

AGENDA

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

**SAN BERNARDINO CITY COUNCIL CHAMBERS
300 NORTH D STREET, FIRST FLOOR, SAN BERNARDINO**

REGULAR MEETING OF JULY 20, 2016

9:00 A.M. – CALL TO ORDER – FLAG SALUTE

1. Public Comments on Closed Session

CONVENE CLOSED SESSION – Conference Room adjacent to Council Chamber:

Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation (Government Code Section 54956.9(d)(2)) – One case: City of San Bernardino v. East Valley Water District et al. (CIVDS1608620).

ANNOUNCEMENT: Anyone present at the hearing who is involved with any of the changes of organization to be considered and who has made a contribution of more than \$250 in the past twelve (12) months to any member of the Commission will be asked to state for the record the Commission member to whom the contribution has been made and the matter of consideration with which they are involved.

CONSENT ITEMS:

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the hearing to discuss the matter

2. Approval of Minutes for Regular Meeting of June 15, 2016
3. Approval of Executive Officer's Expense Report
4. Ratify Payments as Reconciled for Month of June 2016 and Note Cash Receipts
5. Unaudited Year-End Financial Report for Fiscal Year 2015-16
6. Approval of Fiscal Year 2007-08 Financial Records Destruction Pursuant to Commission Policy
7. Review and Approval of Contract with Davis Farr, LLP for Financial Audit Services for the Period Fiscal Year 2015-16 through Fiscal Year 2018-19

PUBLIC HEARING ITEMS:

8. Consent Items Deferred for Discussion
9. Consideration of: (1) CEQA Statutory Exemption for LAFCO 3202 and (2) LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District and

Dissolution of County Service Area 56 (Wrightwood community within San Bernardino and Los Angeles Counties)

DISCUSSION ITEMS:

10. Review and Consideration of Contract No. 16-1001429 Between San Bernardino County Transportation Commission and LAFCO for Lease of Harvey House premises and \$130,000 Loan for Interior Improvements located at 1170 West 3rd Street, Unit 150, San Bernardino
11. Review and Adoption of Amendments to LAFCO Policy and Procedure Manual including, but not limited to, Section III -- Human Resources Policies and Procedures, Chapter 2: Employment, Amending Policy 2 (B) -- Establishment of Compensation Range for Executive Officer and Adding Policy 2 (F) Executive Officer Incentive Payment
12. **CLOSED SESSION** – Conference Room adjacent to Council Chamber—
Personnel (Government Code Section 54957) – Employee Evaluation – Executive Officer
13. Review and Adoption of Contract Amendment #6 with the Executive Officer

INFORMATION ITEMS:

14. Legislative Update Report
15. Executive Officer's Report
16. Commissioner Comments
(This is an opportunity for Commissioners to comment on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on off-agenda items unless authorized by law.)
17. Comments from the Public
(By Commission policy, the public comment period is limited to five minutes per person for comments related to other items under the jurisdiction of LAFCO not on the agenda.)

The Commission may adjourn for lunch from 12:00 to 1:30 p.m. The Commission may take action on any item listed in this Agenda whether or not it is listed For Action. In its deliberations, the Commission may make appropriate changes incidental to the above-listed proposals.

Materials related to an item on this Agenda submitted to the Commission or prepared after distribution of the agenda packet will be available for public inspection in the LAFCO office at 215 N. D St., Suite 204, San Bernardino, during normal business hours, on the LAFCO website at www.sbclafco.org, and at the hearing.

Current law and Commission policy require the publishing of staff reports prior to the public hearing. These reports contain technical findings, comments, and recommendations of staff. The staff recommendation may be accepted or rejected by the Commission after its own analysis and consideration of public testimony.

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE ABOVE PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE LOCAL AGENCY FORMATION COMMISSION AT, OR PRIOR TO, THE PUBLIC HEARING.

The Political Reform Act requires the disclosure of expenditures for political purposes related to a change of organization or reorganization proposal which has been submitted to the Commission, and contributions in support of or in opposition to such measures, shall be disclosed and reported to the same extent and subject to the same requirements as provided for local initiative measures presented to the electorate (Government Code Section 56700.1). Questions regarding this should be directed to the Fair Political Practices Commission at www.fppc.ca.gov or at 1-866-ASK-FPPC (1-866-275-3772).

A person with a disability may contact the LAFCO office at (909) 388-0480 at least 72-hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

**DRAFT - ACTION MINUTES OF THE - DRAFT
LOCAL AGENCY FORMATION COMMISSION
HEARING OF JUNE 15, 2016**

REGULAR MEETING

9:00 A.M.

JUNE 15, 2016

PRESENT:

COMMISSIONERS:	Jim Bagley	James Ramos, Vice-Chair
	Kimberly Cox, Chair	Thurston Smith, Alternate
	James Curatalo	Acquanetta Warren, Alternate
	Steve Farrell, Alternate	Diane Williams
	Robert Lovingood	

STAFF:

Kathleen Rollings-McDonald, Executive Officer
Clark Alsop, LAFCO Legal Counsel
Samuel Martinez, Assistant Executive Officer
Michael Tuerpe, Project Manager
Jeffery Lum, LAFCO Analyst
Rebecca Lowery, Clerk to the Commission
Bob Aldrich, LAFCO Consultant

ABSENT:

COMMISSIONERS:	Larry McCallon	Janice Rutherford, Alternate
-----------------------	-----------------------	-------------------------------------

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION –
CALL TO ORDER – 9:06 A.M. – SAN BERNARDINO CITY COUNCIL CHAMBERS**

Chair Cox calls the regular session of the Local Agency Formation Commission to order and leads the flag salute.

Chair Cox calls for comments from the public regarding the closed session item. There are none.

**ADJOURN TO CLOSED SESSION OF THE LOCAL AGENCY FORMATION COMMISSION
--9:07 A.M.**

Personnel (Government Code Section 54957) – Employee Evaluation – Executive Officer

CONVENE PUBLIC SESSION – 10:19 A.M.

Chair Cox asks LAFCO Legal Counsel Clark Alsop to report on the closed session. Mr. Alsop states that no reportable action was taken in closed session.

(It is noted that Commissioner Lovingood arrives at the dais at 10:20 a.m.)

ANNOUNCEMENT OF CONTRIBUTIONS

Chair Cox requests those present who are involved with any of the changes of organization to be considered today by the Commission and have made a contribution of more than \$250 within the past twelve months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution has been made, and the matter of consideration with which they are involved. There was none.

ITEM. 2. SWEAR IN REGULAR SPECIAL DISTRICT COMMISSIONER

Rebecca Lowery, Clerk to the Commission, administers the Oath of Office to Kimberly Cox, Regular Special Districts Member, whose term of office expires in May of 2020.

(It is noted that Commissioner Ramos arrives at the dais at 10:21 a.m.)

CONSENT ITEMS – APPROVE STAFF RECOMMENDATION:

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the hearing to discuss the matter.

ITEM 3. Approval of Minutes for Regular Meeting of May 18, 2016

ITEM 4. Approval of Executive Officer's Expense Report

ITEM 5 Ratify Payments as Reconciled for Month of May 2016 and Note Cash Receipts

LAFCO considered the items listed under its consent calendar, which includes a Visa Justification, the Executive Officer's expense report and ratification of payments as reconciled for the month of May. Copies of each report are on file in the LAFCO office and are made part of the record by their reference herein.

Chair Cox calls for requests for deferral from Commissioners or staff; there are none.

Commissioner Curatalo moves approval of the consent calendar, second by Commissioner Williams. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, Ramos, Warren, Williams. Noes: None. Abstain: None. Absent: McCallon (Ms. Warren voting in his stead)

PUBLIC HEARING ITEMS:

ITEM 6 CONSENT ITEMS DEFERRED FOR DISCUSSION

No items deferred for discussion.

ITEM 7 CONSIDERATION OF: (1) REVIEW OF MITIGATED NEGATIVE DECLARATION PREPARED BY THE COUNTY OF SAN BERNARDINO FOR A GENERAL PLAN LAND USE DISTRICT AMENDMENT FROM RS (SINGLE RESIDENTIAL) AND CG (GENERAL COMMERCIAL) TO SD-RES (SPECIAL DEVELOPMENT-RESIDENTIAL), A LOT MERGER TO COMBINE THREE SEPARATE PARCELS INTO A SINGLE PARCEL, AND A PLANNED DEVELOPMENT PERMIT (PDP) TO CONSTRUCT A 112-UNIT AFFORDABLE HOUSING PROJECT WITH COMMUNITY AND CHILDCARE BUILDINGS ON APPROXIMATELY 5.92 ACRES, AS CEQA RESPONSIBLE AGENCY FOR LAFCO SC#406; AND (2) LAFCO SC #406 - CITY OF COLTON EXTRA-TERRITORIAL WATER AND SEWER SERVICE AGREEMENT (APNS 0274-182-34, -43, AND -46)

Assistant Executive Officer Samuel Martinez presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. The item has been advertised in *The Sun*, a newspaper of general circulation within the area and individual notice has been provided as required by statute.

Assistant Executive Officer Samuel Martinez states that the City of Colton has submitted a request for approval of an extra-territorial service agreement that outlines the terms by which it will extend water and sewer service outside its boundaries. He states that the agreement relates to a proposed development that encompasses three contiguous parcels, generally located at the northwest corner of Valley Boulevard and Cypress Avenue within the City of Colton's sphere of influence.

Mr. Martinez states that in August 2008, the Commission considered and approved LAFCO SC#335, which was a service contract for the provision of sewer service to one of the three parcels, however, since the Commission's approval of the original service contract, the property has been sold to the current owner who has been working with the County's Land Use Services Department to develop, along with the two additional parcels, a totally different project than what was intended on the original project site. Mr. Martinez reviews the aerial view of the project area on the overhead. Mr. Martinez states that the new project for the current service contract area is a 112-unit affordable housing project with community/childcare facilities on approximately 5.92 acres, which will require a parcel merger to combine the three parcels into a single lot and that the conditions of approval for this new project requires the connection to the City of Colton's water and sewer facilities.

Mr. Martinez states that the proposed project is actually within the water service area of the Terrace Water Company, a mutual water company that provides domestic water services to the general area. However, due to insufficient water capacity and difficulty providing fire flow, the water company has consented to the City providing water service as outlined in its agreement with the property owner/developer. He states that the City is requesting that the Commission review and approve the extension of both water and sewer service pursuant to the provisions of Government Code Section 56133. He states that authorization of the agreement is required before the City can take the final actions to implement the terms of the agreement.

Mr. Martinez states that the City's application indicates that water service will be provided to the proposed housing project and community/childcare facilities through connection to an existing 12-inch water main in Valley Boulevard and that seven water laterals will be extended from the existing main to the project. He also states that sewer service will be provided by extending a 10-inch sewer main along Cypress Avenue from the existing 15-inch sewer main in Valley Boulevard. Two sewer laterals will be extended from the new sewer line in Cypress Avenue. He states that the City of Colton has identified an estimated cost of \$448,083 in water and sewer fees and that the property owner/developer will be responsible for the entire cost of the construction and installation of the water and sewer main/lateral to the project.

Assistant Executive Officer Samuel Martinez states that for environmental review, the County prepared an Initial Study and Mitigated Negative Declaration for a General Plan Land Use District Amendment from Single Residential and General Commercial to Special Development-Residential, a lot merger, and a Planned Development Permit on 5.92 acres. He states that the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the County's environmental assessment and the Mitigated Negative Declaration issued for the proposed project. He states that Mr. Dodson's analysis indicates that the County's Initial Study and Mitigated Negative Declaration are adequate for the Commission's use as a CEQA responsible agency.

Mr. Martinez states that staff has reviewed the request for the provision of water and sewer service by the City of Colton outside its corporate boundaries against the criteria established by Commission policy and Government Code Section 56133. He states that the project to be served, which is currently comprised of three parcels, is within the sphere of influence assigned to the City of Colton, that the proposed project requires that it receive water and sewer service and that staff supports the City's request for authorization to provide water and sewer service to the proposed project since its facilities are adjacent to the anticipated development, and there is no other existing entity able to provide these services to the project at the required service levels. He reviews the recommendations as noted in the staff report.

Chair Cox opens the public hearing and asks for questions from the Commission for staff. There are none.

Christy Elshof, Economic Development Analyst, City of Colton, states that the City is in support of the project.

Darin Hansen, AMCAL, provides a brief review of the proposed development on the overhead and thanks staff for their work on the proposal.

Chair Cox calls for further testimony, there being none closes the public hearing.

Commissioner Lovingood moves approval of staff's recommendation for LAFCO SC #406, second by Commissioner Ramos. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, Ramos, Warren, Williams. Noes: None. Abstain: None. Absent: McCallon (Ms. Warren voting in his stead)

DISCUSSION ITEMS:

ITEM 8 REVIEW AND CONSIDERATION OF POLICY UPDATES RELATED TO APPROVAL OF SB 239 – CONTRACTS FOR THE PROVISIONS OF FIRE PROTECTION BY CONTRACT (CONTINUED FROM THE APRIL 20, 2016 HEARING)

Executive Officer Kathleen Rollings-McDonald states that staff has received a request from County Fire to allow for further review and discussion of the implementation of SB 239 and that staff recommends that the item be continued to the August 17, 2016 Hearing.

Commissioner Curatalo moves approval of continuance of item No. 8, second by Commissioner Williams. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, Ramos, Warren, Williams. Noes: None. Abstain: None. Absent: McCallon (Ms. Warren voting in his stead)

ITEM 9 CONSIDERATION OF CONTRACT AMENDMENT #6 WITH THE EXECUTIVE OFFICER RELATED TO COMPENSATION AND BENEFITS

Chair Cox states that this item will be continued to the July 20, 2016 Hearing. Clark Alsop, LAFCO legal counsel, states that no action is needed.

(It is noted that Commissioner Warren leaves the dais at 10:41 a.m.)

INFORMATION ITEMS:

ITEM 10 LEGISLATIVE UPDATE REPORT

Executive Officer Kathleen Rollings-McDonald presents the legislative daily report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. She states that there is interest in SB 1318 – Wolk and states that the bill will be revised again. This results from the consultation with CALAFCO and a Committee of LAFCO Executive Officers working to address concerns. She states that the bill still provides no funding for LAFCO to conduct the required studies. The bill is also changing the definition of DUCs; and is also moving the DUC mapping requirements from the SOI/MSR section to the LAFCO powers section. She states that CALAFCO continues to take a position of opposition.

Ms. McDonald states that the two LAFCO sponsored bills, the Omnibus Bill and the JPA sponsored Bills, are moving forward and that the Commission has submitted their letters of support.

ITEM 11 EXECUTIVE OFFICER'S ORAL REPORT

Executive Officer Kathleen Rollings-McDonald presents the Executive Officer's oral report and states that the Protest Hearing for the Needles Fire Reorganization is scheduled for June 22, 2016, and that staff will be conducting the hearing in the City of Needles. She states that the Commission

has received a letter from Ms. Ruth Musser-Lopez regarding the Needles Fire Reorganization, and a copy of the letter has been provided at the Commissioners' places at the dais. She states that Ms. Musser-Lopez was not satisfied with the Executive Officer's response so the Commission's Legal Counsel has drafted a letter in response to Ms. Musser-Lopez.

Ms. McDonald states that at the July Hearing the Commission will hear the discussion related to the formation of a CSD in the Wrightwood area and that staff is awaiting a revised application for the reorganization of the City of Hesperia subsidiary Hesperia Fire Protection District with the County Fire District.

ITEM 12 COMMISSIONER COMMENTS

Commissioner Curatalo congratulates Chair Cox on her new position as Commission Chair.

ITEM 13 COMMENTS FROM THE PUBLIC

There are none.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION THE HEARING IS ADJOURNED AT 10:46 A.M.

ATTEST:

REBECCA LOWERY
Clerk to the Commission

LOCAL AGENCY FORMATION COMMISSION

KIMBERLY COX, Chair

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 12, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #3 – APPROVAL OF EXECUTIVE OFFICER’S
EXPENSE REPORT**

RECOMMENDATION:

Approve the Executive Officer’s Expense Report for Procurement Card Purchases and expense claim for June 2016 as presented.

BACKGROUND INFORMATION:

The Commission participates in the County of San Bernardino’s Procurement Card Program to supply the Executive Officer a credit card to provide for payment of routine official costs of Commission activities as authorized by LAFCO Policy and Procedure Manual Section II – Accounting and Financial Policies #3(H). Staff has prepared an itemized report of purchases that covers the billing period of May 23, 2016 through June 22, 2016.

A copy of the Executive Officers Travel Claim is also provided for the Commission’s approval.

It is recommended that the Commission approve the Executive Officer’s expense report as shown on the attachment.

KRM/rc1

Attachment

TO BE COMPLETED BY EMPLOYEE

[illegible]

TOTAL MILES THIS CLAIM: 0 \$ = \$

	<div> MILEAGE AMOUNT </div>	<div> EXPENSES </div>	
SUB TOTAL	\$	\$ 25.00	
LESS ADVANCE			TOTAL CLAIM
TOTAL	\$	\$ 25.00	\$ 25.00

The undersigned declares under penalty of perjury that the expenses hereon claimed were necessary in attending to County Business in conformity with the policies established by the Board of Supervisors, and that no part thereof has been previously paid. In claiming reimbursement for private auto mileage, I hereby certify that I have a valid California Driver's License and that I carry vehicle liability insurance as required by the County.

Signed Kathleen Rollings-McDonald 0490 7.12.16
Claimant Mail Code Date
Kathleen Rollings-McDonald

Approved _____
Authorized Signer (Print and Sign)

 Kimberly Cox



COUNTY OF SAN BERNARDINO
PROCUREMENT CARD PROGRAM

Page 1 of 1

MONTHLY PROCUREMENT CARD PURCHASE REPORT

Card Number [REDACTED]	Cardholder Kathleen Rollings-McDonald	Billing Period 5/23/16 to 6/22/16
---------------------------	--	--------------------------------------

Date	Vendor Name	Receipt/ Invoice No.	Item Description	Purpose	\$ Amount	Reconciled (R) Disputed (D)	Sales Tax Included on invoice (Yes or No)
5-26	Frontier	1	Payment	Phone Line for Alarm & Fax	159.46	R	N
5-26	Century Link	2	Payment	Conference Call Service	74.12	R	Y
5-30	Daisy IT	3	Payment	Office Supplies	1393.18	R	Y
5-30	Daisy IT	4	Payment	Office Supplies	454.65	R	Y
6-02	Storetrieve LLC	5	Payment	Records Storage and Maintenance	49.03	R	N
6-02	Sizzler	6	Dinner – Rollings-McDonald	Joshua Basin Water District Board Meeting	36.69	R	Y
6-06	Thomson West	7	Payment	Law Library Updates	178.42	R	Y
6-09	Advanced Copy Systems	8	Payment	Sharp Photo Copier	578.55	R	Y
6-10	Storetrieve LLC	9	Payment	Records Storage and Maintenance	49.03	R	N
6-14	Solano Press Books Inc.	10	CA Land Use & Planning Law	Publication	303.00	R	N
6-14	Advanced Copy Systems	11	Payment	Sharp Photo Copier	475.21	R	Y
6-15	Thomson West	12	Payment	Law Library Updates	178.42	R	Y
6-17	Frontier	13	Payment	Phone Line for Internet	2,500.00	R	Y
6-20	Westin Hotel	14	Hotel – Lum	ESRI User Conference	717.21	R	Y

The undersigned, under penalty of perjury, states the above information to be true and correct. If an unauthorized purchase has been made, the undersigned authorizes the County Auditor/Controller-Recorder to withhold the appropriate amount from their payroll check after 15 days from the receipt of the cardholder's Statement of Account.

Cardholder (Print & Sign) Kathleen Rollings-McDonald	Date 7-12-16
---	-----------------

Approving Official (Print & Sign) Kimberley Cox, Chair	Date 7-20-16
---	-----------------

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490

(909) 388-0480 • Fax (909) 885-8170

E-mail: lafco@lafco.sbcounty.gov

www.sbclafco.org

DATE : JULY 12, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #4 - RATIFY PAYMENTS AS RECONCILED FOR
MONTH OF JUNE 2016 AND NOTE REVENUE RECEIPTS**

RECOMMENDATION:

Ratify payments as reconciled for the month of June 2016 and note revenue receipts for the same period.

BACKGROUND INFORMATION:

Staff has prepared a reconciliation of warrants issued for payments to various vendors, internal transfers for payments to County Departments, cash receipts and internal transfers for payments of deposits or other charges that cover the period of June 1, 2016 through June 30, 2016.

Staff is recommending that the Commission ratify the payments for June outlined on the attached listings and note the revenues received.


KRM/rci

Attachment

MONTHLY RECONCILIATION OF PAYMENTS

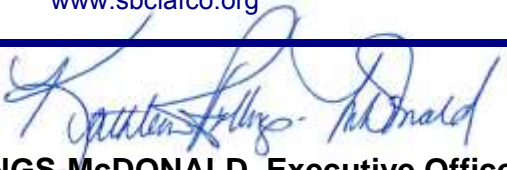
MONTH OF JUNE 2016 PAYMENTS PROCESSED					
VOUCHER DOCUMENT ID	ACCOUNT	NAME	WARRANT NUMBER	WARRANT DATE	AMOUNT
PV890Z071421	2305	PETTY CASH	8875049	06/17/2016	\$ 246.36
PV8908559	9800	PHELAN PINON HILLS CSD	3279785	06/03/2016	\$ 1,306.06
PV8908560	9800	SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT	3279788	06/03/2016	\$ 107.79
PV8908561	9800	BORAL ROOFING LLC	8866658	06/03/2016	\$ 970.30
PV8908562	9800	CITY OF BIG BEAR LAKE	8866659	06/03/2016	\$ 1,628.50
PV8908563	2445/2940	JIM BAGLEY	8873722	06/16/2016	\$ 297.10
PV8908564	2445/2940	KIMBERLY COX	8873730	06/16/2016	\$ 258.32
PV8908565	2445/2940	JAMES V CURATALO	8873717	06/16/2016	\$ 227.00
PV8908566	2445/2940	STEVEN FARRELL	8873910	06/16/2016	\$ 217.82
PV890856701	2445	ROBERT A LOVINGOOD	8873867	06/16/2016	\$ 200.00
PV890856702	2445	JAMES C RAMOS	8873718	06/16/2016	\$ 200.00
PV890856703	2445	LARRY MCCALLON	8873762	06/16/2016	\$ 200.00
PV8908568	2445/2940	ACQUANETTA WARREN	8873584	06/16/2016	\$ 217.28
PV8908569	2445/2940	DIANE WILLIAMS	8873667	06/16/2016	\$ 228.08
PV8908570	2445/2940	THURSTON SMITTY SMITH	8873923	06/16/2016	\$ 248.06
PV8908571	2424	TOM DODSON & ASSOCIATES	3281014	06/16/2016	\$ 3,272.50
PV8908572	2085	DAILY JOURNAL	8873658	06/16/2016	\$ 616.00
PV8908573	2445	CITY OF SAN BERNARDINO	8873643	06/16/2016	\$ 900.00
PV8908574	2444	MJS ALARM CORP	3280976	06/16/2016	\$ 102.00
PV8908575	2905	INLAND EMPIRE PROPERTIES	3281064	06/16/2016	\$ 4,353.41
PV8908576	2445	ROBERT J ALDRICH	3280993	06/16/2016	\$ 7,162.50
PV8908577	2400	BEST BEST & KRIEGER	3280871	06/16/2016	\$ 3,430.60
PV8908578	9800	CHINO PIPELINE AVE 36 LLC	8873830	06/16/2016	\$ 243.49
PV8908579	9800	OSMOND CAPITAL LLC	8874835	06/17/2016	\$ 283.24
PV8908580	2080	JAMES LONGTIN - LOCAL GOVERNMENT PUBLICATIONS	8876062	06/21/2016	\$ 118.66
PV8908581	2905	INLAND EMPIRE PROPERTIES	3281905	06/24/2016	\$ 4,484.01
PV8908582	2445	ROBERT J ALDRICH	3281502	06/21/2016	\$ 3,600.00
PV8908583	2445	CITY OF SAN BERNARDINO	8876024	06/21/2016	\$ 300.00
PV8908584	2085	DAILY JOURNAL	8876034	06/21/2016	\$ 1,187.87
TOTAL					\$ 36,606.95
MONTH OF JUNE 2016 INTERNAL TRANSFERS PROCESSED					
JVIB 11062037D	2037	MAY 2016 PHONE		6/6/2016	\$ 273.87
JVIB 12232037D	2037	JUNE 2016 PHONE		6/24/2016	\$ 273.87
JVIB 11062080B	2080	MAY 2016 PUBLICATIONS - COUNTY PHONE BOOKS		6/7/2016	\$ 27.75
JV890RT18891	2308	FUND DISTRIBUTION		6/9/2016	\$ (2,500.20)
JVATXRT19530	2308	CAL-CARD MAY 2016		6/10/2016	\$ 466.59
JVPURRT18514	2310	1ST CLASS PRESORT- MAIL		06/07/16	\$ 189.74
JVPURRT18517	2310	PRESORT FLATS - MAIL		06/07/16	\$ 107.83
JVPURRT18524	2310	INTER-OFFICE MAIL		06/07/16	\$ 8.40
JVPURRT18521	2310	INTER-OFFICE MAIL		06/09/16	\$ 176.40
JVPURRT18526	2310	PACKAGING - MAIL		06/09/16	\$ 64.99
JVPURRT19581	2310	PACKAGING - MAIL		06/15/16	\$ 800.54
JVPURRT20579	2310	1ST CLASS - MAIL		06/29/16	\$ 15.64
JVPURRT20580	2310	1ST CLASS PRESORT- MAIL		06/29/16	\$ 103.84
JVPURRT20582	2310	PACKAGING - MAIL		06/29/16	\$ 67.02
JVPURRT20584	2310	PRESORT FLATS - MAIL		06/29/16	\$ 16.18
JVPURRT20589	2310	INTER-OFFICE MAIL		06/29/16	\$ 184.80
JVPURRT20592	2310	PACKAGING - MAIL		06/29/16	\$ 17.02

MONTHLY RECONCILIATION OF PAYMENTS

MONTH OF JUNE 2016 INTERNAL TRANSFERS PROCESSED (cont)					
JVPURRT20594	2310	FOLD/TAB/LABEL - LAFCO 3206 NOP		06/29/16	\$ 183.42
JVPURRT20568	2310	BULK MAIL COST - LAFCO 3206 NOP		06/30/16	\$ 1,436.77
JVPURRT18406	2323	PRINTING - NOTICE OF PROTEST - LAFCO 3206 - NEEDLES		6/9/2016	\$ 256.86
JVPURRT20559	2323	PRINTING - NOTICE OF HEARING - LAFCO 3202 - WRIGHTWOOD		6/27/2016	\$ 568.76
JVPURRT20279	2323	PRINTING - NOTICE OF PROTEST - LAFCO 3200 - TWENTYNINE PALMS		6/29/2016	\$ 1,818.60
JVPURRT20435	2323	PRINTING - LAFCO ENVELOPES #10		6/30/2016	\$ 107.98
JVIB11062410AB	2410	MAY 2016 DATA PROC		06/06/16	\$ 2.38
JVIB11062410AF	2410	MAY 2016 DATA PROC		06/06/16	\$ 189.85
JVIB11062410AK	2410	MAY 2016 DATA PROC		06/06/16	\$ 1.22
JVIB11062410E	2410	MAY 2016 DATA PROC		06/06/16	\$ 58.08
JVIB11062410P	2410	MAY 2016 DATA PROC		06/06/16	\$ 173.64
JVIB11062410T	2410	MAY 2016 DATA PROC		06/06/16	\$ 67.63
JVIB11062410X	2410	MAY 2016 DATA PROC		06/06/16	\$ 192.16
JVIB12232410AA	2410	JUNE 2016 DATA PROC		06/23/16	\$ 2.38
JVIB12232410AE	2410	JUNE 2016 DATA PROC		06/23/16	\$ 189.85
JVIB12232410E	2410	JUNE 2016 DATA PROC		06/23/16	\$ 58.08
JVIB12232410O	2410	JUNE 2016 DATA PROC		06/23/16	\$ 173.64
JVIB12232410S	2410	JUNE 2016 DATA PROC		06/23/16	\$ 67.63
JVIB12232410W	2410	JUNE 2016 DATA PROC		06/23/16	\$ 192.16
JVIB 11062420J	2420	MAY 2016 ISD OTHER IT SERVICES		6/6/2016	\$ 14.61
JVIB 12232420J	2420	JUNE 2016 ISD OTHER IT SERVICES		6/23/2016	\$ 14.61
JVIB 11062421D	2421	MAY 2016 ISD DIRECT		6/6/2016	\$ 818.01
JVIB 12232421F	2421	JUNE 2016 ISD DIRECT		6/23/2016	\$ 599.85
JV890RT18893	2424	NOD FOR LAFCO 3201 & LAFCO FEE SCHEDULE		6/9/2016	\$ 100.00
JV890RT18892	2445	ROV - LAFCO SC 406 - INV. 2466		6/9/2016	\$ 179.38
TOTAL					\$ 7,761.83
MONTH OF JUNE 2016 CASH RECEIPTS					
DEPOSIT DOCUMENT ID	ACCOUNT	DESCRIPTION		DEPOSIT DATE	AMOUNT
CR890A16107	9545	INDIVIDUAL NOTICE		6/23/2016	\$ 2,642.01
CR890A16107	9655	GIMS FEES		6/23/2016	\$ 3,025.00
CR890A16107	9660	ENVIRONMENTAL FEES		6/23/2016	\$ 2,262.50
CR890A16107	9595	PROTEST HEARING FEES		6/23/2016	\$ 1,000.00
CR890A15399	9660	ENVIRONMENTAL FEES		6/9/2016	\$ 477.50
CR890A15399	9555	LEGAL FEES		6/9/2016	\$ 2,315.07
CR890A15399	9595	COST RECOVERY		6/9/2016	\$ 5,196.70
TOTAL					\$ 14,276.77
MONTH OF JUNE 2016 INTERNAL TRANSFERS RECEIVED					
TRANSFER DOCUMENT ID	ACCOUNT	NAME		TRANSFER DATE	AMOUNT
		NONE			\$ -
TOTAL					\$ -
REBECCA LOWERY, Clerk to the Commission			7/12/2016 DATE		
RECONCILIATION APPROVED BY:					
			7/12/2016 DATE		
KATHLEEN ROLLINGS-McDONALD, Executive Officer					

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 11, 2016 
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
MICHAEL TUERPE, Project Manager
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #5: Unaudited Year-end Financial Report for FY 2015-16

RECOMMENDATION:

Staff recommends that the Commission note the receipt of and file the Unaudited Year-End Financial Report for Fiscal Year 2015-16.

BACKGROUND:

Staff is presenting the Commission with its FY 2015-16 year-end review of finances which includes unaudited expenditures, reserves, revenues; an update on activities during the year; and a breakdown of the fund balance. The financial position based on the unaudited data shows that the Commission continues to operate in a fiscally prudent manner, retaining its reserves for transfer into the new Fiscal Year. Attachment #1 to this report is a spreadsheet summarizing the unaudited financial activity for the period July 1, 2015 through June 30, 2016. The spreadsheet identifies that total expenditures were within appropriation authority for all fund categories and total revenues were above projections based upon the increase in application receipts for the period. Additional information, in narrative form regarding the year-end review, is provided below.

Expenditures and Reserves

Expenditures comprise two categories of accounts: 1) Salaries and Benefits and 2) Services and Supplies. The unaudited Total Expenditures at June 30 was \$1,118,178 (89% of Final Budget); the difference of \$138,023 between the final budget and Unaudited Year-End is explained below. A single transfer from contingencies was approved during the year, while the remainder of Contingencies (\$155,501) and the entirety of Reserves (\$450,364) carry forward into FY 2016-17.

1. Salaries and Benefits (1000 series)

The Salaries and Benefits series of accounts (1000 series) had expenditures of \$668,940 for the year, representing 91% of budget authority. The nine percent variance is primarily explained by the LAFCO Analyst position being unfilled from August to December due to the separation of an employee. The position was filled in December, resulting in a savings of salary and benefits expenses for roughly four months. Also during this period, the Assistant Executive Officer was on medical leave for which the short-term disability program paid a portion of his salary.

During this fiscal year the Commission approved a consulting contract with Robert Aldrich in September 2015 not to exceed \$75,000 to provide for supplemental staffing during the absences noted above and to provide assistance due to the complexity of proposals submitted. The full extent of this contract was used and is accounted for in Account 2245 (Other Professional Services) in the Services and Supplies series of accounts.

Additionally, the Commission approved the County Exempt Compensation Plan amendments approved on December 15, 2015 to include a one percent (1.0%) across-the-board salary increase retroactive to January 9, 2016 along with other changes through July 1, 2018. While the Executive Officer's contract is currently being negotiated related to compensation, it is anticipated that any changes in contract terms will also be retroactive to January 9, 2016, paid from funds previously allocated during the current fiscal year in salary reserves and carried forward into Fiscal Year 2016-17. .

2. Services and Supplies (2000 and 5000 series)

Expenditures for Services and Supplies (2000 and 5000 series of accounts) are at \$449,238 for the year, or 87% of Budget authority. However, \$11,388 in invoices were submitted for payment to the County Auditor in June but will be processed in July. The funds for these activities carry forward into FY 2016-17.

The year was a banner year for LAFCO - one not only with above normal activity, but also one with complex proposals which could directly impact the quality of life of hundreds of thousands of residents of our County. By action taken at the September hearing, the Commission directed staff to prioritize its activities to address the fire proposals submitted as the top priority, other jurisdictional changes next, and service reviews to follow. As noted above, the approval of a consultant contract for supplemental staffing assisted in processing these complex and controversial proposals.

Items of note during this Fiscal Year are:

- Due to the County Workforce Development Department vacating the building where the LAFCO office is located, LAFCO was required to install its own

dedicated communications line, at a cost of roughly \$20,000. As a part of this change, the Commission now pays its own charges to Frontier (formerly Verizon) of \$926 monthly for access to the internet, County intranet, and telephone via a fiber line. Staff encountered issues in this transition related to billing, but these issues have been brought current by the close of the fiscal year.

- Significant unanticipated individual notice costs of roughly \$67,000 for the proposals related to annexations to County Fire that include the extension of a special tax (San Bernardino, Twentynine Palms, and Needles). These costs are fully recovered from the proponents of the changes.
- The consulting contract with Bob Aldrich for staffing services – the Commission approved this contract in September 2015 in an amount not to exceed \$75,000.

3. Contingency and Reserves (6000 series)

In October the Commission authorized the transfer of \$6,722 from Contingencies to accommodate the mandatory leave payouts from the separation of the former LAFCO Analyst. The remainder of Contingencies (\$155,501) and the entirety of Reserves (\$450,364) carry forward into FY 2016-17.

Revenue and Proposal Activity

1. Revenues at Year-end

The unaudited Total Revenues at year's end is \$2,060,781 is above amended budget projections by roughly 11%. The items below outline the revenue activity for the year:

- Interest (Account 8500) – Interest earnings projected for the year received by the County Treasury are 148% of budget. For FY 2015-16 there were a number of significant proposals requiring additional processing deposits from the applicants. As a result, even with meager interest rates additional interest was earned during the period.
- Apportionment (Account 8842) – 100% of the mandatory apportionment payments from the County, cities, and independent special districts billed by the County Auditor have been received.
- Fees and Deposits (Accounts 9545-9800) – The Fees and Deposits series of accounts has received 151% of its budgeted revenue (\$401,978). This large variance is due to more proposals received than budgeted, as well as recovery of costs in excess of deposits by applicants for the year-end closing. Of this recovery amount, 95% is related to proposals and 5% to service contracts.

- Other Types of Revenue (Accounts 9910-9970) – In sum this category of revenue accounts exceeded budget projections by thirty-one percent. This group of accounts includes Miscellaneous Revenue and Carryover of Open Proposals and Carryover of Prior Year Unassigned Revenue. One unique item in the Miscellaneous Revenue category was the receipt of funds from the Second District of \$8,469 for the Rosenow Spevacek Group (RSG) to prepare the sensitivity analysis related to the feasibility study for incorporation of the Rim of the World communities. The corresponding amount was paid to RSG from the Professional Services account within the 2000 series.

2. Proposal Activity

The figure below identifies the number of proposals, service contracts, and service review deposits received through the year. The figure identifies that proposals and service contracts vastly exceeded projections. Attachment #2 to this report is a chart showing the yearly comparison of proposal, service review, and completed service review activity.

Activity	Budget	Year-End	
		No.	% of Budget
Proposals	6	16	267%
Service Contracts - Commission approval	1	4	400%
Service Contracts - Commission approval for exemption	0	2	
Service Contracts - Admin (E.O.) approval	4	3	75%
Protest Hearing Deposits	5	5	100%

What this does not show is the complexity of proposals received and processed by the Commission during the year. The Commission's direction at the September 2015 hearing was for staff to prioritize its activities to address the fire proposals submitted as the top priority, other jurisdictional changes next, and service reviews to follow. Based on that direction the following provides a highlight of the activities during the year:

- LAFCO 3197(sphere)/3198(reorganization) – City of San Bernardino inclusion within the San Bernardino County Fire Protection District – completed June 21, 2016 effective July 1, 2016.
- LAFCO 3199(sphere)/3200(reorganization) – Twentynine Palms Water District inclusion within the San Bernardino County Fire Protection District – completed June 20, 2016 effective July 1, 2016.
- LAFCO 3205(sphere)/3206(reorganization) – City of Needles inclusion within the San Bernardino Fire Protection District – completed June 30, 2016.

- LAFCO 3201 –City of Rialto Reorganization (Lytle Creek Ranch) – after 15 years of processing at the City level, it has completed the review process via the Commission’s hearing in May 2016 and the protest hearing scheduled for July 21st.
- LAFCO 3196 – Reorganization which annexed 19 separate City owned properties to the City of Big Bear Lake was completed November 23, 2015 saving the City approximately \$110,000 per year in property tax payments.
- LAFCO 3193(sphere)/3194(reorganization) – Phelan Pinon Hills Community Services District sphere expansion and annexation of four parcels which are owned by the District were approved. Upon completion (effective date is July 7, 2016) the District will save approximately \$30,000 a year in property tax payments.
- Six out-of-agency service contracts were presented for Commission consideration – four were contract reviews based upon being development related and two were exemptions for contracts between public agencies.
- The service review for water conservation districts within the Valley region was conducted and completed with the expansion of the spheres of influence for both agencies – Chino Basin Water Conservation District (LAFCO 3192) and San Bernardino Valley Water Conservation (LAFCO 3173) -- approved.
- Staff continued with its on-going programs for maintenance of the Fiscal Indicators program (update available on the Commission website January 2016) and the continuing governance education programs. As reported in prior mid-year and third quarter reports, the three education programs were well received and attended.

Processing for one fire proposal (Hesperia FPD—LAFCO 3203(sphere)/3204(reorganization)) continues into FY 2016-17 with the requirement for revision of the proposal and amendment to the plan for service. Additionally, staff is currently processing the countywide service reviews for water (wholesale, retail, and recycled) and wastewater (collection, treatment, and reclamation).

Fund Balance

As of June 30, 2016, the Commission’s cash in the County Treasury was \$942,579. A breakdown of this amount is shown below.

June 30, 2016 Balance		\$942,579
Balance is composed of the following:		
Liabilities		
	Accounts Payable, above \$3,500 materiality level	11,388
	Deposits Payable (Receivable) from open applications	30,431
Committed (constrained to specific purposes)		
	Net Pension Liability Reserve (Account 6010)	82,750
	Compensated Absences Reserve (Account 6030)	76,607
Assigned (intended for specific purposes)		
	Contingency (Account 6000)	155,501
	General Reserve (Account 6025)	291,007
	Amount used to Balance FY 16-17 Budget	276,968
Estimated Unassigned Carryover into FY 2016-17		17,927
BALANCE		\$942,579

After accounting for liabilities, committed, and assigned funds, the additional estimated carryover into FY 2015-16 is \$17,927. At the first quarter review for FY 2016-17, staff will present a discussion of the assignment of these revenues and recommend the appropriate action.

CONCLUSION:

In sum, the financial position based on the unaudited data shows that the Commission continues to manage its operations in a fiscally prudent manner, securing its reserves for the future. Total expenditures were within appropriation authority for all fund categories, and total revenues were above projections due to an increase in applications received with their corresponding complexity during the year. Contingencies (\$155,501) and Reserves (\$450,364) carry forward into FY 2016-17.

Staff recommends that the Commission take the action to receive and file the report. Staff will be happy to answer any questions prior to or at the hearing.

KRM/MT

Attachments:

1. Spreadsheet of Year-end Expenditures, Reserves, and Revenues for FY 2015-16
2. Chart Illustrating Yearly Proposal, Service Contract, and Service Review Activity

**Spreadsheet of Year-end Expenditures,
Reserves, and Revenues for FY 2015-16**

Attachment 1

FISCAL YEAR 2015-16

ACCT.	ACCOUNT NAME	ACTUAL	ACTUAL	AMENDED	THRU	THRU	THRU	PERCENT OF
#		YEAR-END	YEAR-END	FY 15-16	MIDYEAR	3rd	YEAR	AMENDED
		FY 13-14	FY 14-15	BUDGET		Quarter	END	BUDGET
	SALARIES AND BENEFITS							
1010	Regular Salary and Bilingual	\$ 408,248	\$ 434,318	\$ 459,396	\$ 207,956	\$ 328,091	\$ 432,740	94%
1030	Auto and Cell Phone Allowances	15,062	17,000	17,327	8,500	13,077	17,000	98%
1035	Overtime	361	201	-	395	395	395	
1045	Termination Payment			2,604	2,506		2,506	96%
1050	Special Compensation		8,750					
1110	General Member Retirement	81,993	104,122	115,531	51,791	82,263	109,012	94%
1130	Survivors Benefits	160	238	245	99	159	210	86%
1135	Indemnification - General	16,641	20,634	20,163	8,826	13,087	16,739	83%
1200	Employee Group Insurance (Health Subsidy)	41,141	45,620	63,950	19,788	31,275	41,121	64%
1205	Long-Term Disability	994	1,079	1,127	427	671	882	78%
1207	Vision Care Insurance	759	822	837	360	582	771	92%
1215	Dental Insurance & Health Subsidy	1,466	1,530	1,557	614	1,017	1,363	88%
1222	Short-Term Disability	3,312	3,590	3,744	1,608	2,571	3,404	91%
1225	Social Security Medicare	5,128	5,646	5,790	2,615	4,159	5,492	95%
1235	Workers' Compensation	1,573	1,983	4,911	2,305	2,305	2,305	47%
1240	Life Insurance & Medical Trust Fund	4,546	4,614	5,593	2,831	4,280	5,522	99%
1305	Medical Reimbursement Plan	2,600	2,140	6,920	1,340	2,110	2,770	40%
1314	457/401a Defined (LAFCO Contribution)	1,451	1,622	1,691	743	1,180	1,571	93%
1315	401k Contribution	22,983	25,951	27,063	11,887	18,880	25,136	93%
1000	Salary Reserve				-	-		
	TOTAL SALARIES & BENEFITS	\$ 608,417	\$ 679,860	\$ 738,449	\$ 324,592	\$ 506,102	\$ 668,940	91%
	Staffing (Full time equivalent units)	4.5	5.5	5.5				
	SERVICES AND SUPPLIES							
	Services:							
2037	COMNET Charge (ISF)	\$ 2,532	\$ 2,432	\$ 2,828	\$ 1,269	\$ 1,908	\$ 3,003	106%
2038	Long Distance Charges	86	81	120	15	15	15	13%
2040	Relocation Charges - Phone Service	-	-	18,200	10,106	11,990	12,944	71%
2041	Phone Service/Outside Company	366	422	540	447	611	670	124%
2043	Electronic Equipment Maintenance	140	498	9,180	926	926	926	10%
2075	Membership Dues	8,324	8,509	8,447	8,733	8,733	8,733	103%

FISCAL YEAR 2015-16

ACCT.	ACCOUNT NAME	ACTUAL	ACTUAL	AMENDED	THRU	THRU	THRU	PERCENT OF
#		YEAR-END	YEAR-END	FY 15-16	MIDYEAR	3rd	YEAR	AMENDED
		FY 13-14	FY 14-15	BUDGET		Quarter	END	BUDGET
2076	Tuition Reimbursement	1,100	100	2,000	-	100	100	5%
2080	Publications	2,054	2,690	3,395	1,166	1,879	2,383	70%
2085	Legal Notices	9,223	12,936	21,000	9,007	11,655	18,860	90%
2110	Fleet Management Requisition Charges	304						
2115	Computer Software	6,427	4,234	8,435	5,777	5,777	5,777	68%
2125	Inventoriable Equipment	-	4,660	-	-	-	-	
2245	Other Insurance	7,074	7,128	7,078	7,085	7,085	7,085	100%
	Supplies:							
2305	General Office Expense	11,621	12,844	9,232	3,252	4,757	6,364	69%
2308	Credit Card Clearing Account	(85)	(1,628)	-	-	-	467	
2309	Visa Temp Card						267	
2310	Postage - Direct Charge	12,352	19,869	71,437	6,236	26,520	56,031	78%
2315	Records Storage	581	620	570	350	497	596	104%
2323	Reproduction Services	870	2,601	8,355	-	5,754	13,046	156%
	Consultant & Special Services:							
2400	Prof & Special Service (Legal Counsel)	24,048	28,042	42,421	22,931	32,575	40,346	95%
2405	Auditing	7,527	8,000	11,868	5,758	14,258	14,258	120%
2410	Data Processing	7,142	6,848	7,565	3,467	5,508	8,244	109%
2415	COWCAP	6,053	6,308	-	-	-	-	
2420	ISD Other IT Services	344	753	701	351	511	4,614	658%
2421	ISD Direct	1,772	10,157	9,180	4,536	7,019	10,073	110%
2424	Mgmt & Tech (Environmental Consultant)	15,339	11,288	9,300	2,420	7,126	11,329	122%
2444	Security Services	578	408	408	240	342	444	109%
2445	Other Prof (Commission, Surveyor, ROV)	32,275	42,133	161,897	34,326	82,259	123,413	76%
2449	Outside Legal (Litigation & Special Counsel)	2,909	3,956	-	4,319	4,319	4,319	
2450	Application Development Support	19,709	216	1,500	22	345	345	23%
2460	GIMS Charges	11,877	10,608	14,180	13,656	13,656	13,656	96%
	Lease/Purchases:							
2895	Rent/Lease Equipment (copier)	2,610	4,912	6,180	2,383	4,209	4,743	77%
2905	Office/Hearing Chamber Rental	53,576	51,219	52,741	22,167	39,581	57,125	108%

FISCAL YEAR 2015-16

ACCT.	ACCOUNT NAME	ACTUAL	ACTUAL	AMENDED	THRU	THRU	THRU	PERCENT OF
#		YEAR-END	YEAR-END	FY 15-16	MIDYEAR	3rd	YEAR	AMENDED
		FY 13-14	FY 14-15	BUDGET		Quarter	END	BUDGET
	Travel Related Expenses:							
2940	Private Mileage	5,135	2,410	4,394	2,160	2,935	3,868	88%
2941	Conference/Training	4,225	6,817	6,850	2,731	3,974	3,974	58%
2942	Hotel	5,264	6,838	5,850	4,073	4,523	5,053	86%
2943	Meals	923	1,150	1,900	706	894	1,098	58%
2944	Car Rental	653	227	150	107	107	107	71%
2945	Air Travel	4,241	3,705	5,650	1,361	1,984	2,629	47%
2946	Other Travel	1,061	1,676	600	760	828	887	148%
	Other Charges:							
5012	Services Out (Staples)	4,146	4,742	3,600	1,252	1,252	1,449	40%
	TOTAL SERVICES & SUPPLIES	\$ 291,993	\$ 290,409	\$ 517,752	\$ 184,093	\$ 316,410	\$ 449,238	87%
	TOTAL EXPENDITURES	\$ 900,410	\$ 970,269	\$ 1,256,201	\$ 508,685	\$ 822,512	\$ 1,118,178	89%
	RESERVES							
6000	Contingency			\$ 155,501				0%
6010	Net Pension Liability Reserve			82,750				0%
6025	General Reserve - Litigation			291,007				0%
6030	Compensated Absences Reserve			76,607				0%
	TOTAL CONTINGENCIES & RESERVES			\$ 605,865	\$ -	\$ -	\$ -	0%
	TOTAL APPROPRIATION	\$ 900,410	\$ 970,269	\$ 1,862,066	\$ 508,685	\$ 822,512	\$ 1,118,178	60%

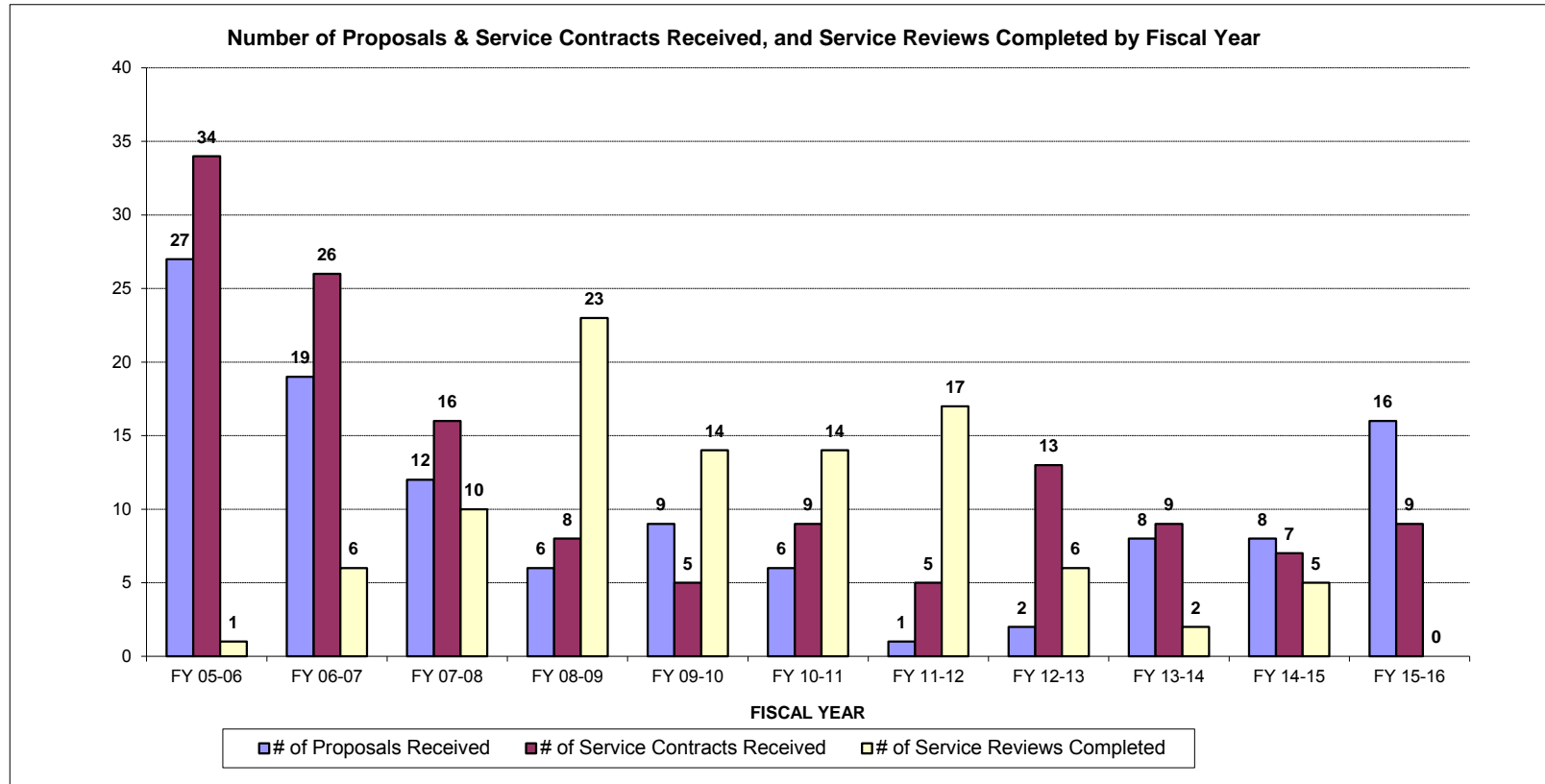
FISCAL YEAR 2015-16

ACCT #	ACCOUNT NAME	ACTUAL YEAR-END FY 13-14	ACTUAL YEAR-END FY 14-15	AMENDED FY 15-16 BUDGET	THRU MID-YEAR	THRU 3rd Quarter	THRU YEAR END	PERCENT OF AMENDED BUDGET
	CONTRIBUTION REVENUES							
	Use of Money:							
8500	Interest	\$ 3,066	\$ 4,287	\$ 4,000	\$ 2,090	\$ 3,857	\$ 5,917	148%
	Mandatory Contribution from Governments:							
8842	Local Government -- For FY 2016-17 apportionment to County, Cities, and Independent Special Districts of approximately \$299,919 each	864,822	864,822	882,117	882,117	882,117	882,117	100%
		4.2% decrease	no increase	2.0% increase				
	Fees and Deposits (Current Services):							
9545	Individual Notice	11,200	5,912	71,780	10,750	51,532	56,670	79%
9555	Legal Services	8,625	9,195	20,596	19,446	22,321	26,361	128%
9595	Protest Hearing					25,000	33,297	
9655	GIMS Fees	3,235	7,580	2,400	2,970	5,080	12,505	521%
9660	Environmental	12,580	12,005	4,950	7,000	9,000	12,940	261%
9800	LAFCO Fees	99,656	95,619	165,614	218,600	262,895	260,206	157%
	Total Fees and Deposits	135,296	130,311	265,340	258,766	375,828	401,978	151%
	TOTAL CONTRIBUTION REVENUES	1,003,185	999,420	1,151,457	1,142,973	1,261,802	1,290,012	112%
	OTHER REVENUES							
9910	Refunds from Prior Year Revenue	\$ 1,761	\$ (2,472)	\$ (2,000)	\$ (30)	\$ (30)	\$ (30)	2%
9930	Miscellaneous Revenues	3,578	2,211	8,964	11,179	11,643	12,040	134%
9970	Carryover of Open Proposals/Projects		16,510		55,114	55,114	55,114	
9970	Carryover from Prior Year, Unassigned	223,425	250,087	186,960	186,960	186,960	186,960	100%
	TOTAL OTHER REVENUES	228,765	266,335	193,924	253,223	253,687	254,084	131%
						\$ -		
TOTAL REVENUES		\$ 1,231,949	\$ 1,265,755	\$ 1,345,381	\$ 1,396,196	\$ 1,515,489	\$ 1,544,096	115%
	RESERVES FROM PRIOR YEAR, as of July 1							
9970	Contingency	\$ 84,730	\$ 99,872	\$ 87,356	\$ 87,356	\$ 87,356	\$ 87,356	100%
9970	COWCAP Reserve (not active)	46,780			-	-	\$ -	
9970	Net Pension Liability Reserve		46,780	56,432	56,432	56,432	\$ 56,432	100%
9970	General Reserve - Litigation	200,000	250,000	300,000	300,000	300,000	\$ 300,000	100%
9970	Compensated Absences Reserve	66,620	66,620	72,897	72,897	72,897	\$ 72,897	100%
TOTAL RESERVES FROM PRIOR YEAR		\$ 398,130	\$ 463,272	\$ 516,685	\$ 516,685	\$ 516,685	\$ 516,685	100%
TOTAL REVENUE AND RESERVES		\$ 1,630,079	\$ 1,729,027	\$ 1,862,066	\$ 1,912,881	\$ 2,032,174	\$ 2,060,781	111%
Note: Spreadsheet utilizes the cash basis of accounting and does not include accrual/reversal data which do not affect fund balance								

**Chart Illustrating Yearly Proposal,
Service Contract, and Service Review
Activity**

Attachment 2

Activity Chart



As of June 30, 2016

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 12, 2015

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
REBECCA LOWERY, Clerk to the Commission

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #6: APPROVAL OF FISCAL YEAR 2007-08 FINANCIAL
RECORDS DESTRUCTION PURSUANT TO COMMISSION POLICY**

RECOMMENDATION:

Staff recommends the Commission direct the Executive Officer, as Records Management Coordinator, to:

1. Destroy the Commission's financial records for Fiscal Year 2007-08 pursuant to the Commission's Records Retention Policy, and
2. Record the items to be destroyed in the Destruction Log along with a copy of the Commission's minute action authorizing destruction.

