

- **Board of Directors**
Executive Committee

April 11, 2000 Board Meeting

8-6

Subject

Conditional (Informal) Approval for the Annexation of American Beauty Territory Concurrently to Metropolitan Water District (Metropolitan) and Eastern Municipal Water District (Eastern), and Approval of the Resolution of Intent to Impose Water Standby Charges

Description

Eastern has requested conditional approval for annexation of American Beauty territory concurrently to Metropolitan and Eastern. The development plan for the vacant 150.48-acre territory in the Murrieta area of Riverside County consists of 543 single family homes and one 5-acre commercial site. The annexation fee of \$517,835.84 will be paid in full prior to completion of the annexation. The projected water demand on Metropolitan is approximately 381 acre-feet per year. Eastern is also requesting that Metropolitan impose water standby charges within the annexing territory. The attachments are available for review in the Executive Secretary's Office.

Policy

Territory may be annexed to Metropolitan upon terms and conditions fixed by the Board and in accordance with Chapter 1, Article 1, Sections 350 through 356 of the Metropolitan Water District Act, and Division III of Metropolitan's Administrative Code.

Board Options/Fiscal Impacts

Option #1

- Grant conditional approval, as defined in Administrative Code 3100(b), for American Beauty Annexation concurrently to Metropolitan and Eastern; conditioned upon a cash payment to Metropolitan of the annexation charge of approximately \$517,835.84 if completed by December 31, 2000, or at the then current annexation charge rate if completed after December 31, 2000. (Attachment 1, detailed report).
- Subject to the approval of Option #1 A, approve Eastern's proposed American Beauty Annexation Plan for Implementing Water Use Efficiency Guidelines Attachment 2.
- Subject to the approval of Options #1 A and B, approve the resolution of intention to impose water standby charges within the proposed annexation territory, substantially in the form of Attachment 3.

Fiscal Impact: Receipt of annexation fee (\$517,835.84) and water sales revenue from newly annexed territory.

Option #2

Decline American Beauty Annexation:

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

Staff Recommendation

Option #1.

Ray L. Wolfe

3/23/2000

Roy L. Wolfe
Acting Manager, Corporate Resources

Date

General Manager

Date