

Policy and Priority
for Annexation and Detachment of
Property to the District

In accordance with the District's contract with the United States Bureau of Reclamation the District may not modify its boundaries in a manner that will adversely affect its ability to meet its obligations to the United States or otherwise adversely affect the financial viability of the District.

The District has incurred long term debt, evidenced by Certificates of Participation (COP), in order to make major renovations and upgrades to its water distribution system that provide dependable service to all lands within the District which is secured by a standby charge, adopted on September 11, 1996, on the irrigable acreage within the District.

The District's boundaries are subject to change from time-to-time due to reasons including urban development, city annexation, and requests from landowners seeking annexation into, or detachment from, the District's boundaries.

Reorganization of lands to include annexation and detachment must be reviewed by the District to ensure that they:

- (1) Do not adversely affect the District's irrigation water supply;
- (2) Do not impose additional costs onto lands already in, or remaining in, the District by forcing such lands to pay debts allocated to the land seeking to annex/detach;
- (3) Do not cause the abandonment of facilities without recovering the costs thereof; and
- (4) Do not produce unmitigated environmental impacts on the District or on adjoining lands or groundwater.

Detachment of irrigable lands from the District may cause increased use of groundwater made available in whole or in part from irrigation by District landowners and result in reduced groundwater supplies to remaining lands.

The District wishes to establish policies that will govern its review and consent to reorganizations affecting the District requested under the provisions of the District Reorganization Act, California Government Code Section 56000, et seq.; and

The Board of Directors of the Orange Cove Irrigation District adopts the following as policy to administer District boundary changes in a manner which complies with the financial obligations incurred by the District for the rehabilitation of its system and is most equitable for its landowners.

A. Detachment:

1. The District will not sponsor nor petition LAFCO for the detachment of lands from its boundaries. The District will comment to LAFCO in response to landowner petition for detachment filed directly with LAFCO.
2. Detaching lands shall pay all costs of detachment, including necessary fees of LAFCO and the State Board of Equalization, and CEQA processing costs.
3. Lands surrounded by irrigable District lands may receive direct benefits from the District's system and indirect benefits of groundwater recharge from irrigation of adjoining land. Therefore, the District will oppose detachments of lands within the District that would create islands surrounded by District lands.
4. In order to preserve the financial viability of the District, to ensure compliance with its Series 1996 Refunding Revenue COP's, and to meet its obligations under its contract with the United States Bureau of Reclamation, the District will not support a boundary change consisting only of a detachment unless processed as a reorganization including annexation of equivalent lands.
5. The District will oppose detachments that sever service to other properties within the District unless conditions are imposed that provide acceptable security and easements required to continue service to adjoining lands.
6. In the reorganization, lands requesting detachment shall pay a detachment fee equivalent to all outstanding long-term debt service allocated to and recoverable from the land to be detached. Detachment fees shall be as determined by the Board and submitted to LAFCO. Petitioners for reorganization and/or LAFCO should contact the District to determine the amount of such charges and fees.
7. The costs of any facilities installed by the District to serve the lands detaching shall be included in the detachment fees.
8. No detachment shall be approved until all prior assessments and/or water charges, including standby charges, and system rehabilitation fees due and owing on said property including delinquent penalties, are paid in full.
9. Landowners of property being detached from the District are responsible for costs associated with land surveying and generation of property legal description(s) by a licensed professional surveyor.
10. At the discretion of the District, some or all of the water delivery infrastructure may be removed by the District.
11. Existing easements for District access shall be preserved on private property.

B. Annexation:

Eligibility Requirements

The following minimum requirements of the United States Department of Interior's Bureau of Reclamation must be satisfied in order for land to be considered for receiving Central Valley Project (Project) water:

- (1) In accordance with the Reclamation Reform Act of 1982, lands must not be considered to be excess lands.
- (2) Lands receiving Project water must be "irrigable" as defined by the United States Department of Interior. This designation is based on information provided in the United States Department of Agriculture's Soil Conservation Service Soil Maps generated for the area under question. Technical information with this document provides information on suitability of the ground to irrigated agriculture.
- (3) Lands receiving Project water must be located within the "place of use" boundary of the Friant Division, as defined by the United States Department of Interior in Drawing Number 214-208-3331. Land outside of the Place of Use boundary are ineligible to receive project water and therefore ineligible for inclusion into the District.
- (4) Property must be adjacent to land already in the District, i.e. lands brought into the District may not create an "island" of District property surrounded by non-District property.

Annexation Policy Priority

In order for a parcel(s) to be eligible for inclusion into the District, that parcel(s) must be on the "Orange Cove Irrigation District Annexation List" (List). This List is maintained by the District and lists parcels according to the date that the District receives written correspondence from a landowner requesting inclusion. The List is used to determine the parcel(s) next in line for annexation, when detachments allow for replacement acreage to be brought into the District.

A subsequent change in ownership of any parcel on the List (after the time the original request was received by the District and the time there emerges an opportunity for a particular parcel(s) to be annexed into the District) does not adversely affect, and in fact has no bearing on the priority of that parcel relative to its position on the List. It is the Policy of the District that the annexation priority not be tied to the individual landowner or entity that requested inclusion, but to the particular land for which a request was initially advanced. In other words, when a change in ownership takes place for a parcel on the list, its priority position remains unchanged.

When available space for inclusion arises the property next in line on the List will be considered. At that time, the District will notify the current landowner of the

potential to bring acreage into the District. A landowner provided an opportunity to annex property into the District but who declines the opportunity forfeits his position on the list and that parcel will be removed from the List.

Annexation Request Minimum Requirements

The following minimum information must be provided to the District, in letter form, for a parcel(s) to be added to the List:

- (1) Dated letter requesting annexation, including name and signature of requestor.
- (2) Fresno or Tulare County Assessors Parcel Number(s) (APN) for parcel(s) to be added to the annexation List.
 - (a) If land to be annexed consists of anything other than a complete parcel(s), as identified by a unique APN or multiple APN's, a thorough description of the lands for which annexation is requested must accompany the request for inclusion. The description shall include a dimensional map that has Section Corners as a point of reference or a legal description of the property prepared by a professional land surveyor.

Obligation of Landowner at Time of Annexation

In order for annexation proceedings to occur, the landowner must satisfy the following requirements or that parcel will forego its opportunity to be annexed into the District:

- (1) The landowner agrees to pay all cost associated with the District boundary change apportioned relative to the total to be annexed under any one reorganization.
- (2) The landowner agrees to pay costs for District administration, operations and maintenance, including cost associated with system rehabilitation, from the date of annexation forward.
- (3) The landowner agrees to pay all costs, if any, associated with installing facilities extending water service to the newly annexed property.
- (4) The landowner agrees to pay for a determination by a professional engineer of the potential need for alterations to the District's infrastructure that would result from inclusion of additional land / additional system demand.
- (5) If it is determined that modification(s) to the District's existing infrastructure is (are) necessary, so as not to harm the existing ability of landowners in the District to receive water at the rates and frequency to which they are accustomed, the annexing landowner will be financially responsible for those modifications.
- (6) The landowner covenants to pay all expenses and debt service of District

allocated to said lands to finance the system rehabilitation.

C. CEQA:

As lead agency, LAFCO will prepare appropriate environmental documentation. The District will review and comment upon the adequacy of such documentation.

Without limiting the generality of the foregoing, identified impacts, including impacts on groundwater available within the District caused by detaching lands increased use of groundwater, will be identified and mitigated.