BACKGROUND:

The Commission's Records Retention Policy states that the Executive Officer, as the Records Management Coordinator, shall present a Commission agenda item once a year related to records to be destroyed.

As a part of the Records Retention Policy, the adopted Records Retention Schedule provides for a seven year retention period for all financial records, regardless if the statutes permit a lesser retention period. The records for destruction include expense reports, budgets, billings, accounting reports, budget change proposals, budget change concepts, audits, invoices, fees, receipts, checks, ledgers, and registers. In addition, the Fair Political Practices Commission (FPPC) also provides for a seven year retention period for Statements of Economic Interest (Form 700). The records for destruction will also include the Form 700s for the 2007 and 2008 calendar year.


Staff recommends the Commission direct the Executive Officer to take the actions listed in the Recommendation above.

Should the Commission have any questions, staff will be happy to answer them before or at the hearing.

KRM/rl

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 11, 2016 
FROM: SAMUEL MARTINEZ, Assistant Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #7: Review and Approval of Contract with Davis Farr, LLP for Financial Audit Services for the Period of Fiscal Year 2015-16 through Fiscal Year 2018-19

RECOMMENDATION:

Staff is recommending that the Commission:

- A. Approve the Contract for Financial Audit Services with Davis Farr, LLP, in the amount not-to-exceed \$31,600 for the four (4) year term, with a one (1) year option at the discretion of the Commission; and,
- B. Authorize the Executive Officer to sign and execute the appropriate documents.

BACKGROUND:

The current auditor for Imperial, Los Angeles, Orange, Riverside, and San Bernardino LAFCOs, White Nelson Diehl Evans LLP, has completed its final audit for the fiscal year ending June 30, 2015. This firm has been the auditor for the past four years and all five LAFCOs have agreed not to exercise the one (1) year renewal option. Therefore, early this year, the five LAFCOs issued a joint Request for Proposal (RFP) to prepare the audit and financial statements for each Commission for the next four fiscal years.

The RFP for audit services was issued and mailed to 59 accounting firms on March 21, 2016. 13 firms responded to the RFP during the filing period, which ended on May 2, 2016. Those firms who responded to the RFP are as follows:

- Brown Armstrong Accountancy Corporation
- Chavan & Associates, LLP
- Davis Farr, LLP
- Eadie + Payne, LLP

- Fedak & Brown, LLP
- James Marta & Company, LLP
- Nigro & Nigro PC
- Patel & Associates, LLP
- Rogers, Anderson, Malody & Scott, LLP
- RT Dennis Accountancy
- R. J. Ricciardi, Inc.
- Vasquez & Company, LLP
- Vavrinek, Trine, Day & Company, LLP

All the proposals received were provided to the staff of each of the five LAFCOs for review. A conference call was scheduled, which took place on May 24, 2016, to evaluate each of the proposals received based on qualification and experience, local government references, prior experience in implementing GASB #34, costs for providing the service, and other factors identified in the proposal requirements outlined in the RFP. The scores were very close; therefore, the group decided to interview the four (4) highest scoring firms.

The interviews took place on June 16, 2016, at the Orange LAFCO offices. Following the interviews, all five LAFCOs recommended the selection of Davis Farr, LLP to be the auditors for the five LAFCOs for the next four (4) years.

Davis Farr, LLP is a full service accounting firm providing auditing, consulting and accounting services across the State of California. Davis Farr, LLP provides audit services to the cities of Avalon, Carlsbad, Commerce, Delano, El Segundo, Fontana, Garden Grove, Upland, Victorville, and Woodland. They also provide audit services to a number of special districts including the Eastern Municipal Water District, Irvine Ranch Water District, and Placer County Water Agency as well as audit services to a number of other government entities such as the County of Fresno Housing Authority, Oxnard Housing Authority, Salton Sea Authority, San Diego Association of Governments, San Diego Local Agency Formation Commission, and the San Diego Pooled Insurance Authority. Davis Farr, LLP is located in Irvine, CA.

The four (4) year contract to prepare San Bernardino LAFCO's Financial Statements is for \$31,600. Listed below is the breakdown of the cost by year.

Fiscal Year Ending	Maximum Fee
June 30, 2016	\$7,600.00
June 30, 2017	\$7,800.00
June 30, 2018	\$8,000.00
June 30, 2019	\$8,200.00
TOTAL	\$31,600.00

In addition, the contract provides for a possible extension, at the Commission's sole discretion, for an additional year to prepare San Bernardino LAFCO's Financial Statements for Fiscal Year Ending June 30, 2020.

Attached for your review and approval is the draft contract as well as the Engagement Letter from Davis Farr, LLP.

Attachment:

1. Draft Contract with Davis Farr, LLP for Audit Services
2. Engagement Letter from Davis Farr, LLP

**Draft Contract with Davis Farr, LLP
for Audit Services**

Attachment 1

**AGREEMENT FOR SERVICES BETWEEN
LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY
AND
DAVIS FARR, LLP**

This Agreement is made and entered into as of July 1, 2016 (“Effective Date”) by and between the Local Agency Formation Commission for San Bernardino County (hereinafter referred to as “LAFCO”), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 *et seq.* Davis Farr, LLP (hereinafter referred to as “Consultant”).

RECITALS

A. LAFCO is a public agency of the State of California and is in need of the following professional services: Audit Services for the fiscal year ending on June 30, 2016, June 30, 2017, June 30, 2018 and June 30, 2019, as more particularly described herein (hereinafter referred to as “the Project”).

B. Consultant is a qualified independent Certified Public Accounting firm.

C. The parties desire by this Agreement to establish the terms for LAFCO to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide LAFCO with the services described in the Scope of Services attached hereto as Exhibit “A.” Should LAFCO determine, in its sole discretion, to exercise its option to renew this Agreement for an additional year as set forth in Section 5 of this Agreement, such renewed services shall be performed as described in the Scope of Services attached hereto as Exhibit “A.”

2. Compensation.

a. The total amount paid for services rendered by Consultant pursuant to Exhibit “A” for the audit of the fiscal year ending on June 30, 2016 shall not exceed \$7,600, for the fiscal year ending on June 30, 2017 shall not exceed \$7,800, for fiscal year ending on June 30, 2018 shall not exceed \$8,000, and for fiscal year ending on June 30, 2019 shall not exceed \$8,200 without prior written approval by LAFCO. Periodic payments shall be made within 30 days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

b. Subject to paragraph 2(a) above, LAFCO shall pay for additional consulting services in accordance with the Schedule of Additional Charges set forth in Exhibit "B."

c. LAFCO shall reimburse costs advanced by Consultant on LAFCO's behalf, as well as other expenses, in addition to the amount billed for fees. These currently include, but are not limited to, automobile mileage and actual expenses away from Consultant's offices on LAFCO business, extraordinary photocopy charges and any costs of producing or reproducing photographs, documents and other things necessary for the preparation or presentation of LAFCO business. All costs will be itemized on LAFCO's monthly statement. LAFCO shall not pay fees for travel to or from LAFCO's offices in the ordinary course of business or reimburse mileage to Consultant.

3. Additional Work.

If changes in the work seems merited by Consultant or LAFCO, and informal consultations with the other party indicate that a change is warranted, it shall be processed by LAFCO in the following manner: a letter outlining the changes shall be forwarded to LAFCO by Consultant with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by LAFCO and executed by both parties before performance of such services or LAFCO will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for seven (7) years from the date of final payment under the contract for inspection by LAFCO.

5. Term and Time of Performance.

The term of this Agreement shall be from July 1, 2016 to June 30, 2019. In its sole discretion, LAFCO may extend the Services required hereunder to include audit services related to the fiscal year(s) ending on June 30, 2020, in writing providing notice to Consultant that such Services shall be extended for an additional year. Consultant shall perform its services hereunder in a prompt and timely manner, in accordance with the Activity Schedule shown in Exhibit "C" and shall commence performance upon the execution of this Agreement.

6. Delays in Performance.

Neither LAFCO nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns and other labor disturbances; sabotage or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.

b. Consultant shall assist LAFCO in obtaining and maintaining all permits required of Consultant by Federal, State and local regulatory agencies.

c. Consultant certifies by executing this Agreement that, on the Effective Date and for the duration of this Agreement, neither Consultant nor its employees assigned to perform services hereunder shall have any prohibited conflict of interest as defined under the California Political Reform Act or conflicting financial interest in this Agreement as defined under California Government Code Section 1090.

d. Consultant agrees that in the event an administrative agency or court of competent jurisdiction finds this Agreement to have been executed or administered in violation of Government Code Section 1090 or any other applicable law, that disgorgement of profits or anything received by Consultant may be required as a consequence of both civil and criminal liability. In such a case, payments made by LAFCO to the Consultant must be returned to LAFCO by the Consultant and no claim for future payments under this Agreement may be made, and LAFCO shall be entitled to retain any benefits which it receives under this Agreement.

8. Standard of Care.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant.

Consultant shall not assign, sublet or transfer this Agreement or any rights under or interest in this Agreement without the written consent of LAFCO, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor.

Consultant is retained as an independent contractor and is not an employee of LAFCO. No employee or agent of Consultant shall become an employee of LAFCO. The work

to be performed shall be in accordance with the work described in Exhibit "A," subject to such directions and amendments from LAFCO as herein provided.

11. Integration.

This Agreement represents the entire understanding of LAFCO and Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

12. Insurance.

a. Commercial General Liability

(1) Consultant shall maintain occurrence version Commercial General Liability Insurance or equivalent form with a combined single limit of not less than \$1,000,000 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than twice the occurrence limit.

(2) All such policies shall name LAFCO, the Commission and each member of the Commission, its officers, employees, agents and LAFCO designated volunteers as Additional Insureds under the policy.

(3) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by LAFCO.

b. Automobile Liability

(1) At all times during the performance of the work under this Agreement the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for non-owned and hired vehicles, in a form and with insurance companies acceptable to LAFCO.

(2) Coverage for Automobile Liability Insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1.

(3) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by LAFCO.

(4) All such policies shall name LAFCO, the Commission and each member of the Commission, its officers, employees, agents and designated volunteers as Additional Insureds under the policies.

c. Workers' Compensation/Employer's Liability

(1) At all times during the performance of the work under this Agreement and for 24 months following the date of Project completion and acceptance by LAFCO, the Consultant shall maintain workers' compensation in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts indicated herein.

(2) Such insurance shall include an insurer's Waiver of Subrogation in favor of LAFCO and will be in a form and with insurance companies acceptable to LAFCO

(3) If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by LAFCO.

(4) Before beginning work, the Consultant shall furnish to LAFCO satisfactory proof that Consultant has taken out, for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by Consultant to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof. Consultant shall require all subconsultants to obtain and maintain, for the period covered by the work under this Agreement, workers' compensation of the same type and limits as specified in this Section.

d. Professional Liability (Errors and Omissions).

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability insurance, in a form and with insurance companies acceptable to LAFCO and in an amount indicated herein.

e. Minimum Policy Limits Required

(1) The following insurance limits are required for the Contract:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/aggregate for bodily injury, personal injury and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability (errors and omissions)	\$1,000,000 per claim and aggregate

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with LAFCO evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (ACORD Form 25-S or equivalent). All evidence of insurance shall be signed by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies and the expiration date of such insurance.

g. Policy Provisions Required

(1) All policies shall contain a provision for 30 days advance written notice by the insurer(s) to LAFCO of any cancellation. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates.

(2) All policies shall contain a provision stating that the Consultant's policies are primary insurance and that the insurance of LAFCO or any Additional Insured shall not be called upon to contribute to any loss.

h. Additional Insurance Provisions

(1) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by LAFCO, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(2) If at any time during the life of the Agreement the Consultant fails to maintain in full force any insurance required by the Agreement documents, LAFCO may terminate the Agreement.

(3) The Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.

(4) LAFCO may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(5) Neither LAFCO nor the Commission, nor any member of the Commission, nor any of the directors, officers, employees, agents or volunteers of LAFCO or the Commission shall be personally responsible for any liability arising under or by virtue of this Agreement.

13. Indemnification.

Consultant agrees to protect, save, defend and hold harmless LAFCO and its Commission and each member of the Commission, officers, agents and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of or in any way connected with the alleged acts, errors or omissions or willful misconduct by Consultant, Consultant's agents, officers, employees, subconsultants or independent consultants hired by Consultant under this Agreement. This hold harmless Agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification, etc. to be provided by Consultant.

14. Laws, Venue and Attorneys' Fees.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Bernardino, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorneys' fees, as determined by the court.

15. Termination or Abandonment.

a. LAFCO has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, LAFCO shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. LAFCO shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by LAFCO and Consultant of the portion of such task completed but not paid prior to said termination. LAFCO shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to LAFCO only in the event of substantial failure by LAFCO to perform in accordance with the terms of this Agreement through no fault of Consultant.

16. Organization.

Consultant shall assign Jeff Ball as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of LAFCO.

17. Notice.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

LAFCO:
215 North D Street, Suite 204
San Bernardino, CA 92415-0490
Attn: Executive Officer

Consultant:
Davis Farr, LLP
2301 DuPont Drive, Suite 200
Irvine, CA 92612
Attn: Jennifer Farr, Partner

and shall be effective upon receipt thereof.

18. Third Party Rights.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than LAFCO and the Consultant.

19. Severability.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[signatures continued on next page]

**LOCAL AGENCY FORMATION
COMMISSION FOR SAN BERNARDINO
COUNTY**

DAVIS FARR, LLP

By: _____
Kathleen Rollings-McDonald, Executive
Officer

By: _____
Jennifer Farr, Partner

Approved as to Form:

Legal Counsel
Local Agency Formation Commission for
San Bernardino County

EXHIBIT A

Scope of Services

Consultant shall provide the following services:

1) Audit

- a) Consultant will perform an independent audit of all funds of LAFCO. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States.
- b) The Commission's Basic Financial Statements will be prepared and word-processed by the Consultant in full compliance with generally accepted accounting principles.
- c) The Consultant will render their auditors' report on the Basic Financial Statements that will include both Government-Wide Financial Statements and Fund Financial Statements.
- d) The Consultant will also apply limited audit procedures to Management's Discussion and Analysis ("MD&A"), consisting of the control environment, accounting systems and control procedures, and required supplementary information pertaining to the General Fund and each major fund of the Commission.

2) Management Letter

- a) The Consultant will issue a separate "management letter" that includes recommendations to the governing board for improvements in internal control that are considered to be nonreportable conditions.

LAFCO will provide the following services:

The LAFCO staff will provide normal cooperation and assistance during the audit including typing of confirmation requests, referral to the appropriate person and/or department for supporting documents and reconciliations of major asset and liability balances. LAFCO staff will prepare the MD&A and transmittal letters based on a template supplied by the Consultant. All other information and financial statements are the responsibility of the Consultant. All working papers and reports are to be retained at the Consultant's sole expense for a minimum of seven (7) years. Consultant will be responsible for making working papers available to LAFCO or any other appropriate government agency.

EXHIBIT B

Schedule of Additional Charges/Payments

Fee Schedule
for
DAVIS FARR, LLP

The following fee schedule shall apply for additional consulting services of the fiscal year ending on June 30, 2016, and June 30, 2017, and June 30, 2018, and June 30, 2019:

Professional Services Classification	Hourly Rates
Partners	\$170
Managers	\$125
Senior (in-Charge) Auditors	\$110
Staff Auditor	\$90

Consultant shall bill LAFCO only for the actual hours incurred in performing the services required under this Agreement, in accordance with the fee schedule set forth above, and subject to the provisions of Section 2 of this Agreement.

EXHIBIT C

Activity Schedule

Timetable of Audit Work and Deliverable Reports to be performed for the Fiscal Year ending on June 30, 2016, and June 30, 2017, and June 30, 2018, and June 30, 2019 and June 30, 2020, if LAFCO exercises its option to renew the Agreement, in its sole discretion:

Consultant shall be responsible for performing the audit for the fiscal year ending on June 30, 2016, and June 30, 2017, and June 30, 2018, June 30, 2019, and June 30, 2020, if LAFCO exercises its option to renew the Agreement, in its sole discretion, in accordance with Exhibit “A” and preparation and word processing of the following financial statements:

<u>Report Description</u>	<u>Number of Copies</u>	<u>Due Date of Each Audit Year</u>
Basic Financial Statements	1 photo ready 3 hard copies (Final audit)	No later than November 30 th of every year

A draft copy of the Basic Financial Statements should be delivered to the LAFCO Executive Officer for review approximately 10 days prior to the deadline noted above.

The audit shall begin no earlier than September 1 of each year and be completed no later than November 30, following the fiscal year audited (e.g. begin no earlier than September 1st and completed in time to meet the deadline established by LAFCO for the audit of each fiscal year).

Engagement Letter from Davis Farr, LLP

Attachment 2

July 11, 2016

Local Agency Formation Commission for San Bernardino County
Attn: Kathleen Rollings-McDonald
215 North D Street, Suite 204
San Bernardino, CA 92415

Dear Ms. Rollings-McDonald,

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide the Local Agency Formation Commission for San Bernardino County (the "Entity").

ENGAGEMENT OBJECTIVES

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the Entity's basic financial statements, as of June 30, 2016, 2017, 2018 and 2019, and for the years then ended, and the related notes to the financial statements.

Also, accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the Entity's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited.

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability
3. Schedule of Contributions – Defined Benefit Pension Plan
4. Schedule of Proportionate Share of the Net OPEB Liability (years ending June 30, 2108 and 2019)
5. Schedule of Contributions – Defined Benefit OPEB Plan (years ending June 30, 2108 and 2019)

OUR RESPONSIBILITIES

The objective of our audit is the expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with US GAAP and to report on the fairness of the additional information referred to above when considered in relation to the financial statements taken as a whole.

We will also provide a report, which does not include an opinion, on internal controls related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states the report is solely to describe the scope and testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and that the report is not suitable for any other purpose.

Audit

Our audit will be conducted in accordance with US GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion on the financial statements is other than unmodified, we will fully discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit, or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts (e.g., tests of the physical existence of inventories, direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions, etc.). We may also request written representations from the Entity's attorneys as part of the engagement, and they may bill the Entity for responding to this inquiry.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal controls, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with US GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. We will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Internal Control

Our audit will include obtaining an understanding of the Entity and its environment, including internal controls sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal controls or to identify control deficiencies. However, we will inform management and those charged with governance of internal control matters that are required to be communicated under professional standards.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The services described above do not relieve management or those charged with governance of their responsibilities.

THOSE CHARGED WITH GOVERNANCE

The preparation and presentation of the financial statements of the Entity are the responsibility of management with oversight from those charged with governance. Those charged with governance are also responsible for overseeing the strategic direction of the Entity and any obligations related to its accountability, resolving disagreements between management and us regarding financial reporting, appointing us to perform the services described above, and informing us about all known or suspected fraud involving the Entity. In turn, we will provide those charged with governance with any communications required by the professional standards described above.

MANAGEMENT'S RESPONSIBILITIES

Management is responsible for all management decisions and performing all management functions, and for designating an individual, preferably from senior management, with suitable skill, knowledge, or experience to oversee these services, any bookkeeping services, tax services, or other services we provide. Management is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for them.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with (a)

access to all information they are aware of that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of this engagement, and (c) unrestricted access to persons within the Entity from whom we determine it necessary to obtain information.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities, for the selection and application of accounting principles, for the safeguarding of assets, and for the preparation and fair presentation of the financial statements in conformity with US GAAP even though we may assist management with their preparation. Accordingly, management may be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that management has reviewed and approved the financial statements and related notes prior to their issuance and has accepted responsibility for them.

Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Entity involving (a) management, (b) employees who have significant roles in internal controls, and (c) others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of any known allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, regulators, or others. In addition, management is also responsible for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

During the course of our engagement, we will request information and explanations from management regarding the Entity. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter. The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. In view of the foregoing, the Entity agrees to release our firm, its shareholders, and other personnel from any liability and costs relating to our services under this letter resulting from false or misleading representations made to us by any member of the Entity's management.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other related studies. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. Management is responsible for providing its views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

OTHER SERVICES

The Entity must obtain our written consent before including its financial statements and our report in an offering or other document, or otherwise distributing our report or referencing our Firm in connection with an offering. Management agrees to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Management will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter, and the specific terms of any such future services will be determined at the time the services are to be performed.

As a result of our prior or future services, we might be requested to provide information or documents to the Entity or a third party in a legal, administrative, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to the Entity as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request.

ENGAGEMENT FEES

Our fees for the services per our Proposal for Professional Auditing Services dated April 28, 2016 are as follows:

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$7,600	\$7,800	\$8,000	\$8,200

Additionally, our fees are dependent on the availability, quality, and completeness of the Entity's records and, where applicable, upon the Entity's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entity employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable. In addition, fees for any related projects, such as proposed business combinations or research and/or consultation on special business or financial issues, will be billed separately from the fee referred to above and will be subject to separate arrangements.

We consider telephone calls and meetings on accounting and reporting matters to be an integral part of the engagement and no additional fees are charged for these services. If, however, there is a significant transaction or new accounting issue that requires us to spend a substantial amount of time that was not anticipated in our fees, there may be additional billings.

The fee estimate above assumes no adjustments will be necessary for routine accounting entries normally made before the beginning of the engagement. If, for any reason, we are asked to assist in the preparation of these entries, before beginning this service, we will provide an estimate of the time required to perform such services and the additional fees to be billed.

Invoices will be submitted as the work progresses and a final invoice will be submitted upon completion of the services. Invoices are payable upon receipt. If our invoices for this, or any other engagements the Entity may

have with us, are not paid within 30 days, we may suspend or terminate our services for this and any other engagements. In the event our work is suspended or terminated as a result of nonpayment, the Entity agrees we will not be responsible for any consequences.

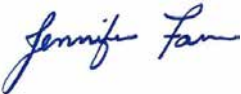
OTHER ENGAGEMENT MATTERS

This letter sets forth the rights and responsibilities of the parties with respect to the services to be provided. This engagement is being undertaken solely for the benefit of the parties to this agreement and no other person shall be entitled to enforce the terms of this agreement.

The undersigned is the engagement partner responsible for supervising the engagement and signing the report.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement. Please sign the enclosed copy of this letter and return it to us.

Very truly yours,



Jennifer Farr, CPA
Davis Farr LLP

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

Local Agency Formation Commission for San Bernardino County

By _____
Kathleen Rollings-McDonald, Executive Officer

Date _____

Date of contract approval by Commission _____

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafoo@lafoo.sbcounty.gov
www.sbclafoo.org

DATE: JULY 11, 2016

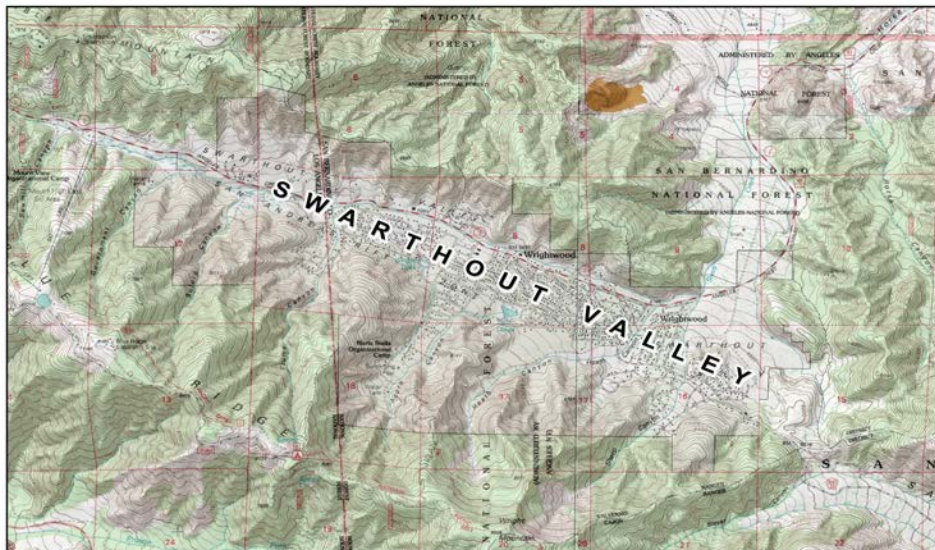
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer
MICHAEL TUERPE, Project Manager
JEFFERY LUM, LAFCO Analyst/GIS

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #9: LAFCO 3202 – Reorganization to Include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56

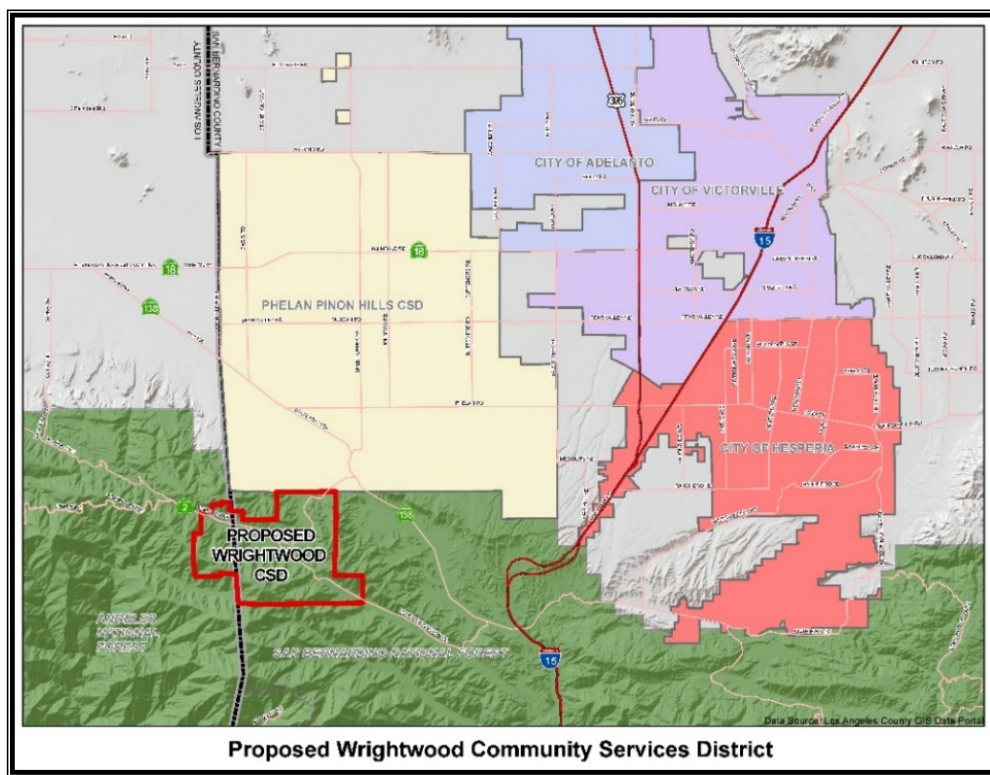
INTRODUCTION

The community of Wrightwood is a small mountain community located in the Swarthout Valley in the eastern San Gabriel Mountains. According to the Wrightwood Historical Society, the first permanent settlers in the area arrived in the 1800s as prospectors with the Swarthout family arriving in 1851 to ranch and graze cattle in the area. Wrightwood is named for Sumner Wright who owned the company which bought and sold the property in the community dating from approximately 1906. At present the community, on both sides of the Los Angeles/San Bernardino County line, has a permanent population of 4,525 (2010 Census data).



Topographic Map of Swarthout Valley

LAFCO 3202 is a proposal to form the Wrightwood Community Services District (hereinafter identified as “WCSD” or “CSD”) for the community of Wrightwood generally located east and west of the Los Angeles/San Bernardino County line. The territory is generally east of Big Pine, south of the Phelan Pinon Hills Community Services District, west and north of parcels lines. Highway 2 traverses the community in a general east/west direction. The general location of the area proposed to become the Wrightwood CSD is shown below:

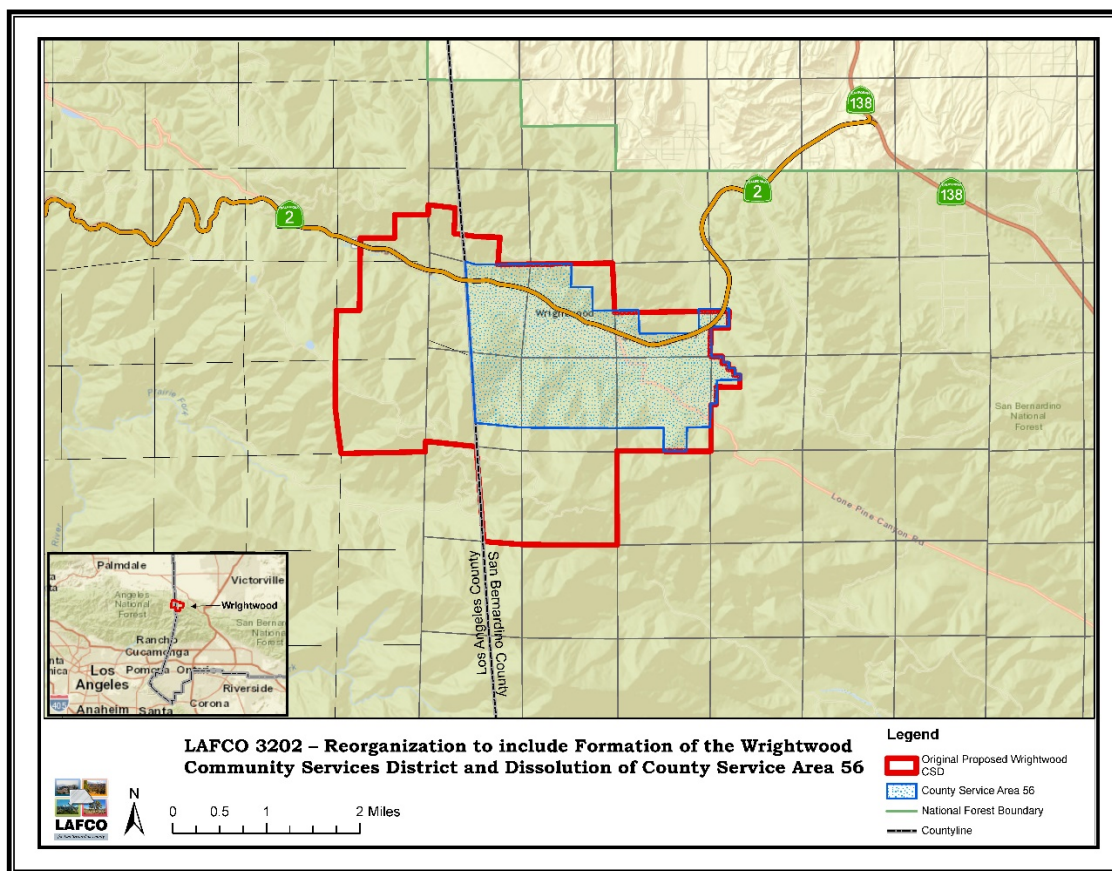


As shown, the proposal includes lands within both Los Angeles and San Bernardino Counties. For processing of this application, San Bernardino LAFCO is the “principal county”. This determination is made based upon the County which contains the “greater portion of the entire assessed value” of taxable properties within the area. However, the processing of this application has been closely coordinated with Los Angeles LAFCO and the various affected departments within Los Angeles County.

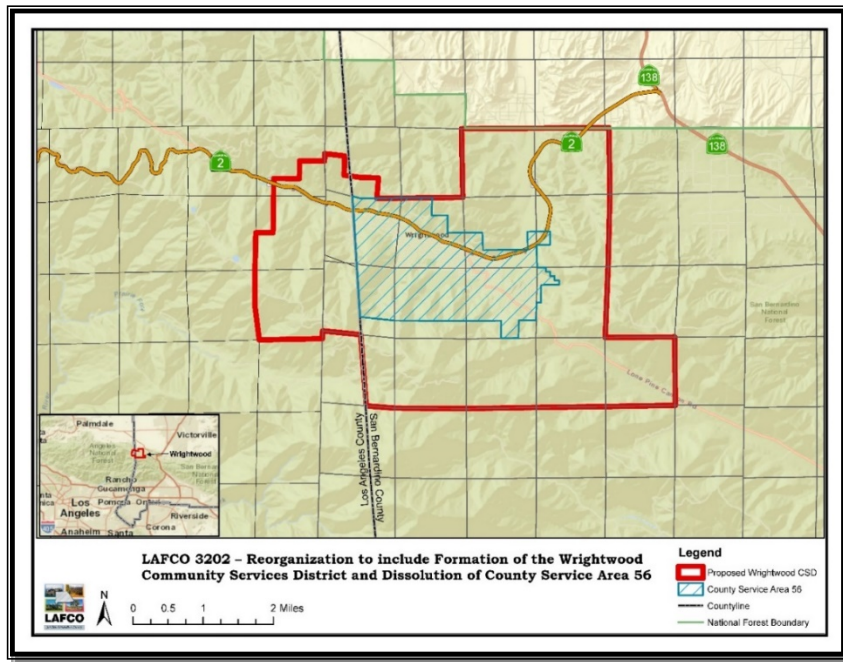
The proposal was initiated by the San Bernardino County Board of Supervisors through adoption of a resolution of application in response to requests made by the Feasibility Committee for a Wrightwood Community Services District (hereafter identified as the “Committee”). The Committee’s request for initiation by resolution related to timing for consideration and the perceived burden of needing to gather signatures of 25% of the registered voters to initiate the proposal. The Committee provided to the First District Supervisorial Office its feasibility study evaluating the option of formation of a CSD and the letter of support from Supervisor Antonovich from Los Angeles County; thereafter, the San Bernardino County Board of Supervisors, on November 3, 2015, as an affected agency,

adopted Resolution No. 2015-217, formally initiating the application. No formal statement of community support has been provided for this proposal to either LAFCO staff or the First District office.

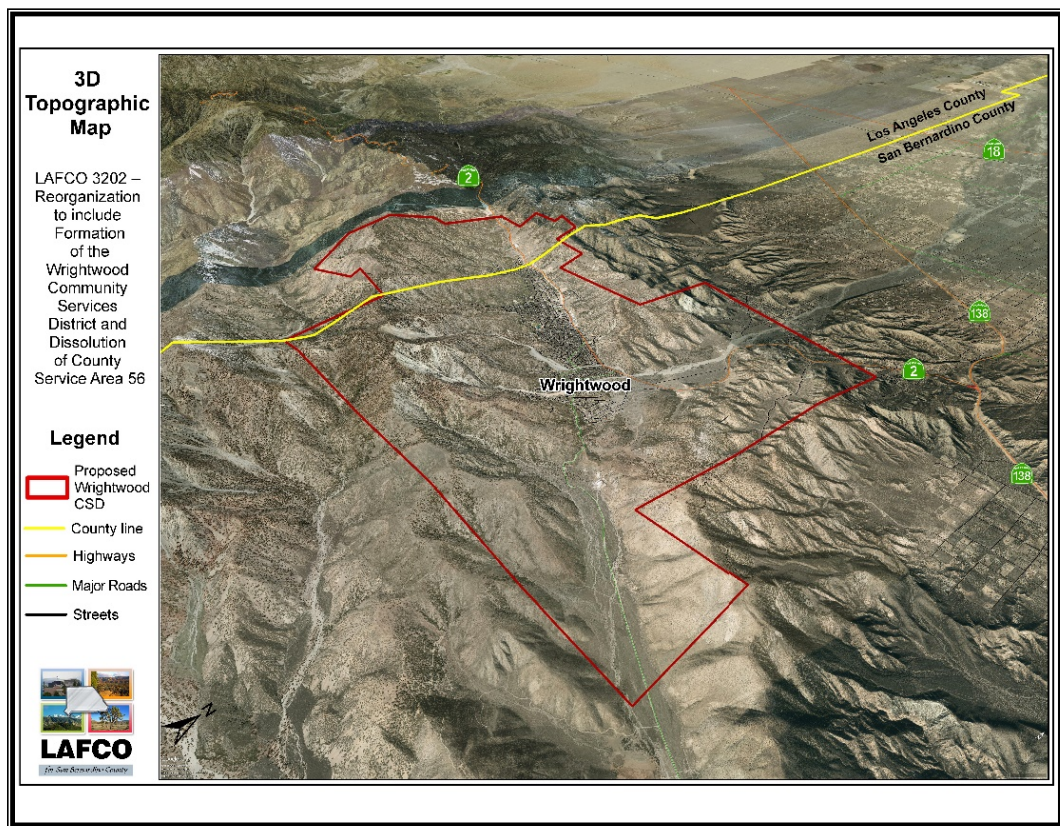
The proposal was initiated with an original boundary encompassing 6,012 acres (9.62 square miles). The area was identified as the generally accepted definition of the community of Wrightwood. This original boundary is shown below:



However, as LAFCO staff's analysis was undertaken, questions arose regarding whether or not the proposed boundary accurately reflected the community of Wrightwood, specifically for the territory within San Bernardino County. Following discussions with the proponent and the Committee, on June 6th, the boundary was expanded within San Bernardino County northerly to generally abut the Phelan Pinon Hills CSD boundary, and easterly to include additional territory along Lone Pine Canyon Road. The modified WCSD boundary encompasses approximately 17 square miles (10,739 +/- acres) located in the Swarthout Canyon area of the San Gabriel Mountains generally along the Angeles Crest Highway (State Route 2) east and west of the Los Angeles/San Bernardino County line as shown on the map which follows.



The proposed modification to the boundary was chosen based upon the topography and access to services through the proposed WCSD. The map which follows provides a topographic view of the expansion area looking northwesterly.



The proposal as presented to LAFCO provides for the new WCSD to be formed with the authorization of active functions/services for park and recreation, streetlighting, and solid waste/recycling services. An additional element of the proposed change is the dissolution of County Service Area 56 (serving within San Bernardino County) which currently provides park and recreation and streetlighting and is authorized to provide sewer services, but only its park and recreation and streetlighting services were proposed to transfer to the new entity as a function of the reorganization. The omission of the wastewater (sewer) function/service has been the topic of extensive discussion at the staff level and will be addressed in more detail in the narrative which follows. However, at this juncture it should be noted that LAFCO staff is proposing the expansion of the functions and services authorized the District, should it be approved, to include wastewater for planning and engineering purposes.

BACKGROUND

This hearing requires the presentation and consideration of the issues required for the formation of a new independent Community Services District. The evaluation of the reorganization will include a review of issues outlined by the Community Services District Law (Government Code Section 61000 et seq.), and by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), as well as a number of Commission policy issues relevant to the review of the formation of an independent form of special district to govern the services of the community.

As noted above, the Board of Supervisors for San Bernardino County's initiation of this proposal was in response to a community-based Feasibility Study Committee which, after several years of discussion and review of the questions on governance of the community, recommended the formation of a Community Services District to provide for a single, multi-purpose special district as the preferred form of government for its community in both Los Angeles and San Bernardino Counties and to provide for local control of the selective services delivered to that community. When the Commission is to review the formation of a CSD, it must first look to the legislative intent provisions of CSD Law defined as follows:

"The Legislature finds and declares that for many communities, community services districts may be any of the following:

- (1) A permanent form of governance that can provide locally adequate levels of public facilities and services.*
- (2) An effective form of governance for combining two or more special districts that serve overlapping or adjacent territory into a multifunction special district.*
- (3) A form of governance that can serve as an alternative to the incorporation of a new city.*
- (4) A transitional form of governance as the community approaches cityhood."*

The recommendations of the Committee identified a consolidated, multi-purpose entity with a locally-elected board of directors as the preferred form of governance fulfilling the intent provisions of items (1), (2) and (3) outlined above. The formation of this agency cannot fulfill the directives of Item #4 as a city cannot include territory in more than one county. The Committee has outlined the assumption of responsibility for the existing services of park and recreation and streetlighting, along with the service of providing for solid waste to be active functions and services for the community with all other services available to a CSD to be considered latent powers, subject to further LAFCO review.

At the outset of this review, the Committee desired a November election date to coincide with the Presidential Election in November 2016. However, due to the processing requirements for a bi-county special district the matter could not be filed with the respective Registrars of Voters in time for that election. The next available election date is March 7, 2017. Even this date requires a very specific timeline of Commission actions necessary to place this item before the electorate on the March ballot. That timeline is as follows:

- The Commission must take its final action on July 20, 2016, if the determination is to approve the formation of the CSD and adopt its resolution setting forth the terms and conditions imposed upon LAFCO 3202;
- The adoption of the Commission's resolution starts the 30-day reconsideration period required by Government Code Section 56895 – July 20 through August 19;
- Following completion of the reconsideration period, the Protest Hearing will be scheduled providing for a 21-day protest period anticipated to be held on or about September 15, 2016;
- During this protest period, LAFCO staff will submit the approved map and legal description for LAFCO 3202 to the Registrars of Voters within San Bernardino and Los Angeles Counties as required by the September 8, 2016 deadline;
- Following completion of the protest, the Boards of Supervisors of Los Angeles and San Bernardino Counties will be requested to direct their respective Registrar of Voters place the matter of district approval and for the selection of the initial board of directors on the March 7, 2017 ballot at the request of the Commission. That submission to the Registrars is required by no later than November 2, 2016; and,
- Adoption of the Impartial Analysis for the election will be placed on either the December 2016 or January 2017 Agenda.

These timeframes are tight and do not allow for much latitude in processing.

As the evaluation of this proposal begins, State law and Commission policy requires that the Commission's decision must include, but not be limited to, answering the following questions:

1. Do the boundaries of the proposed new district make sense from a service delivery perspective for current and future growth? Are the boundaries reasonably

recognizable? Do they promote efficient service delivery? Do they represent a community of interest? Do the proposed boundaries infringe on other established spheres of influence that might impede achievement of Commission goals in those areas?

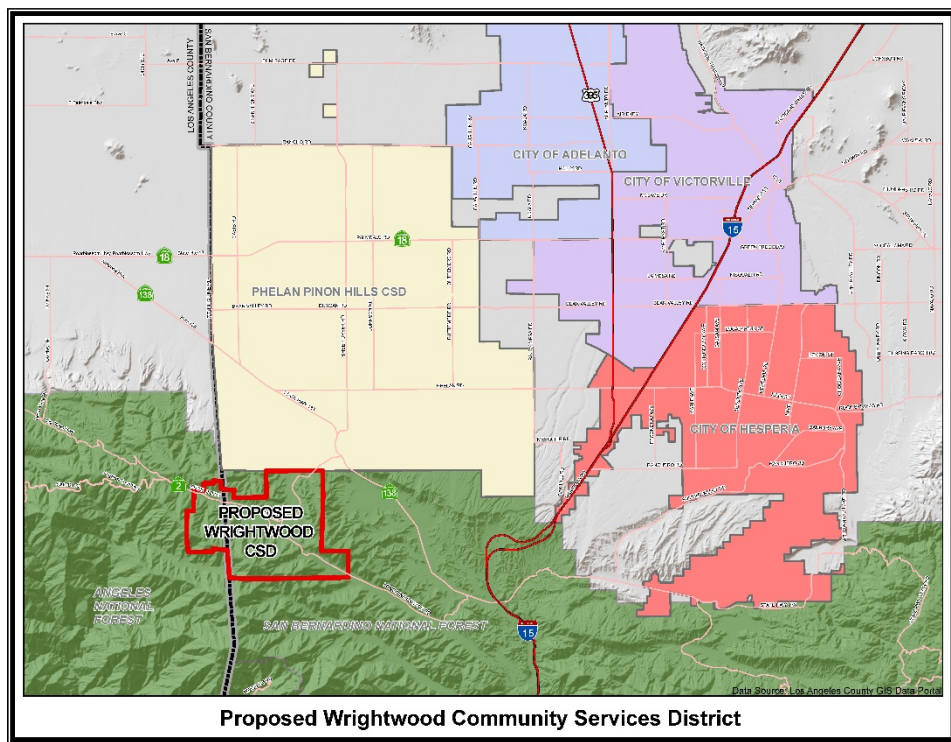
2. Would the formation of the new district impair the ability of any other agency to continue providing services? Would there be any adverse financial or service impacts on other agencies that would damage their ability to maintain service levels in other areas?
3. Is the proposed new district financially feasible and sustainable for at least the five years following formation? Can it, at least, maintain the pre-formation service levels that are currently provided within the study area?
4. Does the proposed formation represent the best available service option for the community? Are there better alternatives for the provision of the range of services within the study area? Does the proposed formation provide for a more efficient and accountable form of government?
5. Would the proposed formation have any adverse environmental effects that cannot be mitigated to a level of non-significance? If it does, can those adverse effects be overridden by other benefits?

The Commission's policies related to processing a formation proposal identify that the preference would be to annex to an existing agency rather than the formation of a new government, with the formation of a new government as the least desirable alternative. However, in this area there isn't an existing agency that could serve in both counties that has a relationship to the Wrightwood community. The Phelan Pinon Hills CSD is located to the north but has a distinct community of interest; County Service Area 56 is limited to territory within only San Bernardino County and, as a CSA, is a financing tool for the County to provide its range of services. The proposal does meet the Commission's policy of creating a multi-function agency rather than a single purpose entity for a community. As the Commission begins its analysis and consideration, its response to some of these questions may not be politically popular; however, the unique role defined for the Commission in State law requires that the answers to these questions on the systems to provide for the delivery of service be the focus of its consideration.

