

- **Board of Directors**  
**Asset and Real Property Committee**

June 13, 2006 Board Meeting

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**7-1**

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**Subject**

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Grant conditional approval for the 95th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan, and adopt resolution of intention to impose water standby charge

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**Description**

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The Eastern Municipal Water District (Eastern) requests conditional approval and imposition of the water standby charge as set by The Metropolitan Water District of Southern California (Metropolitan) for the 95th Fringe Area Annexation concurrently to Eastern and Metropolitan. The proposed annexation consists of 10.35 gross acres with 0.28 acre designated for public roads. For this annexation, the net area is 10.07 acres. The area is located within the county of Riverside, south of Los Alamos Road, east of the I-215 Freeway, in the city of Murrieta, California. See [Attachment 1](#) for the legal description and map.

The current zoning of the property is commercial. The proposed development of the property is an industrial/business park as approved by the city of Murrieta's General Plan dated 1994. Prior to completion of the annexation, Eastern will pay a \$39,842.20 fee if the annexation is completed prior to December 31, 2006. If the annexation is completed later, the fee will be the then-current annexation charge rate pursuant to Section 3300 of Metropolitan's Administrative Code. The annexation charge is calculated by the per-acre method based on net acreage and a \$5,000 processing fee. The projected annual water demand on Metropolitan is approximately 28 acre-feet per year. The Water Use Efficiency Certificate ([Attachment 2](#)) is in compliance with the Metropolitan Administrative Code amendment approved on October 12, 2004.

Completion of this annexation will be subject to such terms and conditions as may be fixed by the Board in granting final consent to such annexation. Eastern has requested that Metropolitan impose a water standby charge within the annexation territory at the rate of \$6.94 per acre or per parcel of less than one acre, which is the water standby charge rate presently levied in other portions of Eastern. 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. [Attachment 3](#) contains the form of Resolution of Intention to Impose a Water Standby Charge 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 15, 2006, or such other date as the Board shall determine. The ballots received from property owners are weighted according to the proportionate obligation of each property. Unless a majority of voters protest the charges, the Board may impose the water standby charge in the annexed area concurrently with final approval of annexation.

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**Policy**

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Territory may be annexed to Metropolitan upon terms and conditions fixed by the Board and in accordance with Chapter 1, Article 1, Section 350 through Section 356 of Metropolitan's Act and Division III, Section 3100(b) of its Administrative Code.

## California Environmental Quality Act (CEQA)

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### CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA because they involve the creation of government funding mechanisms or 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). In addition, where it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment, the proposed actions are not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines). Prior to formal approval of the annexations and water standby charges from the Board, CEQA documentation will be prepared by the Lead Agency and processed in accordance with CEQA and the State CEQA Guidelines. As the Responsible Agency, Metropolitan's Board will then review and consider the CEQA documentation before taking further action.

The CEQA determination is: Determine that the proposed actions are not subject to the provisions of CEQA pursuant to Sections 15378(b)(4) and 15061(b)(3) of the State CEQA Guidelines.

### CEQA determination for Option #2:

None required

## Board Options/Fiscal Impacts

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### Option #1

Adopt the CEQA determination and

- a. Grant conditional approval for the 95th Fringe Area Annexation concurrently to Eastern and Metropolitan, conditioned upon receipt in full of an annexation fee of \$39,842.20 to Metropolitan if completed by December 31, 2006, or if completed later, at the then-current annexation charge rate;
- b. Approve Eastern's Statement of Compliance with the current Water Use Efficiency Guidelines ([Attachment 2](#)); and
- c. Adopt the resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of [Attachment 3](#).

**Fiscal Impact:** Receipt of annexation fee of \$39,842.20 for the 95th Fringe Area and water sales revenue from newly annexed territory

### Option #2

Decline the request for 95th Fringe Area Annexation

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

**Staff Recommendation**

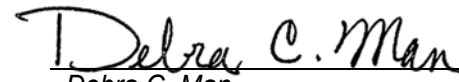
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Option #1

  
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Jill T. Wicke  
Manager, Real Property Development and  
Management

5/12/2006

Date

  
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Debra C. Man  
for Jeffrey Kightlinger  
General Manager

5/17/2006

Date

**Attachment 1 – 95th Fringe Area Legal Description and Map**

**Attachment 2 – 95th Fringe Area Water Use Efficiency Certificate**

**Attachment 3 – 95th Fringe Area Resolution of Intention to Impose Water Standby Charge**

BLA #4498