IMPROVEMENT PROJECT BENEFITS

Distribution System Improvement	
Oak St Pressure Control Station - Valve Replacement	
OC Reservoir - Modify Electrical Control Center	
Orange County Feeder Relocation	
Orange County Feeder - Pressure Relief Structure	
Orange County Feeder - Relocation at Kimber	
Orange County Feeder - Service Connection PM-1	
Orange County Reservoir - Floating Cover	
Orange County Reservoir - Replace Chlorination Equipment	
PABX Communication System	
Palos Verdes Feeder - Modifications of L.A. City	
Palos Verdes Feeder - Relocation (MWD's Portion)	
Palos Verdes Feeder - Washington	
Palos Verdes Reservoir - Bypass Pipelines	
Pump Plants - Rehabilitate Main Pumps	
Pumping Plants - Replace Recorders	
Replace 75 Underground Storage Tanks	
Replace Flowmeters on Service Connections	
Rialto Pipeline - Delivery Facilities	
San Diego Aqueduct Rep San Jacinto	
San Diego Canal Enlarge Phase 2	
San Diego Pipe #5 - Schedule SD-17	
San Diego Pipeline Nos. 2, 3 - Modifications	
San Diego Pipeline No. 5 Schedule SD-16	
San Diego Pipeline No. 6	
Santa Ana River Crossing - Seismic	
Santa Monica Feeder - Modify Control Structure	
Santa Monica Feeder - Repair/Retrofit 28 Manhole Risers	
Sepulveda Feeder System, West Valley Feeder No. 2	
Sepulveda Feeder System - Calabasas Feeder	
Sepulveda Feeder - Balboa Inlet	
Sepulveda Feeder - Sepulveda Canyon Control	
Skinner Filtration Plant - Area Maintenance Center	
Soto Street Maintenance Center - Propane Storage	
South (Orange) County Pipeline - Joint Participation & Purchase	
Supervisory Control of Copper Basin Facility	
Upgrading Communication System	
West Orange County Feeder - Relocation	
West Valley Area Study	
West Valley Feeder No. 1 - Modifications	
West Valley Feeder No. 2	
White Water Siphon Delivery Structure	
Yorba Linda Feeder	
Other System Reliability/Rehabilitation Projects	
Estimated Fiscal Year 1998-99 Benefit	$39,705,730

TABLE 3

PROJECTED FOR FISCAL YEAR 1998-99
STANDBY CHARGE
ESTIMATED REVENUE

Member Agencies	Total Parcel Charge	These items estimated (a,b) Number Of Parcels Or Acres	Gross Revenues (Dollars)
Beverly Hills			
Burbank	$14.20	28,200	$400,433
Central Basin MWD	$10.44	338,386	$3,532,748
Compton	$8.92	18,036	$160,883
Foothill MWD	$10.28	30,151	$309,952
Glendale	$12.23	44,448	$543,601
Las Virgenes MWD	$8.03	64,953	$521,575
Long Beach	$12.16	88,319	$1,073,964
Los Angeles			
Pasadena	$11.73	36,654	$429,957
San Fernando	$7.87	5,154	$40,563
San Marino	$8.24	4,972	$40,970
Santa Monica			
Three Valleys MWD	$12.21	152,341	$1,860,083
Torrance	$12.23	37,834	$462,713
Upper San Gabriel Valley MWD	$9.27	208,715	$1,934,784
West Basin MWD			
Los Angeles County Total		1,058,164	$11,312,226
Anaheim	$8.55	65,619	$561,039
Coastal MWD	$11.60	86,041	$998,081
Fullerton	$10.71	32,960	$353,001
MWD of Orange County	$10.09	591,927	$5,972,547
Santa Ana	$7.88	53,466	$421,313
Western MWDRC in Orange County	$9.23	29	$270
Orange County Total		830,043	$8,306,251
Eastern MWD	$6.94	377,266	$2,618,226
Western MWD of Riverside Co.	$9.23	354,364	$3,270,776
Thirty-Eighth Fringe Area	$9.23	96	$889
Riverside County Total		731,726	$5,889,891
Chino Basin MWD	$7.59	220,596	$1,674,321
San Bernardino County Total		220,596	$1,674,321
Calleguas MWD	$9.58	254,145	$2,434,709
Ventura County Total		254,145	$2,434,709
San Diego CWA	$11.51	1,061,566	$12,218,620
San Diego County Total		1,061,566	$12,218,620
TOTAL	**$10.07**	**4,156,239**	**$41,836,018**

Notes:
a. The revenues and parcels are only estimates. Actual revenue collected could be less than projected due to tax payment delinquencies.
b. Based on estimates provided 10/28/97 by Reiter-Lowry Consultants, excepting Thirty-Eighth Fringe Area.

