RESOLUTION 9398

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO EASTERN MUNICIPAL WATER DISTRICT'S 118th FRINGE AREA ANNEXATION AND FIXING THE TERMS AND CONDITIONS OF THE ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

WHEREAS, the Board of Directors of the Eastern Municipal Water District (EMWD), a county water authority situated in the county of Riverside, state of California, pursuant to Resolution No. 2025-185, in accordance with the provisions of the Metropolitan Water District Act (MWD Act), has applied to the Board of Directors of The Metropolitan Water District of Southern California (Metropolitan) for consent to annex thereto certain uninhabited territory situated in the county of Riverside referred to as 118th Fringe Area Annexation, more particularly described in an application to the Riverside County Local Agency Formation Commission (LAFCO), concurrently with 118th Fringe Area Annexation thereof to EMWD, such annexation to Metropolitan to be upon such terms and conditions as may be fixed by the Board of Directors of Metropolitan;

WHEREAS, the property owner of the proposed annexing parcel, which is located within the city of Murrieta in Riverside County, Assessor Parcel Number 909-060-038 (Property), has applied for annexation into the EMWD and Metropolitan service areas;

WHEREAS, completion of said 118th Fringe Area Annexation shall be contingent upon approval by the LAFCO;

WHEREAS, Metropolitan requests that LAFCO condition its approval of 118th Fringe Area Annexation upon a requirement that Metropolitan's existing and established taxes, benefit assessments, or property-related fees or charges in place in the service area are levied or fixed and collected on the parcels being annexed to the agency; these taxes, benefit assessments, or property-related fees or charges are identified below;

WHEREAS, Metropolitan has levied and collected ad valorem taxes on parcels within the territory of EMWD. Such charges for fiscal year 2026/27 described in Resolution 9397, adopted by Metropolitan's Board on August 18, 2026;

WHEREAS, since fiscal year 1992/93, Metropolitan has levied and collected water standby charges pursuant to Section 134.5 of the MWD Act on parcels within the territory of EMWD. Such charges for year 2026 are described in Resolution 9393, adopted by Metropolitan's Board on May 12, 2026;

WHEREAS, upon 118th Fringe Area Annexation, the parcel will be within Metropolitan's service area, Metropolitan water will be available to such parcel, and such parcel will receive the benefit of the projects provided in part with proceeds of Metropolitan's water standby charges; and

WHEREAS, pursuant to the provisions of the California Environmental Quality Act (CEQA), Rancho, acting as Lead Agency and sub-member agency to Eastern Municipal Water District, approved the AX109 Project (also known as 118th Fringe Area Annexation) Negative Declaration on February 25, 2024, and Addendum to the Negative Declaration on March 26, 2026, and approved the Project for the development of the proposed annexation parcels. Metropolitan, as Responsible Agency under CEQA, reviewed and considered the information contained in the ND and Addendum prior to approval of the formal terms and conditions for the 118th Fringe Area Annexation; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Metropolitan, acting as Responsible Agency, reviewed and considered the information in the 2024 ND and 2026 Addendum prior to approval of the final terms and conditions for the 118th Fringe Area Annexation; and subject to the following terms and conditions, does hereby grant the application of the governing body of Eastern Municipal Water District for consent to annex 118th Fringe Area Annexation, to Metropolitan and does hereby fix the terms and conditions of such annexation.

Section 1. Annexation of said area to EMWD shall be made concurrently with annexation thereof to Metropolitan, and all necessary certificates, statements, maps, and other documents required to be filed by or on behalf of EMWD to effectuate 118th Fringe Area Annexation shall be filed on or before December 31, 2028.

Section 2. Prior to filing a request for a Certificate of Completion of 118th Fringe Area Annexation proceeding with LAFCO, EMWD shall submit a certified copy of LAFCO's resolution approving 118th Fringe Area Annexation to EMWD and shall pay to Metropolitan $92,513.60 for its annexation fee if annexation is completed by December 31, 2026. If the annexation is completed during the 2027-calendar year, the annexation charge will be calculated based on the then-current rate, in accordance with Metropolitan's Administrative Code Section 3300.

Section 3. a. Metropolitan 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 and operated by Metropolitan.

b. EMWD shall not be entitled to demand that Metropolitan deliver water to EMWD for use, directly or indirectly, within said area, except for domestic or municipal use therein.

c. The delivery of all water by Metropolitan, regardless of the nature and time of use of such water, shall be subject to the water service regulations, including rates and charges promulgated from time to time by Metropolitan.

d. Except upon the terms and conditions specifically approved by the Board of Directors of Metropolitan, water sold and delivered by Metropolitan shall not be used in any manner which intentionally or avoidably results in the direct or indirect benefit of areas outside Metropolitan, including use of such water outside Metropolitan or use thereof within Metropolitan in substitution for other water outside Metropolitan.

Section 4. LAFCO has conditioned approval of 118th Fringe Area Annexation upon a requirement that Metropolitan levy or fix and collect all previously established and collected taxes, benefit assessments, or property-related fees or charges on parcels being annexed to the agency.

Section 5. Such charges, which are subject to change over time, include but are not limited to

a. Metropolitan's ad valorem tax on properties located within the territory of EMWD is in the amount of 0.0085 percent of the assessed value of each parcel. Metropolitan shall levy the ad valorem tax in the amount, at the same time and in the same manner as ad valorem tax on other properties located within the territory of EMWD. Such charges for fiscal year 2026/27 are described in Resolution 9397, adopted by Metropolitan's Board on August 18, 2026.

b. Metropolitan's water standby charge on properties located within the territory of EMWD in the amount of $6.94 per an acre, or per a parcel of less than one acre. Metropolitan shall levy the water standby charge in the amount, at the same time and in the same manner as the water standby charge on other properties located within the territory of EMWD. Such charges for fiscal year 2026 are described in Resolution 9393, adopted by Metropolitan's Board on May 12, 2026.

Section 6. That the General Manager is hereby authorized and directed to take all necessary action to secure the collection of the ad valorem taxes and water standby charges by the appropriate county officials, including payment of the reasonable cost of collection.

Section 7. That the Board of Directors of Metropolitan, acting as Responsible Agency under CEQA, reviewed and considered the information in the 2024 ND and 2026 Addendum prior to approval of the final terms and conditions for the 118th Fringe Area Annexation; and subject to the following terms and conditions, does hereby grant the application of the governing body of Eastern for consent to annex the 118th Fringe Area Annexation to Metropolitan and does hereby fix the terms and conditions of such annexation.

Section 8. That the General Manager and General Counsel are hereby authorized to do all things necessary and desirable to accomplish the purposes of this resolution, including, without limitation, the commencement of defense of litigation.

Section 9. That if any provision of this resolution or the application to any member agency, property or person whatsoever is held invalid, that invalidity shall not affect the other provisions or applications of this resolution which can be given effect without the invalid portion or application, and to that end the provisions of this resolution are severable.

BE IT FURTHER RESOLVED that the Board Executive Secretary is directed to transmit forthwith to the governing body of EMWD a certified copy of this resolution.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on September 15, 2026.

Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California