



# Authorize Extension of Service Area Agreement with Eastern and Pechanga Band of Luiseño Mission Indians

Finance & Insurance Committee  
Item 8-8  
April 12, 2016

# Background

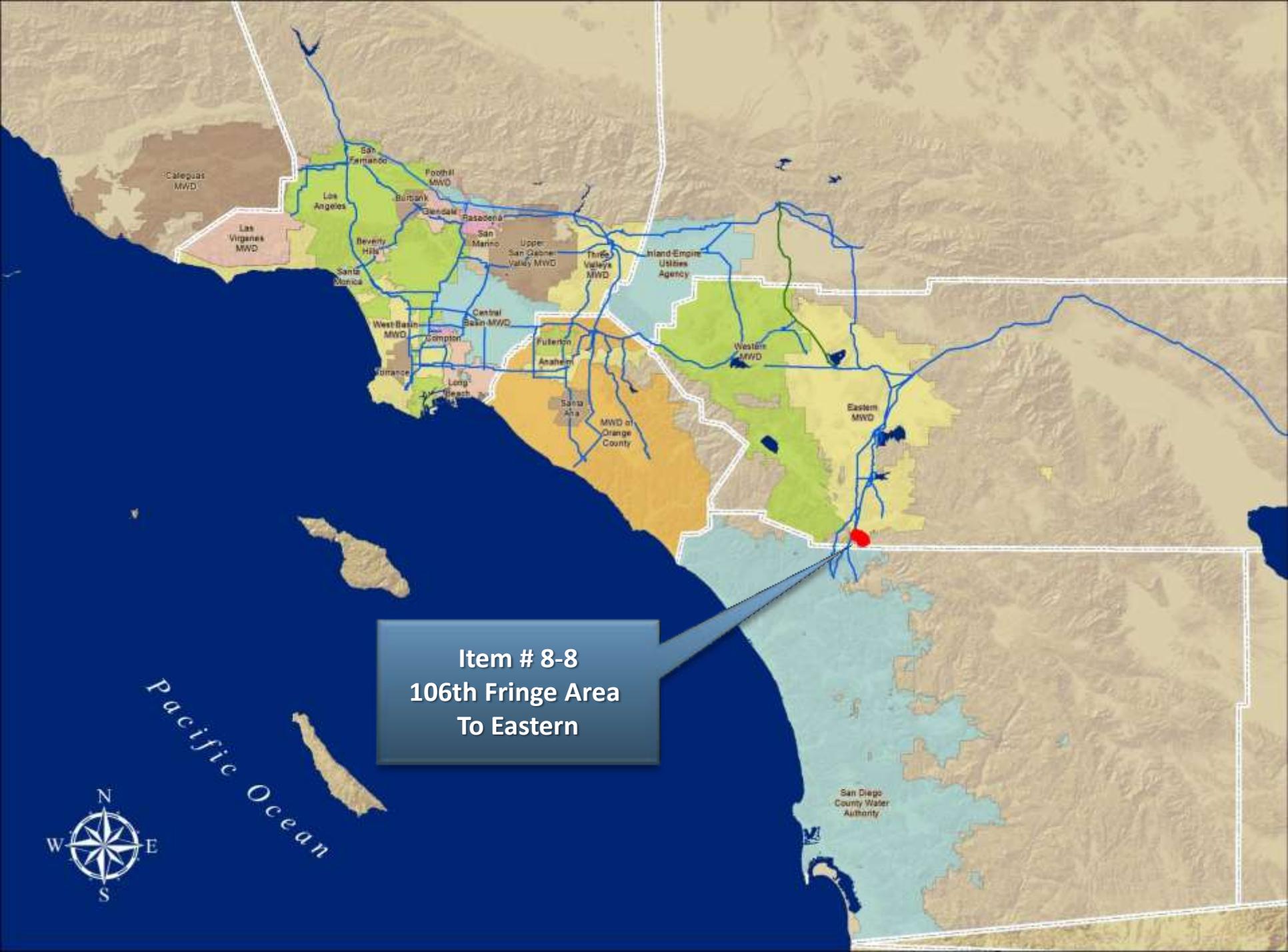
- Pechanga Band of Luiseño Mission Indians Water Rights Settlement Agreement
- Congressional approval required
  - Pechanga Band of Luiseño Mission Indians Water Rights Settlement Act
  - Senate Bill No. 1983 (Boxer)—introduced August 2015
  - Approved by Senate in February 2016
  - House hearing anticipated

# Background

- Sovereign nation
- Tribe and tribal lands are:
  - Not subject to state laws; annexation must be voluntary and contractual
  - Not subject to state taxes; annexation fees and property taxes collected by in-lieu charges
- Tribe cannot be sued in state or federal court without waiver of sovereign immunity

# Background

- ESAA seeks to treat Pechanga like any other customer
  - Subject contractually to Metropolitan's water service regulations and administrative code
  - Payment of in-lieu charges, including annexation and present value of ad valorem taxes
- Waiver of sovereign immunity
- Completes long term negotiations with US, Pechanga, Eastern, and Rancho
  - Brought to board in December 2008