BOUNDARIES

Do the boundaries of the proposed new district make sense from a service delivery perspective for current and future growth? Are the boundaries reasonably recognizable? Do they promote efficient service delivery? Do they represent a community of interest? Do the proposed boundaries infringe on other established spheres of influence that might impede achievement of Commission goals in those areas?

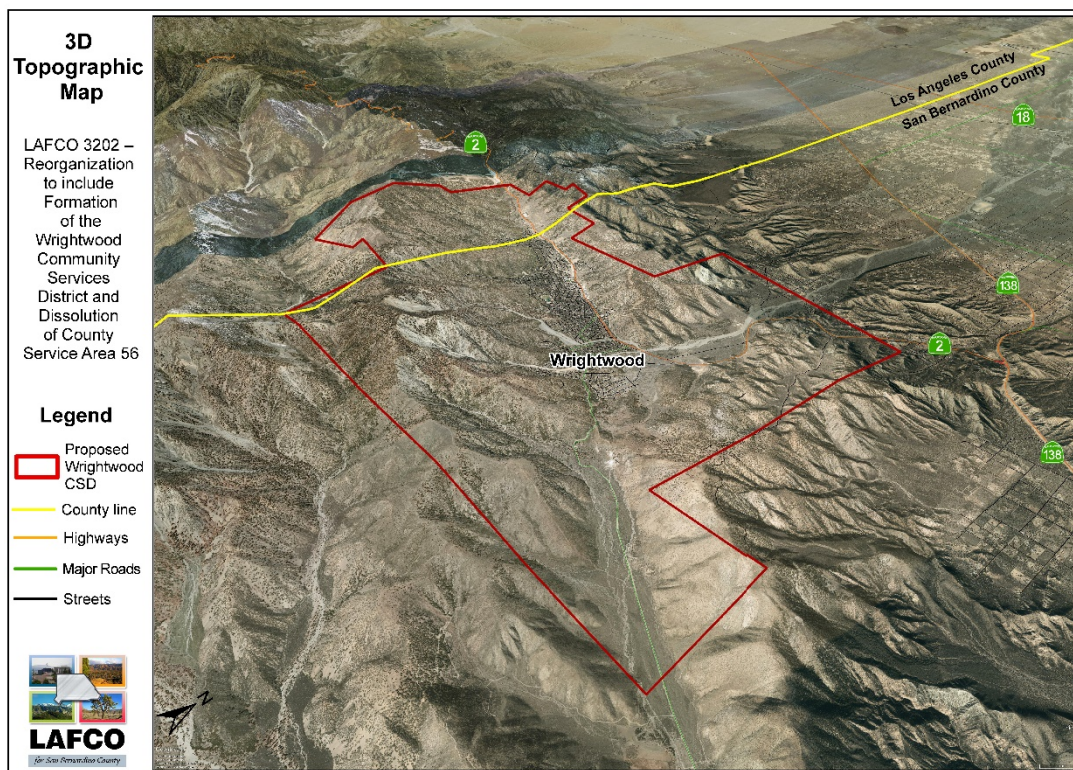
The map below provides the outline of the boundaries as modified for the proposed Wrightwood CSD (WCSD) in a regional context. Of note, there are no regional services agencies on the Los Angeles County portion of the proposal, but a number of them on the San Bernardino County side.



The boundary presented for the WCSD is reflective of the identified community, including lands within both San Bernardino and Los Angeles Counties. It does not infringe upon an established sphere of influence or boundary of another serving agency. The existing agencies within the area and/or whose sphere of influence includes the area are:

- CSA 56, which serves the community of Wrightwood within San Bernardino County, and is proposed for dissolution.
- CSA 70 (which includes the entirety of San Bernardino County's unincorporated territory), whose sphere is coterminous with its boundaries.
- San Bernardino County Fire Protection District and its North Desert Service Zone for San Bernardino County, whose sphere of influence includes the area in San Bernardino County. In addition, the North Desert Service Zone has an existing contract with the Consolidated Fire Protection District for Los Angeles County to provide for service to its area.

- Consolidated Fire Protection District for Los Angeles County for the territory in Los Angeles County.
- Mojave Desert Resource Conservation District overlays the majority of the territory and is included within its sphere of influence within San Bernardino County.
- Golden State Water Company (a private water company) overlays the territory of the proposed District in both Counties and has no sphere of influence designation by either Commission.



The Commission's boundary determination needs to answer the questions identified in Commission policies and State law, identified as follows:

- Do the boundaries of the proposed new district make sense from a service delivery perspective for current and future growth?
- Are the boundaries reasonably recognizable?
- Do they promote efficient service delivery?
- Do they represent a community of interest?

- Do the proposed boundaries infringe on other established spheres of influence that might impede achievement of Commission goals in those areas?

As noted above, on June 6th the boundaries for the proposed WCSD were modified within the San Bernardino County portion to more accurately reflect the community of Wrightwood abutting the Phelan Pinon Hills CSD as you enter the community along Highway 2 and extending along Lone Pine Canyon Road. The boundaries as modified represent, in the staff's view, a cohesive socio-economic community of interest. Based upon this community definition, the boundaries as proposed represent a reasonable service boundary for current and future growth within the community. And finally, due to the isolated nature of this mountain community, the boundaries as modified represent an efficient service delivery pattern for the range of services contemplated by the proponents and the service addition identified by staff through the absorption of CSA 56 in the reorganization process.

SERVICE AND FINANCIAL CONSIDERATIONS

For the formation of a new agency, the most crucial and critical elements for consideration are the determinations related to financial and service considerations. State law requires that the Commission's decision must include, but not be limited to, answers to the following questions:

1. Would the formation of the new district impair the ability of any other agency to continue providing services? Would there be any adverse financial or service impacts on other agencies that would damage their ability to maintain service levels in other areas?
2. Is the proposed new district financially feasible and sustainable? Can it, at least, maintain the pre-formation service levels that are currently provided within the study area?
3. Does the proposed formation represent the best available service option for the community? Are there better alternatives for the provision of the range of services within the study area? Does the proposed formation provide for a more efficient and accountable form of government?

SERVICE CONSIDERATIONS

The Feasibility Study submitted for this application identifies that the services proposed to be provided through the Wrightwood CSD include streetlighting, park and recreation, and solid waste. The first two services are currently provided within the San Bernardino County portion of the area through CSA 56 which is proposed for dissolution as a function of the reorganization. There is no serving entity on the Los Angeles County side of the proposed reorganization. The proponents have identified the delivery of solid waste services to be provided within the community through the District. In addition, LAFCO staff has identified that CSA 56 is currently authorized sewer service for planning the delivery of a wastewater

collection and treatment service in the future should portions of the community be mandated to install this utility. The following provides a discussion of these services:

1. Streetlighting:

Streetlighting is currently provided in the San Bernardino County portion of the Wrightwood community through CSA 56 which provides for payment of the energy costs for 24 streetlights at an estimated annual cost of \$3,500 (approximately \$159 per light) plus administrative charges. The lights themselves, including poles and lamps, are owned by Southern California Edison which will remain unchanged in this reorganization process. There are no streetlights within the Los Angeles County portion of the Wrightwood community affected by this action as none are owned by a public entity. As more fully detailed in the financial portion of this report, the number of streetlights within the community is unclear; the Southern California Edison bills the County Special Districts Department for 24 lights; the listing of streetlight locations provided by the Special Districts Department identifies 25 lights and the Feasibility Study identifies 23 lights. A copy of the response received from the Special Districts Department (included as Attachment #__ to this report) identifies that a survey to verify this number will not be undertaken. However, as a condition of approval, LAFCO staff has included the standard language requiring the completion of the necessary paperwork for Southern California Edison to transfer the lights, which will include a listing identifying the lights.

It is staff's understanding that the community as a whole advocates for the principals of the Night Sky ordinance which would limit the installation of new streetlights to those which are the most unobtrusive and only where a clear safety concern warrants.

2. Park and Recreation:

Park and recreation services are provided within the Wrightwood community through the operation of the community/senior center and parks under the auspices of CSA 56. The services are available to the whole of the community be they residents of Los Angeles or San Bernardino County.

Staff has identified eight parcels of land within the Wrightwood community within San Bernardino County which are owned by CSA 56 and will be transferred to the new WCSD. However, two of the parcels are adjacent to the Wrightwood elementary School which prompts the question as to whether there are existing joint-use agreements for the facilities. If there are not (no such information has been provided in response to the review of the application), the new District if formed should pursue such an arrangement. If there are, then the standard condition of approval related to contracts will transfer this to the new WCSD.

3. Solid Waste:

The proposal has identified that the provision of solid waste (refuse) is to be an active function/service of the new Wrightwood CSD. The active function would be

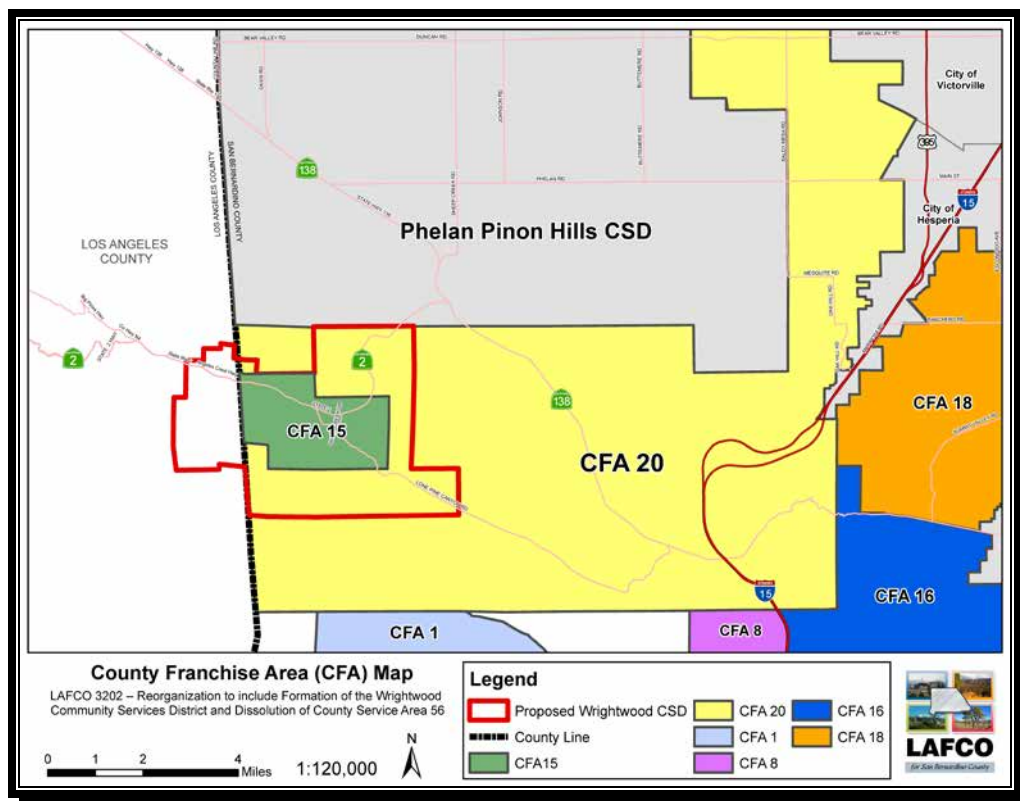
defined as solid waste and recycling. The delivery of this service illuminates the differences between San Bernardino and Los Angeles Counties and highlights the needs for a staffing pattern at the new entity which can address any concerns.

For Los Angeles County:

The response received from Los Angeles County identifies that the inclusion of residential customers under the Wrightwood CSD and its proposed franchise with CR&R does not pose an issue. This portion of the area is not within the County's residential Trash Franchise or Garbage Disposal District. However, Los Angeles County has identified that any franchise service contract proposed by Wrightwood CSD, including bin and roll-off rentals, should be non-exclusive in order to avoid conflict with the existing Los Angeles County Commercial Waste Collection Franchise.

For San Bernardino County:

The boundaries of the proposed district, as modified, includes the territory of County Franchise Area 15 (hereafter CFA 15) and portions of CFA 20; both are franchised to CR&R Waste and Recycling Services. The current contracts with CR&R are set to expire June 30, 2017 and would be renegotiated prior to the July 1, 2017 effective date of the formation of the Wrightwood CSD. The map below outlines the existing CFAs within the area.



Public Resources Code 40000 et seq provides the State's legislative intent on an integrated waste management system as a public health and safety concern and identifies that a cooperative regional approach is necessary to minimize the cost for service. Since the passage of AB 939, the State of California has shifted the responsibility for waste disposal from the haulers to the government jurisdictions. The County is responsible for the waste reduction programs implemented for the entirety of the unincorporated area of the County, including reporting and diversion programs. The Wrightwood CSD would be required to assume the following responsibilities related to solid waste collection and recycling:

- Implementation of AB 1826 mandatory commercial organics recycling which became effective January 1, 2016. This program requires that an entity conduct outreach and education to inform businesses on how to recycle organic waste, as well as conducting monitoring to identify those not in compliance. Organic waste is identified as food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food soiled paper waste mixed in with other food waste. As identified to LAFCO staff, this is a phased program beginning April 1, 2016.
- Mandatory commercial recycling (AB 341 effective January 1, 2011) requires that those businesses that generate four cubic yards or more of commercial waste per week must arrange for a recycling service. This requires an electronic reporting of a jurisdiction's activity to achieve the commercial source reduction.
- Implementation of Public Resources Code 40059 by determining "aspects of solid waste handling which are of local concern, including, but not limited to, frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste handling services". The existing franchise contract defines those responsibilities. However, one issue to be resolved is that the existing Franchise Agreement expires June 30, 2017, the day prior to the effective date anticipated for LAFCO 3202. The County will be negotiating the new agreement which will transfer to the new District and be required to be maintained for at least five years following the effective date. Thereafter, the District would need to make its own determinations.
- Compliance with Public Resources Code Section 41821.2. This would require compliance with the source reduction and recycling element and the household hazardous waste element of the County. The District does not currently, and is not anticipated to, include incorporated territory. The District will also be required to provide information on its programs, the amount of waste disposed and reported to the disposal tracking system of the respective County and the amount of waste diverted pursuant to the State's mandates for waste management.

The proposal identifies that the WCSD anticipates providing for these services through a part-time staff person and the General Manager. However, LAFCO staff

has learned that at least some of the Special District providers of solid waste service do not report to the County as required by State law, the entity responsible for the unincorporated reporting to the State for waste diversion. As a future discussion in the service review for solid waste service in the County as a whole, and that performed at the establishment of the sphere of influence of the District within one year, this reporting will be an aspect to be analyzed and reported to the Commission.

LAFCO staff has been provided with correspondence from CR&R Waste and Recycling Service, the current franchisee, that it has no objection to the application and the County's Solid Waste Management Division has provided no objection to the application noting that it will retain the responsibility for the area of CFA 20 outside of the Wrightwood CSD (copies of each are included as Attachment #3 to this report). The application identifies that the current franchise fee generated within District boundaries is estimated at \$61,623, primarily from San Bernardino County, but the area of Los Angeles County will be included for residential franchise as well.

Another aspect of Solid Waste and Recycling will be the transfer of the existing special tax of the County Land Use Solid Waste of \$85.14 per parcel (actual receipts would be \$84.89 [subtracting the 25 cent per parcel administrative charge]). This will include the administration of the "dump card program" and the supplemental materials submitted by the Committee which identify the desire for the WCSD to provide for a transfer station and recycling center in the future; however, no location has been identified in the community for this purpose. The issuance of the WCSD dump card program would require the completion of contracts with the County much like those implemented on behalf of the Helendale CSD and Phelan Pinon Hills CSD, and the County has provided copies of these along with its assurance that it will assist in this process (copies included as part of Attachment #6). The contract will need to be in place before the County will transfer the revenues of the special tax and will need to clearly identify whether it is for San Bernardino or Los Angeles County residents for accounting purposes.

Based upon the information provided by the Feasibility Committee, the receipt of these revenues will allow the District to fund development of programs for further source reduction and recycling efforts, including the potential for educational pursuits for the community in its efforts to reduce the waste stream going to the County landfill and necessary reporting requirements.

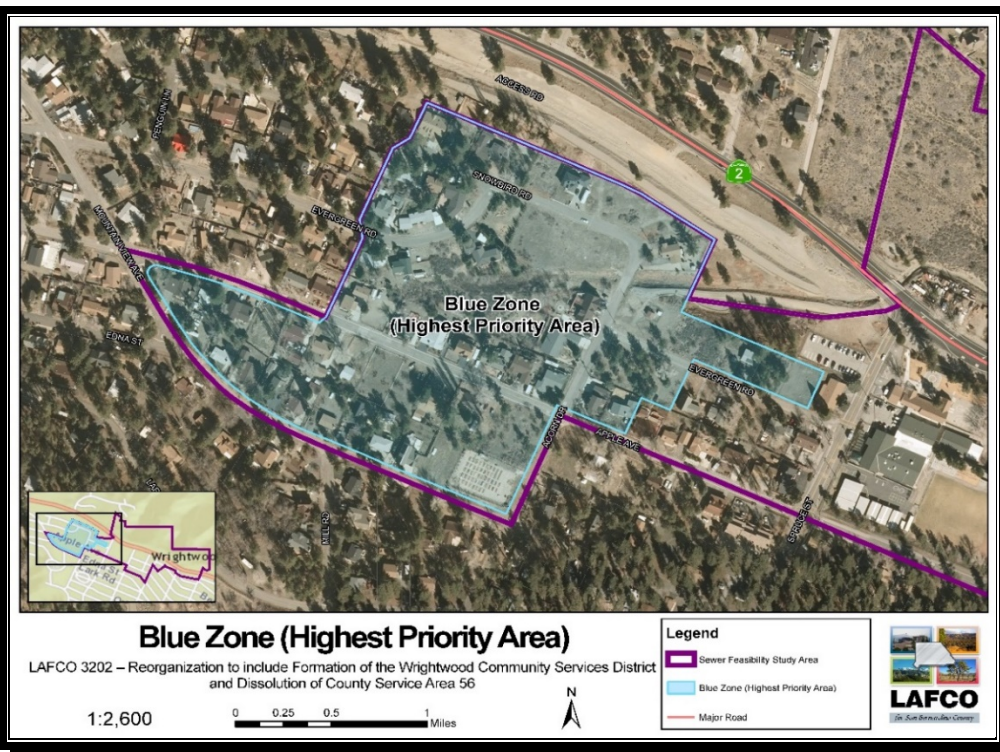
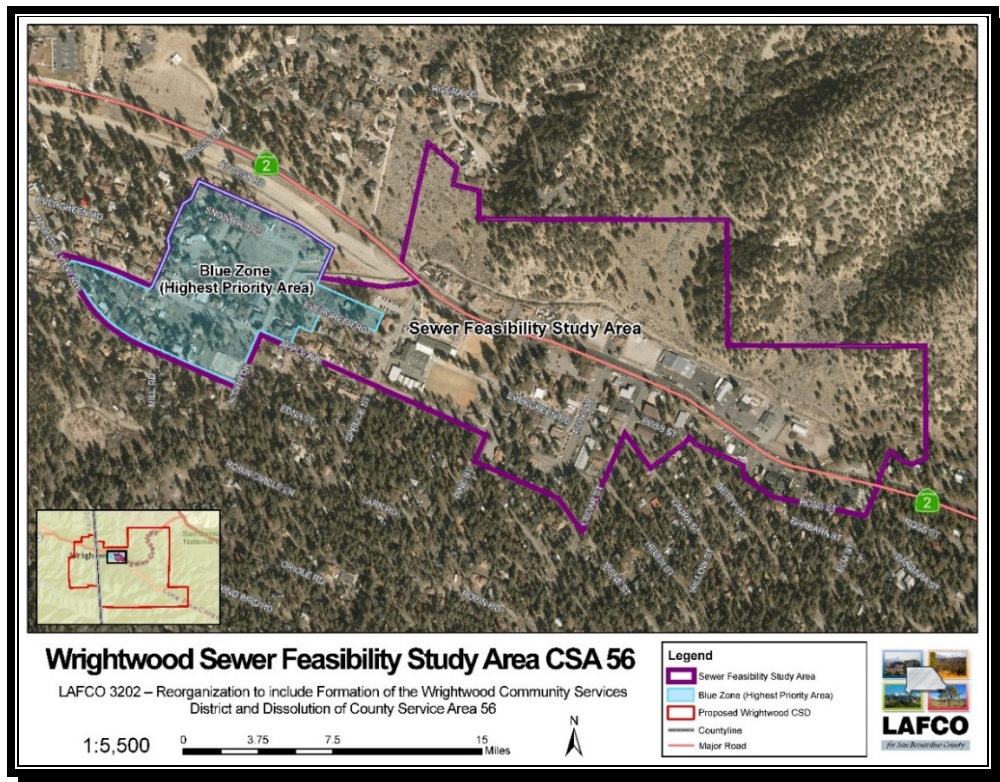
4. Wastewater:

At the outset of the review for LAFCO 3202, questions on the exclusion of wastewater from the range of services of the Wrightwood CSD were raised. The Committee has identified in its materials that the inclusion of wastewater (sewer) service would prompt a negative reaction by the electors; therefore they have limited the range of services to those of most interest to the community. The proponent, the County, has indicated that this is a question for the Commission to decide; while the

Special Districts Department has expressed its concern that the dissolution of CSA 56 will leave the area without a governance mechanism to address future decisions by the Regional Water Quality Control Board.

The intent of a Local Agency Formation Commission, as defined by the Legislature, is to define the systems for the provision of services to recognized communities based upon their needs and local resources to provide them. In looking at the question of wastewater service for the community of Wrightwood, LAFCO staff reviewed the question with both the Lahontan Regional Water Quality Control Board and the Special Districts Department. The requirement for sewerage a community is not typically espoused by a local agency, but is required to respond to health and safety concerns of a Regional Water Quality Control Board, like the requirement for sewerage Yucca Valley and the community of Yucaipa, mandates by their respective Regional Water Quality Control Boards. Staff's review of materials available online from the Lahontan Regional Water Quality Control Board (hereafter Lahontan) shows that for many years the question of on-site waste disposal (septic systems) for the densely developed downtown portion of the Wrightwood community (located in San Bernardino County) has been discussed.

- Since 1976 the Lahontan Regional Water Quality Control Board, through its Board Order No. 6-76-38 adopted on April 22, 1976, established the standards for discharge of waste through individual subsurface waste disposal systems (commonly septic tanks). CSA 56 was recognized as the entity responsible for these discharge requirements.
- In 2000 a sewerage feasibility study was done by Wilson So and Associates through the San Bernardino County Special Districts Department for CSA 56 which identified the areas of highest concern for small lots and shallow groundwater table. This was identified as the "Blue Zone" as identified in the Special Districts Department correspondence (a part of Attachment #5) and on the maps which follow:



- In 2013 Lahontan determined to rescind its Board Order No. 6-76-38 as it relates to CSA 56 as it noted that no public wastewater treatment facility was developed nor was there waste produced by CSA 56. This decision does not alleviate the Board's ongoing concerns about the community and the quality of the groundwater due to the on-site waste disposal systems. As identified in Lahontan's Executive Officer's report for September 16 – October 15, 2013, the local sewerage committee was to request that the Special District's Department take the lead on completing the sewerage option study. The Special District's Department response identifies that the mapping of the area has been done (as shown above) and that a consultant has been working on this question. The Special District's Department has questioned what the responsible entity for continuing this study would be should LAFCO 3202 be approved and CSA 56 dissolved.

As stated at the outset of this discussion, the requirement for sewerage is not locally made, it is a requirement which may be imposed by a regional regulatory agency. In the staff view, the voice of the Wrightwood community needs to be heard on the question of the future sewerage of the area, and approval of LAFCO 3202 will replace the board-governed-entity with an independent board which should answer on behalf of the community. Therefore, LAFCO staff has proposed the expansion of the function/service to be authorized a new WCSD to include wastewater for the planning of a regional sewer entity. Should the WCSD then desire to actively provide wastewater collection and treatment service, it would be required to return to San Bernardino LAFCO for approval under the provisions outlined in Government Code Section 56824.10 et seq.

SERVICE DETERMINATIONS:

Based upon the information presented in this report, it is the staff's position that the Commission can make the following determinations:

1. In response to the question of whether the formation represents the best available service option for the community, the staff would respond in the affirmative if the issue of wastewater service is included on the basis that it provides for a single, multi-function entity to provide the services to the community rather than a continuation of a single multi-purpose entity located only in San Bernardino County. Approval of this application by the Commission, and ultimately by the electors, will provide for a locally-elected Board of Directors, with five members from the community, to determine the delivery of the services and to be able to represent the community to state agencies proposing the imposition of new services for the area.
2. The alternatives to the formation are the continuation of the status quo with the Wrightwood MAC responding on behalf of the interests of the San Bernardino County community and the Los Angeles County portion of the community without a voice on the delivery of these services. Incorporation of the area as a city is not available to the total community as a city cannot exist in two counties and the incorporation of only the San Bernardino County portion is not financially viable, in the staff's opinion. It is the staff's opinion that the creation of a single, multi-function Community Services District could assist the community, in both San Bernardino and Los Angeles Counties, in achieving local decision-making for the services the

community desires and can fund and provide for selection of the Board of Directors from candidates within the community, not just one side of the county line.

However, this is a small, isolated mountain community which poses the same questions as the Commission has fielded for the communities in the north desert – Yermo, Daggett, Newberry, and in the south desert community of Morongo Valley – regarding concerns on financial stability and governance issues. There is no mechanism to legislate good choices by a Board of Directors for the future decisions. In the staff's view, the exclusion of sewer service from the range of services to be provided by the WCSD by the community proponents does not reflect the needs of the community as outlined by information provided by and decisions made by the Lahontan Regional Water Quality Control Board for this community.

Therefore, the decision of the Commission on this determination will need to consider and reflect whether the choice is to approve LAFCO 3202 on the basis of providing for a community specific system for the delivery of service or deny the proposal on the basis the small size and isolated nature of the community does not provide for assurance on the question of financial stability for the delivery of those services.

3. It is the staff's recommendation if the Commission chooses to approve LAFCO 3202, that the authorized functions and services for the proposed Wrightwood CSD be identified as follows:
 - **Streetlighting** -- Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements (§61100(g)).
 - **Park and Recreation** -- Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code (§61100f)).
 - **Solid Waste and Recycling** -- Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.
 - **Wastewater** – Planning and engineering for the potential development of a regional wastewater treatment system should such be required by the Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 (commencing with Section 6400) of the Health and Safety Code.

FINANCIAL CONSIDERATIONS

FINANCES: Does the proposed formation represent the best available service option for the community? Is the proposed new district financially feasible and sustainable? Can it, at least, maintain the pre-formation service levels that are currently provided within the study area? Will the proposed district have a reasonable reserve for the first three years of its existence?

The County has submitted a Feasibility Study, prepared by the Wrightwood Feasibility Committee, as a part of its application and has supplemented that document with additional information, as required by LAFCO staff, during the processing of the application. The Board Agenda Item initiating the application and the Feasibility Study are included as Attachment #2 to this report and the relevant supplemental information received during the processing of the proposal is included as Attachment #2. The Commission is required to review these materials, and the LAFCO staff response to them, in order to make its determinations.

In order to evaluate the proposed change in governance structure, the Commission needs to be aware of the historic provision of service to this community. The Wrightwood community has a single direct service provider and that is only defined within the San Bernardino County portion of the proposal, CSA 56. The services funded by this agency are park and recreation and streetlighting; however, the budget and audit documents only outline the park and recreation function. Streetlights have not been identified as a revenue or expense item for this agency though it provides for the funding for electric usage of between 23 and 25 lights based upon the information provided by the County Special Districts Department. The following materials provide for an outline of the current operations for CSA 56 based upon audit information:

COUNTY SERVICE AREA 56								
	2009	2010	2011	2012	2013	2014	2015	
REVENUES								
Property Taxes	\$ 144,632	\$ 131,981	\$ 114,777	\$ 117,626	\$ 116,141	\$ 119,583	\$ 120,845	
Other Taxes	15,102	21,421	9,694	-	-	-	-	
State Assistance	2,214	52,580	1,552	1,530	1,455	1,395	1,319	
Intergovernmental	-	-	150,000	-	-	-	-	
Investment Earnings	6,140	1,684	1,699	1,079	2,522	907	407	
Service Fees	14,269	11,919	15,736	21,967	26,734	22,731	17,897	
Other	1,308	300	6,716	-	-	-	-	
Total Revenues	183,665	219,885	300,174	142,202	146,852	144,616	140,468	
EXPENDITURES								
Salaries & Benefits	82,979	80,011	96,176	72,379	61,377	57,067	62,777	
Services and Supplies	95,975	70,183	49,413	45,158	75,613	65,096	87,603	
Capital Outlay								
Land	162,000	12,750		-	-	-	-	
Improvement to Land	24,457			-	-	-	-	
Debt Service								
Principal						41,509	26,893	
Interest						491	107	
Reserves and Contingencies								
Total Expenditures	365,411	162,944	145,589	117,537	136,990	164,163	177,380	
Net Change in Fund Balance	(181,746)	56,941	154,585	24,665	9,862	(19,547)	(36,912)	
Revenues over Expenditures	(181,746)	56,941	154,585	24,665	9,862	(19,547)	(36,912)	
OTHER FINANCING SOURCES								
Transfers In								
Transfers out	-	-	(70,000)	(130,000)	(50,000)	(232,522)		
Long Term Debt Proceeds						200,000		
Total Other Financing Sources	-	-	(70,000)	(130,000)	(50,000)	(32,522)	-	
Net Change in Fund Balance	(181,746)	56,941	84,585	(105,335)	(40,138)	(52,069)	(36,912)	
Fund Balance Beginning	357,979	176,233	233,174	317,759	212,424	172,286	120,217	
Prior Period Adjustment								
Fund Balance Ending	\$ 176,233	\$ 233,174	\$ 317,759	\$ 212,424	\$ 172,286	\$ 120,217	\$ 83,305	
source: Budgetary Comparison Schedule; for years ending June 30, 2009 - 2015								

The materials identify that for the past four audit years, the annual revenues of CSA 56 (including the transfer required by approval of LAFCO 3070) are insufficient to cover its annual costs, relying upon fund balance to provide for the normal day-to-day operations. LAFCO staff reviewed the proposed budget adopted for Fiscal Year 2016-17, but it did not provide for an itemization of the revenues and expenditures for CSA 56. Those revenues and expenditures were included in the general park and recreation district operations, so it is not known if this trend continues.

Property Tax Transfer:

The first order of business in evaluating a reorganization proposal which includes a formation requires staff to provide a determination on what the general ad valorem property tax transfer would be for this proposal pursuant to the provisions of Government Code

Section 56810. As this section of law requires, LAFCO staff contacted the County Auditor/Controller-Recorder for both San Bernardino and Los Angeles Counties and requested information regarding the property tax revenues attributable to the affected agencies for the services to be transferred. The Auditors' responses indicated that for Fiscal Year 2015-16 the property tax revenue distributions for the affected agencies within LAFCO 3202 were as follows:

LOS ANGELES COUNTY:

There were no detaching agencies and no general fund support for services proposed to be assumed by the WCSD	\$0
--	-----

SAN BERNARDINO COUNTY

The proposal includes the dissolution CSA 56 and transfer of its property tax allocation	\$62,699
No general fund support for other services proposed to be assumed by the WCSD	\$0

In the case where all the services provided by the entity are to be transferred, pursuant to Government Code Section 56810(d), the Commission shall transfer the full amount of the property revenues attributable from the area, which as shown above is \$62,699. However, the budget for the proposed WCSD identified the property tax revenue attributable for the first year (Fiscal Year 2016-17) as \$119,658; the budget for Fiscal Year 2015-16 and a review of audit reports for CSA 56 show an even higher rate.

The \$56,959 difference was questioned and set in motion an in-depth review of the actions taken during the formation process for the Phelan Pinon Hills CSD (LAFCO 3070). This process included a mitigation measure providing ongoing funding for park and recreation operations in Wrightwood through a secured funding stream for CSA 56 transferred from the revenues from CSA 56 Zone F-1 which was dissolved as a function of that review. LAFCO staff had assumed this was to be made through a transfer of base year allocation, estimated at \$40,000 for Fiscal Year 2007-08. However, the additional funding became a part of the "AB8 Factor" for an annual allocation process not a part of the base year funds for CSA 56. This process is outlined by the Auditor-Controller's response included as Attachment # ___. Therefore, the determination and condition of approval for of the Commission for this proposal's related property tax will include the following additional criteria:

- *The full amount of the base year allocation for value/revenue for CSA 56, increment experienced within CSA 56 boundaries, and the revenue shifts previously approved by completion of LAFCO 3070 shall be transferred to the WCSD upon its formation;*

Based upon the calculation of Auditor-Controller this amounts to \$121,014 for Fiscal Year 2014-15 even though the Audit prepared for this identified the amount as \$119,583.

PROPOSED REVENUES AND EXPENDITURES:

With this determination made, the Commission can now turn its attention to the discussion of whether or not the Wrightwood CSD is financially feasible and sustainable, and whether

or not, according to Commission policies, it can maintain pre-formation levels of service. In order to make these determinations, the Commission is required to review the feasibility study presented by the proponents, with the supplemental documentation provided at the request of LAFCO staff, against Community Service District Law requirements, Cortese-Knox-Hertzberg Local Government Reorganization Act requirements, and the policies of the Commission.

Staff has prepared a series of tables which illustrate the revenue and expenditure data evaluated in the application, the Feasibility Study revenue and expenditure information presented by the Feasibility Committee, and LAFCO staff's determinations based upon supplemental information and discussions during the processing of this proposal. The budget spreadsheet submitted by the Committee has been reproduced by LAFCO staff and is shown below:

BUDGET AS PRESENTED IN FEASIBILITY STUDY					
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
REVENUE:					
Property Tax	\$ 119,658.00	\$ 119,658.00	\$ 119,658.00	\$ 119,658.00	\$ 119,658.00
Facility Rental	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
Solid Waste Franchise Fee	\$ 61,623.00	\$ 62,239.00	\$ 62,862.00	\$ 62,490.00	\$ 64,125.00
Special Tax for Solid Waste	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00
Streetlights	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Transfer in from Fund Balance	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 465,869.00	\$ 431,485.00	\$ 432,108.00	\$ 431,736.00	\$ 433,371.00
EXPENDITURES:					
Salaries And Benefits					
General Manager/Admin	\$ 18,000.00	\$ 18,360.00	\$ 18,727.00	\$ 19,102.00	\$ 19,484.00
Park Staff	\$ 26,400.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Solid Waste Staff	\$ 13,200.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Total Salaries	\$ 57,600.00	\$ 72,216.00	\$ 73,661.00	\$ 75,134.00	\$ 76,636.00
Social Security Tax (Employer)	\$ -	\$ -	\$ -	\$ -	\$ -
Workers compensation	\$ -	\$ -	\$ -	\$ -	\$ -
Unemployment	\$ -	\$ -	\$ -	\$ -	\$ -
Medicare	\$ -	\$ -	\$ -	\$ -	\$ -
State Disability	\$ -	\$ -	\$ -	\$ -	\$ -
Total Salaries and Benefits	\$ 57,600.00	\$ 72,216.00	\$ 73,661.00	\$ 75,134.00	\$ 76,636.00
Services and Supplies:					
Election	\$ -	\$ -	\$ -	\$ -	\$ -
Attorney	\$ 20,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Contract for Finance Support	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Audit	\$ 6,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
utilities	\$ 23,000.00	\$ 24,150.00	\$ 25,358.00	\$ 26,625.00	\$ 27,957.00
Miscellaneous	\$ 5,000.00	\$ 5,250.00	\$ 5,513.00	\$ 5,788.00	\$ 6,078.00
Insurance	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Equipment and Supplies	\$ 30,000.00	\$ 31,500.00	\$ 33,075.00	\$ 34,729.00	\$ 36,465.00
Streetlights	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 35,000.00
Solid Waste Recycle program	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Solid Waste Disposal Fee	\$ 112,044.00	\$ 112,044.00	\$ 112,044.00	\$ 112,044.00	\$ 112,044.00
Skate Park Loan	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ -
Total Services and Supplies	\$ 252,044.00	\$ 243,944.00	\$ 246,990.00	\$ 250,186.00	\$ 258,044.00
Contingency (10% of total Expense)	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 309,644.00	\$ 316,160.00	\$ 320,651.00	\$ 325,320.00	\$ 334,680.00
Beginning Reserve	\$ -	\$ 156,225.00	\$ 271,550.00	\$ 383,007.00	\$ 489,423.00
Ending General Reserve	\$ 156,225.00	\$ 271,550.00	\$ 383,007.00	\$ 489,423.00	\$ 588,114.00

At the outset, LAFCO staff had questions regarding the financial assumptions included in the Five-Year financial analysis submitted. Staff's concerns regarding the revenues detailed above are as follows:

1. The property tax revenues identified do not provide for any annual increase even though Prop 13 provides for an annual increase in valuation of up to 2%. The proponents have maintained the level shown in budget documents for 2014-15 throughout the five-year period.
2. The Feasibility Study presented to the Commission anticipates the continuation of all existing fees and charges of the dissolving CSA 56 and proposes the receipt of both franchise fees from the operations of the solid waste hauler in the area, CR&R, along with the per parcel charge within San Bernardino County for dumping at its landfills of \$85.14 per developed parcel. However, it does not clearly identify that this per parcel charge will be extended to developed residential properties on the Los Angeles County portion of the WCSD which, in turn, will also require the tracking of information related to cost and waste disposed of separately for both Counties. It is staff's understanding that as a part of the reorganization this special tax will be extended to the entirety of the District.
3. The Feasibility Study identified a separate revenue source for streetlights. However, there is no separate entity that provides this service and the revenues are a part of the general property tax levy for CSA 56. In the staff's analysis of this proposal, this revenue line item has been removed.

Staff's analysis of the proposal has identified changes to the revenue projections which are included in the revised budget spreadsheet which follows.

EXPENDITURES:

The Feasibility Study provides an outline of the services to be continued and the budget anticipates the continuation of these services at present levels. Those services are park and recreation – through the administration of a senior center and community center with parks and a skate park; streetlighting – the maintenance of the existing streetlights in the Wrightwood community within San Bernardino County transferred by this action and the future operation of streetlights required through the respective County land use process recognizing the desire of the community for application of the Night Sky initiative; and the provisions of solid waste/recycling services through a franchise with CR&R as well the future operation of a recycling center and/or transfer station. The following are the areas of concern related to the expenditure information provided:

- Under normal circumstances when considering such a formation, the Commission would transfer the employees from the predecessor agency to the new agency which would continue its operations unimpeded. However, in this case, there are only extra-help employees assigned part-time to CSA 56, the balance of the staffing structure uses a "pooled" employee resource through County Service Area 70. Correspondence from County Special Districts identifies its desire for the part-time extra help employees to be transferred to the new agency; however, the feasibility

study identifies that only one position will be assigned for the operation of the park and recreation function based upon its perspective that a single employee at 29 hours per week could provide for the services of all the part-time employees. The feasibility study identifies that it will give preference to the existing employees to fill the position within the new agency. Therefore, should this proposal be successful County Special Districts may need to reduce the number of extra-help positions that it has for park operations through the parent district.

- The number of streetlights to be transferred and the method for funding their operation has been a question during the processing of this application. As to the question of expense, the budgets for CSA 56 do not identify the streetlighting operations so no historic expense can be reviewed. However, LAFCO staff did receive a sample bill from the Special Districts Department in response to questions on the proposal which indicates that the District had a rebate from Southern California Edison from 2013 through the April 2016 billing. Based upon the monthly cost shown on the March 2016 billing, the annual expense will be approximately \$3,721. An additional question is that the Feasibility Study identifies that there are 22 lights to be transferred, the Special Districts Department identifies (through the billing from SCE) that there are 24 lights, and the spreadsheet submitted with the Special Districts Department response identifies 25 lights. Staff has included these cost revisions in its analysis of the budget for future operations of this potential. In addition, as a condition of approval, staff proposes the inclusion of the following:
 - *All streetlights currently the responsibility of County Service Area 56 shall be transferred to the Wrightwood CSD upon successful formation of the District. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights; LAFCO staff shall verify the data, and forward the signed authorization form requesting Southern California Edison to transfer the specific lights to the Wrightwood CSD accounts upon successful completion of LAFCO 3202.*
- The budget as presented does not include the payment of the mandatory taxes required of any employer in the State of California, and these have been added to the staff's revision of the budget which follows.
- The Feasibility Study proposes to pay its general manager less than subordinate staff for the same hours of work. The questions on the salary of the general manager were reviewed during the initial evaluation process with members of the Committee, but the Committee's response reiterated its position as documented in the supplemental submission of documents included as a part of Attachment #2 to this report. LAFCO staff continues to disagree with this position and has applied a revision in the general manager salary to provide for the industry minimum standard of providing for a salary at 20% above subordinate staff (both subordinate positions are proposed at the same salary level). This will bring the salary of the general manager to \$31,680 (approximately \$21 per hour) in the initial year, increasing in the same proportion as subordinate staff.

- The budget as presented did not include a contingency/reserve account as required by Commission policy and state law. Staff in its review has applied a 10% reserve/contingency account.
- The budget information provided did not identify the cost for a successful election, which would be the responsibility of the CSD if successful nor did it include the payment of subsequent board of director elections. LAFCO staff requested that the Registrar of Voters for San Bernardino County provide an estimate of the cost which was provided on June 20, 2016 set at \$46,000. This has been included in the staff's analysis of the budget for this agency along with one-half this amount to provide for the election of directors every two years.
- In July 23, 2013 the County Board of Supervisors approved a County Service Area Revolving Fund Loan to CSA 56 for the construction of skate and other park improvements in Wrightwood. This outstanding loan is estimated to be \$104,519 as of June 30, 2016. The original Feasibility Study submitted by the Committee identified the request that this loan be forgiven by the County based upon the cost savings to the County Special Districts Department through the transfer of operations to WCSD. At the time, LAFCO staff identified that this would not be the case; and the supplemental information identifies the continuation of this loan but no documentation has been provided either identifying how the loan will continue nor what the existing rates or terms of the loan, other than Resolution No. 2013-159 Section 2 (a)(3) which states that interest shall accrue at the current rate received by the County on similar types of transactions at the time the disbursement of the funds (a copy of this document is included as Attachment #8). This would have been the interest rate in 2013. Therefore a condition of approval is proposed to address this issue:
 - *Upon the effective date of the reorganization to include formation, the Wrightwood Community Services District, as the successor agency for County Service Area 56, shall continue to pay the installment payments required for the County Service Area Revolving Loan Fund Loan for development of the Skate Park and other improvements pursuant to Government Code Section 56886(a). The terms of that Loan are found in Resolution No. 2013-159 adopted on July 23, 2013.*

FINAL BUDGET WITH LAFCO STAFF CHANGES:

BUDGET AS REVISED BY LAFCO STAFF					
	FY 2017-18	FY 2018-19	FY2019-20	FY2020-21	FY 2021-22
REVENUE:					
Property Tax	\$ 121,014.00	\$ 123,434.28	\$ 125,902.97	\$ 128,421.02	\$ 130,989.45
Facility Rental	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
Solid Waste Franchise Fee	\$ 61,623.00	\$ 62,239.00	\$ 62,862.00	\$ 62,490.00	\$ 64,125.00
Special Tax for Solid Waste	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00
Transfer in from Fund Balance CSA 56	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 463,725.00	\$ 431,761.28	\$ 434,852.97	\$ 436,999.02	\$ 441,202.45
EXPENDITURES:					
Salaries And Benefits					
General Manager/Admin	\$ 31,680.00	\$ 32,313.60	\$ 32,960.40	\$ 33,619.20	\$ 34,291.20
Park Staff	\$ 26,400.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Solid Waste Staff	\$ 13,200.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Total Salaries	\$ 71,280.00	\$ 86,169.60	\$ 87,894.40	\$ 89,651.20	\$ 91,443.20
Social Security Tax (Employer)	\$ 4,419.36	\$ 5,342.52	\$ 5,449.45	\$ 5,558.37	\$ 5,669.48
Workers compensation	\$ 762.70	\$ 922.01	\$ 940.47	\$ 959.27	\$ 978.44
Unemployment	\$ 2,423.52	\$ 2,929.77	\$ 2,988.41	\$ 3,048.14	\$ 3,109.07
Medicare	\$ 1,006.47	\$ 1,216.71	\$ 1,241.07	\$ 1,265.87	\$ 1,291.18
State Disability	\$ 641.52	\$ 775.53	\$ 791.05	\$ 806.86	\$ 822.99
Total Salaries and Benefits	\$ 80,533.57	\$ 97,356.14	\$ 99,304.85	\$ 101,289.72	\$ 103,314.36
Services and Supplies:					
Election	\$ 46,000.00		\$ 23,000.00		\$ 23,000.00
Attorney	\$ 20,000.00	\$ 20,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Contract for Finance Support	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
LAFCO Apportionment	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Audit	\$ 6,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
utilities	\$ 23,000.00	\$ 24,150.00	\$ 25,358.00	\$ 26,625.00	\$ 27,957.00
Insurance	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Equipment and Supplies	\$ 30,000.00	\$ 31,500.00	\$ 33,075.00	\$ 34,729.00	\$ 36,465.00
Streetlights	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Solid Waste Recycle program	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Solid Waste Disposal Fee	\$ 112,044.00	\$ 113,724.66	\$ 115,430.53	\$ 117,161.99	\$ 118,919.42
Skate Park Loan	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ -
Total Services and Supplies	\$ 296,744.00	\$ 252,074.66	\$ 271,563.53	\$ 253,215.99	\$ 254,041.42
Contingency (10% of total Expense)	\$ 37,727.76	\$ 34,943.08	\$ 37,086.84	\$ 35,450.57	\$ 35,735.58
TOTAL EXPENDITURES	\$ 415,005.33	\$ 384,373.88	\$ 407,955.22	\$ 389,956.28	\$ 393,091.35
Beginning Reserve	\$ -	\$ 48,719.67	\$ 96,107.08	\$ 123,004.82	\$ 170,047.57
Ending General Reserve	\$ 48,719.67	\$ 96,107.08	\$ 123,004.82	\$ 170,047.57	\$ 218,158.66

Calculation of Appropriation Limit:

For the formation of any new special district, the Commission is required to establish its provisional appropriation limit, also known as the Gann Limit, pursuant to requirements of the California Constitution. Government Code Section 56811 sets forth the required method to be utilized in calculating the provisional appropriation limit for the new WCSD. On June 28, 2016, Board Agenda Item 107, the San Bernardino County Board of Supervisors set the provisional appropriation limit for the County and its Board-governed special districts requiring such a determination. The appropriation limit for CSA 56 was set at \$552,129. Therefore staff's recommendation will include the following condition of approval:

- *Pursuant to the provisions of Government Code Section 56811, the provisional appropriation limit of the Wrightwood CSD shall be set at \$552,129. The permanent appropriation limit shall be established at the first district election held following the first full fiscal year of operation and shall not be considered to be a change in the appropriations of the district pursuant to Article XIII B of the California Constitution.*

Financial Effects on other Levels of Government:

As outlined at the outset of this discussion, one of the questions that the Commission is required to answer is whether or not the formation of the Wrightwood CSD would have a financial or service impact on other agencies. The operations of the County of San Bernardino Special Districts Department, for its recreation operations, will be impacted by the proposed reorganization. However, no representation from the County Special Districts Department has been provided outlining a financial effect upon its operations. There are no services directly provided by Los Angeles County that are proposed for transfer in this application; therefore there is no impact on their future operations.

FINANCIAL DETERMINATIONS:

Based upon the information and determinations outlined above, it is the staff's position that the Commission can make the following determinations:

1. The formation of the Wrightwood CSD is financially feasible and could provide for a reasonable reserve during the first three (3) years of its existence based upon the modifications in its financial feasibility study made by LAFCO staff.
2. The formation can maintain the pre-formation service levels that are currently provided within the area and provide for the long range planning necessary to provide for a higher level of service in the future as resources become available or service delivery is mandated by State agencies.
3. The implementation of the reorganization would not be adverse financially to other agencies providing services nor would it damage the ability of other agencies to provide their range of services with implementation of the conditions and

determinations outlined above for transfer of property tax revenues, etc.

4. The implementation of the reorganization would not impair any other agency currently serving within the area.

ENVIRONMENTAL CONSIDERATIONS

ENVIRONMENTAL: Will the proposed reorganization have an adverse environmental effect that cannot be mitigated to a level of non-significance? If it does, can those adverse effects be overridden by other benefits?

The Commission is the lead agency for review of potential environmental consequences of the reorganization evaluated in this report. LAFCO staff has provided the Commission's Environmental Consultant, Tom Dodson and Associates, with the application materials and supplemental information provided by the project applicant and LAFCO staff. Mr. Dodson reviewed the proposal and has recommended that the reorganization is statutorily exempt from the California Environmental Quality Act (CEQA) (copy of letter included as Attachment #10).

This determination is based on the fact that the reorganization will transfer the delivery of streetlighting, park and recreation and solid waste services, and the staff's expansion to include wastewater, from one entity to another which will not result in any physical impacts on the environment. Therefore, this action is exempt as defined under Section 15061(b)(3) of the State CEQA Guidelines. It is recommended that the Commission adopt the General Rule Statutory Exemption for this proposal by taking the actions outlined in the Recommendation Section of this report.

DETERMINATIONS

The following determinations are required to be provided by Commission policy and Government Code Section 56668 for all proposals considered:

1. The Registrars of Voters have determined that the reorganization study area is legally inhabited, containing a total of 2,497 registered voters broken down by county as follows:
 - a. Los Angeles County: 114 voters as of June 17, 2016
 - b. San Bernardino County: 2,383 voters as of June 16, 2016.
2. The reorganization including formation does not conflict with the sphere of influence of any other entity within either Los Angeles or San Bernardino Counties.
3. The County Assessors have determined that the value of land and improvements within the study area is broken down as follows:
 - a. Los Angeles County total value is \$516,337,303
Land -- \$146,203,501; Improvements -- \$370,133,802

- b. San Bernardino County total value is \$513,625,252
Land -- \$145,911,207; Improvements -- \$367,714,045

- 4. In compliance with Commission policy and Government Code Section 56157, the Notice of Hearing for this proposal was provided by publication of an eighth-page (1/8 page) legal ad in The Mountaineer, a newspaper of general circulation in the area. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination. Opposition has been received and considered by the Commission in making its determination.
- 5. In compliance with the requirements of Government Code Section 56125 due to the County of San Bernardino's special tax being transferred to the WCDSD from those lands within San Bernardino County and 56157, individual notice was mailed to registered voters and landowners within the reorganization area (totaling 5,641). The number is broken down as follows:

Los Angeles County – 114 Registered Voters; 204 Landowners
San Bernardino county – 2,383 Registered Voters; 2,940 Landowners

Comments from registered voters and landowners have been considered by the Commission in making its determination.