ATTACHMENT -A

Western MWD Thirty-Eighth Fringe Area

OWNER(S)

FIESTA DEVELOPMENT, INC.
Richard K. Ashby, President

CURRENT LAND USE

Vacant

PROPOSED USE

Property will be developed with 213 single family residential lots

PROPOSED WATER USE

TOTAL DEMAND	
83AFY	85 % Local Ground Water 15 % Western/MWD Water Demand on Western/MWD = 12.5 AFY

ANNEXATION CHARGE

(97.43 net acres x $2,992) + $5,000 = $296,510.56

JUNE 16, 1998
PLAN FOR IMPLEMENTING WATER USE EFFICIENCY GUIDELINES FOR WESTERN MUNICIPAL WATER DISTRICT'S 38TH FRINGE ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

General Description of Annexing Area

The area proposed for annexation is located in the City of Murrieta and consists of 95.41 acres of vacant land. It is located on Washington Avenue northwest of Nutmeg Street to the City boundary. Murrieta County Water District (MCWD) is the water purveyor. (Refer to Exhibit A)

Tentative Tract 28333 has been approved by the City of Murrieta for the development of 213 single-family residential lots on 59.51 acres. The remaining 35.9 acres is currently designated as open space. Construction is scheduled to begin within the next twelve (12) months.

Annual Water Use

The projected total demand in the annexation area will be about 27 million gallons per year (83 AF/Y). Eighty-five percent (85%) of this areas water demand will be served by MCWD from local groundwater supply. The remaining 15% will be from MWD at full build-out. The demands on Metropolitan will be minimized by incorporating various conservation measures discussed below into the development plans.

Peak Water Use

The projected maximum day demand in the annexation area is estimated to be about 149,000 gallons, based on a peaking factor of 2.0 times average daily flow. WMWD distribution system has the ability to increase water deliveries from several sources to offset peaking. The peak demand on Metropolitan will be minimized by the construction and operation of local storage and ground water facilities. MCMD will install additional wells as funds become available. This project is part of an Assessment District which includes a 500,000 gallon storage reservoir and an additional well site. Funding is currently being sponsored by the City of Murrieta.

Reclaimed Supplies

Western Municipal Water District (Western) promotes the use of reclaimed water by means of an active program involving its member agencies. At the present time, MCWD does not have any reclaimed water supplies. Therefore, a dual distribution system shall be constructed to accommodate such supplies when they become available in the future. In the event of the inclusion of industrial processes, decorative lakes or landscaped areas exceeding one acre within the annexation area, reclaimed water or non-potable water supplies shall be developed and used for such water requirements.

Water Conservation

Western's water conservation program draws on support from several areas. A water conservation specialist, a garden specialist, an education specialist and other staff establish high visibility in the community to provide information and assistance on water resource conservation. For years, Western's conservation specialist has written and directed water conservation plans geared for children, with performances throughout our district during Water Awareness Month. Western operates "Landscapes Southern California Style^{sm}", a unique conservation education garden at their headquarters office located at 450 Alessandro Blvd. in Riverside. The garden is one acre with 2,500 individual plants. It displays many different types of drought tolerant plants and shows the public different planting ideas

for different situations. Western also holds seminars on home landscape design in the garden which are open to the public.

The goal of "Landscapes Southern California Style^{sm}", is to assist conserving California's water resources by increasing the public's acceptance, use of, and desire for water-efficient landscaping. Home conservation literature is available, including periodic bill stuffers. Since 1982, Western has employed one full-time Water Education Specialist who provides water education programs and conducts field trips for school Districts within Western's boundaries. Western also helps fund these field trips by paying the costs for the bus to make it possible for schools to participate. More than 104,000 students have participated in our water education program. Western's Public Affairs staff incorporates conservation messages in press releases, speeches and other customer messages. Western also has an active landscape demonstration program and provides financial support for the local Resources Conversation District in making efficient evaluations available for commercial and agricultural customers.