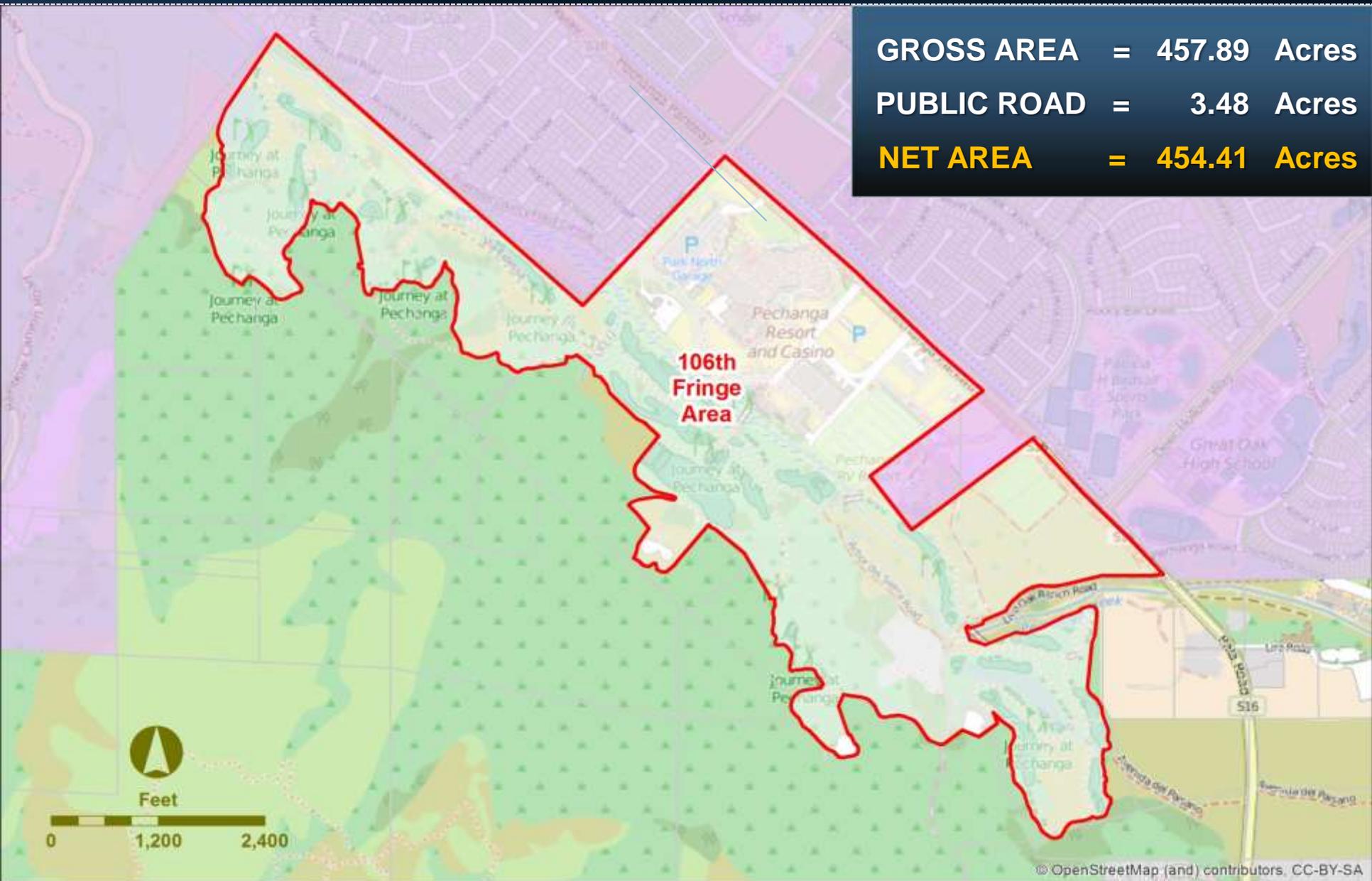
**Item # 8-8**  
**106th Fringe Area**  
**To Eastern**



*Pacific Ocean*

San Diego  
County Water  
Authority

**GROSS AREA = 457.89 Acres**  
**PUBLIC ROAD = 3.48 Acres**  
**NET AREA = 454.41 Acres**



# Summary

Annexation	Proposed Land Use	Acres	Annexation Charge	Increased Demand Upon Metropolitan (acre feet/yr)
Pechanga ESAA	Existing Commercial	457.89	\$ 2,328,851	0
Ad Valorem Property Tax	Net Present Value		\$ 562,591	
Processing Charge			\$ 5,000	
<b>TOTAL</b>		<b>457.89</b>	<b>\$ 2,896,442</b>	<b>0 AFY</b>

# Board Options

## Option 1: Adopt CEQA determination

- Authorize the General Manager to enter into the Extension of Service Area Agreement with Eastern and Pechanga; and
- Adopt the resolution granting approval for the 106th Fringe Area annexation concurrently to Eastern and Metropolitan and establish Metropolitan's terms and conditions for the extension of service area agreement, conditioned upon approval by Riverside County's Local Agency Formation Commission, and upon receipt of fees of \$2,896,442

## Option 2:

- Decline the requested annexation

# Staff Recommendation

- Option 1