- 6. The proposed reorganization including formation does not conflict with the established County General Plans for Los Angeles and San Bernardino Counties for their respective areas and has no direct impact on such land use designations.
- 7. The Southern California Association of Governments (SCAG) has adopted a Regional Transportation Plan and Sustainable Community Strategy pursuant to the provisions of Government Code Section 65352.5. Approval of LAFCO 3202 has no direct impact on these determinations but will provide for the delivery of park and recreation services to the whole of the community which supports the Sustainable Community Strategy.
- 8. The Local Agency Formation Commission has determined that this proposal is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the proposal will not change the area in which the service is provided; therefore, no physical affect upon the environment can be foreseen. The Commission certifies it has reviewed and considered the environmental recommendation and finds that a General Rule Statutory Exemption as authorized under Section 15061(b) (3) of the State CEQA Guidelines is appropriate. The Commission adopted the Statutory Exemption and directed the Executive Officer to file a Notice of Exemption within five (5) days with the San Bernardino County Clerk of the Board of Supervisors.
- 9. The local agencies currently serving the area are:

County of San Bernardino (portion)

County of Los Angeles (portion)
Mojave Desert Resource Conservation District (San Bernardino County)
San Bernardino County Fire Protection District and its North Desert Service
Zone (fire protection, emergency medical response, ambulance – San
Bernardino County area)
Consolidated Fire District of Los Angeles County (fire protection, emergency
medical response for Los Angeles County area)
County Service Area 56 (streetlighting, park and recreation – San Bernardino
County portion of Wrightwood community)
County Service Area 70 (multi-function agency within San Bernardino
County)

The affected agency is CSA 56 which is to be dissolved as a function of this reorganization. The other agencies are not affected by this reorganization as they are regional in nature or identified for service to a specific area.

10. The County of San Bernardino, as the proponent for LAFCO 3202, has submitted a Feasibility Study prepared by the Feasibility Committee for a Wrightwood Community Services District, which provides a general outline of the delivery of services mandated by Government Code Section 56653 for a plan for providing services. This Plan and the Fiscal Impact Analysis indicates that the transfer of service to the Wrightwood Community Services Districts upon its formation, can, at a minimum, maintain the level of service delivery currently received by the area. The Feasibility Study, including its amendments and supplements, shows that the Community Service District has sufficient revenues to provide its active range of services (park and recreation, streetlighting, and solid waste) upon formation. In addition, the staff's modification to include wastewater as an active function would only be provided should the requirement for sewerage a portion of the community be mandated by the Lahontan Regional Water Quality Control Board. The Feasibility Study and its supplemental information have been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Study, its supplemental data and the Fiscal Impact Analysis as revised by LAFCO staff, conform to those adopted standards and requirements.
11. The reorganization area can benefit from the availability and extension of services, as evidenced by the Feasibility Study and its supplemental data.
12. This proposal will not affect the fair share allocation of the regional housing needs assigned to either the County of Los Angeles or the County of San Bernardino through the Southern California Association of Government's (SCAG) Regional Housing Needs Allocation (RHNA) process.
13. With respect to environmental justice, the reorganization provides for the continuation of existing park and recreation, streetlighting and solid waste (refuse collection) services within the area as well as the ability to plan and engineer a wastewater system should the mandate for same occur. The delivery of these

services through a locally-elected special district will not result in the unfair treatment of any person based upon race, culture or income.

14. This proposal complies with Commission and State policies that indicate the preference for the creation of multi-purpose agencies to serve growing communities. This position is taken on the basis that areas proposed for formation as a community services district can be planned, funded, services extended and maintenance funding put in place for the full range of service needs as identified by the community.
15. The maps and legal descriptions, as revised are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's office for San Bernardino County.

CONCLUSIONS

Through the review process for LAFCO 3202, the preparation of the staff report and its analysis of the financial implications for the creation of a new government for the Wrightwood community, staff has compiled the information and data necessary to evaluate the application. It has been acknowledged that the Wrightwood community is a growing community through the transition from part-time vacation cabins to a permanent population, one which supports the retention of its rural mountain lifestyle. There has been little opposition to the proposal as presented by the County in its application from within the community, and there is a desire from at least a portion of the community to seek local-control of their services. Approval of LAFCO 3202 by the Commission would provide for:

- A. A permanent form of government governed by the local citizenry to provide locally adequate levels of service;
- B. A mechanism to expand its service options in the future under the provisions of the Community Services District law based upon the desires of the community, the financial wherewithal of the agency, and the review and determination of LAFCO; and,
- C. A form of government which is an alternative to the formation of a new city since the area is bisected by the county line precluding any future incorporation without legislative change.

However, the staff's expansion of the proposal to include wastewater services has drawn concern from some of the landowners and/or property owners on its effects upon them. Staff has attempted to assuage those fears through the identification that this service will be limited to the planning necessary for a wastewater treatment plant and transmission lines should such be mandated by the State authority, the Lahontan Regional Water Quality Control Board and actual service provision would require further review by San Bernardino LAFCO as required by Government Code Section 56824.10 et seq. For these reasons and those identified in the reports, the proposal for formation of the Wrightwood Community Services District could be approved.

However, over the last three years, the Commission and staff have struggled with small community services districts, much like the Wrightwood CSD, which have been confronted with significant financial and governance issues based upon their small size and limited financial resources. There is no way to legislate through the Commission's approval process that a newly formed Wrightwood CSD appoint experienced staff which can chart its path for the future, or that it protect its limited resources to assure continuation of those services to be able to provide for the quality of life for this mountain community. So, staff is torn between a recommendation for approval based on: (1) staff's revisions to the application which include adding the service of wastewater to the proposed CSD's functions to address a potential future mandate to protect the community's groundwater, and (2) providing a singular voice for the community of Wrightwood by uniting both the San Bernardino County and Los Angeles County portions of the community; or a recommendation for denial based on: (1) the community has not sufficiently developed to the population size that would require self-governance, and (2) the apparent lack of desire to assume responsibility for all of the community's service needs by excluding wastewater planning and engineering which is contrary to State law's directives to local LAFCOs.

Therefore, staff cannot make a direct recommendation on this proposal, leaving that determination to the Commission after review of the report and the testimony from the community at the hearing to determine whether the proposal should be approved or denied. In response to those two options, staff is providing the actions necessary should be the Commission pursue either option with its recommendation.

RECOMMENDATION

If the Commission determines, based upon the staff report and testimony presented at the hearing, that the community of Wrightwood is not ready for self-governance of its overall service needs and that it is not of a sufficient population size to manage the services for its community, staff recommends that:

1. The Commission deny LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56 on the basis that:
 - a. The community of Wrightwood has not sufficiently developed to the population size and density necessary to require self-governance;
 - b. The Plan for Service and Feasibility Study, as modified by staff, has not shown the District's ability to manage the financial aspects of the delivery of the services identified in the application; and,
 - c. The failure to address the service needs required for the community by excluding wastewater planning and engineering when historically the problems associated with groundwater quality based upon on-site wastewater disposal systems on groundwater quality have been discussed

by the Regional Water Quality Control Board.

- d. Approval of the proposal as presented for developed portions of the community do not meet the criteria established by State law to provide for a permanent form of government to provide locally adequate services and advantageously provide for the present and future needs of the local communities; and,
2. Adopt LAFCO Resolution No. 3227 reflecting those determination and terminating proceedings.

However, if the staff report and testimony presented at the hearing leads the Commission to believe that the community is ready for self-governance for the full range of services that are necessary for its quality of life, staff would recommend that the Commission approve LAFCO 3202 by taking the following actions:

1. Modify LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District et al. to include the function of wastewater through the assignment of the service for planning and engineering a regional service and the expansion of the boundary to the north and east within San Bernardino County;
2. Certify that LAFCO 3202, as modified, is statutorily exempt from environmental review and direct the Executive Officer to file a Notice of Exemption within five days;
3. Approve LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District, et al. as modified to include the wastewater service as an active function/services for the modified area shown on the map attached to this staff report, with the following determinations:
 - a. Pursuant to the requirements of Government Code Section 61014, the Commission finds that the Wrightwood CSD has sufficient revenues to perform the services as outlined in its application for streetlights, park and recreation, and solid waste, and as modified by LAFCO, to include wastewater planning, and to provide for a reasonable reserve for the next three years.
 - b. Pursuant to requirements of Government Code Section 56301, the Commission determines that existing agencies cannot provide the range and level of services contemplated to be provided by the Wrightwood CSD in both Los Angeles and San Bernardino Counties in a more efficient and accountable manner.

And with the following terms and conditions:

Condition No. 1. The boundaries of this change of organization, as modified by the Commission, are approved as set forth in Exhibits “A”, and “A-1” attached;

Condition No. 2. The following distinctive short-form designation shall be used through this proceeding: LAFCO 3202;

Condition No. 3. The effective date of this reorganization shall be July 1, 2017;

Condition No. 4. The Wrightwood Community Services District shall be the successor agency and shall function under and carry out all authorized duties and responsibilities assigned to a community services district as outlined in Government Code Section 61000 et seq., Community Services District Law, and other applicable laws. Upon the Effective Date of this reorganization, the legal existence of County Service Area 56 shall cease to exist, except as otherwise required by law, and the Wrightwood Community Services District, as successor District, shall succeed to all the rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the extinguished agency;

Condition No. 5. The Board of Directors of the Wrightwood CSD shall consist of five (5) members, elected at-large, pursuant to the provisions of Government Code Section 61020;

Condition No. 6. The Wrightwood Community Services District shall be authorized to provide the following functions and services as active powers:

Streetlighting -- Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements (§61100(g)).

Park and Recreation -- Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code (§61100f)).

Solid Waste and Recycling-- Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

Wastewater – Planning and engineering for the potential development of a regional wastewater treatment system should such be required by the Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 (commencing with Section 6400) of the Health and Safety Code.

Condition No. 7. The Wrightwood CSD, as the successor district, shall accept all system facilities transferred from the dissolving County Service Area 56 in “as is” condition without any payment or repair obligation from the assets of the dissolving

agency (Government Code Section 56886(h)). All material and incidental liabilities, including, but not limited to, accounts payables, contract obligations and customer deposits, held by the dissolving entities shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). All assets, including, but not limited to, cash reserves, buildings and other real property, rolling stock, tools, and office furniture, fixtures and equipment, all lands, buildings, real and personal property and appurtenances held by the dissolving entity shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). All quitclaim deeds to effectuate the transfer of land and/or buildings shall be prepared by the County of San Bernardino Special Districts Department to be filed upon the effective date of the change with a copy provided to LAFCO;

Condition No. 8. All property tax revenues attributable to County Service Area 56, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the District to be dissolved, shall accrue and be transferred to the successor District, the Wrightwood CSD, pursuant to the provisions of Government Code Section 56810. In providing for this calculation, the full amount of the base year allocation for value/revenue for CSA 56, increment experienced within CSA 56 boundaries, and the revenue shifts previously approved by completion of LAFCO 3070 shall be transferred to the WCSD upon its formation;

Condition No. 9. All previously authorized charges, fees, assessments, and/or taxes of County Service Area 56 in effect upon the effective date of this reorganization shall be continued and assumed by the Wrightwood CSD, as the successor agency, in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t);

Condition No. 10. Until duly revised by the Wrightwood CSD, and unless otherwise expressly provided herein or legally required, all ordinances, resolutions, rules and regulations, policies, procedures, and practices existing for CSA 56 on the effective date of this reorganization shall govern the activities and affairs of the Successor District. The Board of Directors of the Wrightwood CSD, as the successor district, shall expeditiously review and ratify the ordinances, resolutions, policies, procedures and practices adopted hereby, making such revisions as it shall deem appropriate;

Condition No. 11. Upon the effective date of this reorganization, any funds currently deposited for the benefit of County Service Area 56 which have been impressed with a public trust, use or purpose shall be transferred to the Wrightwood CSD, as the successor agency, and the successor agency shall separately maintain such funds in accordance with the provisions of Government Code Section 57462;

Condition No. 12. Pursuant to the provisions of Government Code Section 56811, the provisional appropriation limit of the Wrightwood CSD shall be set at \$552,129. The permanent appropriation limit shall be established at the first district election held following the first full fiscal year of operation and shall not be considered to be a change in the appropriation limit of the district pursuant to Article XIIIB of the

California Constitution;

- **Condition No. 13.** All streetlights currently the responsibility of County Service Area 56 shall be transferred to the Wrightwood CSD upon successful formation of the District. The County Special Districts Department shall prepare the appropriate documentation to transfer the streetlights; LAFCO staff shall verify the data, and forward the signed authorization form requesting Southern California Edison to transfer the specific streetlights to the Wrightwood CSD accounts upon successful completion of LAFCO 3202;

Condition No. 14. Upon the effective date of the reorganization to include formation, the Wrightwood Community Services District, as the successor agency for County Service Area 56, shall continue to pay the installment payments required for the County Service Area Revolving Loan Fund Loan for development of the Skate Park and other improvements pursuant to Government Code Section 56886(a). The terms of that Loan are found in Resolution No. 2013-__ adopted on July 23, 2013;

Condition No. 15. Pursuant to the provisions of Government Code Section 56885.5(a)(4), the County Board of Supervisors, as the governing body of County Service Area 56, is prohibited from taking the following actions unless an emergency situation exists as defined in Section 54956.5:

1. Approve any increase in compensation or benefits for members of the governing body, its officers, or the executive officer of the agency;
2. Appropriating, encumbering, expending or otherwise obligating, any revenues of the agencies beyond that provided in the current budget at the time the reorganization is approved by the Commission. The Commission identifies that the budget to be utilized in this condition shall be the final budget for Fiscal Year 2016-17 adopted by the County Board of Supervisors on June 14, 2016;

Condition No.16. Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts;

Condition No. 17. The County of San Bernardino, applicant, shall indemnify, defend, and hold harmless the Commission from any legal expense, legal action, or judgment arising out of the Commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

4. Adopt LAFCO Resolution No. 3227 either approving or denying LAFCO 3202 setting forth the Commissions determinations, terms, and conditions for the chosen action.

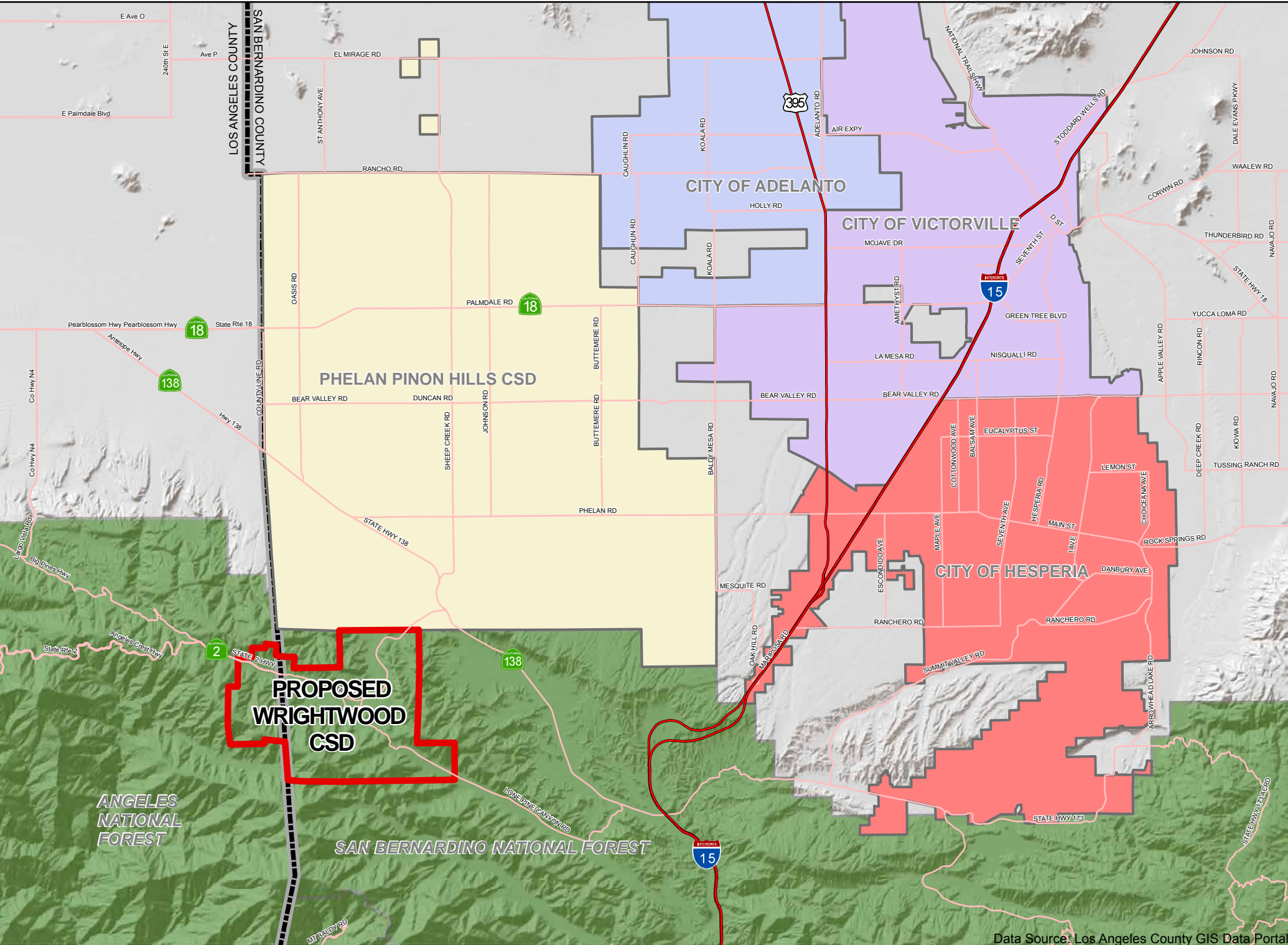
KRM/

Attachments:

- 1 -- Maps – Vicinity, Location, and Proposal Maps for the Wrightwood Community Services District
- 2 -- Resolution No. 2015-217 Initiating Proposal, Budget Prepared by LAFCO Staff; Budget Prepared by Committee, Letter from Applicant and Committee on staff proposed modifications, Application Including Feasibility Study
- 3 -- Letters from County of Los Angeles Dated May 11, 2016, March 23, 2016, March 16, 2016, March 2, 2016, and January 21, 2016 Related to Position on LAFCO 3202
- 4 -- Letter from San Bernardino County Registrar of Voters Dated June 20, 2016 Regarding Cost of Election
- 5 -- Letter Dated April 18, 2016 Regarding County of San Bernardino Special District Department Response of LAFCO 3202
6. Letter Dated April 27, 2016 Confirming Requirements for Transfer of Refuse Disposal Land Use Fee
7. Letter Dated June 13, 2016 from San Bernardino Auditor Controller Regarding Property Tax Transfer for LAFCO 3202 Pursuant to Government Code Section 56810
- 8 -- San Bernardino County Board of Supervisors Agenda Item #38 from July 23, 2013 Related to County Service Area Revolving Fund Loan
- 9 -- Letter Dated June 30, 2016 from the Lahontan Regional Water Quality Control Board and Memo to File dated June 26, 2016 Regarding Discharge Requirements for the Wrightwood community
10. Letter Dated June 19, 2016 from Tom Dodson, of Tom Dodson and Associates, Recommending Statutory Exemption for LAFCO 3202
11. Draft Resolution to Approve or Deny LAFCO 3202

**Maps – Vicinity, Location, and
Proposal Maps for the
Wrightwood Community Services District**

Attachment 1



Proposed Wrightwood Community Services District

LAFCO 3202
Reorganization to Include Formation of the Wrightwood Community Service
District and Dissolution of County Service Area 56

Those portions of the County of San Bernardino and the County of Los Angeles, State of California, lying within Sections 3,4, 6 through 10, 15 through 23, Township 3 North, Range 7 West, San Bernardino Meridian, and Sections 1, 12, 13, Township 3 North, Range 8 West, San Bernardino Meridian, described as follows:

Beginning at the northwest corner of Section 8, Township 3 North, Range 7 West, San Bernardino Meridian (S.B.M.), being in the unincorporated territory of the County of San Bernardino;

1. Thence easterly along the north line of said Section 8 a distance of 5376.32 feet, more or less, to the Southwest corner of Section 4, Township 3 North, Range 7 West, S.B.M.;
2. Thence northerly along the west line of said Section 4 a distance of 5309.49 feet, more or less, to the northwest corner of said Section 4;
3. Thence easterly along the north line of said Section 4 a distance of 5490.29 feet, more or less, to the northwest corner of Section 3, Township 3 North, Range 7 West, S.B.M.;
4. Thence easterly along the north line of said Section 3 a distance of 5627.22 feet, more or less, to the northeast corner of said Section 3;
5. Thence southerly along the east line of said Section 3 a distance of 5187.13 feet, more or less, to the northeast corner of Section 10, Township 3 North, Range 7 West, S.B.M.;
6. Thence southerly along the east line of said Section 10 a distance of 5382.89 feet, more or less, to the northeast corner of Section 15, Township 3 North, Range 7 West, S.B.M.;
7. Thence southerly along the east line of said Section 15 a distance of 5252.71 feet, more or less, to the northwest corner of Section 23, Township 3 North, Range 7 West, S.B.M.;
8. Thence easterly along the north line of said Section 23 a distance of 5170.98 feet, more or less, to the northeast corner of said Section 23;
9. Thence southerly along the east line of said Section 23 a distance of 5126.58 feet, more or less, to the southeast corner of said Section 23;
10. Thence westerly along the south line of said Section 23 a distance of 5238.91 feet, more or less, to the southeast corner of Section 22, Township 3 North, Range 7 West, S.B.M.;
11. Thence westerly along the south line of said Section 22 a distance of 2476.82 feet, more or less, to the south quarter corner of said Section 22;

12. Thence continuing westerly along the south line of said Section 22 a distance of 2778.79 feet, more or less, to the southeast corner of Section 21, Township 3 North, Range 7 West, S.B.M.;
13. Thence westerly along the south line of said Section 21 a distance of 5374.58 feet, more or less, to the southeast corner of Section 20, Township 3 North, Range 7 West, S.B.M.;
14. Thence westerly along the south line of said Section 20 a distance of 5276.70 feet, more or less, to the southeast corner of section 19, Township 3 North, Range 7 West, S.B.M.;
15. Thence westerly along the south line of said Section 19 a distance of 2153.78 feet, more or less, to the San Bernardino County/Los Angeles County boundary line;
16. Thence North $04^{\circ}05'35''$ West along said boundary line a distance of 4952.51 feet, more or less, to the north line of said Section 19;
17. Thence, leaving said boundary line, North $79^{\circ}29'00''$ West along the north line of said Section 19 a distance 2973.21 feet, more or less to the northwest corner of said Section 19;
18. Thence southerly along the west line of said Section 19 a distance of 584.68 feet, more or less, to the southeast corner of Section 13, Township 3 North, Range 8 West, S.B.M.;
19. Thence westerly along the south line of said Section 13 a distance of 4752.09 feet, more or less, to the southwest corner of said Section 13;
20. Thence northerly along the west line of said Section 13 a distance of 2574.20 feet, more or less, to the west quarter corner of said Section 13;
21. Thence continuing northerly along the west line of said Section 13 a distance of 2701.34 feet, more or less, to the southwest corner of Section 12, Township 3 North, Range 8 West, S.B.M.;
22. Thence northerly along the west line of said Section 12 a distance of 2807.83 feet, more or less, to the west quarter corner of said Section 12;
23. Thence easterly along the north line of the south half of said Section 12 a distance of 1296.24 feet, more or less, to the west line of the east half of the northwest quarter of said Section 12;
24. Thence northerly along said west line a distance of 2788.12 feet, more or less, to the south line of Section 1, Township 3 North, Range 8 West, S.B.M.;
25. Thence northerly along the west line of the east half of the southwest quarter of said Section 1 a distance of 1309.62 feet, more or less, to the south line of the north half of the south half of said Section 1;
26. Thence easterly along said south line a distance of 1929.94 feet, more or less, to the east line of the west half of the northwest quarter of the southeast quarter of said Section 1;

27. Thence northerly along said east line a distance of 1317.91 feet, more or less, to the north line of the south half of said Section 1;
28. Thence easterly along said north line a distance of 1935.44 feet, more or less, to the west line of Section 6, Township 3 North, Range 7 West, S.B.M.;
29. Thence northerly along the west line of said Section 6 a distance of 532.99 feet;
30. Thence South 85°16'11" East a distance of 1485.47 feet;
31. Thence South 02°29'05" West a distance of 1477.89 feet;
32. Thence South 78°56'40" East a distance of 456.19 feet, more or less, to the San Bernardino County/Los Angeles County boundary line;
33. Thence North 03°21'01" West along said boundary line a distance of 62.61 feet, more or less, to the south line of the north half of the south half of said Section 6;
34. Thence leaving said boundary line, South 80°14'54" East along said south line a distance of 806.72 feet, more or less, to the east line of the west half of said Section 6;
35. Thence South 88°09'41" East along said south line a distance of 1324.68 feet, more or less, to the west line of the east half of the east half of said Section 6;
36. Thence South 03°12'03" West along said west line a distance of 1548.64 feet, more or less, to the south line of said Section 6;
37. Thence easterly along the south line of said Section 6 a distance of 1311.40 feet, more or less, to the **Point of Beginning**.

Containing 10,738.51 acres, more or less.

This legal description was prepared by me or under my direction.

06/24/2016

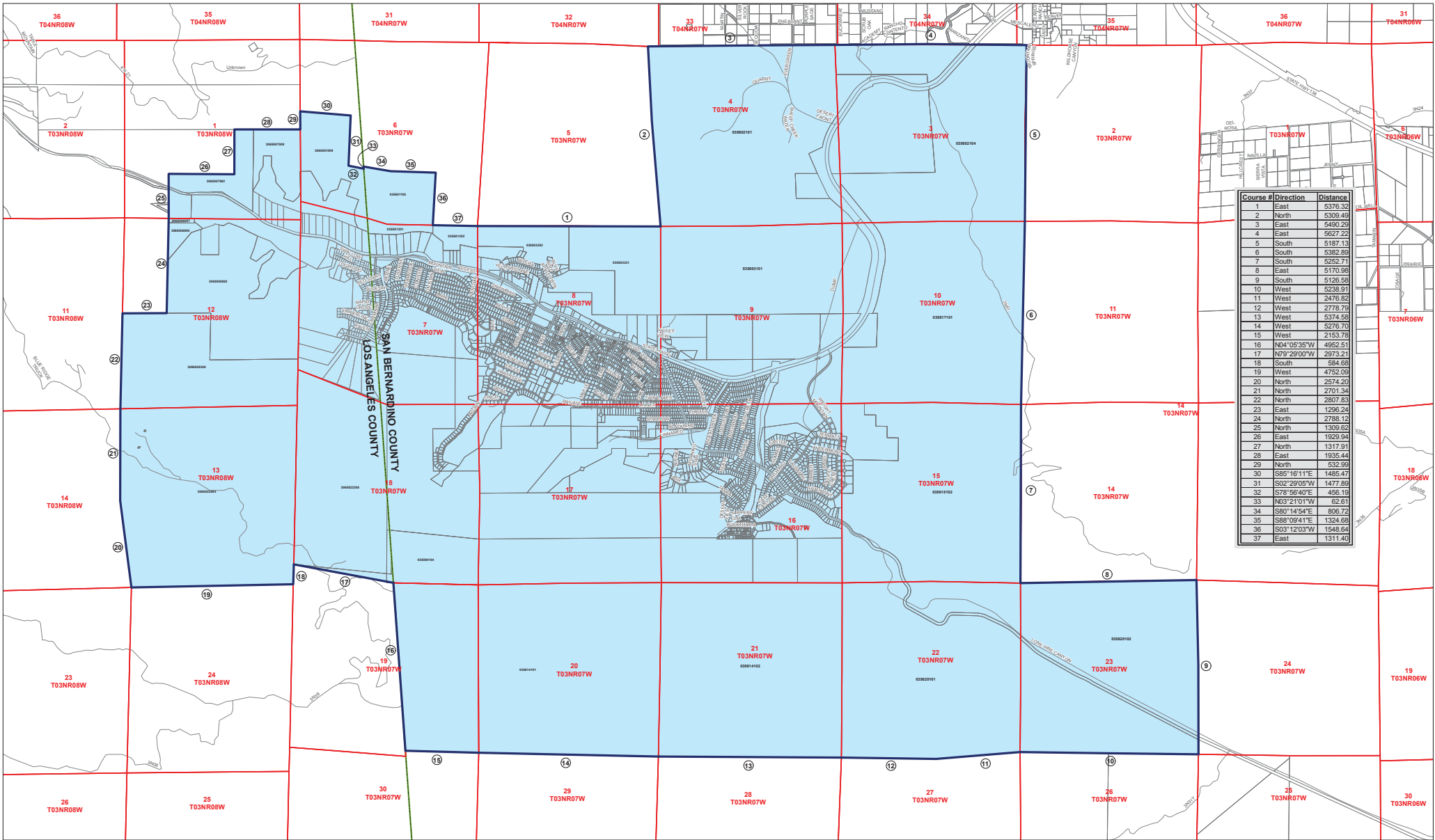
James I. Stone

Date

Deputy County Surveyor

PLS 9075, Expiration: March 31, 2018





Course #	Direction	Distance
1	East	5376.32
2	North	5309.49
3	East	5490.29
4	East	5627.22
5	South	5187.13
6	South	5382.89
7	South	5252.71
8	East	5170.98
9	South	5126.58
10	West	5238.91
11	West	2476.82
12	West	2778.79
13	West	5374.58
14	West	5276.70
15	West	2153.78
16	N44°05'35"W	4952.51
17	N79°29'00"W	2973.21
18	South	584.68
19	West	4752.09
20	North	2574.20
21	North	2701.34
22	North	2807.83
23	East	1296.24
24	North	2708.12
25	North	1309.02
26	East	1929.94
27	North	1317.91
28	East	1935.44
29	North	332.99
30	S82°16'11"E	1485.47
31	S02°29'05"W	1477.89
32	S78°56'40"E	456.19
33	N03°21'01"W	62.61
34	S80°14'54"E	806.72
35	S88°09'41"E	1324.88
36	S03°12'03"W	1948.94
37	East	1311.40



- Community Service District Area Containing 10,738.51 Acres, More or Less
- Parcels
- Section Lines
- Assessors Parcel Number (APN)
- Course Number
- County Boundary

LAFCO 3202
Reorganization to Include Formation of the Wrightwood Community Service District and Dissolution of County Service Area 56

Those Portions of: Township 3 North, Ranges 7 and 8 West, S.B.M. San Bernardino County, State of California.



THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION



James I. Stone
 Deputy County Surveyor
 PLS 9075
 Date
 06/24/2016
 Exp. 3/31/2018
 Job Number 00141CP0 - Revised June 24, 2016

**Resolution No. 2015-217 Initiating
Proposal, Budget Prepared by LAFCO
Staff; Budget Prepared by Committee,
Letter from Applicant and Committee on
staff proposed modifications, Application
Including Feasibility Study**

Attachment 2

REVISED

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION

November 3, 2015

FROM: ROBERT A. LOVINGOOD, Vice Chairman and First District Supervisor
Board of Supervisors

SUBJECT: RESOLUTION REQUESTING THE INITIATION OF PROCEEDINGS RELATED
TO THE FORMATION OF THE WRIGHTWOOD COMMUNITY SERVICES
DISTRICT

RECOMMENDATION(S)

Adopt Resolution 2015-217 which requests the initiation of proceedings related to the potential reorganization to include formation of a Community Services District in the community of Wrightwood and the dissolution of County Service Area 56.

(Presenter: Supervisor Robert A. Lovingood, First District, 387-4830)

BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this resolution will not require the use of additional Discretionary General Funding (Net County Cost).

BACKGROUND INFORMATION

A number of residents of the Wrightwood community have expressed a desire to form a Wrightwood Community Services District (Wrightwood CSD) which would provide for local control and input into certain services, some of which are currently provided through County Service Area 56 (CSA 56). The residents of the Wrightwood community have expressed a desire to have the matter of the formation of a Wrightwood CSD placed on the November 2016 election ballot.

The Local Agency Formation Commission (LAFCO) serves as the review authority over the formation and reorganization of districts and follows the processes and procedures contained in or authorized by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.) (the Act) regarding the formation and reorganization of special districts. The Act establishes the process pursuant to which citizens or legislative bodies of local agencies may seek the formation and reorganization of special districts.

Page 1 of 2

RECEIVED
JAN 14 2016

LAFCO
San Bernardino County

cc: w/resolution
Supervisor Lovingood
LAFCO-Rollings-McDonald
CAO-Snoke
SDD-Reception
File - Supervisors w/attach
jr 11/4/15

ITEM 3

Record of Action of the Board of Supervisors
APPROVED (CONSENT CALENDAR)
COUNTY OF SAN BERNARDINO
Board of Supervisors

MOTION	MOVE	AYE	AYE	SECOND	AYE
1	2	3	4	5	

LAURA H. WELCH, CLERK OF THE BOARD

BY

DATED: November 03, 2015

**RESOLUTION REQUESTING THE INITIATION OF PROCEEDINGS
RELATED TO THE FORMATION OF THE WRIGHTWOOD COMMUNITY
SERVICES DISTRICT
NOVEMBER 3, 2015
PAGE 2 OF 2**

In order to complete the LAFCO process to evaluate the potential formation of a Wrightwood CSD as well as the potential dissolution of CSA 56, and to satisfy the timelines to allow the formation be placed on the November 2016 election ballot, the residents seek to commence the LAFCO process as soon as possible.

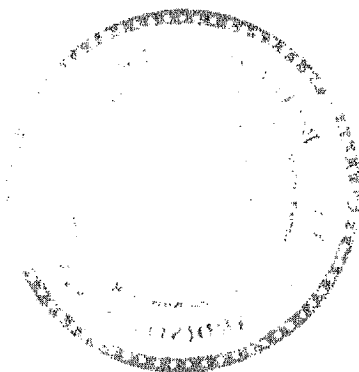
In order to facilitate the desires of the residents, the Board of Supervisors is requested to adopt this resolution which will authorize LAFCO to commence its review process at the time the interested residents' group files an application and pays the appropriate fees.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Michelle Blakemore, Chief Assistant County Counsel, 387-5455) on October 27, 2015; LAFCO (Kathleen Rollings-McDonald, Executive Officer, 383-9900) on October 27, 2015; Finance (Luther Snoke, Administrative Analyst, 387-4345) on October 27, 2015, and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on October 27, 2015.



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

On Tuesday, November 3, 2015, on motion by Supervisor Lovingood, and seconded by Supervisor Hagman, and carried, the following resolution is adopted:

WHEREAS, the Local Agency Formation Commission (Commission) serves as the review authority over the formation and reorganization of special districts; and

WHEREAS, the Act establishes the process pursuant to which citizens or legislative bodies of local agencies may seek the formation and reorganization of districts; and

WHEREAS, in order to complete the Commission process to evaluate the potential reorganization for formation of a Wrightwood Community Services District and the dissolution of Community Service Area 56 and to satisfy the timelines to have the reorganization placed on the November 2016 election ballot, the residents seek to commence the Commission process as soon as possible; and

1 WHEREAS, in order to facilitate the desires of the residents, through the adoption
2 of this resolution of application, the Board of Supervisors is willing to request the
3 Commission to commence its review process by the filing of an application along with
4 the appropriate fees to be paid by the interested residents' group.

5 SECTION 1. The Board of Supervisors of the County of San Bernardino hereby
6 finds and determines that:

7 (a) This Board desires to initiate proceedings pursuant to the Act and the
8 Community Services District Law (Government Code Section 61000 et seq) for a
9 reorganization to include, but not be limited to, the formation of the Wrightwood
10 Community Services District and the dissolution of County Service Area 56, as more
11 specifically described in the application attached hereto as Exhibit A;

12 (b) The territory proposed for reorganization is legally inhabited and a
13 description of the boundaries for all actions is set forth in Exhibit B attached hereto;

14 (c) The proposed reorganization does not conflict with any existing sphere of
15 influence in either Los Angeles or San Bernardino counties;

16 (d) It is hereby provided that if the formation of the District is submitted to and
17 approved by the qualified electorate, the proposed actions be subject to the following
18 terms and conditions:

- 19
- 20 1. The name of the new district shall be the Wrightwood Community Services
 - 21 District (Wrightwood CSD or District);
 - 22 2. The Board of Directors of the District shall consist of five members, elected
 - 23 at large, from within the boundaries of the district;
 - 24 3. The District shall function under and carry out all authorized duties and
 - 25 responsibilities assigned to a Community Services District as set forth in
 - 26 Government Code Section 61000 et seq and other applicable laws;
 - 27
 - 28

- 1 4. The District shall be authorized to provide the services and perform the
2 functions identified as follows: Parks and recreation, streetlights and solid
3 waste.
- 4 5. The District shall be the successor agency to all rights, responsibilities,
5 properties, contracts, assets and liabilities, and function of the agencies
6 included within the reorganization, through dissolution or detachment;
- 7 6. Upon reorganization, the successor agency succeeds to all properties,
8 rights, contracts, and obligations of the dissolved or reorganized districts
9 and any funds to which it succeeds may be expended and properly
10 disposed of as provide by Community Services District law;
- 11 7. The indebtedness of any of the districts to be reorganized shall remain the
12 legal obligation of only the lands and areas which incurred such
13 indebtedness. However, the outstanding indebtedness' of any district at the
14 time of the reorganization shall become the obligation of the newly created
15 Wrightwood CSD;
- 16 8. All previously authorized charges, fees, assessments, and/or taxes
17 currently in effect, now levied or collected by any of the affected districts.
18 Including improvement districts thereof, shall continue to be levied and
19 collected by the successor agency;
- 20 9. The appropriation limit of the Wrightwood CSD is anticipated to be the
21 aggregate appropriations limits of the reorganized districts;
- 22 10. That the standard terms and conditions imposed by the Local Agency
23 Formation Commission upon all proposals, or such additional conditions as
24 may be deemed appropriate or necessary by the Local Agency Formation
25 Commission in its consideration shall be applicable.
26
27
28

1 (e) That the reason for this proposed reorganization including formation is that
2 the residents of the community have expressed the desire for local control and input into
3 the decision-making process for the delivery of the services identified in the application.

4 SECTION 2. The Board of Supervisors of the County of San Bernardino,
5 therefore, hereby resolves and orders that:

- 6 (a) This Resolution of Application is hereby adopted and approved by this
7 Board;
- 8 (b) This Board acknowledges and agrees to the Local Agency Formation
9 Commission for San Bernardino County's requirement for imposing legal
10 indemnification as outlined in Section IV Application Processing, Chapter 1
11 Proposals, Policy 13 adopted August 2015.
- 12 (c) The Local Agency Formation Commission for San Bernardino County is
13 hereby requested to initiate proceedings for a reorganization to include
14 formation of a community services district according to the terms and
15 conditions stated above and in the manner provided by the Cortese-Knox-
16 Hertzberg Local Government Reorganization Act of 2000.
- 17 (d) This Resolution shall take effect immediately upon adoption.
- 18
19
20
21
22
23
24
25
26
27
28

1 PASSED AND ADOPTED by the Board of Supervisors of the County of San
2 Bernardino, State of California, by the following vote:

3 AYES: Supervisors: Lovingood, Rutherford, Ramos, Hagman, Gonzales

4 NOES: Supervisors: None

5 ABSENT: Supervisors: None

6 ++++++

7 STATE OF CALIFORNIA)

8)

8 COUNTY OF SAN BERNARDINO)

9 I, LAURA WELCH, Clerk of the Board of Supervisors of the County of San Bernardino,
10 State of California, hereby certify the foregoing to be a full, true and correct copy of the
11 record of action as the same appears in the Official Minutes of said Board at its meeting
of November 3, 2015. #3 jr

12 LAURA WELCH, Clerk of the Board of
13 Supervisors of the County of San
Bernardino.

14 By _____
15 Deputy

BUDGET AS REVISED BY LAFCO STAFF

	FY 2017-18	FY 2018-19	FY2019-20	FY2020-21	FY 2021-22
REVENUE:					
Property Tax	\$ 121,014.00	\$ 123,434.28	\$ 125,902.97	\$ 128,421.02	\$ 130,989.45
Facility Rental	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
Solid Waste Franchise Fee	\$ 61,623.00	\$ 62,239.00	\$ 62,862.00	\$ 62,490.00	\$ 64,125.00
Special Tax for Solid Waste	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00	\$ 224,088.00
Transfer in from Fund Balance CSA 56	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 463,725.00	\$ 431,761.28	\$ 434,852.97	\$ 436,999.02	\$ 441,202.45
EXPENDITURES:					
Salaries And Benefits					
General Manager/Admin	\$ 31,680.00	\$ 32,313.60	\$ 32,960.40	\$ 33,619.20	\$ 34,291.20
Park Staff	\$ 26,400.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Solid Waste Staff	\$ 13,200.00	\$ 26,928.00	\$ 27,467.00	\$ 28,016.00	\$ 28,576.00
Total Salaries	\$ 71,280.00	\$ 86,169.60	\$ 87,894.40	\$ 89,651.20	\$ 91,443.20
Social Security Tax (Employer)	\$ 4,419.36	\$ 5,342.52	\$ 5,449.45	\$ 5,558.37	\$ 5,669.48
Workers compensation	\$ 762.70	\$ 922.01	\$ 940.47	\$ 959.27	\$ 978.44
Unemployment	\$ 2,423.52	\$ 2,929.77	\$ 2,988.41	\$ 3,048.14	\$ 3,109.07
Medicare	\$ 1,006.47	\$ 1,216.71	\$ 1,241.07	\$ 1,265.87	\$ 1,291.18
State Disability	\$ 641.52	\$ 775.53	\$ 791.05	\$ 806.86	\$ 822.99
Total Salaries and Benefits	\$ 80,533.57	\$ 97,356.14	\$ 99,304.85	\$ 101,289.72	\$ 103,314.36
Services and Supplies:					
Election	\$ 46,000.00		\$ 23,000.00		\$ 23,000.00
Attorney	\$ 20,000.00	\$ 20,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Contract for Finance Support	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Audit	\$ 6,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
utilities	\$ 23,000.00	\$ 24,150.00	\$ 25,358.00	\$ 26,625.00	\$ 27,957.00
Insurance	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Equipment and Supplies	\$ 30,000.00	\$ 31,500.00	\$ 33,075.00	\$ 34,729.00	\$ 36,465.00
Streetlights	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Solid Waste Recycle program	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Solid Waste Disposal Fee	\$ 112,044.00	\$ 113,724.66	\$ 115,430.53	\$ 117,161.99	\$ 118,919.42
Skate Park Loan	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ -
Total Services and Supplies	\$ 296,544.00	\$ 251,874.66	\$ 271,363.53	\$ 253,015.99	\$ 253,841.42
Contingency (10% of total Expense)	\$ 37,707.76	\$ 34,923.08	\$ 37,066.84	\$ 35,430.57	\$ 35,715.58
TOTAL EXPENDITURES	\$ 414,785.33	\$ 384,153.88	\$ 407,735.22	\$ 389,736.28	\$ 392,871.35
Beginning Reserve	\$ -	\$ 48,939.67	\$ 96,547.08	\$ 123,664.82	\$ 170,927.57
Ending General Reserve	\$ 48,939.67	\$ 96,547.08	\$ 123,664.82	\$ 170,927.57	\$ 219,258.66

BUDGET AS PRESENTED IN FEASIBILITY STUDY

	FY 2017-18		FY 2018-19		FY2019-20		FY2020-21		FY 2021-22	
REVENUE:										
Property Tax	\$	119,658.00	\$	119,658.00	\$	119,658.00	\$	119,658.00	\$	119,658.00
Facility Rental	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00
Solid Waste Franchise Fee	\$	61,623.00	\$	62,239.00	\$	62,862.00	\$	62,490.00	\$	64,125.00
Special Tax for Solid Waste	\$	224,088.00	\$	224,088.00	\$	224,088.00	\$	224,088.00	\$	224,088.00
Streetlights	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00
Transfer in from Fund Balance	\$	35,000.00	\$	-	\$	-	\$	-	\$	-
Total Revenue	\$	465,869.00	\$	431,485.00	\$	432,108.00	\$	431,736.00	\$	433,371.00
EXPENDITURES:										
Salaries And Benefits										
General Manager/Admin	\$	18,000.00	\$	18,360.00	\$	18,727.00	\$	19,102.00	\$	19,484.00
Park Staff	\$	26,400.00	\$	26,928.00	\$	27,467.00	\$	28,016.00	\$	28,576.00
Solid Waste Staff	\$	13,200.00	\$	26,928.00	\$	27,467.00	\$	28,016.00	\$	28,576.00
Total Salaries	\$	57,600.00	\$	72,216.00	\$	73,661.00	\$	75,134.00	\$	76,636.00
Social Security Tax (Employer	\$	-	\$	-	\$	-	\$	-	\$	-
Workers compensation	\$	-	\$	-	\$	-	\$	-	\$	-
Unemployment	\$	-	\$	-	\$	-	\$	-	\$	-
Medicare	\$	-	\$	-	\$	-	\$	-	\$	-
State Disability	\$	-	\$	-	\$	-	\$	-	\$	-
Total Salaries and Benefits	\$	57,600.00	\$	72,216.00	\$	73,661.00	\$	75,134.00	\$	76,636.00
Services and Supplies:										
Election	\$	-	\$	-	\$	-	\$	-	\$	-
Attorney	\$	20,000.00	\$	12,000.00	\$	12,000.00	\$	12,000.00	\$	12,000.00
Contract for Finance Support	\$	12,000.00	\$	12,000.00	\$	12,000.00	\$	12,000.00	\$	12,000.00
Audit	\$	6,000.00	\$	3,000.00	\$	3,000.00	\$	3,000.00	\$	3,000.00
utilities	\$	23,000.00	\$	24,150.00	\$	25,358.00	\$	26,625.00	\$	27,957.00
Miscellaneous	\$	5,000.00	\$	5,250.00	\$	5,513.00	\$	5,788.00	\$	6,078.00
Insurance	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00
Equipment and Supplies	\$	30,000.00	\$	31,500.00	\$	33,075.00	\$	34,729.00	\$	36,465.00
Streetlights	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	35,000.00
Solid Waste Recycle program	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00
Solid Waste Disposal Fee	\$	112,044.00	\$	112,044.00	\$	112,044.00	\$	112,044.00	\$	112,044.00
Skate Park Loan	\$	27,000.00	\$	27,000.00	\$	27,000.00	\$	27,000.00	\$	-
Total Services and Supplies	\$	252,044.00	\$	243,944.00	\$	246,990.00	\$	250,186.00	\$	258,044.00
Contingency (10% of total										
Expense)	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL EXPENDITURES	\$	309,644.00	\$	316,160.00	\$	320,651.00	\$	325,320.00	\$	334,680.00
Beginning Reserve	\$	-	\$	156,225.00	\$	271,550.00	\$	383,007.00	\$	489,423.00
Ending General Reserve	\$	156,225.00	\$	271,550.00	\$	383,007.00	\$	489,423.00	\$	588,114.00

June 14th, 2016

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission, San Bernardino County
215 N D Street, Suite 204
San Bernardino, CA 92415

Dear Ms. Rollings-McDonald:

The Feasibility Committee for a Wrightwood Community Services District gave Sewer Services serious consideration when scoping services for the proposed CSD. Sewer Services has long been a controversial topic in the village of Wrightwood. It is one of just a couple of community topics whose mere mention invokes rather strong opposition from what appears to be the community at large. That's not to say that sewer services, as initially proposed by LAFCO and possibly supported by the Supervisors office, isn't valid and of value, but the topic itself has such stigma that inclusion of Sewer Services in the proposed CSD will surely guarantee the failure of the proposed CSD at the March 2017 ballot.

The CSD Committee has educated the community about the proposal over the course of the last few months. There now appears to be trust within the community, and that trust is what will hopefully carry this proposal to a positive conclusion. To now interject Sewer Services into the proposed CSD Services will not only negatively incite the majority of voters, it will also destroy the community's trust that has been developed in the course of the process. Recovery from such an event would be extremely difficult. Assuming the proposed CSD fails at the ballot in March, and then assuming we can find any individuals interested and willing to start from the beginning with this important proposal, the path to rebuilding sufficient community trust to carry the proposal would be steep and possibly insurmountable.

We believe that establishing a CSD is the ultimate goal and it is our pinpoint focus. That goal would best be ensured by continuing with the proposal for a CSD with the three basic Services outlined in the current documentation. We need a CSD first. Many things are possible once we are working from a CSD, but without it, the path forward is not very clear, and the future will always be tainted by what will be perceived by the community as a violation of their trust.

Again, we ask that LAFCO and the Supervisors work with what has been proposed, as we believe it is the approach most likely to deliver positive results. We believe that the topic of adding Sewer Services to the CSD should be tabled for now. Let's work with what we have developed and promoted, and do our very best to achieve success in March. Once approved, the CSD can start a dialog with the community to educate and promote associated studies and possibly more.

Thank you



Natalie Lopiccolo

Member of The Feasibility Committee for a Wrightwood Community Services District

**Board of Supervisors
County of San Bernardino**

ROBERT A. LOVINGOOD
SUPERVISOR, FIRST DISTRICT



June 6, 2016

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission, San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

Ms. Rollings-McDonald:

On May 25, 2016, committee members from the Wrightwood CSD Feasibility Committee met with LAFCO staff regarding the Reorganization to include formation of the Wrightwood Community Services District and dissolution of County Service Area 56.

During that meeting, the following was identified:

1. The need to extend the boundaries of the proposed CSD to the north and to the east. A new map is being provided (attached) which identifies the suggested expanded boundary and the inclusion of additional parcels.
2. The need for an evaluation of the provision of sewer services. Currently, services are provided by County Service Area 56. A full analysis of sewer services by LAFCO, including a final recommendation/determination, is needed in order to adequately address the needs of the community.

If you have any questions on this correspondence, please do not hesitate to contact my office at (760) 995-8100.

Regards,

A handwritten signature in cursive script, reading "Robert A. Lovingood".

ROBERT A. LOVINGOOD
First District Supervisor
Vice Chair, San Bernardino County Board of Supervisors

Encl: Wrightwood Proposed CSD

March 31st, 2016

RECEIVED
APR 01 2016

LAFCO
San Bernardino County

Dear Kathleen Rollings-McDonald:

Thank you for taking the time to meet with members from our committee, and for providing us LAFCO's determinations. Enclosed, the committee has provided a response to the issues that were identified during LAFCO's review.

We have also enclosed a Will Service and Assist Memorandum provided to the committee by CR&R pertaining to our Solid Waste Plan.

Please advise if we need to provide any additional information for this review. We will await notification for the future hearing.

Thank you for your time,



Natalie Lopiccolo

760.680.6086

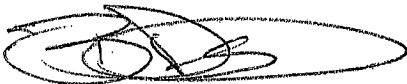
Date: March 16, 2016
To: Wrightwood Community Service District Formation Committee
From: Brent Speers, General Manager
CR&R Environmental Services (CR&R)
Subject: Will Service and Assist Memorandum

This Memorandum will serve as confirmation that CR&R is willing to service the refuse and recyclable collection needs of the Wrightwood CSD. CR&R will provide the following services at the request of the CSD at rates currently negotiated in the County of San Bernardino Franchise Area 15 Agreement or at rates that may be negotiated at a future date.