To the extent it is practicable to do so, with the limits of its authority and jurisdiction, Western intends to apply the 16 BMP's Best Management Practices as identified by Metropolitan (see enclosed Attachment A) throughout its service area in accord with, and as a part of, its continuing water conservation program.

At least one model home within the annexation area shall demonstrate a water conserving landscape. All homes will have low flow shower heads and ultra low flush toilets.

Interruption of Service

Local storage, groundwater, groundwater production capacity, system meter connections and other measures such as four wells in the area produce 4,000 acre feet per year. Through the use of groundwater production, MCWD is able to sustain a seven-day interruption in service from Metropolitan. (Refer to Exhibit A)

Compliance

To the extent practicable, Western will assure compliance with the provisions of Metropolitan's water use Efficiency Guidelines as indicated in Metropolitan's Administration Code Section 3107 and shall report to Metropolitan regarding such compliance.

WESTERN MUNICIPAL WATER DISTRICT

By:_____ Date:_____
DONALD L. HARRIGER
General Manager

MURRIETA COUNTY WATER DISTRICT

BY: _____ Date: 6/16/98
TIMOTHY A. CROUGH, P.E.
General Manager/District Engineer

FIESTA DEVELOPMENT INC.

BY:_____ Date:_____
RICHARD K. ASHBY
President

ATTACHMENT A
URBAN CONSERVATION BEST MANAGEMENT PRACTICES

1. Interior and exterior Residential and Governmental/Institutional Water Audits

2a. Enforcement of ULFT Requirement in New Construction Beginning January 1992

2b. Support of State and Federal Legislation Prohibiting Sales of Toilets that Use More Than 1.6 Gallons per Flush.

2c. Residential Plumbing Retrofits

3. Distribution System Water Audits, Leak Detection and Repair

4. Metering with Commodity Rates for all new Connections and Retrofit of Existing Connections.

5. Large Landscape Water Audits and Incentives

6. Support of and Compliance with "Water Conservation in landscaping Act" (AB325) for Commercial, Industrial, Governmental and Multi-family Developments

7. Public Information

8. School Education

9. Commercial and Industrial Water Conservation

10. New Commercial and Industrial Water Use Review

11. Conservation Pricing

12. Support of and Compliance with "Water Conservation in Landscaping Act" (AB325) for Single Family Homes

13. Enactment and Enforcement of Water Waste Prohibition Ordinances

14. Designation of a Water Conservation Coordinator

15. Financial Incentives

16. Ultra Low Flush Toilet Replacement

EXHIBIT "A"

PROPOSED 38TH FRINGE ANNEXATION TO WESTERN MUNICIPAL WATER DISTRICT AND METROPOLITAN WATER DISTRICT (APN 906-020-005, -006, -007, -008, -010 & -011)

PRESENT & PROPOSED USE

The present and proposed uses for the subject parcels are as follows:

906-020-005	R-1	Vacant	Vacant
906-020-006	R-1	Vacant	Single-Family Residential
906-020-007	R-1	Vacant	Single-Family Residential
906-020-008	R-1	Vacant	Single-Family Residential & Vacant
906-020-010	R-1	Vacant	Single-Family Residential
906-020-011	R-1	Vacant	Single-Family Residential

DEMANDS FOR WATER SERVICE

The estimate for current and near term water demand for imported water is zero. Murrieta County Water District currently has an ample groundwater supply to provide water service to the subject properties. However, MCWD estimates that 12,000 Equivalent Dwelling Units will be constructed in the District over the next 30 years. This will require an average water supply of 4,700 acre-feet per year (AF/Yr). The ultimate groundwater yield is estimated at 4,000 acre-feet. Therefore, the ultimate demand for imported water will be 700 acre-feet, or 15% of the total demand.

At full build-out of the District, the subject property will demand approximately 11,200 gallons per day (12.53 AF/Yr) of imported water as follows:

213 EDU X 350 gpd/EDU = 74,550 gpd

Imported Water Demand = 15% of 74,550 gpd = 11,200 gpd (avg)

