

May 14, 1999

To: Board of Directors (Budget and Finance Committee—Action)

From: General Manager _____

Submitted by: Gary M. Snyder _____
Chief Engineer

Subject: Informal Approval of Fortieth Fringe Annexation Concurrently to The Metropolitan Water District and Western Municipal Water District of Riverside County 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 Fortieth Fringe Annexation concurrently to The Metropolitan Water District of Southern California (Metropolitan) and Western Municipal Water District of Riverside County (Western); conditioned upon a cash payment to Metropolitan of the annexation charge of approximately \$166,444.55, if completed by December 31, 1999, or at the then current annexation charge rate if completed after December 31, 1999, subject to such terms and conditions as may be fixed by the 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 (Plan) for this proposed annexation attached as **Exhibit A**; and
3. Approve the form of resolution of intention to impose water 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 B** to this letter.

EXECUTIVE SUMMARY

Western has requested informal approval for the Fortieth Fringe Annexation concurrently to Metropolitan and Western. This currently uninhabited territory contains an approximate gross area of 53.60 acres, of which approximately .65 acres are located within public streets, leaving a net area of 52.95 acres. The area is expected to be developed for residential purposes.

Western has submitted an acceptable Plan pursuant to Section 3107 of Metropolitan’s Administrative Code. The total projected water demand on Metropolitan of the annexing area is 115 AFY from imported supplies. Western has requested that Metropolitan impose water 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 water standby charges are presently levied in other portions of Western).

DETAILED REPORT

By a letter dated February 1, 1999, Western has requested informal approval as defined in Administrative Code 3100(b) for the Fortieth Fringe Annexation concurrently to Metropolitan and Western. Palmdale Summit, the property owner of the vacant site, intends to develop approximately 230 single-family residential lots.

The proposed annexation territory is located in the City of Murrieta north of Nutmeg Street, south of Robards Way, west of Jackson Avenue, and east of Interstate 15 Freeway, as shown on the attached map Exhibit C. Pursuant to Section 3201 of Metropolitan's Administrative Code, the proposed annexation will fill an existing window area within Western's territory. City of Murrieta zoning for the site is primarily R-2, single-family residential, which is consistent with the General Plan designation.

Western has submitted an acceptable Plan pursuant to Section 3107 of Metropolitan's Administrative Code. The total projected water demand is 115 acre-feet per year, all from Metropolitan through Western.

This annexation is subject to the provisions of the California Environmental Quality Act (CEQA). CEQA will be complied with prior to the time that formal approval of this annexation is requested from Metropolitan. At that time, as required by CEQA, the Board will 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 \$3,049 per acre and the sum of \$5,000 for processing costs, the annexation charge amount is \$166,444.55, if completed by December 31, 1999. The \$5,000 processing charge has already been paid. If the annexation is completed after December 31, 1999, 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 the Board in granting formal consent to such annexation. Western has requested that Metropolitan impose water 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 water 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 B is the form of resolution of intention to impose water standby charges which, if adopted by the 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 August 17, 1999, 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 water standby charges in the annexed area may be considered by the Board concurrently with formal approval of annexation.

PA/bm

Attachment 8-5A

Exhibit C (Map) --  **(SEE HARD COPY)** 