- CR&R will establish a waste collection and recycling program for the CSD
- The area to be serviced is currently known as San Bernardino CFA15
- The area will include the residential Los Angeles County portion of Wrightwood
- Services will include all lines of business including Residential, Commercial and Industrial customers.
- CR&R will assist in meeting state recycling mandates including the feasibility of Uniform Service.

We look forward to the opportunity to work with the CSD to enhance the waste and recycling services offered to the community of Wrightwood. Please let us know if we can be of any further assistance.

Thank you,



Brent Speers
General Manager

CR&R INCORPORATED
P.O. BOX 290309
PHELAN, CA 92329-0309
9828 BUCKWHEAT ROAD
PHELAN, CA 92371
760.868.6363
800.336.0396
760.868.3689 Fax
WWW.CRRINC.NET

AMENDMENT B WRIGHTWOOD COMMUNITY SERVICES DISTRICT FEASIBILITY PLAN

On March 7, 2016 San Bernardino LAFCO held a meeting that involved county departments and agencies from both San Bernardino and Los Angeles Counties, plus representatives from WWCS D Feasibility Committee. The meeting enabled all participants to share information and seek clarity on some issues.

This amendment is our response to the questions presented to the committee and provide further clarity of our intent and purpose to represent the residents of Wrightwood and establish a local government as their collective preference to have the nucleus of a local form of government as a platform to build upon.

This amendment will help in clarifying portions of the previous amendment, adjust the proposed budget and add clarity to some issues presented at the March 7 meeting and within LAFCO letters dated March 21 and March 22 sharing progress status and also requesting further information from our committee.

Los Angeles County Portion:

Street Lights: It has been confirmed that there are no street lights within the LA County portion of the proposed CSD. This confirmation came from LA County and through a physical inspection of that area by members of the WWCS D Feasibility Committee.

Solid Waste: Further review of Solid Waste in Los Angeles County has confirmed that the LA County does not have a plan or inclusion of Wrightwood in any future plan. The WWCS D Board of Directors should expand the current Solid Waste Franchise proposal into that section of the community because there will not be any contention from LA County. If the WWCS D Board wishes to expand other Solid Waste programs that will be addressed under the SB County expanded proposal of this study they will need to address those issues after the WWCS D formation due to the potential affect upon LA County property tax or the establishment of an assessment district.

Parks and Recreation: LA County express that their county has zero allotment of property tax for Parks and Recreation within Wrightwood. Our committee has reevaluated the situation and withdraws the potential assessment as part of this study and will leave any further consideration to the WWCS D Board.

San Bernardino County Portion:

CSA-56 Property Tax: We challenge any reduction of the proposed property tax revenue designated to CSA-56. Our challenge is confirmed by the Park and Recreation Budget presented to the Wrightwood Municipal Advisory Council and the residents of the community. In our study on page 19 under Revenue 'taxes' it shows that the adopted 2016 tax revenue is \$119,658. Also on page 22 under Contingencies and Reserves (SKD/380) 'property tax' it stipulates the same \$119,658 amount as the 2016 adopted tax revenue. In review of budget years 2014 and 2015 there is less than a .001% fluctuation in tax revenue, thus the Committee used the adopted 2016 tax projection as the model without fluctuation through 2021 and believe if there is fluctuation it will be towards a positive revenue projection. SB County Tax Assessor Division stated at the March 7 meeting that there are 3329 parcels within CSA-56. We are aware of TRA 101031 (.01225376) and TRA 10133 (.01220841) used in the revenue formula but request LAFCO to verify and also investigate if the assessor office may have missed other tax revenue dedicated to CSA-56 within the \$119,658 revenue adoption presented to the community in the 2016 budget. When the Phelan Pinon Hills CSD was established in 2008 they absorbed revenue of CSD-56F1. During their feasibility process there was concerned of how CSA-56 may be affected because some revenue of CSA-56F1 was being utilized by CSA-56 for Park and Recreation. There was an adjustment of approximately

\$50,000 from SB County General Funds to compensate CSA-56 for the revenue loss. If this is an annual adjustment as we believe it to be, this may be the reason for a discrepancy from the assessor's office and should also be part of the transfer of CSA-56 to the WWCSd. This was brought forth by then First District Supervisor Brad Mitzelfelt and his predecessor Bill Postmus initiated the funding adjustment through a unanimous vote of the County Board of Supervisors.

It appears that LAFCO has come up with a similar conclusion mentioned within the March 21 letter to SB County CFO, Gary McBride, which states there was a mitigation required by the establishment of the Phelan Pinon Hills CSD through LAFCO 3070. The statement explains that there was an augmented adjustment of \$33,314 in FY 07/08. By combining the Auditor-Controller property tax ad valorem for CSA-56 of \$62,699 and the \$33,324 that evaluates to \$96,023 leaving a variance from the budget's \$119,658 of \$23,635 unexplained. We believe that the mitigation is through County General Funds and what is uncertain is the methodology used. Is it a set amount or a percentage formula that was formally used from CSD-56F1 to CSA-56 and adopted through the LAFCO 3070 mitigation? If LAFCO has a means of contact with either former First District Supervisor Bill Postmus or Brad Mitzelfelt and their former Field Rep Paula Nowicki maybe they can shed some light on this matter.

Street Lights: At the March 7 meeting the issue of street lights within SB County CSA-56 partially being under the jurisdiction of Caltrans is to be clarified by Special Districts. Our research shows that 11 of the 23 street lights are along Hwy2. Special Districts stated that they have jurisdiction of all street lights. Early in the research of street lights, we were given the amount of \$3,500 for the annual Special District Wrightwood Street Light program. We will maintain that sum within the budget projection on both the revenue and expense projections making the cost of street lights net neutral.

Parks and Recreation: SB County Special District counsel confirmed that the WWCSd could make annual payments for the funds used to establish the skate park. Since the amount due will continue to diminish due to Special District's payment of the loan, we have adjusted our cost projections from \$33,000 to \$27,000 annually (SKD/380 code 3225/3330 WWCSd Study page 22) and the actual payment will be determined after the November 2016 election. We still believe that the balance of the loan should be absorbed by the County in 'good faith' due to the sizable annual savings they will attain from the transfer of CSA-56 to the WWCSd.

Solid Waste: Working directly with CR&R Disposal Services to project the proposed revenue of CFA-15, we will not modify the projections. Further clarification from CR&R is that their monthly services fluctuates a little but they provide weekly pickup to approximately 70% of Wrightwood solid waste within both the SB and LA County sides of the community.

In discussion with the Helendale CSD and the Phelan Pinon Hills CSD management, we adjust our study to include Phase II and Phase III with the transfer of CFA-15 being Phase I.

Our program would help the County Solid Waste to get back into compliance with AB341 (2011) that intensified the reduction of landfill space under the California Integrated Waste Management Act of 1989 to under 75% of landfill volume (75% recycling or greater) and implemented a reporting process starting Jan 1, 2014. The County seems latent in their method or compliance of uniformed pickup or landfill reduction, as mentioned at the March 7 meeting. The WWCSd would be a better steward through having local control of solid waste and working harmonically with the County. Our program will involve recycling, hazmat disposal and green waste programs on monthly or quarterly schedules, which is something the County does not perform in their solid waste duties. The County's method is without outreach to the community and with full expectation that the community pays to bring solid waste to a county facility. The County no longer implements their bi-annual Free Dump Day, which seems to be a contributing factor to the increase of illegal dumping within our community. We believe that we could

have such a program on a quarterly basis and would partner with community organizations and residents to keep illegal dumping to a minimum and cleanup sites that materialize.

Phase I: Further explanation of the transfer of CFA-15 to the WWCSO. This would enable the WWCSO to have a private/public partnership with local organizations. In example: the Wrightwood Fire Safe Council (WFSC) to collaboratively provide the community the Green Waste and Pine Needle Collection Event normally held in May or June each year. In the past, this has been a collaborative effort between SB County Code Enforcement/Fire Services and the WFSC, but due to budget issues the County has had difficulty in providing their part of the program. The WWCSO would work with both the County and the WFSC to maintain this program which has diverted over 1 million pounds of green waste away from SB County landfills since its implementation 9 years ago. The pine needles have been diverted to Mountain High Ski Resort and are used for erosion control, while the green waste has been chipped and utilized within the Wrightwood community and other local areas as ground cover and for water retention purposes. This program is fundamental not only through the diversion of green waste and pine needles from landfills, but also in helping the community to meet code enforcement regulations on tall grass and shrubbery overgrowth, and to meet State mandates of a 100-ft clearance around homes and out buildings. Note that SB County Solid Waste has not participated in this program or waived any fees. The program is in consort with SB County Fire and Code enforcement through some grants and the use of manpower and equipment: Fire Service wood chipper and crew. CR&R also has a fundamental role in this program and donates countless manpower hours, containers and transportation mileage as part of their community outreach. A network of community volunteers is also fundamental in making this event a success. Through our reserves, we could help fund this program because the aforementioned prior grant program has gone away.

CR&R showed in 2014 that their Wrightwood collection program diverted 288.6 tons of recyclable materials from SB County landfills that year and in 2015 297.2. We believe through the promotion and implementation of quarterly recyclable diversion events, held at our community center parking lot, would help increase the diversion and by doing so further help SB County Solid Waste to meet their State mandates to reduce landfill volume.

Phase II: Refuse Disposal Land Use Fee (on property bills "CO Land Use – SWMD"): These fees have been in existence since 1973 when the County was first required to convert the dumps in the desert area from burning the waste, to a landfill operation. These fees are land use based and charged on the property tax bill of all developed parcels based upon the existing County Fee Ordinance (CFO). This fee pre-dates the adoption of Prop. 218; therefore, it cannot be raised above the \$85.14 per dwelling unit fee without an election. The State has mandated to the County the implementation of Uniformed Solid Waste (USW) pick up and our committee encourages the WWCSO to work with CR&R to implement that program. For budget modeling purposes, we have chosen to retain the current CFA-15 criteria and will not use additional revenue projection of USW but we encourage the WWCSO Board to give it serious consideration because of the State mandate timeline. USW could also be implemented on the LA County side enabling those property owners to participate in the program.

SB County Solid Waste has been adamant that the CO Land Use – SWMD is a countywide program and fees were determined on a countywide basis, not on an individual community basis. We understand that County Solid Waste wishes to preserve and protect revenue, but we are reminded that revenues are from constituents who pay the property tax, and if they wish to have the WWCSO exercise local control of SWDFF, then that should take priority. Many CSD's throughout the state have solid waste powers. Within SB County, both Baker CSD and Helendale CSD have programs.

The Helendale CSD has successfully transfer CO Land Use – SWMD to their agency as a benefit to the community. On June 7, 2010 through LAFCO Service Review 3089 and reconfirmed on March 10, 2014 LAFCO 3175 enabled Helendale CSD to develop the program and issue their own 'dump cards'. Their

method enables the district to monitor solid waste disposal from within their district that is disposed at the SB County Victorville Landfill. The gross transfer of CO Land Use – SWMD funds is deposited to the district and when residents use their dump cards at the landfill, the county charges the district on a monthly basis and sends verification of the tonnage and returns the Helendale day use card.

Excerpt from 3089:

Refuse Collection (Solid Waste) As a part of the approval of the formation of the District (LAFCO 2996) it was authorized refuse collection services identified as follows: Refuse Collection Collect, transfer, and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code. At the time, the discussion with the County Solid Waste Management Division related to the potential transfer of responsibility for the existing Solid Waste Handling Franchise Agreement for the District's territory. This transfer of contract responsibility and franchise revenues from Burrtec Waste Industries was accomplished and the CSD is responsible for soliciting bids for providing the service prior to end of the Franchise Agreement term. Correspondence was received by LAFCO staff dated September 1, 2009, signed by Norman Kanold, Assistant County Administrator, and Kimberly Cox, General Manager of the District, requesting that the Commission clarify this service as a part of the Service Review Sphere Establishment for the District. As described in the correspondence included as Attachment #17, the County and District are working towards an agreement related to the transfer of the Solid Waste Management Disposal Facility Fee to the District. The County and District have requested that the Commission more clearly identify its Refuse Collection service definition as outlined in Resolution No. 2927 and shown above. The letter outlines that the parties are requesting clarification that the service authority clearly allows the District to provide for a transfer station and recycling center. LAFCO staff believes that the service description approved by LAFCO is clear, that CSD law allows the District to provide for source reduction, recycling and the collection, disposal and handling of solid waste. The transfer of these revenues to the District for support of a transfer station and recycling center would, in the staff's view, assist the area in a reduction in the number of trips to the Victorville Landfill and would allow for recycling which is not currently available outside the Burrtec Industries pick up service area. At the time of the Commission's consideration of LAFCO 2996 for the formation of the District, LAFCO staff was unaware of the existence of this Solid Waste Disposal Facility Fee. These fees have been in existence since 1973 when the County was first required to convert the dumps in the desert area from burning the waste, to a landfill operation. These AGENDA ITEM #8 -- LAFCO 3082 --VICTORVILLE/VICTORVILLE WD/CITY OF ADELANTO SPHERE AND LAFCO 3089 -- HELENDALE SPHERE JUNE 7, 2010 38 fees are land use based and charged on the property tax bill of all developed parcels based upon the existing County Fee Ordinance. This fee pre-dates the adoption of Prop. 218; therefore, it cannot be raised above the \$85.14 per dwelling unit fee without an election. LAFCO staff is recommending that the Commission reiterate its determination during the processing of LAFCO 2996, that the service authorized under refuse collection would allow for the operation of a transfer station and a recycling center; would allow for the transfer of the proceeds from the land use fee known as the Solid Waste Disposal Facility Fees to the District to fund these services; and allow for the District and County to formally sign agreements to effectuate this change. Financial ability of agencies to provide services.

Excerpt from 3175:

- The County's Solid Waste Management Division (SWMD), through a contract with AVCO/Burrtec, currently provides solid waste services (collection and disposal) within the reorganization area. Solid waste services will transfer to the Helendale CSD who also contracts with AVCO/Burrtec for its services. Upon annexation, the District will be providing the billing for solid waste services.

Below is what they paid for dump passes in FY 14/15.

Date	Payable Description	Total Payable
July 2014	Dump Passes	562.63
Aug 2014	Dump Passes	590.74
Sep 2014	Dump Passes	494.13
Oct 2014	Dump Passes	364.31
Noc 2014	Dump Passes	242.93
Dec 2014	Dump Passes	476.01
Jan 2015	Dump Passes	689.37
Feb 2015	Dump Passes	707.02
Mar 2015	Dump Passes	886.2
Apr 2015	Dump Passes	666.05
May 2015	Dump Passes	628.42
Jun 2015	Dump Passes	744.43
Total	FY 2014-2015	\$ 7,052.24

Helendale's current FY budget is \$230,000 in revenue with \$101,000 in expenditures. This projection would have a net of \$129,000. This means Helendale CSD has a 56% net income and 44% expense for that FY budget.

CR&R stated that they will maintain the solid waste billing and customer service for the District as they do with the Phelan Pinon Hills CSD for commercial and residential weekly pick up enabling the District to keep manpower minimalized. The Districts 'dump card' program would be handled by the District.

At the March 7 meeting, the SB County Tax Assessor Office stated that there are 3329 parcels within the SB County side of the proposed WWCSO boundary. According to the 2010 US Census housing occupancy on both sides of Wrightwood was 2,857 units, this includes homeowner, rental, seasonal and vacant homes. Utilizing the LA County Tax Assessor's mapping tool (http://maps.assessor.lacounty.gov/GVH_2_2/Index.html?configBase=http://maps.assessor.lacounty.gov/Geocortex/Essentials/REST/sites/PAIS/viewers/PAIS_hv/virtualdirectory/Resources/Config/Default), we discovered that the LA County side of Wrightwood has 108 developed residential properties and 80 undeveloped properties. Omitting the developed properties in the LA County section from the census household numbers there are 2749 developed parcels in the SB County section of Wrightwood. As a second source of verification of developed properties, we contacted Golden State Water Supervisor Jim Cowen. He stated that the water district has 2740 customers on both sides of the County line and confirmed 108 developed properties on the LA county side, thus this would conclude that developed property in SB County is approximately 2632. For modeling purposes, we will use this number since it is lower than the census, which may include some homes outside of the WWCSO boundary.

At the Solid Waste Disposal Facility Fee rate of \$85.14 per developed parcel in SB County CSA-56, the gross revenue would be \$224,088.48. We conservatively modeled that the net revenue at 50% of the gross revenue: \$112,044.24. In our budget proposal, we realize that this transfer would have to be completed by April 1, 2017, which is when the county sends out their dump cards, thus in our model we will allot for the WWCSO cards to be implemented July 1, 2017 and for that year's budget to start mid-year: 6 months rather than a full year. We would use the Helendale CSD program as a base model and the matrix similar the process should go seamlessly. There is no logical reason for any delay of this program because the agreement between the Solid Waste and the Helendale CSD could easily be the template we would use. We believe that once this program is implemented it will require the addition of 1

part-time customer service employee at the comparable rate for that year. This employee would also function in helping with park and recreation customer service when needed.

The Committee believes that the service authorized under refuse collection would allow for the operation of a transfer station and a recycling center; would allow for the transfer of the proceeds from the land use fee known as the CO Land Use – SWMD to the District to fund these services; and allow for the District and County to formally sign agreements to effectuate this change.

The WWCSO would issue their own 'dump cards' and be billed by the County for the disposal of community residential solid waste at the Sheep Creek Transfer Station (SCTS) or the SB County Victorville landfill. CR&R currently utilizes the SCTS for non-recyclable solid waste disposal. CR&R is reviewing their disposal methodology and when feasible will increase their utilization of their green waste facility in Paris California and possibly may implement a transfer station at their Pinon Hills facility. The WWCSO could work with CR&R to encourage the residents to haul to the CR&R facility creating a more favorable environment for the County to meet the 75% or more state mandate. Until that time, we will plan to use our cards at the SCTS in Pinon Hills.

Phase III: The Phelan Pinon Hills CSD has as part of their Solid Waste plan the management of the SCTS retaining the closed landfill under the jurisdiction of SB County Solid Waste Division, but taking over the management of the transfer station. In recent discussion with PPHCSO management it could be feasible for joint use of the SCTS by the PPHCSO and the WWCSO for that purpose.

Reserves: It was stated at the March 7 meeting there would be a one-time park reserve transfer of \$35,000 to the WWCSO from SB County Special Districts.

Training and Certifications: As the District Administrator and Park Supervisor, the GM will need to be certified as a playground equipment inspector and chemical use supervisor. There are no necessary certifications needed for solid waste purposes. The training and certification would be provided by the California Park and Recreation Society for only a few hundred dollars. Board Members and the GM will need Ethics training and certificates: these could be provided free of charge through the FPSC website. There is no other required training for Board Members. We encourage the District to be members of the California Special Districts Association and the California Parks and Recreation Society because both entities provide a wide array of networking, webinars and in person training free or at low cost. Plus, they have numerous templates of policies and procedures to glean from. Both entities have field staff that would assist WWCSO in numerous ways free of charge.

Employees: All employees will be salaried and part-time status at no more than 29 hours per week. Also, employees will not have a benefit program, but will participate in Social Security. Our budget allows for 1 park employee that will perform routine maintenance of the park and buildings, plus assist with customer service. Hiring preference will be given to those that currently serve under SB Special Districts. Special Districts say they have 3 part-time employees dedicated to Wrightwood, but historically they have utilized these employees at other locations such as El Mirage, Phelan and Pinon Hills, plus other locations as needed. The County has 1 dedicated to customer service who also works with customer service for the Fire Service Station 14 in Wrightwood. 2 park employees are part of the County's program, but we believe their combined duties can be accomplished by 1 employee. Customer service will be supported through a website enabling questions and facility use request to be handled through the website 24/7 and through personal contact through regular business hours. The County allows various organizations that use their facilities during afterhours allowing access to the facilities by the issuance of keys assigned to the individual organization. We will maintain that honor system to help keep employee time minimal.

General Manager Wage: There is preference to have the GM to reside within the district and there already has been interest shown by community residents with management qualifications. At the March 7 meeting there was concern that the proposed salary for the part-time GM were too low. Research of other Special Districts and CSD's with similar profiles enabled us to project the current GM salary. The table below indicates we are within a proper range. This table is based upon information provided through the California State Controller's Office under their Government Compensation Reports. The table is representative of many similar part-time management and employee operated districts statewide. We include information provided by LAFCO as GM salary comparable in a separate table and have made some notes. The GM would also assist with customer service when needed. The GM salary would have a range of \$18,000-25,000 with a part-time status of 29 hours weekly.

2014 Part-time General Manager wages provided by the California State Controller's Office

Morongo Valley Community Services District	San Bernardino County	\$34,640
Daggett Community Services District	San Bernardino County	\$19,009
Big River Community Services District	San Bernardino County	\$18,575
Newberry Community Services District	San Bernardino County	\$8,625
Barstow Heights Community Services District	San Bernardino County	\$9,400
Sierra Highlands Community Services District	Inyo County	\$17,586
Midway Community Services District	Merced County	\$10,800
Poplar Community Service District	Tulare County	\$20,695

Services provided

Morongo Valley Community Services District	Fire Protection, Lighting, Parks
Daggett Community Services District	Fire Protection, Lighting, Park, Water
Big River Community Services District	Lighting, Parks
Newberry Community Services District	Fire Protection, Lighting, Parks
Barstow Heights Community Services District	Parks and Recreation
Sierra Highlands Community Services District	Water Enterprise
Midway Community Services District	Water Enterprise, Waste Disposal
Poplar Community Service District	Water Enterprise, Waste Disposal, Parks

We thank LAFCO for providing some information about suggested GM salaries

Greenhorn Creek CSD	Plumas County	Fire, Roads, Water	\$35,850*
Morongo Valley CSD	San Bernardino County	Fire, Lighting, Parks	\$34,640**
Tenaja CSD	Riverside County	Roads	\$42,681
Cuyama CSD	Santa Barbara County	Solid Waste, Water	\$53,576
Manila CSD	Humboldt County	Solid Waste, Water, Parks	\$49,920**
Gold Mountain CSD	Plumas County	Ambulance, Fire, Library, Lighting, Pest, Police, Parks, Solid Waste, Water	\$54,976**
Baker CSD	San Bernardino County	Ambulance, Fire, Lighting, Parks, Solid Waste, Water, TV Translator	\$54,120**
East Quincy CSD	Plumas County	Lighting, Water, Solid Waste	\$60,122***
California Pines CSD	Modoc County	Fire, Parks, Roads, Airport, Solid Waste, Water	\$66,650****
Saddle Creek CSD	Calaveras County	Lighting, Pest, Police, Park, Roads, Resource Management, Weed Abatement	\$57,881*****
Esparto CSD	Yolo County	Lighting, Solid Waste, Water	\$74,231
Covelo CSD	Mendocino County	Solid Waste	\$57,928*****

Notations: see below

Districts without a notation appear to be full time GM, * Greenhorn Creek CSD does not designate a GM
 ** Any district with this note is probably part-time GM, ***East Quincy CSD shows GM salary as \$22,056 with benefits of \$15,964 (\$38,020) not sure if full or part-time.

**** California Pines CSD shows GM salary \$ 88,770 with benefits \$9,137 not sure if full or part-time
 ***** Saddle Creek CSD shows GM salary \$21,705 part-time with staff and other management full time
 ***** Covelo CSD GM appears to be the full time plant operator and has a benefit package

Update of CR&R CFA-15 report from FY 2014 to the current report for FY 2015

CR&R, Incorporated
 CFA 15
 Annual Accounting Report

Reporting Period:

January through December 2015

MONTH	GROSS RECEITS	DISPOSAL FEES	FRANCHISE FEE	NET RESULTS
<i>JANUARY</i>	85,740.35	3,227.78	8,251.26	74,261.31
<i>FEBRUARY</i>	46,957.31	2,478.97	4,447.83	40,030.51
<i>MARCH</i>	25,703.23	3,597.05	2,210.62	19,895.56
<i>APRIL</i>	95,398.77	2,829.69	9,256.91	83,312.17
<i>MAY</i>	36,297.27	3,759.57	3,253.77	29,283.93
<i>JUNE</i>	23,686.44	4,333.14	1,935.33	17,417.97
<i>JULY</i>	96,668.17	2,812.13	9,385.60	84,470.44
<i>AUGUST</i>	45,287.51	3,958.15	4,132.94	37,196.42
<i>SEPTEMBER</i>	20,713.58	2,726.74	1,798.68	16,188.16
<i>OCTOBER</i>	88,359.53		8,835.95	79,523.58
<i>NOVEMBER</i>	42,181.00		4,218.10	79,523..58
<i>DECEMBER</i>	19,227.95		1,922.80	37,962.90
<i>TOTALS</i>	626,221.11	29,723.22	59,649.79	596,497.89

NOTE: Wrightwood LA County is not part of CFA 15. Average number of accounts: 63 Average gross receipts: monthly 1,644.30 Annually 19,731.60 Average Potential Franchise Fee: Annually @ 10% 1,973.16

CR&R INCORPORATED
 San Bernardino County Franchise
 Agreement 15
 Annual Collection Information Report

Reporting Period:

January-December 2015

MONTH	NO. ACCOUNTS	Solid Waste Tons	Recyclables Tons	Green Waste Tons	Total Tons
<i>JANUARY</i>	1539	205.8	30.5	0	236.3
<i>FEBRUARY</i>	1525	273.2	22.9	0	296.1
<i>MARCH</i>	1527	199.7	21.3	0	221
<i>APRIL</i>	1535	166.7	25.4	0	192.1
<i>MAY</i>	1544	206.2	22.3	0	228.5
<i>JUNE</i>	1554	229.9	24.1	0	254
<i>JULY</i>	1555	239.6	28.2	0	267.8
<i>AUGUST</i>	1564	224.1	24.1	0	268.2

SEPTEMBER	1580	234.9	27.9	0	262.2
OCTOBER	1577	199.2	24	0	223.2
NOVEMBER	1574	215.2	24.6	0	239.8
DECEMBER	1578	202.2	26.9	0	239.1
TOTALS	18652	2616.7	302.2	0	2918.9

ANNUAL DIVERSION REPORT
CFA 15 2015

NUMERS ARE IN TONAGE

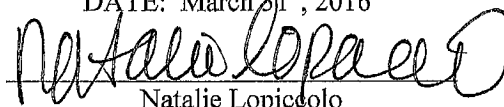
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
ALUMINUM CANS	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2
BI-METAL	1.9	1.1	1.3	2.2	1	2	0.1	1.4	1.7	0.7	1.3	0.7	17
BULKY ITEMS	0	0	0	0	0	0	0	0	0	0	0	0	0
CARDBOARD	6	5.7	5.1	4.7	2.9	3.3	5.1	4.5	5.5	3.8	3.4	4.5	54.5
CHRISTMAS TREES	0	0	0	0	0	0	0	0	0	0	0	0	0
CONCRETE	0	0	0	0	0	0	0	0	0	0	0	0	0
CONST/ DEMO/INERT	0	0	0	0	0	0	0	0	0	0	0	0	0
GLASS	2	1.4	1.1	2.1	1.7	2	1.6	1.7	1.8	1.5	1.3	2.2	20.4
MIXED PAPER	6.4	4.4	4.2	4.9	5.1	6.1	5	5.7	5	5	5	5.4	62.3
MIXED PLASTIC	1.3	1.3	1.1	1.6	1.2	1.4	1.7	1.3	1.7	0.9	1.5	1.4	16.4
NEWSPAPER	12.8	8.8	8.4	9.9	10.3	10.3	12.3	9.9	11.4	10.4	10	10.9	125.4
SCRAP METAL	0	0	0	0	0	0	0	0	0	0	0	0	0
TIRES	0	0	0	0	0	0	0	0	0	0	0	0	0
WOOD	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DIVERSION	30.5	22.8	21.3	25.5	22.3	24.2	28.3	24.2	27.9	22.4	22.6	25.2	297.2

The new proposed 5 year annual budget

REVENUE	2017	2018	2019	2020	2021
PROPERTY TAX San Bernardino	119,658.00	119,658.00	119,658.00	119,658.00	119,658.00
RENTAL	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
SOLID WASTE	61,622.95	62,239.18	62,861.57	63,490.19	64,125.09
Solid Waste Disposal Facility Fee	\$224,088.48	\$224,088.48	\$224,088.48	\$224,088.48	\$224,088.48
STREET LIGHTS	3,500	3,500	3,500	3,500	3,500
ONE TIME RESERVE TRANSFER	35,000	0	0	0	0
TOTAL	465,869.43	431,485.66	432,108.05	432,736.67	433,371.57
RESERVE	156,225.19	271,550.61	383,009.10	490,425.75	620,617.52

EXPENSE	2017	2018	2019	2020	2021
GM/ADMIN	18,000	18,360	18,727.20	19,101.74	19,483.78
FINANCE CONTRACTOR	12,000	12,000	12,000	12,000	12,000
PARK STAFF	26,400	26,928	27,466.56	28,015.89	28,576.21
SOLID WASTE STAFF	13,200	26,928	27,466.56	28,015.89	28,576.21
ATTORNEY	20,000	12,000	12,000	12,000	12,000
ANNUAL AUDIT	6,000	3,000	3,000	3,000	3,000
UTILITIES	23,000	24,150	25,357.50	26,625.38	27,956.64
INSURANCE	3,500	3,500	3,500	3,500	3,500
EQUIP/SUPPLIES	30,000	31,500	33,075	34,728.75	36,465.19
MISC	5,000	5,250	5,512.50	5,788.13	6,077.53
STREET LIGHT	3,500	3,500	3,500	3,500	3,500
SOLID WASTE RECYCLE PROGRAMS	10,000	10,000	10,000	10,000	10,000
Solid Waste Disposal Facility Fee	\$112,044.24	\$112,044.24	\$112,044.24	\$112,044.24	\$112,044.24
SKATE PARK LOAN	27,000	27,000	27,000	27,000	0
SUB-TOTAL	309,644.24	316,160.24	320,649.56	325,320.02	303,179.80
REVENUE	465,869.43	431,485.66	432,108.05	432,736.67	433,371.57
SURPLUS	156,225.19	115,325.42	111,458.49	107,416.65	130,191.77

DATE: March 31st, 2016



Natalie Lopiccio
Committee Chairperson

EXECUTIVE SUMMARY

Wrightwood residents have established a Feasibility Committee to create the study researching the possible development of a Wrightwood Community Services District (WWCSD) empowering a local form of government as defined by Government Code section 61000 – 61850. This study is conducted to assist residents in determining whether or not to implement the establishment of the WWCSD and is based upon extensive research on both the current practices and the proposed entity and its impact on Wrightwood.

The study contains data related to financial and operational impact of the current situation and proposed plan. The committee's research and developed study has been conducted objectively, by a third party, and provides data upon which to base a decision.

Historically the valley and surrounding mountains were used by the Serrano Indians and other Native American tribes for hunting, gathering and as an encampment during non-winter months. Networks of trails including the Pacific Crest Trail were trade routes between tribes throughout the region and the coast. In the 19th century Wrightwood was developed as a cattle ranch by Nathan and Truman Swarthout. The land was later owned by land developer Sumner Wright who in the 1920s subdivided the ranch into residential and commercial lots creating the template for the community of Wrightwood and the relationship with the natural surroundings.

The proposed district would encompass approximately 6012-sq acres within 9.61-sq miles bordered on all four sides by national forest and does not conflict with any sphere of influence or other community due to the land lock environment developed by the national forest. It would consist of approximately 4500 residents with 2000 homes: 75% full time residents and 25% vacation, rental or vacant property, plus a commercial district that is concentrated at the central core of the village.

The proposed Community Services District would initially consist of Parks and Recreation, Street Lights and Solid Waste. Currently these services are provided through San Bernardino Special Districts CSA-56 with Solid Waste County CSF-15. We propose to only transfer the Parks and Recreation and Street Lights portions of CSA-56 along with any property tax associated with those powers, retaining Sewer powers of CSA-56 with the County and transferring CSF-15 to the WWCSD. Keeping this CSD minimal in its initial powers, while maximizing services, thereby enhances the feasibility of establishing a viable fiscal base while maintaining long term sustainability of services and providing associated employment within the community whenever possible.

The CSA-56 transfer would include the funding resources and reserves, Wrightwood Community Center, Old Fire Station/Museum, Vivian Null Park, Hollis Steward Park, The Skate Board Park, and Veterans Park plus any associated parking area, equipment, maintenance equipment and facilities associated with park and recreation.

The Committee requests that the remaining balance due on the Skate Park loan of \$132,000, be absorbed by Special Districts in good will because of the cost savings to Special Districts created by the CSD formation. It is evident that the Special Districts and SB County annual saving in time, administration cost and manpower far exceed the balance of the loan.

Certain sections of the proposed district boundary overlay portions of the National Forest south of the community. The community has held this section of the Forest in high esteem. It is believed that having

this section for future development of access to the Pacific Crest Trail and Native American and other natural resources would be a vital partnership with the forest, through and education programs revered by the Federal National Parks Service and State Parks Service. This partnership of nature and development would directly benefit the Wrightwood community.

JUSTIFICATION FOR PROPOSAL AND PRELIMINARY ENVIRONMENTAL DESCRIPTION FORM

INTRODUCTION: The questions on this form and its supplements are designed to obtain enough data about the proposed project site to allow the Commission, its staff and others to adequately assess the project. By taking time to fully respond to the questions on the forms, you can reduce the processing time for your project. You may also include any additional information, which you believe is pertinent. Use additional sheets where necessary, or attach any relevant documents.

GENERAL INFORMATION

1. **NAME OF PROPOSAL:** Wrightwood Community Services District
2. **NAME OF APPLICANT:** Natalie Lopiccolo, Committee Chair
MAILING ADDRESS: PO Box 1126 Wrightwood, CA 92397
PHONE: 760-680-6086 **FAX:** 760-249-6353 **EMAIL ADDRESS:** wrightwoodcsd@gmail.com
3. **GENERAL LOCATION OF PROPOSAL:** The subject area is surrounded by national forest. The western boundary of the subject area is located on the eastern boundary of Los Angeles County east of the Angeles National Forest boundary that wraps to the north of the Wrightwood unincorporated area. San Bernardino National Forest makes the eastern and southern boundary, though an overlap of both forest areas are part of the WWCS D area to provide recreational interface with the forest.
4. Does the application possess 100% written consent of each landowner in the subject territory?
 YES NO (X) If YES, please provide a written authorization for change.
5. Indicate the reasons that the proposed action has been requested.
 The residents of the community of Wrightwood have expressed the desire for local control and input into the decision making process for the delivery of services of park and recreation, street lighting, and solid waste.
6. Would the proposal create a totally or substantially surrounded island of unincorporated territory?
 YES NO (X) If YES, please provide a written justification for the proposed boundary configuration.

LAND USE AND DEVELOPMENT POTENTIAL

1. **Total land area (defined in acres):** Approximately 6012 acres (9.61 square miles, plus or minus).
2. **Current dwelling units in area:** Approximately 2,000 dwellings.
3. **Approximate current population in area:** 4,500. There are approximately 2000 registered votes according to the San Bernardino Registrar of Voters.
4. **Indicate the General Plan designation(s) of the affected city (if any) and uses permitted by this designation(s):** The area is unincorporated.

San Bernardino County General Plan designation(s) and uses permitted by this designation(s):
 The primary land use is Rural Living with a variety of other uses, such as Commercial in the center of the community.

5. Describe any special land use concerns expressed in the above plans: None.

6. Indicate the existing land use: The primary land use is Rural Mountain Community Living with a variety of other uses, such as Commercial in the center of the community. The Pacific Crest Trail is close to the community and hikers frequently stop for provisions.

7. For a city annexation, State law requires pre-zoning of the territory proposed for annexation. Provide a response to the following: a. Has pre-zoning been completed? YES NO . b. If the response to "a" is NO, is the area in the process of pre-zoning? YES NO . Identify below the pre-zoning classification, title, and densities permitted. If the pre-zoning process is underway, identify the timing for completion of the process.

Not applicable, this is not a proposal for annexation.

8. On the following list, indicate if any portion of the territory contains the following by placing a checkmark next to the item: Agricultural Land Uses ... Agricultural Preserve Designation ... Williamson Act Contract ... Area where Special Permits are required ... any other unusual features of the area or permits required:

None.

9. If a Williamson Act Contract(s) exists within the area proposed for annexation to a City, please provide a copy of the original contract, the notice of the nonrenewal (if appropriate) and any protest to the contract filed with the County by the City. Please provide an outline of the City's anticipated actions with regard to this contract.

Not applicable.

10. Will the proposal require public services from any agency or district, which is currently operating at or near capacity (including sewer, water, police, fire, or schools)? YES NO (X)
If YES, please explain.

ENVIRONMENTAL INFORMATION

1. Provide general description of topography. The area is a mountain valley surrounded by national forest; the valley sits approximately 6,000-ft elevation with surrounding peaks of various heights

2. Describe any existing improvements of the site as % of total area.

Residential	75 %	Agricultural	0 %
Commercial	15 %	Vacant	10 %
Industrial	0 %	Other	0 %

3. Describe the surrounding land uses: All sides are national forest land

NORTH: Angeles National Forest.

EAST: San Bernardino National Forest

SOUTH: San Bernardino and Angeles National Forest

WEST: Angeles National Forest

There are no adjoining incorporated or unincorporated communities.

4. Describe site alterations that will be produced by improvement projects with this proposed action.

There will be no site alterations with this proposed action.

5. Will service extensions accomplished by this proposal induce growth of this site? YES NO (X)
Adjacent sites? YES NO (X) Unincorporated . Incorporated .

This proposal does not include any service extensions.

6. Is this project a part of a larger project or series of projects? YES NO (X) If YES, please explain.

NOTICES

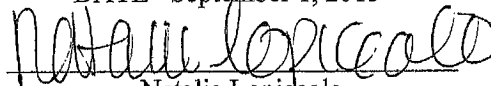
Please provide the names and addresses of persons who are to be furnished mailed notice of the hearing(s) and receive copies of the agenda and staff report.

NAME Natalie Lopiccolo TELEPHONE NO. 760-680-6086
ADDRESS: Post Office Box 1126, Wrightwood, CA 92397
NAME Stephanie Carroll TELEPHONE NO. 619-675-4301
ADDRESS: Post office Box 1153, Wrightwood, CA 92397
NAME Albert Morrisette TELEPHONE NO. 909-214-8879
ADDRESS Post Office Box 720434, Pinon Hills, CA 92372

CERTIFICATION

I hereby certify that the statements furnished above and in the attached supplements and exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief. I understand that if this proposal is approved, the Commission will impose a condition requiring the applicant to indemnify, hold harmless, and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

DATE September 1, 2015



Natalie Lopiccolo
Committee Chairperson

PLEASE CHECK SUPPLEMENTAL FORMS ATTACHED:

... ANNEXATION, DETACHMENT, REORGANIZATION SUPPLEMENT
... SPHERE OF INFLUENCE CHANGE SUPPLEMENT
... CITY INCORPORATION SUPPLEMENT
X FORMATION OF A SPECIAL DISTRICT SUPPLEMENT
... ACTIVATION OF LATENT POWERS SUPPLEMENT

APPLICATION TO BE SUBMITTED TO:
LOCAL AGENCY FORMATION COMMISSION
215 North D Street, Suite 204 San Bernardino, CA 92415-0490
PHONE: 909-388-0480 FAX 909-885-8170
E-mail address: lafco@lafco.sbcounty.gov

PLAN FOR SERVICES – STREET LIGHTS

For each item identified for a change in service provider, a narrative "Plan for Service" (required by Government Code Section 56653) will be required. This plan shall, at a minimum, respond to each of the following questions and be signed by the proponents of the change.

1. A description of the level and range of each service to be provided to the territory through the formation process.

The committee plans to continue to operate the streetlights in the community. The committee feels that the Board of Directors will have direct input from the community as to the need for and placement of additional streetlights. All funding sources will be continued enabling the operations and maintenance to continue with So Cal Edison or privately if it can not be worked out with Edison to assist in Community decorations.

2. An indication of when the service can be feasibly extended to the territory.

Services will be extended to the district as warranted by the community and deemed a benefit to the community through feasibility research by the district and safety in performing any of these services will remain a primary concern.

3. An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the new district would need to impose upon the territory.

There is no plan for additional infrastructure at this time. The Board of Directors will, with community input, plan for future streetlights, if needed.

4. The estimated cost of extending the service and a description of how the service or required improvements will be financed. A discussion about the sufficiency of revenues to fund the anticipated service is also required.

There are no additional costs to the community in changing from a County Service Area to a Community Services District.

5. An indication of whether the territory is or will be proposed for inclusion within a proposed improvement zone/district, assessment district, or community facilities district.

The territory is not part of a proposed improvement zone, assessment district or community facilities district.

6. If retail water service is to be provided through this change, provide a description of the timely availability of water for projected needs within the area based upon factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).

There are no plans to provide water service, which is already provided by a private company, Golden State Water Company.

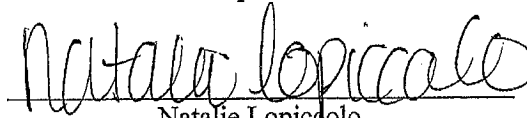
7. Copies of the feasibility study for the formation of the District. The feasibility study must outline the anticipated structure of the governing body and provide a projected five-year budget for revenues and expenditures. The budget presented will need to indicate the source and amount of revenues and expenditures based upon services to be provided. Please note that the new district may receive a "share" of the property tax revenues generated within the boundaries but that share depends on the types of services to be offered by the District, the previous sources of those services if any, and the historic cost to

provide the services to be absorbed. No new taxes can be imposed by the creation of the District unless two-thirds of the voters approve the proposal.

CERTIFICATION

I hereby certify that the statements furnished above present the data and information required to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE September 1, 2015



Natalie Lopiccolo
Committee Chairperson

PLAN FOR SERVICES -- SOLID WASTE

For each item identified for a change in service provider, a narrative "Plan for Service" (required by Government Code Section 56653) will be required. This plan shall, at a minimum, respond to each of the following questions and be signed by the proponents of the change.

1. A description of the level and range of each service to be provided to the territory through the formation process.

The committee plans to continue to operate solid waste disposal and recycling in the community and to facilitate the service through a contract with CR&R Disposal Services, Inc. similar to the existing contract of CSF-15. All funding sources will be continued and the new contract would include the Los Angeles County portion of Wrightwood.

2. An indication of when the service can be feasibly extended to the territory.

Services will be extended to the district as warranted by the community.

3. An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the new district would need to impose upon the territory.

There is no plan for additional infrastructure at this time. The Board of Directors will, with community input, plan for future solid waste disposal and recycling programs. These programs could be cooperative with programs already provided by local civic groups.

4. The estimated cost of extending the service and a description of how the service or required improvements will be financed. A discussion about the sufficiency of revenues to fund the anticipated service is also required.

There are no additional costs to the community in changing from a County Service Franchise Area to a Community Services District with the exception that franchise fee that will be extended on the LA County portion of the new district without creating fee increases. CR&R who is the current provider of service to the community has shown harmony with including the LA County portion not within CSF-15.

5. An indication of whether the territory is or will be proposed for inclusion within a proposed improvement zone/district, assessment district, or community facilities district.

The territory is not part of a proposed improvement zone, assessment district or community facilities district.

6. If retail water service is to be provided through this change, provide a description of the timely availability of water for projected needs within the area based upon factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).

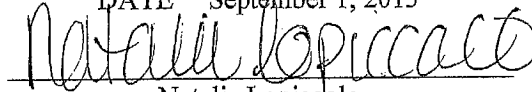
There are no plans to provide water service, which is already provided by a private company, Golden State Water Company.

7. Copies of the feasibility study for the formation of the District. The feasibility study must outline the anticipated structure of the governing body and provide a projected five-year budget for revenues and expenditures. The budget presented will need to indicate the source and amount of revenues and expenditures based upon services to be provided. Please note that the new district may receive a "share" of the property tax revenues generated within the boundaries but that share depends on the types of services to be offered by the District, the previous sources of those services if any, and the historic cost to provide the services to be absorbed. No new taxes can be imposed by the creation of the District unless two-thirds of the voters approve the proposal.

CERTIFICATION

I hereby certify that the statements furnished above present the data and information required to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE September 1, 2015



Natalie Lopiccolo
Committee Chairperson

LOCAL AGENCY FORMATION COMMISSION ISSUES WRIGHTWOOD CSD COMMITTEE RESPONSES

In reviewing and approving the proposal for formation of a Community Services District (CSD) for the community of Wrightwood, the Commission's purpose is to consider issues required by the Community Services District Law (Government Code Section 61000 et seq.) and Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), as well as a number of Commission policy issues relevant to the review of the formation of a new form of government for the community of Wrightwood.

The rewrite of Community Services District law became effective on January 1, 2006 and defines the purposes of these agencies through Section 61001(b), which reads as follows: "The Legislature finds and declares that for many communities, community services districts may be any of the following:

(1) A permanent form of governance that can provide locally adequate levels of public facilities and services.

The formation of a Wrightwood Community Services District (CSD) will be a permanent form of governance for this emerging community. The proposed powers of park and recreation, street lighting and solid waste services are currently being provided by County Service Area 56 and County Franchise Area 15. The consolidation of these services into a locally governed CSD will provide community determined levels of service. The community will have direct input to the Board of Directors in determining future growth of existing services, as well as development of additional services for the community.

(2) An effective form of governance for combining two or more special districts that serve overlapping or adjacent territory into a multifunction special district.

CSA 56 and CFA 15 are adjacent and overlapping. The formation of this CSD would consolidate these services into a single entity managed by a locally elected Board of Directors. This multifunction district will be more effective in delivering services to the community, but will not hamper other services provided by applicable counties or Special Districts.

(3) A form of governance that can serve as an alternative to the incorporation of a new city.

With the recent changes in the laws in California, it will be more difficult to provide sufficient revenues for a feasible new city and cities cannot cross county lines. The formation of the CSD for this community is an excellent alternative to formation of a new city and brings both side of the community into harmonic balance. When the community of Wrightwood gets the feasible matrix to form a city, it would behoove that city to maintain the CSD as a sphere because of its uniqueness to transcend county line or to go through the tedious process of realigning the county line to have the whole community within San Bernardino County.

(4) A transitional form of governance as the community approaches city hood.

This community has developed since the late 1800's. The original settlers were true independent pioneers. This strong sense of independence remains as a primary characteristic of the community. The population has grown over several decades and has been filling in the land locked valley mastering the development of limited space. It is possible that in the future community growth will provide sufficient resources for a feasible new city. The formation of a CSD for the community will provide an outstanding opportunity to mature as a self-governed entity. This developing maturity will be a superb foundation if the community transitions to a new city.

In addition, in order to approve this proposal, state law requires that the Commission's ultimate decision shall be based upon answers to the following questions:

1. Do the boundaries of the proposed new district make sense from a service delivery perspective for current and future growth? Are the boundaries reasonably recognizable? Do they promote efficient service delivery? Do they represent a community of interest? Do the proposed boundaries infringe on other established spheres of influence that might impede achievement of Commission goals in those areas?

The proposed CSD boundaries follow along existing community boundaries. The current boundaries of CSA 56 and CFA 15 have defined the larger portion of the community of Wrightwood for many decades but do not include the smaller portion of the community. Together the two special districts represent the boundaries established by the County of San Bernardino when they prepared the Community Plan as a segment of the County General Plan. These proposed CSD boundaries are clearly recognizable and logical for the efficient delivery of existing services and for future growth. They also span the county line and the services that the CSD provides are the only means to be equally serve to both sides of the community.

2. Would the formation of the new district impair the ability of any other agency to continue providing services? Would there be any adverse financial or service impacts on other agencies that would damage their ability to maintain service levels in other areas?

The proposed CSD formation will in no way impair the ability of any other agency to continue providing services. The CSD would have the ability to partner with other services when it is deemed logical and beneficial for the community, yet give each entity the independence that they deserve. Other County services will have zero impact by the formation of the CSD. The CSD would absorb the services and funding for parks and recreation, street lights and solid waste enabling the County to lighten their workload and refocus their time management.

3. Is the proposed new district financially feasible? Can it, at least, maintain the pre-formation service levels that are currently provided within the study area?

The proposal recommends that the existing levels of services be continued and no additional services be added. The proposal shows that the formation of this CSD is financially feasible. The forecasts indicate that with very conservative estimates of revenues and expenditures that the Net Change in Assets is positive and will continue to grow and provide funds for contingencies and reserves.

4. Does the proposed formation represent the best available service option for the community? Are there better alternatives for the provision of the range of services within the study area? Does the proposed formation provide for a more efficient and accountable form of government?

The proposal consolidates two County Board managed entities into a much more accountable agency with a locally elected Board of Directors, who will be able to obtain direct community input on a variety of current and future services. This will be a very effective agency for service delivery.

5. Would the proposed formation have any adverse environmental effects that cannot be mitigated to a level of non-significance? If it does, can those adverse effects be overridden by other benefits?

The proposal for formation of the Wrightwood Community Services District will have no adverse environmental effects. Since the proposal is a change in management from County Board managed entities to a consolidated self-governed district of currently provided services, there is a high degree of confidence that the appropriate authority will agree and submit a declaration of no impact on the environment. As noted since there is no change in the services being performed we do not believe an environmental impact report should be required.

PROPOSAL FEASIBILITY SUMMARY

This report discusses our examination of the financial and operational feasibility of reorganizing certain San Bernardino County Service Areas, into a new Community Services District (CSD). County Service Area 56 has Park and Recreation and Street Lighting encompassing the San Bernardino portion of the proposed CSD. County Franchise Area 15 provides solid waste and recycling encompassing the San Bernardino portion of the proposed CSD. The CSD proposes to have solid waste, park and recreation, and street lighting powers transferred from CSF-15 and CSA-56 eliminating these designated districts when the CSD formation commences and extend these powers to include the Los Angeles County portion of Wrightwood. The findings and conclusions that have resulted from this examination are summarized below.

- This feasibility and business plan covers the services that are proposed for the Wrightwood Community Services District (CSD). The proposed area is described by the legal description on page 26 and the maps ON PAGES 26 AND 27.

- The proposed CSD is located in unincorporated area of San Bernardino County and Los Angeles County and encompasses approximately 6012-sq acres within 9.61 square miles.

- The community has a strong desire to manage its own services through a CSD. The majority of the community is single family residential with commercial enterprise within a core centralized business

district. There is potential growth on the east side of the community for both residential and commercial purposes.