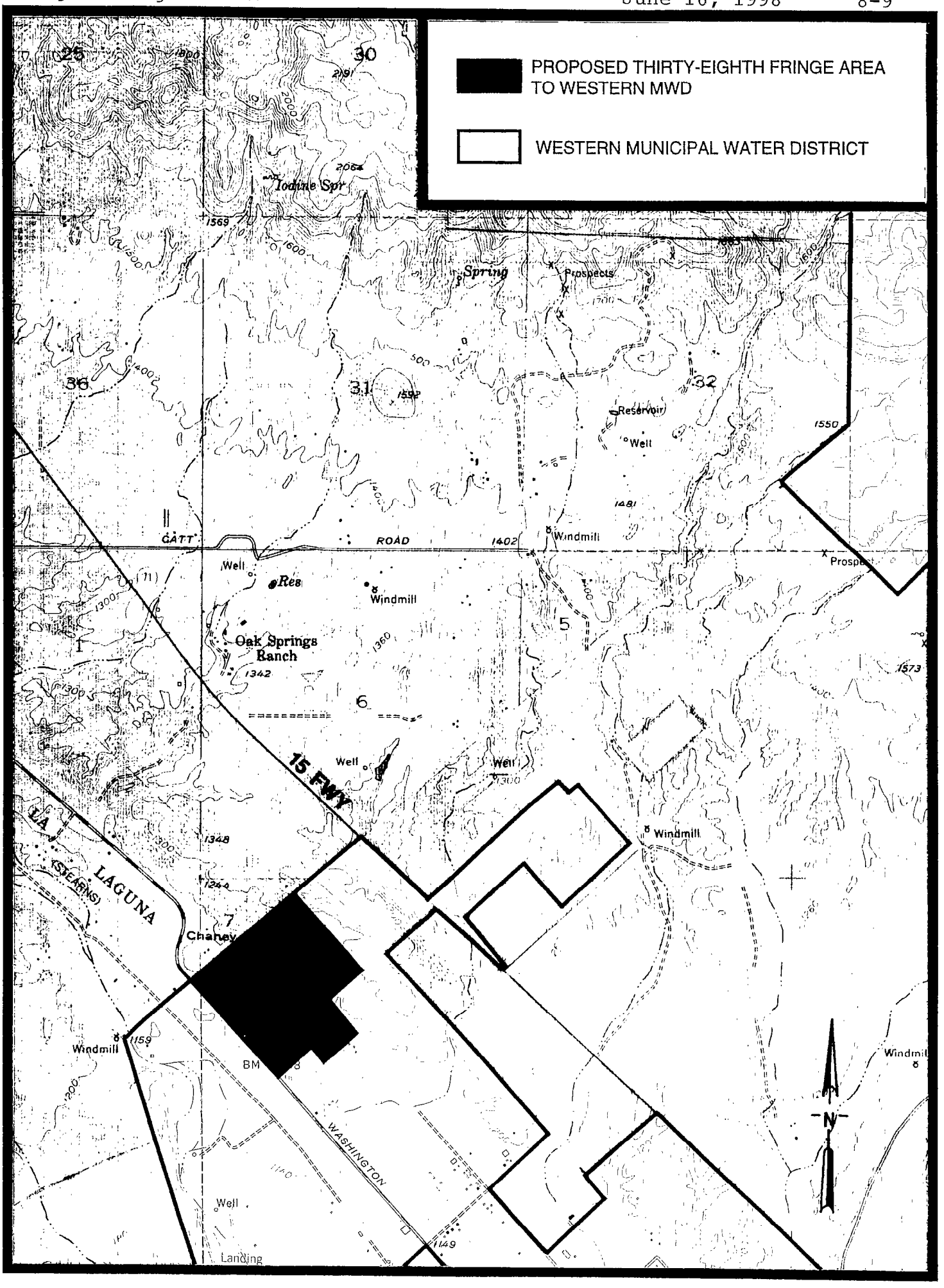
Peak Factor = 2.0

therefore;

Peak Day Demand = 2.0 X 11,200 gpd = 22,400 gpd or 25.06 AF/yr

WATER USE EFFICIENCY

Current Landscape Ordinances require development with more than 2,000 square feet of landscaping to have an irrigation meter separate from the domestic supply. This will facilitate the use of reclaimed water (for irrigation) when it becomes available to MCWD customers. In addition, water rates increase for customers consuming more than 3,300 cubic feet per month. This has proven to be a deterrent to excessive water use, and an effective water conservation measure.


PROPOSED THIRTY-EIGHTH FRINGE AREA TO WESTERN MWD
WESTERN MUNICIPAL WATER DISTRICT
Iodine Spr
Spring
Prospects
Reservoir
Well
Windmill
GATT
ROAD
Res
Oak Springs Ranch
15 FWY
LA
LAGUNA
(STEARNS)
Chaney
BM
WASHINGTON
Landing
N