

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT ESTABLISHING AND SETTING FORTH THE TERMS AND CONDITIONS TO BE ASSOCIATED WITH THE PROPOSED CONCURRENT ANNEXATION OF CERTAIN TERRITORY DESIGNATED AS THE 110TH FRINGE AREA TO EASTERN MUNICIPAL WATER DISTRICT AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

WHEREAS, heretofore, on the 18th day of April, 2018, the Board of Directors of EMWD adopted Resolution No. 2018-030 making application to the Local Agency Formation Commission of Riverside County, California, for a Reorganization proceeding which would result in the concurrent annexation of certain territory, hereinafter called the 110th Fringe Area, to EMWD and MWD and thereafter filed a certified copy of said Resolution with the Executive Officer of said Commission;

WHEREAS, after full compliance with all local requirements prescribed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Section 56000 *et seq.* of Government Code), said Local Agency Formation Commission of Riverside County, California, adopted Resolution No. 2019-03-3 on May 23, 2019, approving said proposed annexation subject to the terms and conditions set forth therein;

WHEREAS, on the 18th day of April, 2018, the Board of Directors of EMWD adopted Resolution No. 2018-031, making application to the Board of Directors of MWD for consent to annex to EMWD and concurrently to MWD said 110th Fringe Area and requesting said Board of Directors to fix the terms and conditions for such annexation to MWD;

WHEREAS, on the 6th day of November, 2018, the Board of Directors of MWD adopted Resolution No. 9248 consenting to the proposed concurrent annexation of said 110th Fringe Area and fixing the terms and conditions of said annexation to MWD; and

WHEREAS, the purpose of this Resolution is to, among other things, set forth MWD's and EMWD's terms and conditions to be associated with said annexation of the 110th Fringe Area;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

- A. That preliminary proceedings relative to the subject Reorganization were commenced by Petition of the property owner(s), with EMWD's Board of Directors concurring by Resolution, and filed with the Executive Officer of the Local Agency Formation Commission of Riverside County, California;

- B. That the distinctive short form designation assigned by the Local Agency Formation Commission of Riverside County, California, to the proposed annexation of the 110th Fringe Area is LAFCO No. 2019-03-3 Reorganization to Include Concurrent Annexations to Eastern Municipal Water District and the Metropolitan Water District of Southern California (110th Fringe);
- C. That the territory referred to as the 110th Fringe Area is generally located south of Baxter Road, east of Whitewood Road, west of Menifee Road, and north of Lee Lane within the City of Murrieta, County of Riverside, as described on Exhibit B attached hereto and made a part hereof;
- D. That the 110th Fringe Area is uninhabited, there being fewer than twelve (12) registered voters residing therein;
- E. That the reasons for the annexation of the 110th Fringe Area are:
 - 1. The territory to be annexed lacks sufficient local natural water. No supplemental water is currently available to the area for this purpose. The territory, by concurrently annexing to EMWD and MWD, will be eligible, subject to the terms and conditions of those agencies, for supplemental water service to meet these requirements;
 - 2. As the subject territory develops, it will require utility-type service collection, treatment and disposal systems and service. These facilities and sewage service will be furnished under EMWD's programs;
- F. That the terms and conditions to be associated with said annexation of the 110th Fringe Area are as follows:
 - 1. As prescribed by the Board of Directors of MWD:
 - a. The annexation of said area to EMWD shall be made concurrently with the annexation thereof to MWD, and all necessary certificates, statements, maps, and other documents required to be filed by or on behalf of EMWD to effectuate the annexation shall be filed as required by law, on or before December 31, 2019;
 - b. Prior to filing a request for a certificate of completion of the annexation proceedings with the Riverside Local Agency Formation Commission, EMWD shall pay to MWD, in cash, the sum of \$66,552.84 (\$61,552.84 less \$5,000 previously paid) if the annexation will be completed by December 31, 2019. If the completion occurs

during the 2020 Calendar Year, the annexation charge will be calculated based on the then current rate;

- c. All necessary steps (including without limitation, pursuant to Article XIII D of the California Constitution) for imposition of MWD water standby charges in the amount of \$6.94 per acre or per parcel of less than one acre for Fiscal Year 2018/19 shall be completed;
- d. MWD shall be under no obligation to provide, construct, operate, or maintain feeder pipelines, structures, connections, and other facilities required for the delivery of water to said area from works owned or operated by MWD;
- e. EMWD shall not be entitled to demand that MWD deliver water to EMWD for use, directly or indirectly, within said area, any MWD water, except for domestic or municipal use therein;
- f. The delivery of all water by MWD, regardless of the nature and time of use of such water, shall be subject to regulations promulgated from time to time by MWD; and
- g. Except upon the terms and conditions specifically approved by the Board of Directors of MWD, water sold and delivered by MWD shall not be used in any manner which intentionally or avoidably results in the direct or indirect benefit of areas outside MWD, including use of such water outside MWD or use thereof within MWD in substitution for other water used outside MWD.

2. As prescribed by the Board of EMWD:

- a. Prior to filing a request for a certificate of completion of the annexation proceedings with the Riverside County Local Agency Formation Commission by EMWD, the owner(s) of the territory within said 110th Fringe Area shall pay to EMWD in cash:
 - 1) The sum of \$61,552.84 if the annexation will be completed by December 31, 2019, and provide written acknowledgment from LAFCO that adequate documentation has been submitted to record the certificate of completion. If the completion occurs during the 2020 Calendar Year, the then current per-acre rate shall be utilized in the annexation charge calculation; and

- 2) The sum of \$500.00 for State Board of Equalization processing fees associated with the subject Reorganization (concurrent annexation of the 110th Fringe Area); and
- b. Said territory will be concurrently annexed to EMWD and MWD, subject to the above prescribed terms and conditions.

This Resolution shall be effective upon its adoption.

DATED: June 19, 2019

Ronald W. Sullivan, President

I hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Directors of the Eastern Municipal Water District at its meeting held on June 19, 2019

ATTEST:

Sheila Zelaya, Secretary

(SEAL)