- The CSD Feasibility Committee would like to see an orderly and scheduled transition to local government, maintaining the same services that are now being supplied by CFA 15 (Solid Waste) and CSA 56 (Park and Recreation and Street Light power only). The basic transition period would be within seven months after the community approves the CSD through the electoral process. The CSD committee believes the newly elected board would work with current management through the transition period and may consider a longer transition and is recommending a contract with Special Districts, not to exceed one year to continue operation while the CSD gets set up to take over the management, administration, operation and maintenance of the areas, thus alleviating any immediate employee concerns on the part of Special Districts.

- LAFCO's approval of the formation of the Wrightwood Community Services District would authorize a locally elected District Board to assume oversight for the management and operations of the park and recreation and street lighting powers currently operated by CSA 56 and solid waste powers provided by CFA 15, both of which would be dissolved through the formation of the CSD.

- The Board would then take on the recruitment of a General Manager/Administrator, CONTRACT FOR Financial Services and Legal Counsel.

Wrightwood County Service Area's History

County Service Areas (CSA) A County Service Area and County Franchise Areas are components unit of the County of San Bernardino and is governed by the actions of the County Board of Supervisors.

County Service Area 56: The County Service Area (CSA) No. 56 was established by an act of the Board of Supervisors of the County of San Bernardino sometime in the 1950's under Section 4700 of the State Health & Safety Code to maintain streetlights. On January 11, 1971, the County Board of Supervisors approved the expansion of the district to its current size and added park and recreation plus sewer powers to CSA 56. Parks and Recreation was added so that the community center and other features would be donated by the Lions Club to the CSA and that summer recreation programs could be developed. Sewer powers were sought so that a detailed engineering study could be funded to establish whether Wrightwood needed a sewage treatment facility and the associated infrastructure. Upon completion of the study, the study indicated Wrightwood was adequately served by individual septic systems and the CSA 56 Board voted to maintain the status quo). In 1980 the Wrightwood Fire Protection District that was formed in the 1960's was dissolved and put into CSA 56. Then through a countywide reorganization of County Fire this part of CSA 56 was dissolved into the North Desert Division.

County Franchise Area (CFA) No.15, In 1997 CR&R Waste and Recycling Services went into contract to serve CFA 15 and that contract renewed in 2007 and will be open for renewal in 2017. CR&R already services the LA County residential and commercial portion of Wrightwood but is not part of the CFA 15.

PROPOSAL GENERAL INFORMATION

CSA56 has the following fixed assets that should be transferred to the CSD upon formation, if approved through a communitywide Registrar of Voters open election.

1. Wrightwood Community Center, 1275 Hwy2, Wrightwood, CA 92397
 - a. Parking lots in front of Community Center between the banks
 - b. Outside restrooms- men's and women's
 - c. Diesel generator- emergency power for the community center
 - d. Vivian Null Park- stage and grass area
 - e. Veterans Park- monument, benches, grass and flag poles
 - f. Hollis Steward Park-including playground equipment (across the street next to the Wrightwood Elementary School)
 - g. Skate Park (across the street next to the Wrightwood Elementary School)
2. Old Fire Station/Museum, 6000 Cedar St, Wrightwood, CA 92397
3. Street Lights 23 (along Hwy 2 and within the village commercial district)

Reorganization Feasibility: It is the opinion of the Committee that the formation of a Community Services District would allow the continuance of the same levels of service currently performed by the County Service Areas, as well as an improvement in accountability to the community.

With a growing support from civic organizations and community members, the Committee believes that the aforementioned facilities would serve the community through cooperative agreements between the CSD and the organizations, thus expanding mutual community service and outreach while keeping fiscal requirements to a minimum.

Street Lights was the initial power of CSA-56 and currently involves 23 lights in specific areas for transportation and community safety. The committee embraces the county 'Dark Skies Ordinance' and feels that maintaining the current infrastructure is all that is needed.

The transfer of authority and powers Parks and Recreation plus Street Lights to the CSD would not create any environmental change and would be statutorily exempt from the California Environmental Quality Act (CEQA). This is based upon the fact that everything will remain the same and is exempt from the requirements of CEQA as outlined in the State CEQA Guidelines, Section 15061(b)(3) and the LAFCO Commission's Environmental Guidelines.

CFA 15, Though there are no fixed assets associated with CFA15, in our requested to include solid waste and recycling with the CSD services to be provided identified as follows: "Collect, transfer, and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code."

Public Resources Code 40000 et seq provides the State's legislative intent on waste management as a public health and safety concern as well as identifying that a cooperative regional approach is necessary to minimize the cost for service. The provisions for service within the existing Franchise Agreement would remain following activation and the District would assume the following responsibilities related to solid waste collection and recycling:

1. Implementation of Public Resources Code 40059 by determining "aspects of solid waste handling which are of local concern, including, but not limited to, frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste handling services". The existing franchise contract defines those and prior to entering into a new agreement prior to June 30, 2017, the District would need to make its own determinations.

2. Compliance with Public Resources Code Section 41821.2. This would require compliance with the source reduction and recycling element and the household hazardous waste element of the County. The District would provide information on its programs, the amount of waste disposed and reported to the disposal tracking system of the County and the amount of waste diverted.

CFA-15 provided the County with the receipt of \$58,600.80 in franchise fees for the year of 2014 and CR&R estimates a 1% annual gain each subsequent year. Within CFA-15, they service 1452-1523 accounts dependent upon the month and disposed of 2427.2 tons of solid waste with 288.6 ton recycled. CR&R already serves the LA County portion of the community and is willing to include this section into the agreement with the CSD. This would add approximately 63 L.A. County customers with accompanying franchise fee resource of \$1,578.53 annually with additional tonnage of 19.2. These revenues will allow the District to fund development of programs for further source reduction and recycling efforts, potentially educational pursuits for the community in its efforts to reduce the waste stream going to the County landfill and necessary reporting requirements.

The Committee believes that since this action of transferring the contract and revenue and retaining the same contractor would not create any environmental change it would be statutorily exempt from the California Environmental Quality Act (CEQA). This is based upon the fact that the project is exempt from the requirements of CEQA as outlined in the State CEQA Guidelines, Section 15061(b)(3) and the LAFCO Commission's Environmental Guidelines.

STRUCTURE OF THE ORGANIZING BODY

PUBLIC: The purpose of government is to serve the public. The public elects the Board of Directors as their representatives and is important in conveying their will through a number of communication methods.

BOARD OF DIRECTORS: The Board of Directors of the CSD will consist of 5 and be elected at large from all residents within the CSD boundaries in an election planned for the November 2016 ballot and serve alternative terms. Community approval for the CSD is also targeted for that same ballot. The three elected directors receiving the highest number of votes will serve four year terms. The two other directors initially will serve two years then (themselves or their elected successors) four year terms thereafter. Elections will be held every two years. Their purpose is to serve the will of the public and without bias and observing the highest levels of civility and decorum, determines the service and benefit of service that serves the majority of the public. The Board will be required to originally pledge to observe all of the Robert's Rule of Order, to refrain from any facial expressions or gestures when others of their board are speaking, To refer to each other by first and last name or as associated on his board and to whenever possible provide materials for circulation amongst the other board members for their consideration prior to discussing matters in an open meeting. The Board of Directors would be unpaid elected officials. The Board would not micro-manage staff or contractors but would instead work directly and through the GM for the CSD and allow the GM to perform the management duties and execute new projects, corrective actions and initiatives that they approve both on their own as a board and consultation with General Manager. The Board will also work with the CPA to enact and establish reasonable financial controls for the activities of the CSD.

GENERAL MANAGER: The General Manager will also be the Administrator of the CSD. The GM will be required to be a resident of at least two years within the CSD boundaries and will follow the direction of the Board and report to the Board the results of their direction. The GM will operate the matrix of services, direct staff and perform general management of every aspect involved to make the best use of

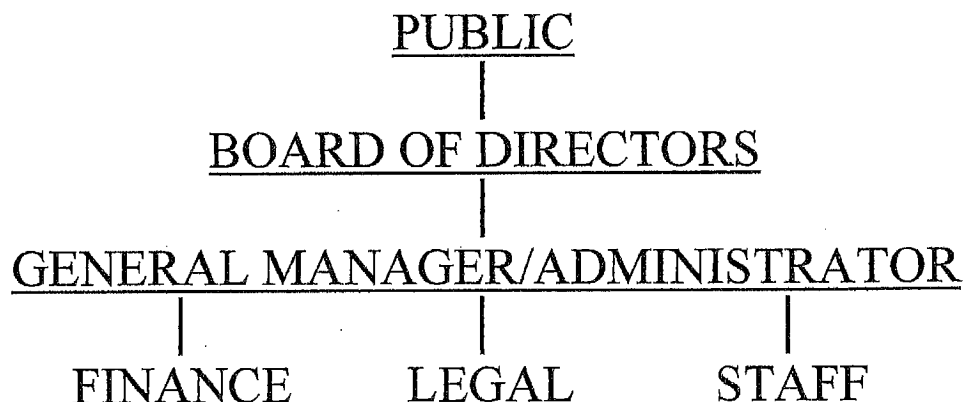
the districts resources. The GM is the liaison and spokesperson of the District. Staff and Contractors will work with the GM at her/his direction to fulfill the necessary duties they provide and take direction from the GM. Initially management will be part-time and will remain as such until changed by the Board. The GM would be paid a salary initially without a benefit program initially but GM compensation will be directed by the Board in consultation with their hired CPA for the future to comply with all employment laws and to provide a rewarding level of compensation in accordance with compensation for others working within the CSD boundaries. The GM would help in providing customer service directly or arraigning this with staff, if any, or volunteers. The GM will be expected to meet regularly and establish a good working relationship with employees and representatives in the government for both counties represented and to use her/his influence to obtain a higher level of support from those entities for the services they will continue to provide within the CSD and also to gain their assistance in performing CSD functions if appropriate. Initially and pending any changes approved by the Board of Directors in consultation with its CPA, the GM will also be responsible for managing the financial affairs of the CSD with the caveat that all expenditures not consistent with the approval initially or subsequent budget of the CSD will require a second signature for payment of the then acting Chairman of the CSD Board.

FINANCE: Since the District is small and does not require daily use of a Finance Officer, the committee suggest that monthly booking and annual audit (required) be outsourced to a bookkeeping contractor and the audit to a California certified CPA contractor. This person can be a single person if that person is a CPA in good standing especially with the strict ethical guidelines of that profession. For this and other contracted positions the initial search will be to fill the position from contractors within the CSD boundaries.

LEGAL: An attorney familiar with governments or is willing to become familiar and especially Community Services Districts should be contracted on an 'as needs' basis. The attorney will help keep the District in legal compliance and represent the District on legal matters when needed.

STAFF: This will be as needed as determined by the GM who may choose initially to self perform staff functions due to the limited scope of this CSD. When and if hired staff would work part-time performing routine daily, weekly, monthly maintenance and other work as directed by the GM. The person could work with the GM in handling customer service.

Wrightwood Community Services District Organization Chart



FINANCIAL INFORMATION FOR PROPOSED CSD

The schedules on the following pages show the revenues and expenditures for:

1. 5 year CSD projected budget proposal (2017, 2018, 2019, 2020, 2021)
2. The schedule of Salary, Benefits, and Contract Services
3. The budget or actual information for CFA-15 for the year 2014
4. The budget or actual information for CSA-56 (2014, 2015, 2016)

PROJECTED 5 YEAR BUDGET

NOTE: Property Tax does not include LA County due to lack of availability at this time.
Reserve based upon SB County 2016 budget Unit 600 \$46,657 plus projected budget revenue surplus. One time purchase of work vehicle: \$20,000 deducted from reserve.
Solid waste does include San Bernardino and LA County service by CR&R Disposal, Inc. with 1% annual escalator as projected by CR&R.

REVENUE	2017	2018	2019	2020	2021
PROPERTY TAX	119,658.00	119,658.00	119,658.00	119,658.00	119,658.00
RENTAL	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
SOLID WASTE	60,179.33	60,781.12	61,388.93	62,002.82	62,622.85
STREET LIGHTS	3,500	3,500	3,500	3,500	3,500
TOTAL	205,337.33	205,939.12	206,546.93	207,160.82	207,780.85
RESERVE	51,954.33	70,565.45	85,833.62	97,593.55	138,675.48

EXPENSE	2017	2018	2019	2020	2021
GM/ADMIN	18,000	18,360	18,727.20	19,101.74	19,483.78
FINANCE CONTRACTOR	12,000	12,000	12,000	12,000	12,000
STAFF	26,400	26,928	27,466.56	28,015.89	28,576.21
ATTORNEY	12,000	12,000	12,000	12,000	12,000
ANNUAL AUDIT	3,000	3,000	3,000	3,000	3,000
UTILITIES	23,000	24,150	25,357.50	26,625.38	27,956.64
INSURANCE	3,500	3,500	3,500	3,500	3,500
EQUIP/SUPPLIES	30,000	31,500	33,075	34,728.75	36,465.19
MISC	5,000	5,250	5,512.5	5,788.13	6,077.53
STREET LIGHT	4,140	4,140	4,140	4,140	4,140
SOLID WASTE RECYCLE PROGRAMS	10,000	10,000	10,000	10,000	10,000
SKATE PARK LOAN \$132,000	33,000	33,000	33,000	33,000	0
SUB-TOTAL	180,040	183,828	187,778.76	191,900.89	163,198.92
REVENUE	205,337.33	205,939.12	206,546.93	207,160.82	207,780.85
SURPLUS	25,297.33	21,111.12	18,768.17	15,259.93	44,581.93

SCHEDULE OF SALARIES, BENEFITS AND CONTRACT SERVICES

Cost of salaries, benefits and Contract Services are within the 5 year proposed expenditures.

All administration/employees based upon part time status and with a 2% escalator, no benefit package will be implemented.

General Manager/Administrator will be salaried: inc estimated state and federal taxes and other applicable shared deductions as projected within 5 year budget

1 maintenance employees @ 25 hours per week: inc estimated state and federal taxes and other applicable shared deductions as projected within 5 year budget

Financial Contractor would be per agreement

Audit CPA would be per agreement

Attorney would be as needed/ no escalator

Utilities based upon 5% escalator

Equip/supplies/ Misc based upon a 5% escalator

Street Light Edison cost per light \$15 monthly/23 lights.

So Cal Edison would retain Management and Operations of Street Lights through contract

CR&R would retain Management and Operations of Solid Waste and Recycling

CR&R, Incorporated CFA 15 Annual Accounting Report

Reporting Period: January through December 2014

MONTH	GROSS RECEITS	DISPOSAL FEES	FRANCHISE FEE	NET RESULTS
<i>JANUARY</i>	88,854.15	2,065.46	8,678.87	78,109.82
<i>FEBRUARY</i>	41,050.62	2,109.79	3,894.08	35,046.75
<i>MARCH</i>	21,569.35	2,847.98	1,872.14	16,849.23
<i>APRIL</i>	88,854.15	2,065.46	8,678.87	78,109.82
<i>MAY</i>	42,343.06	1,703.79	4,063.93	36,575.34
<i>JUNE</i>	20,952.95	2,635.34	1,872.14	16,485.85
<i>JULY</i>	95,442.09	3,251.16	9,219.09	82,971.84
<i>AUGUST</i>	41,812.98	3,218.81	3,859.42	34,734.75
<i>SEPTEMBER</i>	24,166.86	2,863.53	2,130.33	19,173.00
<i>OCTOBER</i>	102,568.08	4,215.75	9,835.23	88,517.10
<i>NOVEMBER</i>	27,145.80	3,183.69	2,396.21	21,565.90
<i>DECEMBER</i>	24,716.12	3,307.45	2,140.87	19,267.80
<i>TOTALS</i>	619,476.21	33,468.21	58,600.80	586,008.00

NOTE: Wrightwood LA County is not part of CFA 15. Average number of accounts: 63 Average gross receipts: monthly 1,644.30 Annually 19,731.60 Average Potential Franchise Fee: Annually @ 8% 1,578.53

CR&R INCORPORATED
San Bernardino County Franchise
Agreement 15
Annual Collection Information Report

Reporting Period:

January-December 2014

MONTH	NO. ACCOUNTS	Solid Waste Tons	Recyclables Tons	Green Waste Tons	Total Tons
<i>JANUARY</i>	1452	181.7	23.1	0	204.8
<i>FEBRUARY</i>	1450	157.2	20	0	177.2
<i>MARCH</i>	1456	188	18.3	0	206.3
<i>APRIL</i>	1462	204.1	23	0	227.1
<i>MAY</i>	1475	197.1	22	0	219.1
<i>JUNE</i>	1477	219.9	26.9	0	246.8
<i>JULY</i>	1494	202.4	27	0	229.4
<i>AUGUST</i>	1507	208.1	25.1	0	233.2
<i>SEPTEMBER</i>	1523	246.3	25.4	0	271.7
<i>OCTOBER</i>	1497	214.9	31.1	0	246
<i>NOVEMBER</i>	1508	193.3	22.1	0	215.4
<i>DECEMBER</i>	1521	214.2	24.6	0	238.8
<i>TOTALS</i>	17822	2427.2	288.6	0	2715.8

ANNUAL DIVERSION REPORT
CFA 15 2014

NUMERS ARE IN TONAGE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
ALUMINUM CANS	0	0	0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.9
BI-METAL	0	0	0	1	1	1.6	1.8	2.3	1.9	1.6	1.2	1.9	14.3
BULKY ITEMS	0	0	0	0	0	0	0	0	0	0	0	0	0
CARDBOARD	0.6	0.3	0.5	3.9	4.2	5	7	5.7	5	6.5	5	4.5	48.2
CHRISTMAS TREES	0	0	0	0	0	0	0	0	0	0	0	0	0
CONCRETE	0	0	0	0	0	0	0	0	0	0	0	0	0
CONST/ DEMO/INERT	0	0	0	0	0	0	0	0	0	0	0	0	0
GLASS	0	0	0	1.4	1.1	2.2	2.3	1.4	1.4	1.3	1.1	1.4	13.6
MIXED PAPER	0	0	0	4.3	4.8	5.9	7.1	5.4	5.1	6.8	4.6	5.1	49.1
MIXED PLASTIC	0	0	0	1.1	1.4	1.9	2.2	1.6	1.5	1.4	1	1.5	13.6
NEWSPAPER	0	0	0	11.2	9.5	10.3	14.3	10.5	10.1	13.4	9.1	10.1	98.5
SCRAP METAL	0	0	0	0	0	0	0	0	0	0	0	0	0
TIRES	0	0	0	0	0	0	0	0	0	0	0	0	0
WOOD	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	22.5	19.7	18.8	0	0	88.48	0	0	0	0	0	0	149.48
OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DIVERSION	23.1	20	19.3	23	22.1	115.48	34.8	27	25.1	31.1	22.1	24.6	387.68

CSA-56 PARK BUDGET 2014-16

Fiscal Year 2016

Special Revenue Summary

Appr Unit	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	Change
APPROPRIATION											
	Subtotal	0	0	0	0	0	0	0	0	0	0
Staffing Expenses											
100	Salaries And Benefits	22,372	38,310	38,310	38,310	22,284	0	36,595	36,595	36,595	-1,715
140	Earned Leave	0	0	0	0	0	0	0	0	0	0
	Subtotal	22,372	38,310	38,310	38,310	22,284	0	36,595	36,595	36,595	-1,715
Operating Expenses											
200	Services And Supplies	55,821	102,103	102,103	102,103	56,093	0	80,635	80,635	80,635	-21,468
241	Central Services	73	91	91	91	91	0	91	126	126	35
294	Travel and Related Costs	5	400	400	400	250	0	400	400	400	0
300	Other Charges	42,000	27,000	27,000	27,000	27,000	0	27,000	27,000	27,000	0
540	Transfers	44,584	49,355	49,355	49,355	49,355	0	49,952	49,952	49,952	597
	Subtotal	142,483	178,949	178,949	178,949	162,789	0	158,113	158,113	158,113	-20,836
Capital Expenditures											
400	Land	0	0	0	0	0	0	0	0	0	0
410	Improvements To Land	0	0	0	0	0	0	0	0	0	0
420	Easements/Right of Ways	0	0	0	0	0	0	0	0	0	0
430	Struct & Improv To Structures	0	0	0	0	0	0	0	0	0	0
440	Equipment	0	0	0	0	0	0	0	0	0	0
450	Vehicles	0	0	0	0	0	0	0	0	0	0
460	Lease Purchase-Structures	0	0	0	0	0	0	0	0	0	0
465	Lease Purchase-Equipment	0	0	0	0	0	0	0	0	0	0
470	Lease Purchase-Vehicles	0	0	0	0	0	0	0	0	0	0
480	Construction In Progress	0	0	0	0	0	0	0	0	0	0
490	Capitalized Software	0	0	0	0	0	0	0	0	0	0
	Subtotal	0	0	0	0	0	0	0	0	0	0
Reimbursements											
541	Reimbursements	0	0	0	0	0	0	0	0	0	0
	Subtotal	0	0	0	0	0	0	0	0	0	0
Contingencies											
600	Contingencies and Reserves	0	66,481	66,481	66,481	0	0	46,657	46,657	46,657	-19,824

7/14/2015 02:08 PM

1 of 3

County of San Bernardino
Fund-Dept SKD-380, Rollup - CSA #56
Fiscal Year 2016

Special Revenue Summary

Appr Unit	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	Change
	Subtotal	0	66,481	66,481	66,481	0	0	46,657	46,657	46,657	-19,824
	TOTAL APPROPRIATION	164,855	283,740	283,740	283,740	185,073	0	241,365	241,365	241,365	-42,375
	Operating Transfers Out										
530	Operating Transfers Out	238,000	0	0	0	0	0	0	0	0	0
	Subtotal	238,000	0	0	0	0	0	0	0	0	0
	TOTAL REQUIREMENTS	402,855	283,740	283,740	283,740	185,073	0	241,365	241,365	241,365	-42,375
	REVENUE										
	Taxes										
00	Taxes	119,583	116,757	116,757	116,757	120,026	0	119,658	119,658	119,658	2,901
	Subtotal	119,583	116,757	116,757	116,757	120,026	0	119,658	119,658	119,658	2,901
	State/Federal/Other Govt										
40	State Aid	1,395	1,438	1,438	1,438	1,394	0	1,395	1,395	1,395	-43
50	Federal Aid	0	0	0	0	0	0	0	0	0	0
60	Other Governmental Aid	0	0	0	0	0	0	0	0	0	0
	Subtotal	1,395	1,438	1,438	1,438	1,394	0	1,395	1,395	1,395	-43
	Fee/Rate										
10	Licenses, Permits & Franchises	0	0	0	0	0	0	0	0	0	0
20	Fines, Forfeitures & Penalties	0	0	0	0	0	0	0	0	0	0
70	Charges For Current Services	2,408	6,000	6,000	6,000	5,000	0	6,000	6,000	6,000	0
	Subtotal	2,408	6,000	6,000	6,000	5,000	0	6,000	6,000	6,000	0
	Other Revenue										
30	Rev From Use of Money/Property	20,849	25,946	25,946	25,946	20,340	0	22,526	22,526	22,526	-3,420
80	Other Revenue	381	0	0	0	0	0	0	0	0	0
90	Other Financing Sources	205,478	0	0	0	-3,500	0	0	0	0	0
	Subtotal	226,708	25,946	25,946	25,946	16,840	0	22,526	22,526	22,526	-3,420
	TOTAL REVENUE	350,094	150,141	150,141	150,141	143,260	0	149,579	149,579	149,579	-562
	Operating Transfers In										
98	Operating Transfers In	0	13,743	13,743	13,743	13,743	0	0	0	0	-13,743
	Subtotal	0	13,743	13,743	13,743	13,743	0	0	0	0	-13,743
	TOTAL FINANCING	350,094	163,884	163,884	163,884	157,003	0	149,579	149,579	149,579	-14,305

7/14/2015 02:08 PM

2 of 3

County of San Bernardino
Fund-Dept SKD-380, Rollup - CSA #56
Fiscal Year 2016

Special Revenue Summary

Appr Unit	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	Change
	FUND BALANCE	52,761	119,856	119,856	119,856	28,070	0	91,786	91,786	91,786	-28,070
	TARGET FUND BALANCE	0	119,856	0	0	91,786	0	91,786	91,786	91,786	91,786
	FUND BALANCE (OVER)/UNDER	-52,761	0	0	0	63,716	0	0	0	0	0
	Budgeted Staffing		3	0	0			3	3	3	3

Fund/Dept	Appr Unit	Object Code	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	D	Explanation / Justification	Change
SKD/380	100	9870	Op. Expenditures - Salaries	2,481	0	0	0	0	0	0	0	0	0		0
SKD/380	100	1000	Regular Salary	14,081	0	0	0	0	0	0	0	0	0		0
SKD/380	100	1015	Extra Help	5,577	34,854	34,854	34,854	21,558	0	34,830	34,830	34,830	0		0
SKD/380	100	1015	Unemployment Insurance	-124	0	0	0	0	0	0	0	0	0		-24
SKD/380	100	1222	Short Term Disability	62	0	0	0	0	0	0	0	0	0		0
SKD/380	100	1225	Fica Medicare Tax	204	348	348	348	73	0	348	348	348	0		0
SKD/380	100	1230	State Disability Ins-Employers	0	348	348	348	73	0	348	348	348	0		0
SKD/380	100	1235	Workers Compensation Insurance	91	1,893	1,893	1,893	397	0	199	199	199	0		-1,690
SKD/380	100	1318	Pst Plan Co. Pld	0	871	871	871	183	0	870	870	870	0		-1
			Salaries And Benefits Total	22,372	38,310	38,310	30,318	22,284	0	36,595	36,595	36,595			-1,715
SKD/380	200	2025	Clothing & Personal Supplies	0	250	250	250	0	0	250	250	250	0		0
SKD/380	200	2030	Safety Equip	0	0	0	0	57	0	0	0	0	0		0
SKD/380	200	2070	Food	53	100	100	100	44	0	50	50	50	0		-50
SKD/380	200	2085	Legal Notices	76	90	90	90	90	0	90	90	90	0		0
SKD/380	200	2115	Computer Software Expense	69	0	0	0	0	0	0	0	0	0		0
SKD/380	200	2116	Computer Hardware Expense	1,855	0	0	0	648	0	0	0	0	0		0
SKD/380	200	2120	Small Tools & Instruments	215	1,000	1,000	1,000	250	0	1,000	1,000	1,000	0		0
SKD/380	200	2130	Noninventoriable Equipment	1,388	13,000	13,000	13,000	2,311	0	5,000	5,000	5,000	0		-8,000
SKD/380	200	2135	Special Dept Expense	1,203	0	0	0	497	0	500	500	500	0		500
SKD/380	200	2180	Utilities	15,355	19,000	19,000	19,000	21,949	0	23,000	23,000	23,000	0		4,000
SKD/380	200	2181	Cell Phones - Outside	588	800	800	800	749	0	800	800	800	0		0
SKD/380	200	2195	Services & Supp Maint	-30,279	0	0	0	0	0	0	0	0	0		0
SKD/380	200	2210	Property Insurance (Isf Only)	1,122	1,256	1,256	1,256	1,256	0	1,256	1,256	1,256	0		0
SKD/380	200	2220	Other General Liab (Isf Only)	1,050	714	714	714	714	0	714	714	714	0		0
SKD/380	200	2303	Program Supplies	0	1,000	1,000	1,000	0	0	1,000	1,000	1,000	0		0
SKD/380	200	2305	General Office Expense	259	500	500	500	200	0	500	500	500	0		0
SKD/380	200	2323	Courier & Printing (Isf Only)	253	0	0	0	0	0	0	0	0	0		0
SKD/380	200	2345	Subscriptions	0	100	100	100	0	0	100	100	100	0		0
SKD/380	200	2400	Prof & Specialized Services	80	0	0	0	0	0	0	0	0	0		0
SKD/380	200	2405	Auditing	2,570	2,570	2,570	2,570	2,570	0	2,570	2,570	2,570	0		0
SKD/380	200	2415	County Services (Incl Cowcap)	3,991	11,733	11,733	11,733	11,733	0	5,360	5,360	5,360	0		-6,373
SKD/380	200	2419	Real Estate Services-Svc Chgs	0	0	0	0	1,509	0	0	0	0	0		0
SKD/380	200	2420	Isd Other It Svcs (Isf Only)	180	1,640	1,640	1,640	90	0	180	180	180	0		-1,460
SKD/380	200	2421	Isd Direct Labor (ISF Only)	0	0	0	0	428	0	0	0	0	0		0
SKD/380	200	2444	Security Services	0	500	500	500	35	0	450	450	450	0		-50
SKD/380	200	2445	Other Professional & Spec Svcs	34,276	20,000	20,000	20,000	22,371	0	15,000	15,000	15,000	0		-5,000
SKD/380	200	2448	County Counsel Services	162	500	500	500	1,174	0	500	500	500	0		0
SKD/380	200	2453	Hardware Maintenance	40	0	0	0	0	0	0	0	0	0		0
SKD/380	200	2835	General Household Expenses	3,581	4,000	4,000	4,000	3,899	0	4,000	4,000	4,000	0		0
SKD/380	200	2840	Medical Expense	0	250	250	250	0	0	250	250	250	0		0
SKD/380	200	2855	General Maintenance-Equipment	2,089	1,000	1,000	1,000	1,288	0	1,000	1,000	1,000	0		0

Fund/Dept	Appr Unit	Objct Code	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	D	Explanation / Justification	Change
SKD/380	200	2870	Gen Maint-Struct,Imp & Grounds	9,650	18,000	18,000	18,000	9,797	0	15,000	14,965	14,965			-3,035
SKD/380	200	2930	Maintenance Charges (Isf Only)	5,963	4,100	4,100	4,100	2,264	0	2,100	2,100	2,100			-2,000
SKD/380	200	2953	Fuel	74	0	0	0	150	0	0	0	0			0
			Services And Supplies Total	55,823	102,103	102,103	102,103	96,093	0	80,670	80,635	80,635			-21,468
SKD/380	241	2410	Data Processing (Isf Only)	73	91	91	91	91	0	91	126	126			35
			Central Services Total	73	91	91	91	91	0	91	126	126			35
SKD/380	294	2940	Private Mileage Non-Taxable	0	50	50	50	0	0	50	50	50			0
SKD/380	294	2941	Conf/Tng/Seminar Fees	5	250	250	250	250	0	250	250	250			0
SKD/380	294	2943	Meals - Non-Taxable	0	100	100	100	0	0	100	100	100			0
			Travel and Related Costs Total	5	400	400	400	250	0	400	400	400			0
SKD/380	300	3325	Debt Service - Principal	41,509	27,000	27,000	27,000	26,893	0	26,893	26,893	26,893			-107
SKD/380	300	3330	Debt Service - Interest	491	0	0	0	107	0	107	107	107			107
			Other Charges Total	42,000	27,000	27,000	27,000	27,000	0	27,000	27,000	27,000			0
SKD/380	530	5030	Operating Transfers Out	238,000	0	0	0	0	0	0	0	0			0
			Operating Transfers Out Total	238,000	0	0	0	0	0	0	0	0			0
SKD/380	540	5010	Saleses & Bene Transfers Out	34,695	39,655	39,655	39,655	39,655	0	39,041	39,041	39,041			-614
SKD/380	540	5012	Servs & Supply Transfers Out	9,889	9,700	9,700	9,700	9,700	0	10,911	10,911	10,911			1,211
			Transfers Total	44,584	49,355	49,355	49,355	49,355	0	49,952	49,952	49,952			537
SKD/380	600	6000	Appropriations - Contingencies	0	66,481	66,481	66,481	0	0	46,657	46,657	46,657			-19,824
			Contingencies and Reserves Total	0	66,481	66,481	66,481	0	0	46,657	46,657	46,657			-19,824
SKD/380	00	8015	Prop Taxes-Cur Sec 1% Tax Levy	106,506	105,256	105,256	105,256	108,631	0	106,506	106,506	106,506			1,250
SKD/380	00	8025	Prop Tx Cur Unsec 1% Gen Tax	4,625	4,666	4,666	4,666	4,778	0	4,625	4,625	4,625			-41
SKD/380	00	8035	Prop Tx Cur Unlary 1% Levy	2,463	2,216	2,216	2,216	2,463	0	2,463	2,463	2,463			247
SKD/380	00	8115	Prop Tx Pri Sec 1% Gen Tax Levy	-85	0	0	0	-85	0	-85	-85	-85			-85
SKD/380	00	8125	Prop Tx Pri Unsec 1% Gen Tax	163	170	170	170	150	0	163	163	163			-7
SKD/380	00	8135	Prop Tx Pri Unlary 1% Levy	0	0	0	0	0	0	0	0	0			0
SKD/380	00	8145	Int & Pen Delinquent Taxes	1,878	1,611	1,611	1,611	1,527	0	1,878	1,878	1,878			267
SKD/380	00	8176	5% Supplemental Admin Charges	-74	0	0	0	0	0	0	0	0			0
SKD/380	00	8230	Supp Roll Current	914	272	272	272	852	0	914	914	914			642
SKD/380	00	8235	Supp Roll Prior	3,194	2,566	2,566	2,566	1,710	0	3,194	3,194	3,194			628
			Taxes Total	119,584	116,757	116,757	116,757	120,026	0	119,658	119,658	119,658			2,901
SKD/380	30	8500	Interest	526	564	564	564	340	0	526	526	526			-38
SKD/380	30	8525	Rents & Concessions	20,323	25,382	25,382	25,382	20,000	0	22,000	22,000	22,000			-3,382
			Rev From Use of Money/Property Total	20,849	25,946	25,946	25,946	20,340	0	22,526	22,526	22,526			-3,420

Fund/Dept	Appr Unit	Object Code	Description	2014 Actual	2015 Adopted	2015 Q2 Budget	2015 Q4 Budget	2015 Estimated	2015 Actual	2016 Requested	2016 Recommended	2016 Adopted	D	Explanation / Justification	Change
SKD/380	40	8800	General Tax Levy Homeowner Exm	1,395	1,438	1,438	1,438	1,394	0	1,395	1,395	1,395			-43
			State Aid Total	1,395	1,438	1,438	1,438	1,394	0	1,395	1,395	1,395			-43
SKD/380	70	9580	Park & Recreation Fees	0	6,000	6,000	6,000	5,000	0	6,000	6,000	6,000			0
SKD/380	70	9600	Other Services	2,408	0	0	0	0	0	0	0	0			0
			Charges For Current Services Total	2,408	6,000	6,000	6,000	5,000	0	6,000	6,000	6,000			0
SKD/380	80	9984	Net Incr/Decr In Fair Value	381	0	0	0	0	0	0	0	0			0
			Other Revenue Total	381	0	0	0	0	0	0	0	0			0
SKD/380	90	9985	Long Term Debt Proceeds	200,000	0	0	0	0	0	0	0	0			0
SKD/380	90	9995	Residual Equity Transfers In	5,478	0	0	0	0	0	0	0	0			0
SKD/380	90	9999	Residual Equity Transfers Out	0	0	0	0	-3,500	0	0	0	0			0
			Other Financing Sources Total	205,478	0	0	0	-3,500	0	0	0	0			0
SKD/380	98	9975	Op Transfers In	0	13,743	13,743	13,743	13,743	0	0	0	0			-13,743
			Operating Transfers In Total	0	13,743	13,743	13,743	13,743	0	0	0	0			-13,743

County of San Bernardino
Fund-Dept SKD-380, Rollup - CSA #56
Fiscal Year 2016

(200 Appropriation Unit)

Obj Code	Description	2015 Budget	2015 Estimated	2016 Adopted	Explanation / Justification	Fund/Dept/Org
2025	Clothing & Personal Supplies	250	0	250		
2030	Safety Equip	0	57	0		
2070	Food	100	44	50		
2085	Legal Notices	90	90	90		
2115	Computer Software Expense	0	0	0		
2116	Computer Hardware Expense	0	648	0		
	Misc. Small Tools	1,000	250	1,000		SKD/380/380
2120	Small Tools & Instruments	1,000	250	1,000		
	Park Equipment	8,000	0	0	0 Outdoor Exercise Equip	SKD/380/380
		5,000	2,311	5,000	5,000 Picnic Tables	SKD/380/380
2130	Noninventoriable Equipment	13,000	2,311	5,000		
2135	Special Dept Expense	0	497	500		
2180	Utilities	19,000	21,949	23,000		
2181	Cell Phones - Outside	800	749	800		
2195	Services & Supp Reimb	0	0	0		
2210	Property Insurance (1st Only)	1,256	1,256	1,256		
2220	Other General Liab (1st Only)	714	714	714		
	Senior Trips	1,000	0	1,000	Implementation of Trip Program	SKD/380/380
2303	Program Supplies	1,000	0	1,000		
2305	General Office Expense	500	200	500		
2323	Courier & Printing (1st Only)	0	0	0		
2345	Subscriptions	100	0	100		
2400	Prof & Specialized Services	0	0	0		
2405	Auditing	2,570	2,570	2,570		
		11,733	11,733	5,360		SKD/380/380
2415	County Services (Incl Cowcap)	11,733	11,733	5,360		
2419	Real Estate Services -Svc	0	1,509	0		
	Purchase VPN Router	1,100	0	0	0 Establish Remote Site Connection	SKD/380/380
	Ongoing Service Charge	360	0	0	0 VPN Router 12@\$30	SKD/380/380
		180	90	180	180 ISD Other It Svcs	SKD/380/380

7/14/2015 02:07 PM

1 of 2

County of San Bernardino
Fund-Dept SKD-380, Rollup - CSA #56
Fiscal Year 2016

(200 Appropriation Unit)

Obj Code	Description	2015 Budget	2015 Estimated	2016 Adopted	Explanation / Justification	Fund/Dept/Org
2420	Isd Other It Svcs (Isf Only)	1,840	90	180		
2421	ISD Direct Labor (ISF Only)	0	428	0		
2444	Security Services	500	35	450		
	Roof Renovation Plans	5,000	5,000	5,000	Contract Instructors for Recreation Programs	SKD/380/380
	Roof Replacement	0	0	0	0 Structural Repair	SKD/380/380
					0 Extension of Roof Valley & New Singles	SKD/380/380
					10,000 CC East Side & Shed	SKD/380/380
2445	Other Professional & Spec	20,000	22,371	15,000		
2448	County Counsel Services	500	1,174	500		
2453	Hardware Maintenance	0	0	0		
2835	General Household Expenses	4,000	3,899	4,000		
2840	Medical Expense	250	0	250		
2855	General	1,000	1,288	1,000		
2870	Gen Maint-Struct,Imp &	18,000	9,797	14,965		
	Generator Service	1,800	1,800	1,800	County Generator Services	SKD/380/380
	Gas Can Fueling	300	484	300	Gas Can Fuel for Mower	SKD/380/380
	Weld Shop Security Camera	2,000	0	0	0 Fabrication & Installation of Pole	SKD/380/380
2930	Maintenance Charges (Isf	4,100	2,284	2,100		
2953	Fuel	0	150	0		
	Total 200 - Services And	102,103	86,093	80,635		
	Grand Total	102,103	86,093	80,635		

Within the State of California, the County of San Bernardino, the County of Los Angeles,
The following:

Township 3 North, Range 7 West

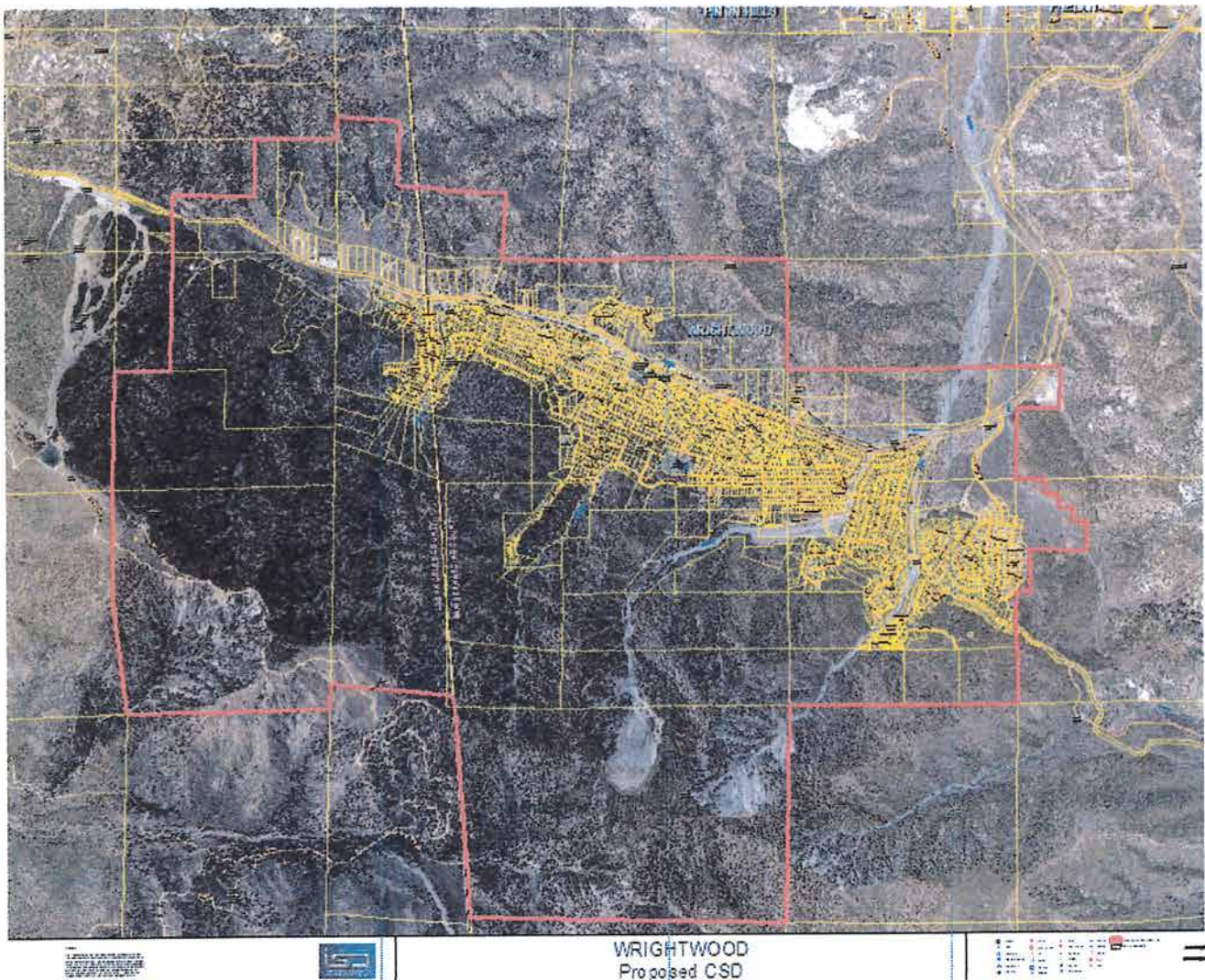
Including Sections the portion of 6, 7, 8, southern portion of 9, portion of 10, portion of 15, 16, 17, 18, 19, 20

Township 3 North, Range 8 West

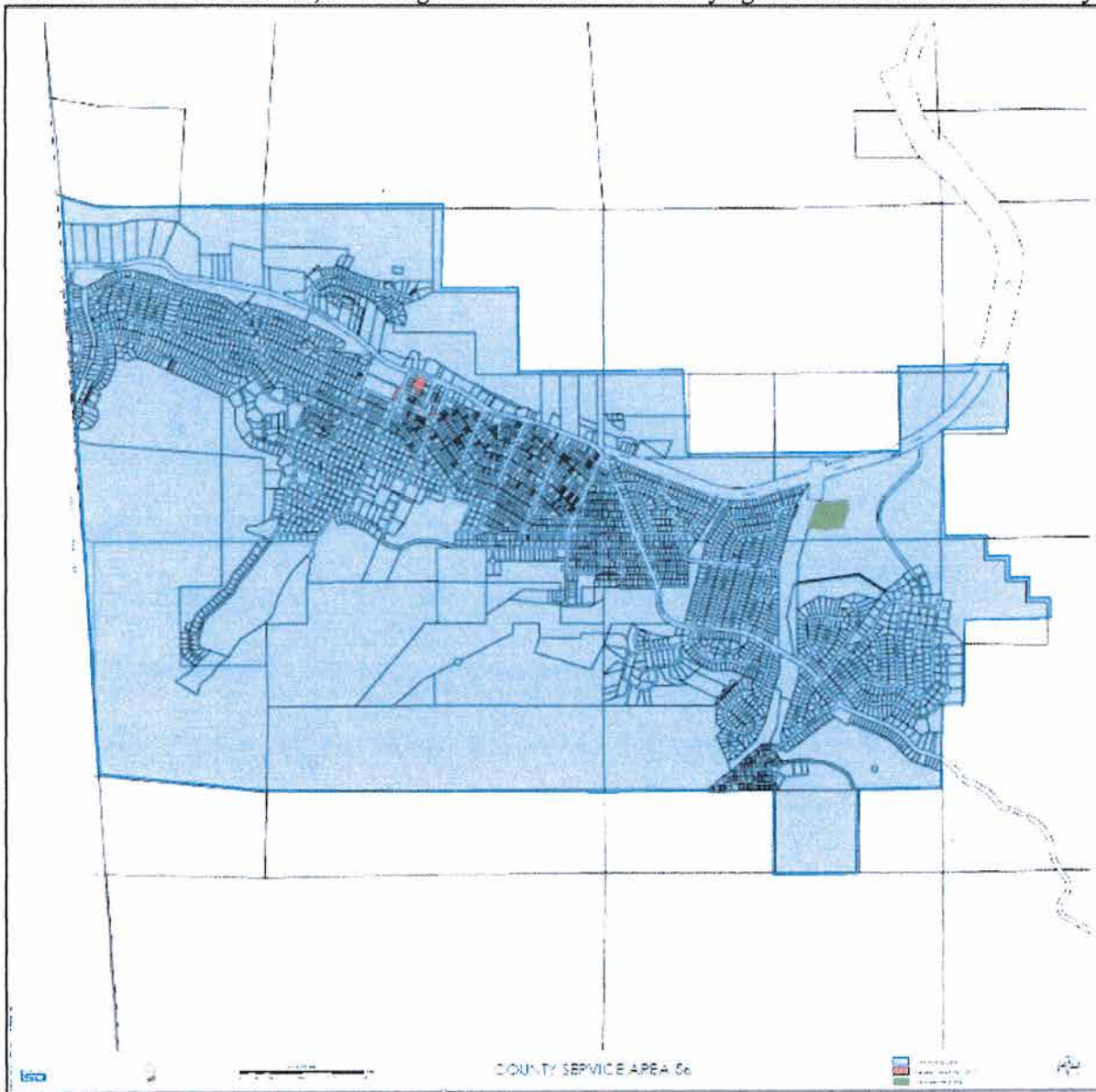
Including Sections the portions of 1, 2, 11, 12, 13, 14, 23.24

Area consist of 9.61 square miles more or less

COMMUNITY MAPS
Proposed Wrightwood CSD



CSA-56: Parks and recreation, Street Lights. CFA 15 that are overlaying districts thus the same boundary



PARK AND RECREATION FIXED ASSETS

Wrightwood Community Center: office, storage room, multi-use room, women and men's restrooms, stage, stage storage, commercial kitchen, alarm system, outdoor security lighting and camera system, and heating/air conditioning system.

Adjacent to the Community Center is the parking lot which is located between the two bank buildings and includes ingress/egress from both sides of parking lot. Public outdoor restrooms are separate from the community center and adjacent to the parking lot.

Auxiliary diesel fuel generator as back up for center's power and sit on the west side of the center, separate from the center. There is an large outdoor Bar-B-Que next to the generator.

West of the generator is a large storage building and west of that building and behind the public restrooms is the Vivian Null Park. The park sits elevated from the adjoining aforementioned parking lot consisting of some picnic tables/benches, sitting benches, grass area, flower planters and outdoor stage with electrical power.

The Veterans Park is adjacent to this area through a walkway and is separate with a wooden fence. It consist of a monument, flag poles, landscape, picnic tables and sitting benches.

Hollis Steward Park is west of the community center area on an adjacent street. It consist of a parking area, picnic tables, sitting benches and an array of children play equipment.

Adjacent to the Hollis Steward Park is the Skate Park consisting of a small parking area, picnic table and benches plus fenced-in concrete integrated skate park features.

Old Fire Station/Museum is on Cedar St and consists of the front section serving as a community museum with an adjacent small meeting room. Behind the meeting room is the old sleeping quarters that has been restored as a feature of the museum. In front of the facility is a small parking area. The facility has some storage features and heating/air conditioning.

There has been discussion of an additional park on the East-side of the community adjacent to Wright Mountain Rd. This property is owned by a local developer who has shown interest to dedicate the land for a future park. At this time the land is undeveloped and no title transfer in place.

23 Street Lights are consolidated within the business section of the community with a few of the lights at strategic roadway intersections as safety features. The lights are in compliance with the County Dark Sky Ordinance.

Wrightwood Community Center, 1275 Hwy2, Wrightwood, CA 92397



Parking lots in front of Community Center



Auxiliary Generator



Outside restrooms- men's and women's



Storage Building next to restrooms



Vivian Null Park- stage and grass area



Veterans Park



Hollis Steward Park



Skate Park



Old Fire Station/Museum
6000 Cedar St, Wrightwood, CA 92397



Street Lights 23



**AMENDMENT
WRIGHTWOOD COMMUNITY SERVICES DISTRICT
FEASIBILITY PLAN**

RECEIVED
JAN 12 2016

Los Angeles County Portion:

LAFCO
San Bernardino County

Street Lights: The street light system has been in place since the 1950's and was established to provide lighting within the business district and at targeted high profile intersections. Since that time, the interest of the community on both sides of the county line has been to retain the current system without expansion into the residential portions of the community. The WWCS D believes in maintaining the status quo and has not considered nor developed plans for expansion into the residential areas of either portion of the proposed district.

Solid Waste: Los Angeles County does not have a designated Solid Waste Service District to serve the Wrightwood portion of the county. CR&R has confirmed interest in providing equal revenue from that portion and currently services 63 homes. This estimate has already been included with the estimate of CFA-15 (San Bernardino) in the WWCS D budget, thus no budget adjustment for solid waste is necessary. There will be a new franchise agreement between the WWCS D and CR&R that will cover the entire district.

Parks and Recreation: Los Angeles County does not have a CSA that provides parks and recreation for the residents of Wrightwood. There will be a need to establish an Assessment for the 108 residential homes and the 80 vacant lots within the Los Angeles portion of the proposed WWCS D.

CSA-56 in San Bernardino County receives two tax assessments for parks and recreation. TRA 101031 (.01225376) and TRA 10133 (.01220841). The WWCS D recommends that an equal assessment for the LA County property taxable properties be created by the LA County Tax Assessor Office. WWCS D has used the online tax assessor mapping tool to evaluate the proposed assessment of 108 residential homes and 80 vacant lots, there are no business properties within this portion of the proposed WWCS D. The accumulative property value based upon the mapping tool is \$25,882,981. According to Jason Tajima (County of Los Angeles - Chief Executive Office, Office of Unincorporated Area Services) the property tax rate is 1% equaling \$258,829.81. At the proposed assessment of .02446217 (combination of the SB County two assessments: .01225376 and .01220841 percentages, the estimated budget adjustment will be \$6331.54.

