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ARTICLE 24. ANNEXATIONS

Sec. 24.1. revised by Ordinance No. 305 / October 22, 2003

<u>Sec. 24.1.</u> <u>Policy</u>. General District policy regarding annexation of additional areas to the District is to be based upon the following considerations and conditions applied to the area to be annexed, and the District will give its favorable consideration to areas to be annexed only upon all conditions having been met.

The District is prepared, with its existing governmental powers and its present and projected distribution facilities, to provide its service area with district supplies of water to meet expanding and increasing needs in the years ahead.

Taxpayers and water users residing within the District already have obligated themselves for the construction of a water supply and distribution system. This system has been designed and constructed in a manner that permits orderly and economic extensions and enlargements to deliver the District's full share of water imported into San Diego County by the Metropolitan Water District of Southern California and the San Diego County Water Authority.

All annexations to the District shall be based upon the principle that the District will not be obligated to provide additional works or facilities necessitated by such future annexations for the delivery of water from works or facilities owned or operated by the District.

The District Board of Directors must set terms and conditions for annexation of all parcels or areas to be annexed prior to the annexation proposals being approved by the District. The Board of Directors is not obligated to approve any annexation request and may set fees and charges for annexation to the District in its sole discretion so long as these fees and charges are reasonable and nondiscriminatory. Fees and charges set outside the District's service area may be different than service rates within the District without being discriminatory.

Sec. 24.2 Revised via Ordinance No. 338 / Nov. 29, 2006

<u>Sec. 24.2.</u> <u>Annexation Fees</u>. Annexation fees are fixed fees per acre or fraction thereof on the total area proposed to be annexed to the District. The annexation fee is established to require the area being annexed to buy into the existing water and sewer system and other facilities of the District and to pay its proportionate share of the existing facilities

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to make the annexed area equal with those properties existing within the District. The formula used will calculate the annexation fee revisions on an annual basis, using financial information from the most recent annual audited financial statements.

Sec. 24.2.1 Revised by Ordinance No. 338 / Nov. 29, 2006

<u>Sec. 24.2.1</u> .	Water District Annexation Fee Calculations	
	Reproduction Costs less Depreciation Water District's assets	\$126,752,874
	Acreage of service area	30,750
	Annexation Fee per acre	\$ 4,122

Sec. 24.2.2 Revised by Ordinance No. 438/ Jun. 15, 2016 Sec. 24.2.2 Revised by Ordinance No. 338 / Nov. 29, 2006 Sec. 24.2.2 revised by Ordinance No. 324 / Nov. 16, 2005

Sec. 24.2.2. <u>4S Ranch Sanitation District Annexation Fee</u>

Annexation Fee per EDU \$8,560

Sec. 24.2.3 Revised by Ordinance No. 438 / Jun. 15, 2016 Sec. 24.2.3 Revised by Ordinance No. 338 / Nov. 29, 2006 Sec. 24.2.3 revised by Ordinance No. 324 / Nov. 16, 2005

Sec. 24.2.3.	Rancho Cielo Sanitation District Annexation Fee

Annexation Fee per EDU

\$21,670

<u>Sec. 24.3.</u> <u>Processing Charge</u>. A deposit of \$2,000.00 is required to be placed with the District prior to any action by the District. The deposit is for the purpose of defraying any and all costs of the District involved with the District's processing of the annexation. If costs of the District exceed \$2,000.00, the proponent will be billed. The bill must be paid prior to the completion of the annexation. Similarly, if the costs of the District are less than the deposit, the proponent will receive a refund upon completion of the annexation.

<u>Sec. 24.4</u>. <u>Maps and Descriptions</u>. Annexation proponents shall furnish to the District all maps and descriptions of the area to be annexed to the

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District, as required by the District, the San Diego County Water Authority, the Metropolitan Water District of Southern California, the State Board of Equalization, and other regulatory agencies, at the proponent's cost.

- Sec. 24.5. San Diego County Water Authority and the Metropolitan Water District. Annexation proponents shall make application for annexation through the District for annexation to the San Diego County Water Authority and the Metropolitan Water District, where required, at the proponent's cost. Where the area to be annexed is presently within another agency within the San Diego County Water Authority, the proponent is responsible to see that the proper steps are taken to properly detach the area to be annexed to the District from the other agency or to receive permission for the District to serve the area being annexed within the boundaries of the other agency.
- <u>Sec. 24.6.</u> <u>Local Agency Formation Commission</u>. The annexation proponent is required to make application to the San Diego County Local Agency Formation Commission for approval of the annexation to the District or detachment from the District at the proponent's cost.
- <u>Sec. 24.7.</u> <u>Water System</u>. The area being annexed shall be obligated to design, finance and construct any or all water facilities as determined by the District to be necessary to properly serve the area.