Mapping tool:

http://maps.assessor.lacounty.gov/GVH_2_2/Index.html?configBase=http://maps.assessor.lacounty.gov/Geocortex/Essentials/REST/sites/PAIS/viewers/PAIS_hv/virtualdirectory/Resources/Config/Default

The new proposed 5 year budget is:

REVENUE	2017	2018	2019	2020	2021
PROPERTY TAX San Bernardino	119,658.00	119,658.00	119,658.00	119,658.00	119,658.00
PROPERTY TAX Los Angeles (proposed)	6331.54	6331.54	6331.54	6331.54	6331.54
RENTAL	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
SOLID WASTE	60,179.33	60,781.12	61,388.93	62,002.82	62,622.85
STREET LIGHTS	3,500	3,500	3,500	3,500	3,500
TOTAL	211,668.87	212,270.66	212,878.47	213,492.36	214,112.39
RESERVE	58,285.87	76896.99	92,165.16	103,925.09	145,007.02
EXPENSE	2017	2018	2019	2020	2021
GM/ADMIN	18,000	18,360	18,727.20	19,101.74	19,483.78
FINANCE	12,000	12,000	12,000	12,000	12,000
CONTRACTOR					
STAFF	26,400	26,928	27,466.56	28,015.89	28,576.21
ATTORNEY	12,000	12,000	12,000	12,000	12,000
ANNUAL AUDIT	3,000	3,000	3,000	3,000	3,000
UTILITIES	23,000	24,150	25,357.50	26,625.38	27,956.64
INSURANCE	3,500	3,500	3,500	3,500	3,500
EQUIP/SUPPIES	30,000	31,500	33,075	34,728.75	36,465.19
MISC	5,000	5,250	5,512.5	5,788.13	6,077.53
STREET LIGHT	4,140	4,140	4,140	4,140	4,140
SOLID WASTE RECYCLE PROGRAMS	10,000	10,000	10,000	10,000	10,000
SKATE PARK LOAN \$132,000	33,000	33,000	33,000	33,000	0
SUB-TOTAL	180,040	183,828	187,778.76	191,900.89	163,198.92
REVENUE	211,668.87	212,270.66	212,878.47	213,492.36	214,112.39
SURPLUS	31,628.87	27442.66	25,099.71	21,591.47	50,913.47

- **Jason Tajima** <jtajima@ceo.lacounty.gov>
- 12/24/15 at 4:42 PM
- To Natalie Lopiccolo

Hi,

I checked back with the Departments of Public Works and Parks and Recreation to verify the expenditure/revenues for parks/recreation, street lighting, and solid waste.

Parks and Rec has confirmed that there are no Departmental facilities, trails, or special districts in the area and thus doesn't believe there are direct expenditures or revenues on the LA County side of the area. Prop A funds are collected from virtually all real property parcels throughout LA County for discretionary grant funds for parks projects, however, no projects have been funded within the proposed CSD area.

Public Works confirms that it does not maintain any street lights in the LA County area of the CSD and is not in any LA County Street Light District. The area is not part of the LA County's residential trash franchise area, however, it is within the LA County Commercial Trash Franchise area. The department is trying to verify if any of the LA County parcels receive service from the County.

We were still curious from you whether the expenses included in the feasibility study include services proposed on the LA County side? (For example, are there going to be any streetlights installed on the LA County side?) Also, other than increased franchise fees, is the CSD proposing any assessments or special taxes on the households in the CSD?

Have a wonderful Christmas and New Year!

Thanks,

Jason

Jason Tajima
County of Los Angeles - Chief Executive Office
Office of Unincorporated Area Services

**Letters from County of Los Angeles
Dated May 11, 2016, March 23, 2016,
March 16, 2016, March 2, 2016,
and January 21, 2016
Related to Position on LAFCO 3202**

Attachment 3



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

RECEIVED
MAY 12 2016
LAFCO
San Bernardino County

May 11, 2016

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission for San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Ms. Rollings-McDonald:

**LAFCO 3202 – REORGANIZATION TO INCLUDE FORMATION OF THE
WRIGHTWOOD COMMUNITY SERVICES DISTRICT (CSD) AND
DISSOLUTION OF COUNTY SERVICE AREA 56**

The County of Los Angeles is providing the following response to your request for information on March 21, 2016, regarding services provided by CR&R Waste Services, the transfer of property taxes, and street lights on Highway 2.

1. CR&R has reported to the Los Angeles County Department of Public Works (DPW) that it serves 64 residential customers on the Los Angeles County side of the CSD, and provides two 64-gallon carts to each residential customer. CR&R has indicated that they do not provide any commercial bin service to Los Angeles County residents in the CSD area.

Should the Wrightwood CSD authorize a residential franchise collection contract, DPW requests the opportunity to review and provide comments on the draft scope of work prior to implementation, including to ensure the proposed service levels are:

- 1) Consistent with Los Angeles County's waste diversion goals, which apply Countywide, whether or not a DPW residential franchise exists. In 2014, the Los Angeles County Board of Supervisors adopted the "Roadmap to a Sustainable Waste Management Future" (dpw.lacounty.gov/epd/roadmap) that applies throughout unincorporated Los Angeles County, including within the Los Angeles County portion of the CSD area.
- 2) Comparable to the service requirements and standards contained within Los Angeles County residential franchise agreements.

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

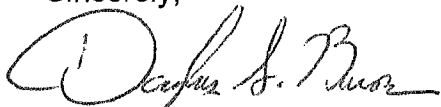
Ms. Rollings-McDonald
May 11, 2016
Page 2

DPW would like to reiterate that any commercial franchise service contract, including bin and roll-off rental to residential properties, affecting the Los Angeles County side should be non-exclusive to avoid conflict with the existing Los Angeles County Commercial Waste Collection Franchise.

2. As previously indicated in letters from the Chief Executive Office on March 16, 2016 and the Auditor-Controller on March 23, 2016, the County of Los Angeles reports no revenues and no costs related to the provision of parks and recreation, street lighting, and solid waste services in the Los Angeles County portion of the proposed Wrightwood CSD. Therefore, the County of Los Angeles would not be transferring a share of property taxes to the proposed CSD either under a direct transfer, or based on the cost of service calculation required by Government Code Section 56810.
3. The County of Los Angeles and the Wrightwood CSD Feasibility Committee have confirmed that there are no street lights along Highway 2 within the Los Angeles County portion of the Wrightwood CSD.

If you have any questions, please contact Jason Tajima at (213) 974-1145, or via e-mail at jtajima@ceo.lacounty.gov.

Sincerely,



DOUGLAS S. BARON
Interim Senior Manager
Asset Management Branch

DSB:DSP
JT:acn

- c: Michael D. Antonovich, Fifth Supervisorial District
John Naimo, Auditor-Controller
Mary C. Wickham, County Counsel
Gail Farber, Director of Public Works



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8533 FAX: (213) 229-0688

ADDRESS ALL CORRESPONDENCE TO:
PROPERTY TAX
APPORTIONMENT DIVISION
500 W. TEMPLE ST., ROOM 484
LOS ANGELES, CA 90012-3554

March 23, 2016

Kathleen Rollings-McDonald, Executive Director
Local Agency Formation Commission for San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

RECEIVED
MAR 29 2016
LAFCO
San Bernardino County

Dear Ms. Rollings-McDonald:

**LAFCO 3202-REORGANIZATION TO INCLUDE FORMATION OF THE WRIGHTWOOD
COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 56**

Pursuant to your request dated February 29, 2016, for the above referenced proposed formation, the following is the FY 2014-2015 County of Los Angeles property tax revenue information in accordance with Government Code Section 56810(c).

Property Tax Revenues:	\$3.175 billion
General Purpose Revenues:	\$5.491 billion
Property Tax as a Percentage of General Purpose Revenues:	57.8%

As reported to you in a letter dated March 16, 2016, from the Los Angeles County Chief Executive Office, there is zero net cost related to the provision of services (parks and recreation, street lighting, and solid waste) provided by Los Angeles County to the proposed area. As such, we understand there will be no transfer of property tax revenue from Los Angeles County to the Wrightwood Community Services District.

If you have any questions, please contact Grace Kinoshita at (213) 974-7998 or gkinoshita@auditor.lacounty.gov.

Sincerely,

Guy Zelenski
Division Chief
Property Tax Apportionment Division

GZ:KB:gk



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

RECEIVED
MAR 24 2016

LAFCO
San Bernardino County

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 16, 2016

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission for San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

Dear Ms. Rollings-McDonald:

LAFCO 3202 – REORGANIZATION TO INCLUDE FORMATION OF THE WRIGHTWOOD COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 56

In response to your request on February 29, 2016, the County of Los Angeles reports no net costs related to the provision of parks and recreation, street lighting, and solid waste services in the Los Angeles County (County) portion of the proposed Wrightwood Community Services District (CSD). The County portion of the CSD consists of 209 parcels located generally along State Route 2, east of the San Bernardino County line and west of State Route 138 in the Angeles National Forest. More specific information is included as follows.

Parks and Recreation

The County's net cost for parks and recreation services in the CSD area is zero. The County has no local assets, regional assets, trails, or any programs offered in the Los Angeles County portion of the CSD. In addition, the area is not a part of any park special district such as a Landscape Maintenance District, or Landscaping and Lighting Act District.

Street Lighting

The County's net cost for street lighting services in the CSD area is zero. There are no street lights in the Los Angeles County portion of the CSD, and the area is not within any Los Angeles County street lighting district.

Solid Waste

The County's net cost for solid waste services in the CSD area is zero. The Los Angeles County portion of the CSD is not part of the County's Residential Trash Franchise, or Garbage Disposal District system. While the Los Angeles County portion of the CSD is within the County's Commercial Trash Franchise, there are no current Commercial accounts reported.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

Ms. Rollings-McDonald
March 16, 2016
Page 2

If you have any questions, please contact Jason Tajima at (213) 974-1145, or via e-mail at jtajima@ceo.lacounty.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas S. Baron". The signature is fluid and cursive, with a large initial "D" and "B".

Douglas S. Baron
Interim Senior Manager
Asset Management Branch

DSB:DSP
JT:acn

c: Supervisor Michael D. Antonovich, Fifth Supervisorial District
John Naimo, Auditor-Controller
Mary C. Wickham, County Counsel
John Wicker, Acting Director of Parks and Recreation
Gail Farber, Director of Public Works



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

RECEIVED
MAR 07 2016

LAFCO
San Bernardino County

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 2, 2016

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission for San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

Dear Ms. Rollings-McDonald:

LAFCO 3202 – Reorganization to Include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56

In response to your notice of filing, the County of Los Angeles has prepared the following comments on the proposed formation of the Wrightwood Community Services District (CSD) with the powers to provide street lighting, solid waste and park and recreation services, and dissolution of County Service Area 56, which currently provides street lighting and park and recreation services to a portion of the area that is within San Bernardino County. The Los Angeles County portion of the CSD consists of 209 parcels located generally along the Angeles Crest Highway (State Route 2), east of the San Bernardino County line, and west of State Route 138 in the Angeles National Forest. This letter includes summarized comments on behalf of the County Departments of Auditor-Controller, Public Works, Parks and Recreation, and Regional Planning.

General Comments

Application

- Any assessments in place with the current San Bernardino County special districts that are to be extended to the Los Angeles County side would constitute a tax increase from the current status for Los Angeles County residents, and require a Prop 218 vote. The Application and Amendment Wrightwood CSD Feasibility Plan do not address the process for extending existing assessments, or for establishing new assessments to the Los Angeles County side. For example, if San Bernardino County residents are already paying an existing assessment for the services proposed by the CSD, would an election only be held amongst Los Angeles County voters? If so, would this election be conducted by the Los Angeles County Registrar-Recorder/County Clerk?
- On page 1, "Land Use and Developmental Potential" Item 3, the approximate population of the proposed area is listed as 4,500 with "approximately 2000 registered voters

"To Enrich Lives Through Effective And Caring Service"

Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only

according to the San Bernardino Registrar of Voters". Does the population of 4,500 include the residents in the Los Angeles County portion? If so, what is the estimated population, and what is the number of registered voters in the Los Angeles County portion of the proposed area?

- What measures are in place to properly notify and inform residents in the Los Angeles County portion regarding the details about the proposed CSD's services, and any potential assessments or taxes?
- On page 6, "Plan For Services – Street Lights" Item 4 states, "there are no additional costs to the community in changing from a County Service Area to a Community Services District." However, since street light services are currently funded by the County Service Area 56's assessments, if these assessments are extended to Los Angeles County residents, it would constitute a new cost.

Amendment Wrightwood CSD Feasibility Plan

- Street Lights: Since street light services are currently funded by the San Bernardino County Service Area 56's assessments, if these assessments are extended to Los Angeles County residents through the CSD, this action would constitute a new tax and require a Prop 218 election.

Auditor-Controller

- On page 5, "Plan For Services – Park and Recreation" Item 4 states "there are no additional costs to the community in changing from a County Service Area to a Community Services District with the exception of the inclusion of properties on the LA County portion of the new district will involve current park and recreation property taxes. The LA County portion of applicable property tax will have to be calculated by that county and brought forth to the CSD." This statement is incorrect because the Los Angeles County Auditor-Controller (A-C) does not apportion any ad valorem property tax revenues towards parks and recreation services, nor is the proposed area within any special district that receives a share of property taxes.

As such, Los Angeles County would not transfer a share of property taxes to the CSD, and the formation of the CSD will not impact the Los Angeles County tax structure. As mentioned in the Amendment, in the Los Angeles County portion, the CSD's funding mechanism to provide services would be via direct assessments.

Department of Public Works

Environmental Programs Division

- The Los Angeles County portion of the CSD is not in Department of Public Works (DPW) Residential Franchise, or Garbage Disposal District system. It is in the open market where residents work with the waste hauler of their choice without DPW intervention or oversight. However, that area is subject to DPW's Commercial Franchise system. Please note that the Los Angeles County Residential Franchise system actually refers to a trash cart system, and the Commercial Franchise system is a dumpster system. This means that theoretically, a business can have the standard 96-gallon carts and be serviced by a Residential Franchise provider, and a home can have a dumpster and be serviced by a Commercial Franchise provider. CR&R Disposal Services may be providing cart service to Los Angeles County customers in the CSD area, and not pay any franchise fees, since the area is in the open market. However, if CR&R provides dumpster service to anyone on the Los Angeles County side, it must pay Los Angeles County Commercial Franchise fees.
- The application states that "the committee plans to continue to operate solid waste disposal and recycling in the community and to facilitate the service through a contract with CR&R Disposal Services, Inc. similar to the existing contract of CSF-15. All funding sources will be continued and the new contract would include the Los Angeles County portion of Wrightwood", and that the "franchise fee that will be extended on the LA County portion of the new district without creating fee increases." However, the Los Angeles County Commercial Franchise system allows customers to choose from one of the 40+ waste haulers who have signed Los Angeles County's commercial franchise agreement. It is not immediately clear whether Los Angeles County customers could be limited to only choosing the CSD's preferred option, CR&R. Also, it is not clear whether the 40+ haulers that have signed a franchise agreement could be banned from providing service to commercial customers on the Los Angeles County side. If a new franchise contract is proposed for the CSD, what if other service providers wanted to bid on the new contract?
- The future franchise agreement proposed in the Application should exclude providing dumpster service in the Los Angeles County portion of the CSD area, since the Los Angeles County Commercial Franchise system includes an agreement with over 40 waste haulers that allows them to provide dumpster service anywhere in unincorporated Los Angeles County. CR&R could still provide dumpsters in the Los Angeles County portion of the CSD since it is an authorized Los Angeles County Commercial Franchise hauler. However, it would have to be done through the Los Angeles County Commercial Franchise and not part of a separate franchise.

For a list of authorized Los Angeles County Commercial Franchise haulers, visit dpw.lacounty.gov/epd/swims/TrashCollection/docs/AuthorizedCommercialWasteHaulers-July-2015.pdf.

- Any solid waste collected from the Los Angeles County side is technically not supposed to be comingled with waste collected in San Bernardino County, but it is unlikely that the waste hauler would collect from the Los Angeles side and empty their trucks before they collected from the San Bernardino side. Additionally, any solid waste originating in Los Angeles County, but disposed of outside of Los Angeles County, is subject to Solid Waste Management fees. An agreement would have to be created between the Counties to allow a certain percentage of the total waste to be counted towards Los Angeles County-generated waste, and for fees to be paid on that negotiated percentage.

Traffic and Lighting Division

- The proposed CSD area is not in the Los Angeles County Lighting Maintenance District, and there are no existing streetlights in the Los Angeles County portion. However, the unincorporated Los Angeles County portion of the proposed CSD area is in the Rural Outdoor Lighting District, which means that if any streetlights were to be installed, they would have to comply with the Los Angeles County Rural Outdoor Lighting District requirements. For information on the Rural Outdoor Lighting District, visit <http://egis3.lacounty.gov/dataportal/2014/10/29/rural-outdoor-lighting-district-dark-skies/>.

Department of Parks and Recreation

- On page 5, "Plan For Services – Park and Recreation", Item 4 states that "there are no additional costs to the community in changing from a County Service Area to a Community Services District with the exception of the inclusion of properties on the LA County portion of the new district will involve current park and recreation property taxes. The LA County portion of applicable property tax will have to be calculated by that county and brought forth to the CSD". The Los Angeles County Department of Parks and Recreation (DPR) does not receive a dedicated property tax share for the parcels that are proposed to be included in the CSD. Additionally, there are no DPR facilities located in the proposed CSD area, and the area is not a part of a special district such as a Landscape Maintenance District, or Landscaping and Lighting Act District. As mentioned in the Amendment, to collect revenue from the Los Angeles County portion of the CSD, an assessment would have to be established.

Department of Regional Planning

- On page 2, "Land Use and Development Potential", Item 6 discusses the existing land use and the applicant replied: "The primary land use is Rural Mountain Community Living with a variety of other uses, such as Commercial in the center of the community. The Pacific Crest Trail is close to the community, and hikers frequently stop for provisions." The relevant land use information for the Los Angeles County portion of the CSD area was not included.

Ms. Rollings-McDonald
March 2, 2016
Page 5

The Los Angeles County land use categories and their consistent uses in the Los Angeles County portion of the CSD are:

Rural Commercial (CR): Limited, low-intensity commercial uses that are compatible with rural and agricultural activities, including retail, restaurants, and personal and professional offices.

Rural Lands 10 and Rural Lands 20 (RL 10/RL 20): Single-family residences; equestrian and animal uses; and agricultural and related activities. RL 10 has a maximum density of one residential unit for each 10 gross acres of land, and RL 20 has a maximum density of one residential unit for each 20 gross acres of land.

Public and Semi-Public Facilities (P): Public and semi-public facilities and community-serving uses.

Open Space-National Forest (OS-NF): Areas within the National Forest and managed by the National Forest Service.

If you have any questions, please contact Jason Tajima at (213) 974-1145, or via e-mail at jtajima@ceo.lacounty.gov.

Sincerely,



Douglas S. Baron
Interim Senior Manager
Asset Management Branch

DSB:DSP

JT:acn

- c: Michael D. Antonovich, Fifth Supervisorial District
John Naimo, Auditor-Controller
Mary C. Wickham, County Counsel
John Wicker, Acting Director of Parks and Recreation
Gail Farber, Director of Public Works
Richard J. Bruckner, Director of Regional Planning



Board of Supervisors County of Los Angeles

MICHAEL D. ANTONOVICH
SUPERVISOR

January 21, 2016

Mr. Paul Bauer
Email: Paul_Bauer@mthigh.com
Community of Wrightwood

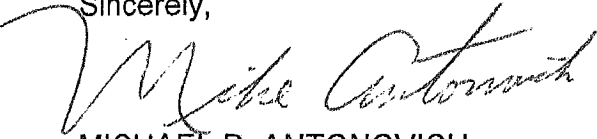
Dear Mr. Bauer:

This letter is to express support for establishing Wrightwood as a Community Services District (CSD). A CSD will provide the local control and flexibility that is vital to a community such as Wrightwood. In addition, residents will have the opportunity to participate in important decision-making and planning regarding developments that affect their local community.

Wrightwood will stand as one of the few CSDs that will transcend a county line, which is an important distinction for its establishment. My office, along with the Los Angeles County Local Agency Formation Commission (LAFCO), will collaborate with San Bernardino County Supervisor Robert Lovingood (1st District) and the San Bernardino LAFCO to provide any information and assistance needed.

We will continue to offer our support toward this effort and look forward to the voters' decision regarding the establishment of the CSD and its Board of Directors.

Sincerely,


MICHAEL D. ANTONOVICH
Supervisor

MDA:evo

cc: Natalie Lopiccolo



Board of Supervisors County of Los Angeles

MICHAEL D. ANTONOVICH
SUPERVISOR

January 21, 2016

Ms. Natalie Lopiccolo
Email: wrightwoodcsd@gmail.com
Community of Wrightwood

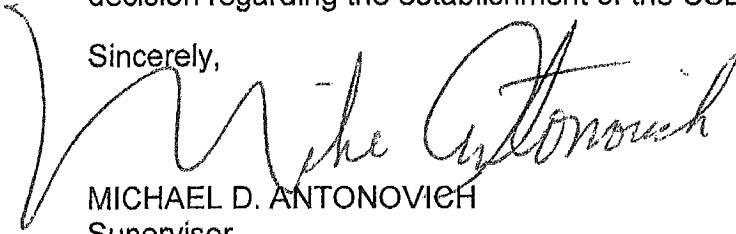
Dear Ms. Lopiccolo:

This letter is to express support for establishing Wrightwood as a Community Services District (CSD). A CSD will provide the local control and flexibility that is vital to a community such as Wrightwood. In addition, residents will have the opportunity to participate in important decision-making and planning regarding developments that affect their local community.

Wrightwood will stand as one of the few CSDs that will transcend a county line, which is an important distinction for its establishment. My office, along with the Los Angeles County Local Agency Formation Commission (LAFCO), will collaborate with San Bernardino County Supervisor Robert Lovingood (1st District) and the San Bernardino LAFCO to provide any information and assistance needed.

We will continue to offer our support toward this effort and look forward to the voters' decision regarding the establishment of the CSD and its Board of Directors.

Sincerely,


MICHAEL D. ANTONOVICH
Supervisor

MDA:evo

cc: Paul Bauer

**Letter from San Bernardino County
Registrar of Voters Dated June 20, 2016
Regarding Cost of Election**

Attachment 4



Elections Office of the Registrar of Voters

Michael J. Scarpello
Registrar of Voters

June 20, 2016

RECEIVED
JUN 20 2016

LAFCO
San Bernardino County

Kathleen Rollings-McDonald, Executive Office
Local Agency Formation Commission
215 North D Street, Suite 204
San Bernardino, CA 92415-0490

Dear Kathleen,

This letter is in response to your request for an election cost estimate from the San Bernardino County Elections Office.

The estimated cost to conduct a stand-alone polling place election with one measure and one contest on the ballot is \$46,000.

Please understand that the amount provided above is an estimate of election costs based on historical costs for comparable elections. The actual cost may be higher or lower than the estimate provided. Once the election is complete, the Elections Office will reconcile the difference between the actual cost and the estimated cost and will provide a final invoice at that time.

If you have any questions, please contact the Elections Office at (909) 387-8300.

Sincerely,

Michael J. Scarpello
Registrar of Voters

MS:adl

BOARD OF SUPERVISORS

ROBERT A. LOVINGOOD
Vice Chairman, First District

JANICE RUTHERFORD
Second District

JAMES RAMOS
Chairman, Third District

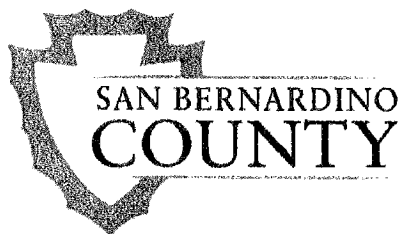
CURT HAGMAN
Fourth District

JOSIE GONZALES
Fifth District

GREGORY C. DENTON
Chief Executive Officer

**Letter Dated April 18, 2016 Regarding
County of San Bernardino Special District
Department Response of LAFCO 3202**

Attachment 5



Special Districts Department

Jeffrey O. Rigney
Director

April 18, 2016

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission
215 N. D Street
San Bernardino, CA 92415-0490

Subject: LAFCO 3202 – Reorganization to Include Formation of the Wrightwood Community Services District and Dissolution of county Service Area 56

Dear Ms. Rollings-McDonald,

This letter is written in response to the LAFCO request for responses on three items pertaining to the operation of County Service Area 56 (CSA 56) as detailed in a March 7, 2016 letter to the Special Districts Department. The first item asked about limited term employees assigned to CSA 56. The District has three limited term Public Service Employee positions specifically assigned to CSA 56 that work part time and no more than 30 hours per week. There is a Guest Services position that takes care of office functions, reservations and fee collection and two Park Maintenance Positions that perform maintenance tasks at CSA 56 facilities. The positions are budgeted, assigned and get paid directly out of the CSA 56 operations budget (SKD 380). Special Districts would assume that the employees that occupy these positions would be retained by the CSD if formed. A budget summary sheet is attached showing the positions, hours budgeted, pay rates, and associated cost to the District.

The second request of a response was for a copy of the current Park Master Plan for CSA 56. Although CSA 56 doesn't have a formalized Master Plan, there are a small number park projects that are in various stages of planning. One project is for the development of a new park on Wright Mountain Road. Conceptual planning on the Wright Mountain Road Park is complete and the project has been on the shelf for a number of years. Property for the park has been identified and a local developer had indicated interest in donating the site providing construction funding could be obtained, but efforts to secure funding has not been successful. Another project is a Community Center ADA Parking Accommodation. Final Design for this project is almost complete, but funding source has not been identified. Community members have asked about the possibility of creating a dog park, but other funding priorities have taken precedence over this project. Included you will find conceptual drawings for the Wright Mountain Road Park and initial design drawings for the Community Center ADA Parking Improvements planned.

BOARD OF SUPERVISORS

ROBERT A. LOVINGOOD
Vice Chairman, First District

JANICE RUTHERFORD
Second District

JAMES RAMOS
Chairman, Third District

CURT HAGMAN
Fourth District

JOSIE GONZALES
Fifth District

GREGORY C. DEVEREAUX
Chief Executive Officer

RESPONSE TO LAFCO 3202

April 18, 2016


Page 2 of 2

Also under the provision of Master Planning it should be noted that CSA 56 maintains the ability to provide sewer services to the Wrightwood area. Preliminary work has been started on addressing concerns over failing septic systems in the community's business area. Although work is preliminary, CSA 56 has been working with community members and a consultant on identifying needs and delineating a Feasibility Study area for development of a sewer treatment system for the community's downtown business and blue zone area which has an extremely high water table. An initial version of the Sewer Feasibility Study Area is included as reference.

Item three was to provide copies of Southern California Edison Maps pertaining to streetlight locations, inventory of lights and a billing statement. The maps, inventory list, and recent invoice for streetlights is attached. There was also a question as to the count of CSA 56 streetlights on State Highway 2; the inventory shows locations and notes lights on poles along the highway. A true highway light count would require a visual inspection of the position orientation of the light to determine whether parallel or perpendicular to the highway. Special Districts does not intend to conduct a survey on the State Route 2 lights.

Please let me know if other information is needed in assessing the merits of the proposal to dissolve CSA 56 and make it a CSD.

Thank you,



Timothy L. Millington, Interim Division Manager
San Bernardino County Special Districts Department

cc: Jeffrey O. Rigney, Director, Special Districts Department
Allison M. Edmisten, Special Districts Department

Attachments



COUNTY OF SAN BERNARDINO
SITE USE STUDY PLAN
WRIGHTWOOD COMMUNITY PARK

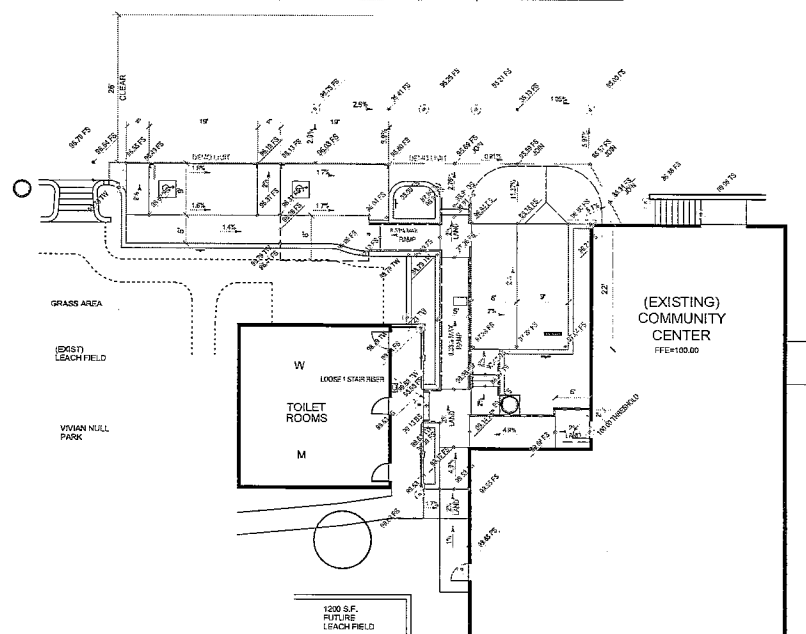
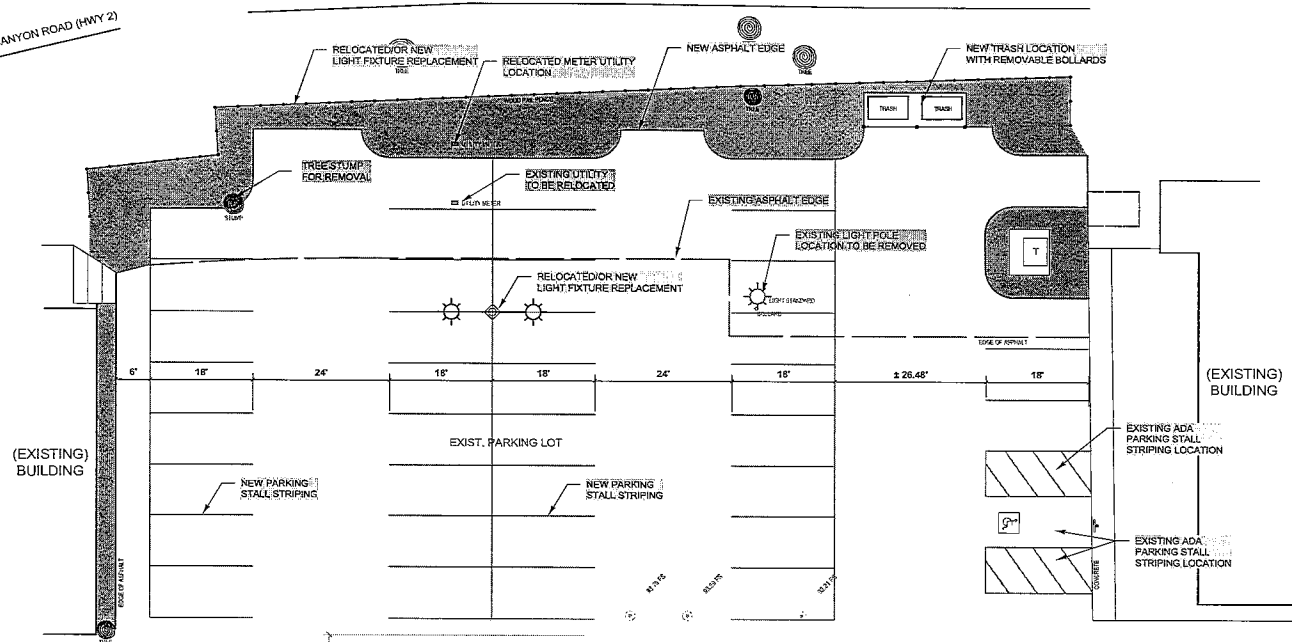


1600 Buckhorn Ave.
Bloomington, CA 91704
(951) 886-0700
Fax: (951) 886-0700
<http://www.parksandrec.com>

County of San Bernardino
Fund-Dept-Org SKD-380-380, Wrightwood Fire CSA #56
Fiscal Year 2017

50225 BG Public Service Employee

Salary	Benefits	Total	Psn Jobcode	Position Title	Psn #	Sal Plan	Pay Grade	Step	LY Budget	Fill #	Hrs	Rate	Pay Per	FTE Hrs	FTE	Reason / Notes
			50225	BG Public Service Employee	LY600002				1.00	0						
7,971	396	8,367	50225	BG Public Service Employee	00087066	SPD	011	7	1.00	1	30	10.18	26	30	1.00	Park Maint Aide - Avg 30 hrs/pay period
16,816	835	17,651	50225	BG Public Service Employee	00071866	SPD	011	12	1.00	1	55	11.71	26	55	1.00	Avg 55 hrs/pay period
7,830	389	8,219	50225	BG Public Service Employee	00071866	SPD	011	1		1	30	10.00	26	30	1.00	Park Maint Aide - Avg 30 hrs/pay period
32,617	1,620	34,237		Totals					3.00	3					3.00	



County of San Bernardino
Streetlight Inventory
CSA 56
March 2016

Map Number	Service Account Number	Rate Code	Structure Number	Lamp Size	Lamp Type	MULT/SER	Energize Date	Location Description
12351914	131946	LS-1	2042960E	22000L	HPSV	MULT	05/03/89	S/S EVERGREEN ST 200 W/O PARK DR, WRIGHTWOOD
12351917	131946	LS-1	2042962E	9500L	HPSV	MULT	10/01/94	E/S PARK DR ST N/S EVERGREEN ST, WRIGHTWOOD
12371914	131946	LS-1	4770337E	9500L	HPSV	MULT	01/21/88	SPRUCE ST W/S 20' S.O HWY 2
12351914	131946	LS-1	1985097E	9500L	HPSV	MULT	01/21/88	NE C/O APPLE RD & SPRUCE ST
12351914	131946	LS-1	4591314E	9500L	HPSV	MULT	01/21/88	SE C/O SPRUCE ST & EVERGREEN RD
12351917	131946	LS-1	2042954E	9500L	HPSV	MULT	01/21/88	N/S HWY 2 & WILLOW ST, WRIGHTWOOD
12351917	131946	LS-1	2042955E	9500L	HPSV	MULT	05/03/89	N/S HWY 2 & CEDAR ST, WRIGHTWOOD
12371914	131946	LS-1	2042957E	9500L	HPSV	MULT	01/21/88	N/S HWY 2 & PINE ST, WRIGHTWOOD
12351914	131946	LS-1	2042958E	9500L	HPSV	MULT	01/21/88	PINE & EVERGREEN ST, WRIGHTWOOD
12351914	131946	LS-1	2042959E	9500L	HPSV	MULT	01/21/88	PINE & APPLE ST, WRIGHTWOOD
12351917	131946	LS-1	2042961E	9500L	HPSV	MULT	05/03/89	W/S PARK DR 200 S/O HWY 2, WRIGHTWOOD
12351917	131946	LS-1	2042963E	9500L	HPSV	MULT	01/21/88	W/S PARK DR 200 S/O EVERGREEN ST, WRIGHTWOOD
12351914	131946	LS-1	2042964E	9500L	HPSV	MULT	05/03/89	S/S APPLE ST & PARK DR, WRIGHTWOOD
12351917	131946	LS-1	2042965E	9500L	HPSV	MULT	05/03/89	N/W COR/O CEDAR ST AND APPLE AVE
12351917	131946	LS-1	2042966E	9500L	HPSV	MULT	01/22/87	EVERGREEN & CEDAR, WRIGHTWOOD
12371911	131946	LS-1	4774671E	9500L	HPSV	MULT	05/03/89	S/S HWY-2 @ CARDINAL RD
12371914	131946	LS-1	1634495E	9500L	HPSV	MULT	01/21/88	N/W COR. RIVERA DR. AND STATE HWY-2
12351920	131946	LS-1	2363486E	22000L	HPSV	MULT	04/28/89	S/E COR/O HWY 2 & SHEEPCREEK DR
12331920	131946	LS-1	2363487E	22000L	HPSV	MULT	04/28/89	HWY 2 S/S 20' W/O OF TWIN LAKES DR
12351920	131946	LS-1	2363488E	22000L	HPSV	MULT	04/28/89	S/E COR/O HWY 2 & VICTORVILLE ST
12351917	131946	LS-1	2363490E	22000L	HPSV	MULT	04/28/89	N/W COR/O HWY 2 & WALNUT ST
12351917	131946	LS-1	2363491E	22000L	HPSV	MULT	04/28/89	HWY 2 N/S COR/O ELM ST.
12351917	131946	LS-1	4572497E	9500L	HPSV	MULT	05/30/06	N/S HWY 2 & PARK DR, WRIGHTWOOD
12832049	131946	LS-1	4232145E	5800L	HPSV	MULT	11/02/05	NAVAJO ROAD E/S P/P 80', 137' N/O POWHATAN EXTD
12351917	131946	LS-1	4770338E	22000L	HPSV	MULT	07/15/11	HWY 2 N/S 170' W/O LONE PINE CANYON RD

01 202 5730 00000080 00000000000000000000000000000000

Contact Information**Customer service numbers**

General Services (U.S. & Canada)	1-800-655-4555
Account Balance & Extensions	1-800-950-2356
Emergency Services & Outages	1-800-611-1911
California Alternate Rates for Energy (CARE)	1-800-447-8620
Electric Industry Restructuring	1-800-789-4723
Energy Theft Hotline	1-800-227-3901
Hearing & Speech Impaired (TTY)	1-800-352-6590

Multicultural services

Cambodian / ភ្នំ	1-800-643-1309
Chinese / 中文	1-800-643-8343
Korean / 韓国	1-800-628-3061
Vietnamese / tiếng Việt	1-800-327-8031
Spanish / Español	1-800-441-2233

Correspondence: Southern California Edison (SCE)
P. O. Box 6400, Rancho Cucamonga, CA 91729-6400

Important information**Rotating outages**

A rotating outage is a controlled electric outage that lasts approximately one hour for a group of circuits, which is used during electric system emergency conditions to avoid widespread or uncontrolled blackouts. Each SCE customer is assigned a rotating outage group, shown on the upper part of the SCE bill. If your rotating outage group begins with the letters A, M, R, S, or X, you are subject to rotating outages. If it begins with N or Exempt, you are not. Your rotating outage group may change at any time. For more information, and to see which rotating outage groups are likely to be called in the event of a system emergency, visit www.sce.com or call 1-800-655-4555.

Options for paying your bill

On-line	www.sce.com or Electronic Fund Transfer	
Mail-in	Check or Money order	
In Person	Authorized payment locations	1-800-747-8908
Phone	QuickCheck	1-800-950-2356
	Credit Card-Visa/MasterCard*	1-800-254-4123
	Debit Card-ACCEL/NYCE/Pulse/Star*	1-800-254-4123

*The Credit/Debit card payment options are not available for payment of commercial services or security deposits for commercial services.

You may call us for electronic payment options, to make payment arrangements, or for information on agencies to assist you in bill payment. If service has been disconnected, on the day of the service reconnection, be sure all appliances and other electric devices are turned off. For additional home safety tips, visit www.sce.com/safety or you may call SCE Customer Service at 1-800-655-4555.

Past due bills

Your bill was prepared on April 8, 2016. Your bill is due when you receive it and becomes past due 19 days after the date the bill was prepared. You will have 15 days at your new address to pay a bill from a prior address before your service will be terminated. SCE does not terminate residential service for non-payment of bills for other classes of service. Termination of electric service requires a Service Connection charge. If you are a residential customer, and claim an inability to pay and payment arrangements have not been extended to you by SCE pursuant to SCE's filed tariffs, you may contact the California Public Utilities Commission (CPUC).

Rules and rates

SCE's rules and rates are available in full at www.sce.com or upon request.

Late Payment Charge (LPC)

A late payment charge of 0.8% will be applied to the total unpaid balance on your account if full payment is not received by the due date on this bill (except for CARE and state agency accounts).

Disputed bills

If you think your bill is incorrect, call us and speak with a customer service representative, or if necessary, with a manager. If you feel unsatisfied with the result of such discussion(s), contact the CPUC, Consumer Affairs Branch by mail at: 505 Van Ness, Room 2003, San Francisco, CA 94102; or at: www.cpuc.ca.gov, 1-800-649-7570, TTY: 1-800-229-6846. Include a copy of your bill, why you believe SCE did not follow its rules and rates, and a check or money order made out to the CPUC for the disputed amount. You must pay the disputed amount, or send it to the CPUC, before the past-due date to avoid disconnection. The CPUC accepts payment only for matters relating directly to bill accuracy. While the CPUC is investigating your complaint, you must pay any new SCE bills that become due.

Electronic Fund Transfers (EFT)

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment. You will not receive your check back from your financial institution, but the transaction will appear on your financial institution statement. If you do not wish to authorize an electronic fund transfer, please call the 800 number on the front of your bill.

Definitions

- DWR Bond Charge: Bonds issued by the Department of Water Resources (DWR) to cover the cost of buying power for customers during the energy crisis are being repaid through this charge.
- SCE Generation: These charges recover energy procurement and generation costs for that portion of your energy provided by SCE. Beginning April 11, 2010, pursuant to CPUC Decision 10-03-022, Direct Access (DA) is again open to all non-residential customers, subject to annual limits during a four year phase-in period, and absolute limits following the phase-in. All residential customers currently returning to Bundled Service may not elect to return to DA service.
- CA Climate Credit: Credit from state effort to fight climate change. Applied monthly to eligible businesses and semi-annually to residents.

To change your contact information, complete the form below and return it to SCE

Change of mailing address: 2-01-202-5730

STREET#	STREET NAME	APARTMENT #
CITY	STATE	ZIP CODE
TELEPHONE #	E-MAIL ADDRESS	

Direct Payment (Automatic Debit) Enrollment: 2-01-202-5730

I hereby authorize SCE and my financial institution to automatically deduct my monthly payment from the checking account as shown on my enclosed check, ten calendar days after my bill is mailed.

Signature _____ Date _____

To change your checking account information or to be removed from the Direct Payment program please call SCE at 1-800-655-4555.

Energy Assistance Fund (EAF): I want to help people pay their energy bill through EAF. For info visit www.sce.com/eaf or call (800) 205-8596.

Round-up my bill to next whole dollar amount for EAF

☐ Every Month ☐ One Month only

Add this amount for EAF \$ _____

☐ Every Month ☐ One Month only

Select one box only and sign below for EAF:



Go paperless at www.sce.com/billing. It's fast, easy and secure.

SAN BERNARDINO, COUNTY OF / Page 3 of 8

Service account 3-000-1319-46
 Service address STREETLIGHTING
 WRIGHTWOOD
 SAN BERNARDINO, CA 92401
 Service description Charges for lamps in service
 Rotating outage Group X999

Street lamp inventory

	Quantity	kWh
High pressure sodium vapor		
9500L Multiple	17	686
22000L Multiple	7	594
Total	24	1,280

Details of your new charges

Your rate: LS-1-ALLNITE

Billing period: Mar 1 '16 to Apr 1 '16 (31 days)

Delivery charges

Energy charge	1,280 kWh x \$0.03057	\$39.13
High pressure sodium vapor		
Multiple		
9500L	17 lamps x \$8.81000	\$149.77
22000L	7 lamps x \$9.75000	\$68.25
DWR bond charge	1,280 kWh x \$0.00539	\$6.90

Your Delivery charges include:

- \$10.64 transmission charges
- \$230.58 distribution charges
- \$1.09 nuclear decommissioning charges
- \$14.05 public purpose programs charge
- \$2.55 new system generation charge

Generation charges

DWR		
DWR energy credit	1,280 kWh x -\$0.00022	-\$0.28
SCE		
Energy charge	1,280 kWh x \$0.03584	\$45.88
Subtotal of your new charges		\$309.65
UUT exempt		
State tax	1,280 kWh x \$0.00029	\$0.37
Your new charges		\$310.02

Your overall energy charges include:

- \$2.82 franchise fees

Service account 3-000-1319-46
 Service address STREETLIGHTING
 WRIGHTWOOD
 SAN BERNARDINO, CA 92401
 Service description Credits for lamps removed
 Rotating outage Group X999

Street lamp inventory

	Quantity	kWh
Lamps Removed: Apr 1 '13 to Mar 1 '16 (1065 days)		
High pressure sodium vapor		
5800L Multiple Removal date: Apr 1 '13	1	-1,002
Total	1	-1,002

Details of your new charges

Your rate: LS-1-ALLNITE
 Billing period: Apr 1 '13 to Mar 1 '16 (1065 days)

Delivery charges

Energy charge	-57 kWh x \$0.02142	-\$1.22
Energy charge	-115 kWh x \$0.02214	-\$2.55
Energy charge	-49 kWh x \$0.02155	-\$1.06
Energy charge	-38 kWh x \$0.02220	-\$0.84
Energy charge	-142 kWh x \$0.02186	-\$3.10
Energy charge	-67 kWh x \$0.02288	-\$1.53
Energy charge	-135 kWh x \$0.02296	-\$3.10
Energy charge	-142 kWh x \$0.02537	-\$3.60
Energy charge	-201 kWh x \$0.02582	-\$5.19
Energy charge	-56 kWh x \$0.03057	-\$1.71
High pressure sodium vapor		
Multiple		
5800L	-1 lamp x \$8.81000	-\$312.76
DWR bond charge	-259 kWh x \$0.00493	-\$1.28
DWR bond charge	-343 kWh x \$0.00513	-\$1.76
DWR bond charge	-343 kWh x \$0.00526	-\$1.80
DWR bond charge	-57 kWh x \$0.00539	-\$0.31

Generation charges

DWR		
DWR energy credit	-221 kWh x -\$0.00097	\$0.21
DWR energy credit	-38 kWh x -\$0.00095	\$0.04
DWR energy credit	-343 kWh x -\$0.00037	\$0.13
DWR energy credit	-343 kWh x -\$0.00172	\$0.59
DWR energy credit	-57 kWh x -\$0.00022	\$0.01
SCE		
Energy charge	-57 kWh x \$0.04415	-\$2.52
Energy charge	-164 kWh x \$0.04399	-\$7.21
Energy charge	-38 kWh x \$0.04478	-\$1.70
Energy charge	-85 kWh x \$0.04351	-\$3.70
Energy charge	-57 kWh x \$0.04780	-\$2.72
Energy charge	-67 kWh x \$0.05485	-\$3.67
Energy charge	-135 kWh x \$0.05450	-\$7.36
Energy charge	-56 kWh x \$0.05160	-\$2.89
Energy charge	-251 kWh x \$0.05079	-\$12.75
Energy charge	-36 kWh x \$0.04930	-\$1.77
Energy charge	-56 kWh x \$0.03584	-\$2.01

Subtotal of your new charges **-\$389.13**

(Continued on next page)

Your Delivery charges include:

- -\$5.13 transmission charges
- -\$321.60 distribution charges
- -\$0.06 nuclear decommissioning charges
- -\$6.88 public purpose programs charge
- -\$2.77 new system generation charge

Your overall energy charges include:

- \$0.00 franchise fees



Go paperless at www.sce.com/ebilling. It's fast, easy and secure.

SAN BERNARDINO, COUNTY OF / Page 5 of 8

Details of your new charges (continued)

UUT exempt		
State tax	-1,002 kWh x \$0.00029	-\$0.29
Your new charges		-\$389.42

Inventory accounting information for the above serv acct:

Lamp type:	Qty:	Work Order #	AI #	Tract #
5800L Multiple	1	901212471	7356100	



Utility Bill Scams Continue To Target SCE Customers

Southern California Edison (SCE) is advising customers to be aware of utility impostors claiming to be with SCE and demanding immediate payment to avoid disconnection of service for allegedly past due electricity bills. The caller demands that the customer purchase a prepaid cash card for a specific amount of money, call the impostor back, and give that person the card number.

Customers suspecting a fraudulent call should ask for the caller's name, department and business phone number. Customers should terminate the call and report the incident immediately to local police and SCE at 1-800-655-4555.

SCE customers should also note that:

- SCE will never call and demand immediate payment with the threat of service disconnection
- An SCE employee will never ask for money in person
- Never reveal personal information, including your credit card, ATM or calling card number (or PIN number) or SCE account number to anyone
- If someone calls and requests you leave your residence at a specific time for a utility-related cause, call the police. This could be a burglary attempt set up by the caller.
- Be suspicious of anyone who arrives at your house without an appointment asking to check an appliance, wiring or suggesting that there may be some other electrical problem inside your residence. In most cases, but not all, appointments are scheduled with our customers. There are times when our equipment may need to be checked and an appointment is not scheduled for these types of visits. SCE employees always have their SCE ID badge displayed on their person for customers to see and you can always contact our customer service department at 1-800-655-4555 to confirm that nature of the visit.

For more ways customers can stay safe, please see www.sce.com/safety and read the safety tips section.

Stay Connected to Us

Get energy-saving tips, program updates and much more.



www.linkedin.com
Search for Group:
SCE Business



[www.twitter.com/SCE_Business](https://twitter.com/SCE_Business)

Visit www.sce.com/notices

To check for monthly bill inserts which may include notice of actions and other important information.



Are You Ready For El Niño?

Weather forecasters are predicting severe weather that could impact Southern California Edison's (SCE) entire service territory. SCE is planning and preparing for the storms, and becoming ready to respond to any potential impacts to our electric system. We're working closely with emergency-response organizations, law enforcement organizations, local governments, and other California utilities to be sure we're ready when the time comes.

How You Can Prepare Before the Storm

- SCE's number one priority is the safety of its customers and employees. Never approach or touch a downed or dangling wire, or anyone or anything in contact with it — always assume all wires are energized. Do not touch or step in water near a downed wire. Call 911 immediately.
- Follow SCE on Social Media (Twitter, Facebook, Instagram) to learn about severe weather preparedness and how to stay safe when severe weather strikes.
- Make sure you have a battery-operated radio and flashlights. Check the batteries to make sure they're fresh. Use flashlights for lighting during a power outage. Do not use candles because they pose a significant fire hazard.
- If you use a generator, place it outdoors and plug individual appliances directly into it, using heavy-duty extension cords. Connecting generators directly to household circuits creates "backfeed," which is dangerous to repair crews.
- Read *Inside Edison* (www.insideedison.com) for stories focused on severe winter weather, including preparedness efforts, safety information and actions customers should take to be prepared for severe weather and the possibility of service outages

Visit us at on.sce.com/elnino for more El Niño information and safety tips. Stay aware. Stay safe.



New Mosquito Risks in CA

Take action to protect yourself and your family now.
For more information visit <http://bit.ly/1u35fQx>.



Your New Green Power Options...

Supporting Local Solar Power To Create A Clean-Energy Future

As an SCE customer, beginning in 2016 you can join one of two available programs that enable you to tap into the power of the sun through new solar energy options – without installing solar panels on your roof. These programs play a key role in creating a cleaner, healthier environment.

Green Rate Program

We purchase solar energy on your behalf from local developers, and you in turn purchase this green power to support 50 percent or 100 percent of your electricity use.

Community Renewables Program

You enter into an agreement with a solar provider to help fund a share of a community-scale solar project. We purchase the electricity that is produced under your agreement – up to 120 percent of the load forecasted to meet your monthly usage needs – and we pay you directly via bill credits.

Why Participate?

Enrolling in either the Green Rate or Community Renewables program helps you make a difference in our region by:

- Supporting local solar power
- Providing clean energy for our long-term future
- Reducing greenhouse gas emissions for a cleaner, healthier environment.

Both programs are voluntary and optional, and are available to bundled service customers, meaning those who pay SCE for generation, transmission, and distribution services. You can participate in either of the programs, but not both. In addition, if you are on one of the following rate schedules you are not eligible to participate:

- Direct Access
- Community Choice Aggregation
- Economic Development Rates
- Non-metered streetlights

Load served on either of the programs cannot exceed 2 megawatts unless you are a government customer.

For SCE, the Green Rate and Community Renewables programs complement our existing solar and other renewable energy initiatives. We currently deliver more renewable power than any other U.S. utility – about 23.5 percent of our energy portfolio in 2014 – helping to provide clean energy for our long-term future.

To Learn More and Enroll

For more information on the Green Rate and Community Renewables programs, and to enroll, visit on.sce.com/greenrate or www.sce.com/CommRenew.



Get Energy Smart

Looking to make the most informed choices about energy use in your home or business? We're here to help.

Since 1989 our Energy Education Centers in Irwindale and Tulare have offered free classes, workshops, demonstrations and tours that provide the training and support you need to make important energy management solutions.

Learn more at www.sce.com/workshops.

Q2 Energy Education Center Calendar of Classes is now available.

Download your copies today at www.sce.com/energycenters.

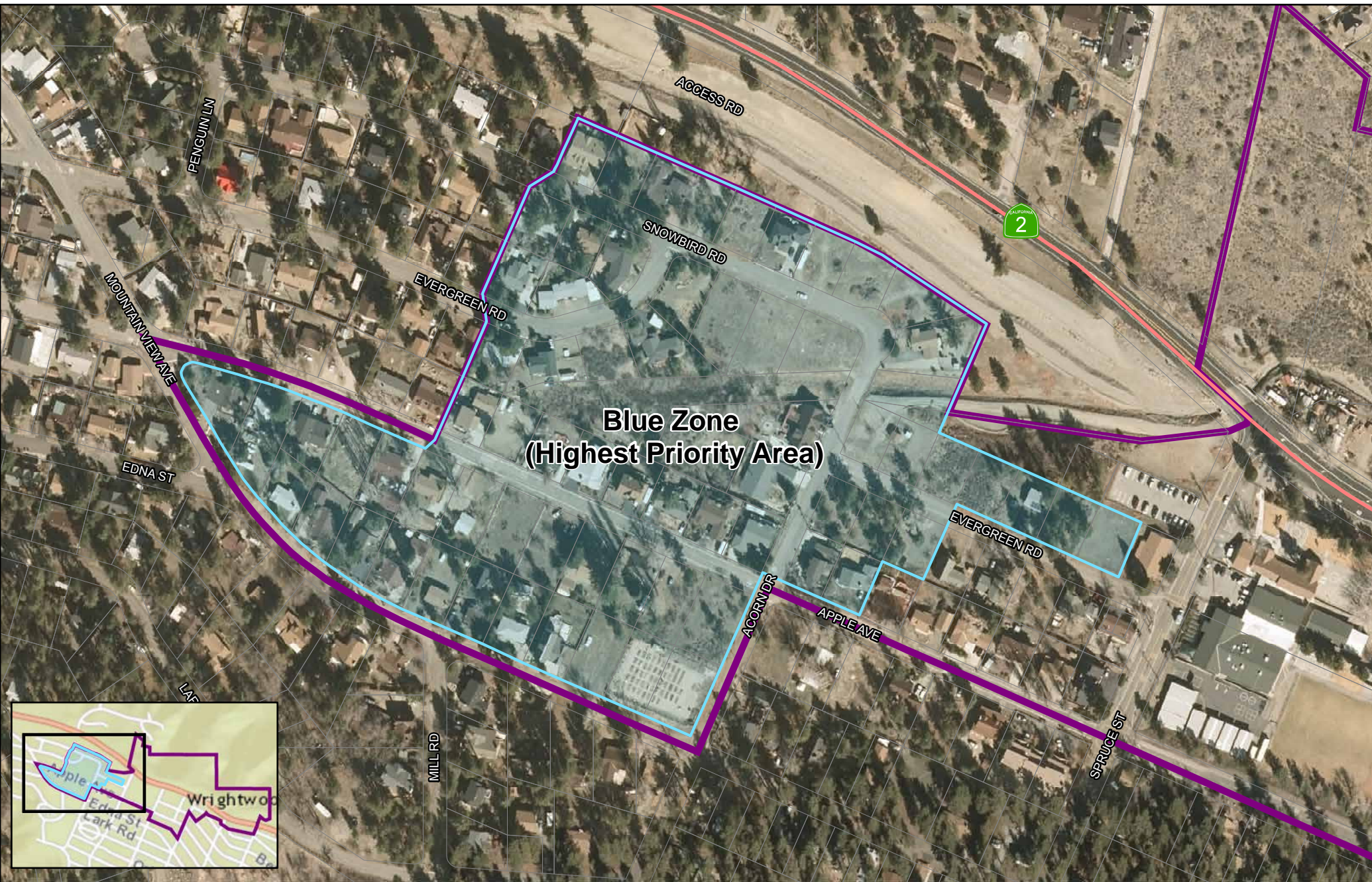


Energy Education Center – Irwindale Classes & Workshops



Energy Education Center – Tulare Classes & Workshops





Blue Zone (Highest Priority Area)




LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56

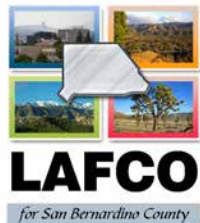
1:2,600

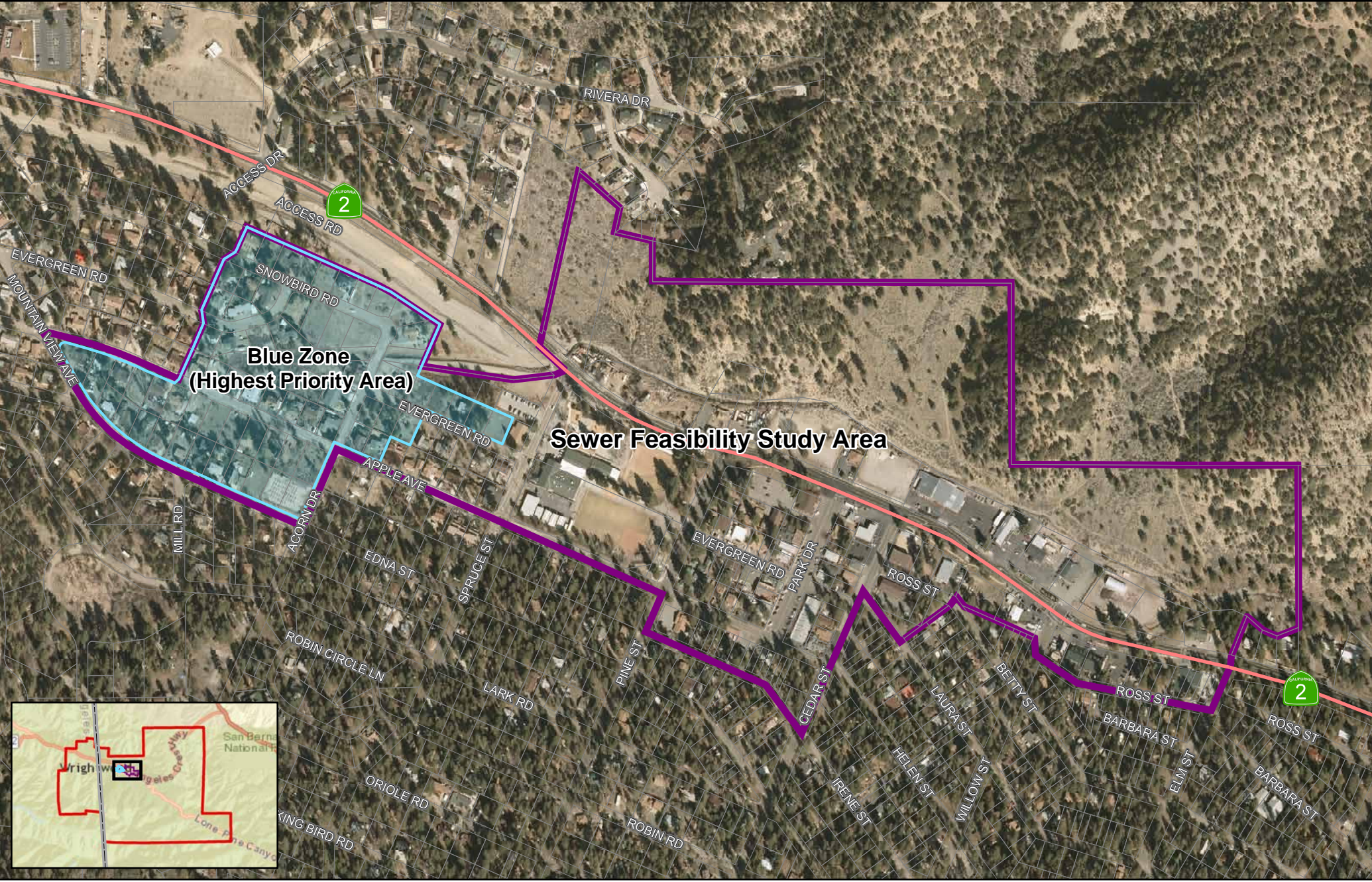
0 0.25 0.5 1 Miles



Legend

-  Sewer Feasibility Study Area
-  Blue Zone (Highest Priority Area)
-  Major Road

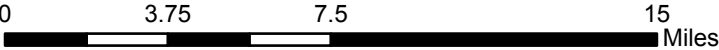




Wrightwood Sewer Feasibility Study Area CSA 56

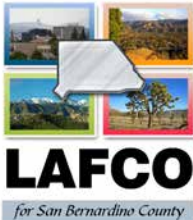
LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56

1:5,500



Legend

- Sewer Feasibility Study Area
- Blue Zone (Highest Priority Area)
- Proposed Wrightwood CSD
- Countyline
- Major Road



**Letter Dated April 27, 2016 Confirming
Requirements for Transfer of Refuse
Disposal Land Use Fee**

Attachment 6

THE SHIFT AWAY FROM DISPOSAL TO DIVERSION

With the passage of AB 939, the state of California effectively shifted the responsibility for waste (trash) from the haulers/landfills to the jurisdictions (cities and counties). The State requires counties and cities have programs to divert waste from landfilling. The County of San Bernardino runs and or maintains 43 programs. Franchise fees are the funding source to fund these programs and the support staff. For the purposes of complying with the Integrated Waste Management Act, the unincorporated area of a county is considered a single jurisdiction, consequently, any political subdivision beyond that in the county unincorporated area (such as a CSD) are not considered separately. In short, if the CSD takes the franchise fee revenue, then the CSD must fund, implement and maintain diversion programs comparable to those of the County of San Bernardino. Further the CSD is required to report annually to the County on its programs and diversion. Below is a summary (most recent first by enactment year) of some of the major legislation that drives waste management in California:

AB 1826- MANDATORY COMMERCIAL ORGANICS RECYCLING LAW (2014)

AB 1826 requires businesses to recycle their organic waste, depending on the amount of waste they generate per week. AB 1826 requires jurisdictions to implement an organic waste recycling program to divert organic waste generated by businesses, including multifamily residential dwellings of five units or more, on and after January 1, 2016. Jurisdictions are required to conduct outreach and education to inform businesses how to recycle organic waste, as well as conduct monitoring to identify those not recycling and to notify them of the law and how to comply.

Organic waste is defined as food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste. Please note that multifamily dwellings are not required to have a food waste diversion program. AB 1826 phases in the mandatory recycling of commercial organics over time, as outlined below:

- April 1, 2016: Businesses generating 8 cubic yards of organic waste per week are required to arrange for organic waste recycling services
- January 1, 2017: Businesses generating 4 cubic yards of organic waste per week are required to arrange for organic waste recycling services
- January 1, 2019: Businesses generating 4 cubic yards or more of commercial solid waste per week are required to arrange for organic waste recycling services

Businesses required to recycle their organic waste shall implement at least one, or a combination, of the following actions:

- Source separate organic waste from other waste and subscribe to a basic level or organic waste recycling service that includes collection and recycling of organic waste
- Recycle its own organic waste onsite or self-haul for recycling
- Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste
- Sell or donate its recyclable organic waste

AB 341- MANDATORY COMMERCIAL RECYCLING LAW (2011)

AB 341 requires businesses that generate four cubic yards or more of commercial solid waste per week and multifamily residential dwellings of five units or more to arrange for recycling services. Businesses can implement one or any combination of the following in order to be compliant:

- Self-haul recyclable materials to a recycling facility
- Subscribe to a hauler recycling service
- Arrange for pickup of recyclable materials
- Subscribe to a recycling service that includes mixed waste processing that yields diversion results comparable to source separation

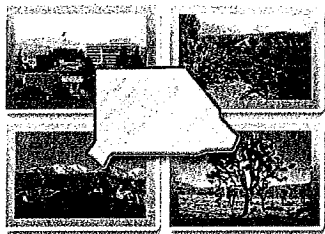
AB 341 also requires jurisdictions to implement a commercial solid waste recycling program that consists of education, outreach, and monitoring of businesses. Each jurisdiction reports the progress achieved in implementing its commercial recycling program by providing updates in its electronic annual report.

SB 1016- SOLID WASTE PER CAPITA DISPOSAL MEASUREMENT ACT (2008)

SB 1016 changed AB 939 compliance requirements by changing to a disposal-based indicator—the per capita disposal rate. The per capita disposal rate approach is not determinative of jurisdiction compliance. CalRecycle uses the per capita disposal as an indicator to evaluate program implementation and jurisdiction performance. CalRecycle's evaluation is focused on how jurisdictions implement their programs.

AB 939- INTEGRATED WASTE MANAGEMENT ACT (1989)

AB 939 requires all California jurisdictions (Cities and Counties) to reduce the amount of waste being disposed by meeting a 50 % diversion requirement. Also requires counties to prepare a Countywide Integrated Waste Management Plan (CIWMP), Countywide Siting Element (SE), and Countywide Summary Plan (SP) and cities and counties to prepare a Source Reduction & Recycling Element (SRRE), Household Hazardous Waste Element (HHWE), and Nondisposal Facility Element (NDFE). All jurisdictions are required to submit Annual Reports (AR) to CalRecycle that outline their source reduction, recycling, composting, special waste materials, public education, policy incentives, facility recovery, transformation, and household hazardous waste programs in order to show progress in meeting the mandated diversion goals.



LAFCO

**Local Agency
Formation Commission
for San Bernardino County**

215 North 'D' Street, Suite 204
San Bernardino, CA 92415-0490
909.388.0480 | Fax 909.885.8170
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

Established by the State of California
to serve the Citizens, Cities, Special Districts
and the County of San Bernardino

COMMISSIONERS

JIM BAGLEY
Public Member

KIMBERLY COX, Vice Chair
Special District

JAMES V. CURATALO, Chair
Special District

ROBERT A. LOVINGOOD
Board of Supervisors

LARRY McCALLON
City Member

JAMES RAMOS
Board of Supervisors

DIANE WILLIAMS
City Member

ALTERNATES

STEVEN FARRELL
Special District

JANICE RUTHERFORD
Board of Supervisors

SUNIL SETHI
Public Member

ACQUANETTA WARREN
City Member

STAFF

KATHLEEN ROLLINGS-McDONALD
Executive Officer

SAMUEL MARTINEZ
Assistant Executive Officer

MICHAEL TUERPE
Project Manager

REBECCA LOWERY
Clerk to the Commission

LEGAL COUNSEL

CLARK H. ALSOP

April 27, 2016

Gerry Newcombe, Director
Department of Public Works
825 East Third Street
San Bernardino, CA 92415-0835

RE: LAFCO 3202 - Reorganization to include
Formation of the Wrightwood Community Services
District and Dissolution of County Service Area 56

Dear Mr. Newcombe:

Thank you for responding to LAFCO's request for information regarding LAFCO 3202. This letter confirms receipt of your email response to Michael Tuerpe of my office dated April 22. I have summarized your response as follows:

- The agreements with the Helendale CSD can serve as models for transferring the Refuse Disposal Land Use Fee following formation of the Wrightwood CSD. We will use this as a part of our analysis for the Commission consideration of the proposal.*
- There is no General Fund support provided to the Solid Waste Enterprise Fund for any of its programs or services. This information will be included in the Commission's determination for property tax transfer as required by Government Code Section 56810.*

If you have any questions on this correspondence, please do not hesitate to contact me at (909) 388-0480 or by email at kmcdonald@lafco.sbcounty.gov.

Sincerely,

KATHLEEN ROLLINGS-McDONALD
Executive Officer

cc: Gary McBride, Chief Financial Officer
Art Rivera, Deputy Director of Public Works
Natalie Lopiccolo, Wrightwood CSD Committee

SOLID WASTE FEE TRANSFER AGREEMENT

THIS SOLID WASTE FEE TRANSFER AGREEMENT ('the "Agreement") is made and dated as of the date indicated on the cover page hereof between the COUNTY OF SAN BERNARDINO, a political subdivision of the State of California (the "County"), and the HELENDALE COMMUNITY SERVICES DISTRICT, a California community services district organized and existing pursuant to the laws of the State of California (the "District").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated within the County (the "Disposal System"). The Disposal System includes six active regional landfills, nine transfer stations and two community collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled, or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act"). Each Disposal System site incorporates various elements of the County's Comprehensive Disposal Site Diversion Program necessary to meet AB 939 mandates and enhance recycling for the communities of San Bernardino County.

The County administers a refuse disposal land use fee, pursuant to Chapter 4 of Division 4 of Title 1 of the San Bernardino County Code of Ordinances and Section 16.0222 of Chapter 2 of Division 6 of Title 1 of the San Bernardino County Code of Ordinances, which is imposed on residential parcels within the District (the "Refuse Disposal Land Use Fee"), entitling the owners of such parcels to utilize refuse disposal sites without the payment of any pay-at-the-gate fee for ordinary refuse generated on such residential property. In addition, the Refuse Disposal Land Use Fee offsets the cost for disposal of waste from the Helendale community.

Resolution No. 2927 of the Local Agency Formation Commission of the County of San Bernardino ("LAFCO") was adopted on June 21, 2006 ("Resolution No. 2927"), making determinations on and approving the incorporation of, the District, which was subsequently approved by the electorate at the November 7, 2006 general election.

Resolution No. 2927 authorizes the District to collect, transfer and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

Resolution No. 2927 further provides that all previously authorized charges, fees, assessments, and/or taxes of the County Service Area 70 Improvement Zones B and C currently in effect shall be continued and assumed by the District as the successor agency in the same

manner as provided in the original authorization pursuant to the provisions of the Government Section 56886(t).

On _____, 2010, LAFCO adopted its Resolution No. _____ (a true and correct copy of which is attached hereto as Appendix "A" and incorporated herein by this reference) ("Resolution No. _____"), affirming the District's authorization to (1) collect, transfer and dispose of solid waste and provide solid waste handling service, and (2) continue and assume the Refuse Disposal Land Use Fee in the same manner as provided in the original County authorization, pursuant to Condition No. 10 of Resolution No 2927.

The District and the County desire to enter into this agreement to provide for the terms and conditions under which the District will continue and assume the Refuse Disposal Land Use Fee.

The District has determined that the execution of this Agreement by the District will serve the public health, safety and welfare of the District by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and the continuation of sound environmental management.

The County has determined that the execution of this Agreement by the County will continue its history of serving the public health, safety and welfare by furthering the County's existing work to plan, manage, operate and finance the Disposal System on a prudent and sound long term businesslike basis.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the District on the District authorization date indicated on the cover page hereof.

COVENANTS

It is, therefore, agreed by the County and the District as follows:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

SECTION 1.1 DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.

(A) "Act" means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

(B) "Agreement" means this Solid Waste Fee Transfer Agreement between the County and the District as the same may be amended or modified from time to time in accordance herewith.

(C) "Contract Date" means the first date on which this Agreement has been executed by both parties hereto.

(D) "County" means the County of San Bernardino, a political subdivision of the State and party to this Agreement.

(E) "Disposal System" means the County's solid waste disposal system, which currently consists of six (6) active regional landfills, nine (9) transfer stations and two community collection centers, as may hereafter be subject to change.

(F) "District" means the Helendale Community Services District, a California community services district and party to this Agreement.

(G) "LAFCO" means the Local Agency Formation Commission of the County of San Bernardino.

(H) "Refuse Disposal Land Use Fee" means the fee originally adopted by the County under Chapter 4 of Division 4 of Title 1 of the San Bernardino County, CA Code of Ordinances and Section 16.0222 of Chapter 2 of Division 6 of Title 1 of the San Bernardino County Code of Ordinances, continued and assumed by the District pursuant to LAFCO Resolution No. ____.

(I) "State" means the State of California.

SECTION 1.2 INTERPRETATION. In this Agreement, unless the context otherwise requires:

(A) References Hereto. The terms "hereby", "hereof", "herein", "hereunder" and any similar terms refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the Contract Date.

(B) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Persons. Words importing persons include firms, companies, associations, general partnerships, limited partnerships, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(D) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) No Third Party Beneficiaries. Nothing in this Agreement is intended to confer on haulers or any other person other than the parties hereto and their respective permitted successors and assigns hereunder any rights or remedies under or by reason of this Agreement.

(F) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(G) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(H) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist, unless such invalidity frustrates the underlying primary purpose of the Agreement.

(I) Recitals. The recitals to this Agreement are not intended to bind the parties hereto. In the event of a conflict between the recitals and the operative provisions of this Agreement, the operative provisions shall prevail. The recitals shall not be used to interpret the provisions of the Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 REPRESENTATIONS AND WARRANTIES OF THE DISTRICT. The District represents and warrants that:

(A) Existence. The District is a community services district validly existing under the Constitution and laws of the State in accordance with California Government Code Section 61000 et seq.

(B) Due Authorization. The District has duly authorized the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by the District.

SECTION 2.2 REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County represents and warrants that:

(A) Existence. The County is a political subdivision of the State validly existing under the Constitution and laws of the State.

(B) Due Authorization. The County has duly authorized the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by the County.

ARTICLE III OBLIGATIONS

SECTION 3.1 LEGALLY REQUIRED DISTRICT ACTION. District shall take all legally required and necessary actions to continue and assume the Refuse Disposal Land Use Fee collected from within District boundaries, including, without limitation, providing such documentation as may be reasonably requested by the County Auditor and the County Tax Collector with respect to the District's compliance with the Constitution and the laws of the State entitling it to collect the Refuse Disposal Land Use Fee.

SECTION 3.2 LEGALLY REQUIRED COUNTY ACTION. County shall take all legally required and necessary actions to permanently transfer and assign to the District the Refuse Disposal Land Use Fee collected from within District boundaries, including, without limitation, providing such documentation as may be reasonably requested by the District with respect to the County's compliance with the Constitution and the laws of the State entitling it to impose the Refuse Disposal Land Use Fee.

SECTION 3.3 LEGAL EFFECT OF TRANSFER. The permanent transfer and assignment to the District of the Refuse Disposal Land Use Fee collected from within the District's boundaries as contemplated herein shall entitle the District to the revenues collected in connection therewith, provided, however, that any delinquent Refuse Disposal Land Use Fees collected from within District boundaries that were due and payable prior to the effective date of this Agreement shall be payable to the County. Subsequent to such permanent transfer and assignment, no owner or occupant of any parcel subject to the Refuse Disposal Land Use Fee within the boundaries of the District shall be entitled to or have the right to utilize the Disposal System without the payment of any pay-at-the-gate fee, subject to agreement between the County and the District relating thereto.

ARTICLE IV BREACH, ENFORCEMENT, AND EFFECTIVE DATE

SECTION 4.1 BREACH. The parties agree that in the event either party breaches any obligation under this Agreement or any representation made by either party hereunder is untrue in any material respect, the other party shall have the right to take any action at law or in equity (including actions for injunctive relief, mandamus and specific performance) it may have to enforce the payment of any amounts due or the performance of any obligations to be performed hereunder. Notwithstanding the above, neither party shall have the right to terminate this Agreement except as provided in Section 5.3 hereof.

SECTION 4.2 NO WAIVERS. No action of the County or the District pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by the County or the District in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or

otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the County or the District under this Agreement shall preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

SECTION 4.3 FORUM FOR DISPUTE RESOLUTION. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning this Agreement, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino District.

SECTION 4.4 EFFECTIVE DATE. This Agreement shall become effective, shall be in full force and effect, and shall be legally binding upon the District and the County, as of the Contract Date.

ARTICLE V GENERAL PROVISIONS

SECTION 5.1 INDEMNIFICATION.

(A) The District agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its unauthorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever accruing from and hereafter the Contract Date, including without limitation, any challenge brought pursuant to Article XIII C or XIII D of the California Constitution, and including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any such claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The District's indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

(B) The County agrees to indemnify, defend (with counsel reasonably approved by District) and hold harmless the District and its unauthorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever accruing heretofore prior to the Contract Date, including without limitation, any challenge brought pursuant to Article XIII C or XIII D of the California Constitution, and including the acts, errors or omissions of any person and for any costs or expenses incurred by the District on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The County's indemnification obligation applies to the District's "active" as well as "passive" negligence but does not apply to the District's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

SECTION 5.2 ATTORNEY FEES. Each party to this Agreement shall bear its own costs and attorneys' fees if any legal action is instituted by a party to this Agreement against the other party to this Agreement to enforce or declare such party's rights hereunder.

SECTION 5.3 AMENDMENTS. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.

SECTION 5.4 COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be determined an original and all of which taken together will constitute one and the same instrument.

SECTION 5.5 FURTHER ASSURANCES. At any and all times the District and County so far as may be authorized by law shall pass, make, do, execute, acknowledge and deliver any and every such further resolutions acts, deeds, conveyances, instruments, assignments, transfers and assurances as may be necessary or reasonably requested by the other in order to give full effect to this Agreement.

SECTION 5.6 ASSIGNMENT OF AGREEMENT. Except as expressly set forth herein, neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing, either party may assign this Agreement to another public entity, subject to the reasonable consent of the other party. In such circumstances the party not requesting the assignment shall have the right to demand assurances of the financial, technical and legal ability of the proposed assignee to undertake the responsibilities and obligations of the assigning party.

SECTION 5.7 BINDING EFFECT. This Agreement shall bind and inure to the benefit of the parties hereto any successor or assignee acquiring an interest hereunder consistent with the provisions of Section 5.11 hereof.

SECTION 5.8 FORMER COUNTY OFFICIALS. District agrees to provide or has already provided information on former County administrative officials (as defined below) who are employed or represent District. The information provided includes a list of former County Administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of District. For purposes of this provision, "County Administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Appendix B, List of Former County Officials)

SECTION 5.9 IMPROPER CONSIDERATION. District shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash,

discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement. District shall immediately report any attempt by an officer, employee or agent of County to solicit (either directly or through an intermediary) improper consideration from District. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office.

SECTION 5.10 NOTICES. Any notice or communication required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth on the cover page of this Agreement. Changes in the respective addresses to which such notices may be directed may be made from time to time by any party by notice to the other party.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, COUNTY and DISTRICT have caused this Agreement to be executed by their duly authorized officers or representatives as of the dates set forth below.

COUNTY OF SAN BERNARDINO

HELENDALE COMMUNITY SERVICES
DISTRICT

By: _____
Gary C. Ovitt, Chairman
Board of Supervisors

By: _____
James Keoshkerian, President
Board of Directors

Date: _____

Date: _____

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT HAS
BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

LAURA H. WELCH, Clerk of the
Board of Supervisors

CLERK OF THE BOARD OF
DIRECTORS

By: _____
Deputy

By: _____

Date: _____

Date: _____

Approved as to Legal Form:
RUTH E. STRINGER, Counsel

By: _____
Deputy

Date: _____

SOLID WASTE MANAGEMENT AGREEMENT

THIS SOLID WASTE MANAGEMENT AGREEMENT (the "Agreement") is made and dated as of the date indicated on the cover page hereof between the COUNTY OF SAN BERNARDINO, a political subdivision of the State of California (the "County"), and the HELENDALE COMMUNITY SERVICES DISTRICT, a California community services district organized and existing pursuant to the laws of the State of California (the "District").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated within the County (the "Disposal System"). The Disposal System includes six active regional landfills, nine transfer stations and two community collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled, or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act"). Each Disposal System site incorporates various elements of the County's Comprehensive Disposal Site Diversion Program necessary to meet AB 939 mandates and enhance recycling for the communities of San Bernardino, County.

The County administers a refuse disposal land use fee, pursuant to Chapter 4 of Division 4 of Title 1 of the San Bernardino County Code of Ordinances and Section 16.0222 of Chapter 2 of Division 6 of Title 1 of the San Bernardino County Code of Ordinances, which is imposed on residential parcels within the District in order to discourage illegal dumping (the "Refuse Disposal Land Use Fee"), entitling the owners of such parcels to utilize refuse disposal sites without the payment of any pay-at-the-gate fee for ordinary refuse generated on such residential property. In addition, the Refuse Disposal Land Use Fee offsets the cost for disposal of waste from the Helendale community.

Resolution No. 2927 of the Local Agency Formation Commission of the County of San Bernardino ("LAFCO") was adopted on June 21, 2006 ("Resolution No. 2927"), making determinations on and approving the incorporation of, the District, which was subsequently approved by the electorate at the November 7, 2006, general election and confirmed by LAFCO pursuant to its adoption of Resolution No. 2951 on December 4, 2006 ("Resolution No. 2951").

Resolution No. 2927 and Resolution No. 2951 authorize the District to collect, transfer and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

Resolution No. 2927 and Resolution No. 2951 further provide that all previously authorized charges, fees, assessments, and/or taxes of the County Service Area 70 Improvement

Zones B and C currently in effect shall be continued and assumed by the District as the successor agency in the same manner as provided in the original authorization pursuant to the provisions of the Government Section 56886(t).

On July 21, 2010, LAFCO adopted its Resolution No. 3099 (a true and correct copy of which is attached hereto as Appendix "A" and incorporated herein by this reference) ("Resolution No. 3099"), affirming the District's authorization to (1) collect, transfer and dispose of solid waste and provide solid waste handling service, and (2) continue and assume the Refuse Disposal Land Use Fee in the same manner as provided in the original County authorization, pursuant to Condition No. 10 of Resolution No 2927 and Resolution No. 2951.

On _____, the District and the County entered into a Solid Waste Fee Transfer Agreement ("Fee Transfer Agreement") to provide for the terms and conditions under which the District will continue and assume the Refuse Disposal Land Use Fee.

The District and the County desire to enter into this Agreement to provide for the terms and conditions under which the District's residents will use the Disposal system.

The District has determined that the execution of this Agreement by the District will serve the public health, safety and welfare of the District by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and the continuation of sound environmental management.

The County has determined that the execution of this Agreement by the County will continue its history of serving the public health, safety and welfare by furthering the County's existing work to plan, manage, operate and finance the Disposal System on a prudent and sound long term businesslike basis.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the District on the District authorization date indicated on the cover page hereof.

COVENANTS

It is, therefore, agreed by the County and the District as follows:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

SECTION 1.1 DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.

(A) "Act" means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

(B) "Agreement" means this Solid Waste Management Agreement between the County and the District as the same may be amended or modified from time to time in accordance herewith.

(C) "Contract Date" means the first date on which this Agreement has been executed by both parties hereto.

(D) "County" means the County of San Bernardino, a political subdivision of the State and party to this Agreement.

(E) "Disposal System" means the County's solid waste disposal system, which currently consists of six (6) active regional landfills, nine (9) transfer stations, and two community collection centers, as may hereafter be subject to change.

(F) "District" means the Helendale Community Services District, a California community services district and party to this Agreement.

(G) "LAFCO" means the Local Agency Formation Commission of the County of San Bernardino.

(H) "Refuse Disposal Land Use Fee" means the fee originally adopted by the County under Chapter 4 of Division 4 of Title 1 of the San Bernardino County, CA Code of Ordinances and Section 16.0222 of Chapter 2 of Division 6 of Title 1 of the San Bernardino County Code of Ordinances, continued and assumed by the District pursuant to Resolution No. 2927 and Resolution No. 2951 and affirmed by LAFCO Resolution No. 3099.

(I) "Refuse Disposal Land Use Pass" means the card, voucher, or other form of program developed by the District and issued to a qualified resident of the District that would entitle the holder thereof to Self-Haul residential refuse for disposal at a County Disposal System facility for a number of times during a period of time, as determined by the District, with the charges for such refuse disposal invoiced to the District.

(J) "Self-Haul" means the disposal of waste at a County Disposal System facility by a person not commercially engaged in the disposal thereof who collects and disposes of waste that is generated from residential or business activities conducted by such person.

(K) "State" means the State of California.

SECTION 1.2 INTERPRETATION. In this Agreement, unless the context otherwise requires:

(A) References Hereto. The terms "hereby", "hereof", "herein", "hereunder" and any similar terms refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the Contract Date.

(B) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Persons. Words importing persons include firms, companies, associations, general partnerships, limited partnerships, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(D) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) No Third Party Beneficiaries. Nothing in this Agreement is intended to confer on haulers or any other person other than the parties hereto and their respective permitted successors and assigns hereunder any rights or remedies under or by reason of this Agreement.

(F) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(G) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(H) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist, unless such invalidity frustrates the underlying primary purpose of the Agreement.

(I) Recitals. The recitals to this Agreement are not intended to bind the parties hereto. In the event of a conflict between the recitals and the operative provisions of this Agreement, the operative provisions shall prevail. The recitals shall not be used to interpret the provisions of the Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 REPRESENTATIONS AND WARRANTIES OF THE DISTRICT. The District represents and warrants that:

(A) Existence. The District is a community services district validly existing under the Constitution and laws of the State in accordance with California Government Code Section 61000 et seq.

(B) Due Authorization. The District has duly authorized the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by the District.

SECTION 2.2 REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County represents and warrants that:

(A) Existence. The County is a political subdivision of the State validly existing under the Constitution and laws of the State.

(B) Due Authorization. The County has duly authorized the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by the County.

ARTICLE III LANDFILL PASS PROGRAM

SECTION 3.1 REFUSE DISPOSAL LAND USE PASS. The District shall utilize the funds it receives from the Refuse Disposal Land Use Fee to develop and implement a Refuse Disposal Land Use Pass program pursuant to which the District will issue a distinctive Refuse Disposal Land Use Pass to qualified property owners subject to the Refuse Disposal Land Use Fee continued and assumed by the District pursuant to Resolution No. 2927, Resolution No. 2951, LAFCO Resolution No. 3099, and the Fee Transfer Agreement. The Refuse Disposal Land Use Pass will entitle the holder thereof to Self-Haul residential refuse to a County Disposal System facility for a number of times during a period of time, as determined by the District, with the charges for such refuse disposal invoiced to the District.

SECTION 3.2 ACCEPTANCE OF PASS. The County shall accept when presented at a County Disposal System facility all valid Refuse Disposal Land Use Passes issued by the District. The County shall maintain an accounting of Self-Haul trips using a Refuse Disposal Land Use Pass, retain such Refuse Disposal Land Use Passes, and invoice the District on a monthly basis at the then-current gate fee rate by preparation and presentation of a written statement showing the Refuse Disposal Land Use Passes and calculation of the associated charges.

SECTION 3.3 REIMBURSEMENT FOR SELF-HAULING. The District shall pay to County on a monthly basis all proper and substantiated gate fees at the then-current rate for each visit to a County Disposal System facility by a property owner Self-Hauling refuse and presenting a valid Refuse Disposal Land Use Pass at the entrance thereto.

SECTION 3.4 ADMINISTRATION. The District and the County agree to cooperate in good faith in the administration of the program that is the subject matter of this Agreement in accordance with this Agreement and Appendix A, entitled "Conditions," attached hereto and incorporated herein by this reference, and may make such changes in the implementation thereof, including but not limited to the possible use of automated recording, as jointly deemed necessary

by both parties hereto. The District and the County agree that this Agreement shall operate to supersede the provision in Section 3.3 of the Fee Transfer Agreement requiring an owner or occupant of any parcel subject to the Refuse Disposal Land Use Fee within the boundaries of the District to pay a pay-at-the-gate fee in order to be entitled to, or have the right to, utilize the Disposal System.

ARTICLE IV BREACH, ENFORCEMENT, AND EFFECTIVE DATE

SECTION 4.1 BREACH. The parties agree that in the event either party breaches any obligation under this Agreement or any representation made by either party hereunder is untrue in any material respect, the other party shall have the right to take any action at law or in equity (including actions for injunctive relief, mandamus and specific performance) it may have to enforce the payment of any amounts due or the performance of any obligations to be performed hereunder. Notwithstanding the above, neither party shall have the right to terminate this Agreement except as provided in Section 5.3 hereof.

SECTION 4.2 NO WAIVERS. No action of the County or the District pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by the County or the District in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the County or the District under this Agreement shall preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

SECTION 4.3 FORUM FOR DISPUTE RESOLUTION. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning this Agreement, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino District.

SECTION 4.4 EFFECTIVE DATE. This Agreement shall become effective, shall be in full force and effect, and shall be legally binding upon the District and the County, as of the Contract Date.

///
///
///
///
///
///

ARTICLE V
GENERAL PROVISIONS

SECTION 5.1 INDEMNIFICATION.

(A) The District agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its unauthorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of the acts, errors, or omissions of the District under this Agreement, and for any costs or expenses incurred by the County on account of any such claim, except where such indemnification is prohibited by law. The District's indemnification obligation does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

(B) The County agrees to indemnify, defend (with counsel reasonably approved by District) and hold harmless the District and its unauthorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of the acts, errors, or omissions of the County under this Agreement, and for any costs or expenses incurred by the District on account of any such claim, except where such indemnification is prohibited by law. The County's indemnification obligation does not apply to the District's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

SECTION 5.2 ATTORNEY FEES. Each party to this Agreement shall bear its own costs and attorneys' fees if any legal action is instituted by a party to this Agreement against the other party to this Agreement to enforce or declare such party's rights hereunder.

SECTION 5.3 AMENDMENTS. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.

SECTION 5.4 COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be determined an original and all of which taken together will constitute one and the same instrument.

SECTION 5.5 FURTHER ASSURANCES. At any and all times the District and County so far as may be authorized by law shall pass, make, do, execute, acknowledge and deliver any and every such further resolutions acts, deeds, conveyances, instruments, assignments, transfers and assurances as may be necessary or reasonably requested by the other in order to give full effect to this Agreement.

SECTION 5.6 ASSIGNMENT OF AGREEMENT. Except as expressly set forth herein, neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing, either party may assign this Agreement to another public entity, subject to the reasonable consent of the other party. In such circumstances the party not requesting the assignment shall have the right to demand assurances

of the financial, technical and legal ability of the proposed assignee to undertake the responsibilities and obligations of the assigning party.

SECTION 5.7 BINDING EFFECT. This Agreement shall bind and inure to the benefit of the parties hereto any successor or assignee acquiring an interest hereunder consistent with the provisions of Section 5.10 hereof.

SECTION 5.8 FORMER COUNTY OFFICIALS. District agrees to provide or has already provided information on former County administrative officials (as defined below) who are employed or represent District. The information provided includes a list of former County Administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of District. For purposes of this provision, "County Administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Appendix B, List of Former County Officials)

SECTION 5.9 IMPROPER CONSIDERATION. District shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement. District shall immediately report any attempt by an officer, employee or agent of County to solicit (either directly or through an intermediary) improper consideration from District. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office.

SECTION 5.10 NOTICES. Any notice or communication required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth on the cover page of this Agreement. Changes in the respective addresses to which such notices may be directed may be made from time to time by any party by notice to the other party.

IN WITNESS WHEREOF, COUNTY and DISTRICT have caused this Agreement to be executed by their duly authorized officers or representatives as of the dates set forth below.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

COUNTY OF SAN BERNARDINO

HELENDAL COMMUNITY SERVICES
DISTRICT

By: _____
Gary C. Ovitt, Chairman
Board of Supervisors

By: _____
James Keoshkerian, President
Board of Directors

Date: _____

Date: _____

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT HAS
BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

LAURA WELCH, Clerk of the
Board of Supervisors

CLERK OF THE BOARD OF
DIRECTORS

By: _____
Deputy

By: _____

Date: _____

Date: _____

Approved as to Legal Form:
RUTH E. STRINGER, Counsel

By: _____
Deputy

Date: _____

APPENDIX A

CONDITIONS

GENERAL CONDITIONS:

- Helendale Community Services District (the "District") will ensure that waste generated within its borders and delivered to the County's Disposal System by either its franchised waste hauler or its employees is accurately identified with the District as the situs of origin. District-issued land use passes will be issued only to qualifying District residents, for disposal originating within the District.
- The District and its franchised waste hauler will each maintain a monthly charge account with the County's Solid Waste Management Division ("SWMD") in good standing to facilitate the acceptance of District waste and the payment of disposal costs.
- The District and its franchised hauler will participate in the monthly data exchange process with SWMD that takes place between the 1st and 10th of each month to ensure accurate waste disposal information and gate fees are posted to the County's waste disposal information system, known as Compuweigh.
- The District and its franchised waste hauler will not be eligible for monthly Unincorporated Residential Refund (URR) credits for any District generated waste.
- The District, its franchised waste hauler, and SWMD will agree on waste allocation deriving from any shared routes where customers are served from the District and other unincorporated areas. The District will not be responsible for disposal charges incurred from waste originated outside its jurisdiction.

FOR FISCAL YEAR 2010/11:

- SWMD applies its Land Use assessments, including the District residential parcels.
- Auditor/Controller/Treasurer (ACT) transfers all current year collected SWMD Land Use assessments to the District.
- ACT transfers all prior year collected SWMD Land Use assessments to SWMD.
- Both SWMD and the District allow the already County-issued Land Use Passes to be used by District residents.
- The District will reimburse SWMD a first-year only actual cost of \$2,913.10 for applying the Land Use assessments on the property tax bills and producing and mailing Land Use Passes to District property owners. Using the current Fee Ordinance parcel book #s of 462, 465, 466, & 467 which covers the District, 2,778 parcels had assessments applied and were mailed Land Use Passes. The previous LAFCO parcel listing showed 2,519

District residential parcels with the SWMD Land Use assessment. Each applied assessment costs $\$0.30 \times 2,778 = \833.40 . Each Land Use Pass production and mailing cost $\$0.75 \times 2,778 = 2,079.70$.

- SWMD will provide the District a statement listing each Land Use assessment by parcel, for District reimbursement verification.
- Monthly, SWMD Fiscal Staff will identify County-issued Land Use Pass transactions for District origin, create a supporting worksheet and apply the charges to District's billing account.
- Monthly, SWMD Fiscal Staff will send a bill to the District with all charges to include:
 - Monthly Summary Billing Statement (Cover Page/Invoice sent to all charge customers)
 - Monthly Transaction Detail Listing (sent to all charge customers)
 - Monthly summary charges for County-issued Land Use Pass charges based on District origin.

FOR FISCAL YEAR 2011/12 AND FUTURE YEARS:

- SWMD does not submit District parcels to ACT Property Tax for inclusion in County's annual SWMD Land Use assessment.
- District submits its own parcel listing to ACT Property Tax for its Land Use assessment.
- ACT transfers FY 09/10 and prior years' collected SWMD Land Use assessments to SWMD.
- ACT transfers FY 10/11 collected SWMD Land Use assessments to the District.
- Monthly, SWMD Fiscal Staff will include summarized District-issued Land Use Pass charges as part of the Monthly Summary Billing Statement and Monthly Transaction Detail Listing.
- Monthly, SWMD Fiscal Staff will send a bill to District with all charges to include:
 - Monthly Summary Billing Statement (Cover Page/Invoice sent to all charge customers).
 - Monthly Transaction Detail Listing, including summary charges for District-issued Land Use Pass charges (sent to all charge customers).

**Letter Dated June 13, 2016 from
San Bernardino Auditor Controller
Regarding Property Tax Transfer for
LAFCO 3202 Pursuant to Government
Code Section 56810**

Attachment 7

AUDITOR-CONTROLLER/ TREASURER/TAX COLLECTOR

- ☒ 268 West Hospitality Lane, Fourth Floor
San Bernardino, CA 92415-0018 • (909) 387-8322 • Fax (909) 890-4045
- ☐ 268 West Hospitality Lane, First Floor
San Bernardino, CA 92415-0360 • (909) 387-8308 • Fax (909) 890-5797

June 13, 2016

RECEIVED
JUN 15 2016

Kathleen Rollings-McDonald
Executive Officer
Local Agency Formation Commission
215 North D Street, Suite 204
San Bernardino, CA 92415-0490

LAFCO
San Bernardino County

RE: LAFCO 3202 – REORGANIZATION AND FORMATION OF THE WRIGHTWOOD
COMMUNITY SERVICES DISTRICT

Dear Ms. Rollings-McDonald:

Per your request, our office has attached the AB8 allocation report that identifies the allocation factor and revenue estimates for fiscal year 2015-16. CSA 56 - Wrightwood is identified by agency code UD41 on page 3 of the report and the projected revenue is \$120,102. The projected revenue consists of the base year value/revenue, increment experienced in the agencies jurisdictional boundaries over the years, and revenue shifts previously approved on other LAFCO items that involved the agency.

A summary of the property tax revenue received by the agency for the past six years is attached for your reference. The agency received \$121,014.32 after deducting property tax administration fees charged by the Auditor-Controller/Treasurer/Tax Collector in fiscal year 2014-15.

If you have any questions or need additional information, please feel free to contact Linda Santillano, Property Tax Manager at (909) 382-3189.

Sincerely,

Oscar Valdez
Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By: 

Sonia Hermosillo
Chief Deputy Disbursements

OV:JC:JG:AJ:adp

Enclosures



Oscar Valdez
Auditor-Controller/
Treasurer/Tax Collector
SAN BERNARDINO COUNTY

Matt Brown
Assistant Auditor-Controller/Treasurer/Tax Collector

John Johnson
Assistant Auditor-Controller/Treasurer/Tax Collector

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION
ALLOCATION PERCENTAGE CALCULATION - IV

PAGE: 1
DATE: 11/05/15

AGENCY CODE	PRIOR AGY REVENUE	+ AGY REV INCREMENT	= GROSS AGY REVENUE	- AUGMENTATION CONTRIBUTION	= NET AGY REVENUE /	(TOTAL COUNTY) (REVENUE)	= ALLOCATION PERCENTAGE
AA02 GM01	0.00	0.00	0.00	0.00	0.00		0.000000
AB01 GA01	182,597,648.29	7,948,541.77	190,546,190.06	0.00	190,546,190.06		14.553224
AB02 GA01	276,922,486.67	11,892,934.20	288,815,420.87	0.00	288,815,420.87		22.058671
BF01 GA01	14,602,082.90	737,794.27	15,339,877.17	0.00	15,339,877.17		1.171604
BF02 GA01	4,840,693.02	239,299.53	5,079,992.55	0.00	5,079,992.55		0.387991
BF03 GA01	3,643,733.48	165,206.32	3,808,939.80	0.00	3,808,939.80		0.290913
BF04 GA01	4,185,899.26	207,353.57	4,393,252.83	0.00	4,393,252.83		0.335541
BF05 GA01	355,021.52	10,140.03	365,161.55	0.00	365,161.55		0.027889
BF06 GA01	1,349,726.57	13,809.38	1,335,917.19	0.00	1,335,917.19		0.102033
BF07 GA01	1,376,044.52	69,127.87	1,445,172.39	0.00	1,445,172.39		0.110377
BF08 GA01	439,061.66	13,996.06	453,057.72	0.00	453,057.72		0.034603
BL01 GA01	10,587,776.35	398,003.46	10,985,779.81	0.00	10,985,779.81		0.839053
BS01 GA01	6,275,047.94	269,589.80	6,544,637.74	0.00	6,544,637.74		0.499856
BS01 GA02	453,635.00	15,259.96	468,894.96	0.00	468,894.96		0.035813
BS01 GA03	2,150,127.49	91,836.17	2,241,963.66	0.00	2,241,963.66		0.171233
BS01 GA04	1,487,426.39	61,237.97	1,548,664.36	0.00	1,548,664.36		0.118281
BS01 GA05	535,620.80	22,839.50	558,460.30	0.00	558,460.30		0.042653
CC02 GA01	158,405.87	12,115.74	170,521.61	0.00	170,521.61		0.013024
CC03 GA01	3,689,306.36	164,092.73	3,853,399.09	0.00	3,853,399.09		0.294309
CC04 GA01	847,711.60	9,472.31	857,183.91	0.00	857,183.91		0.065468
CC04 GA02	566,312.92	7,444.33	573,757.25	0.00	573,757.25		0.043822
CC06 GA01	2,557,440.99	102,378.66	2,659,819.65	0.00	2,659,819.65		0.203147
CC08 GA01	8,119,702.72	462,319.03	8,582,021.75	0.00	8,582,021.75		0.655464
CC09 GA01	3,932,581.05	167,072.04	4,099,653.09	0.00	4,099,653.09		0.313116
CC10 GA01	2,859,144.66	160,827.79	3,019,972.45	0.00	3,019,972.45		0.230655
CC12 GA01	1,891,351.27	73,238.20	1,964,589.47	0.00	1,964,589.47		0.150048
CC12 GA02	28,540.40	1,345.15	29,885.55	0.00	29,885.55		0.002282
CC14 GA01	314,482.36	0.00	314,482.36	0.00	314,482.36		0.024019
CC15 GA01	5,492,121.14	270,410.42	5,762,531.56	0.00	5,762,531.56		0.440122
CC16 GA01	988,779.47	31,792.60	1,020,572.07	0.00	1,020,572.07		0.077947
CC17 GA01	399,119.70	9,568.63	408,688.33	0.00	408,688.33		0.031214
CC18 GA01	2,367,672.82	88,466.08	2,456,138.90	0.00	2,456,138.90		0.187591
CC20 GA01	683,659.60	3,926.59	679,733.01	0.00	679,733.01		0.051916
CC22 GA01	25,138,601.11	1,318,459.05	26,457,060.16	0.00	26,457,060.16		2.020694
CC24 GA01	6,168,581.44	359,552.81	6,528,134.25	0.00	6,528,134.25		0.498595
CC26 GA01	14,715,634.37	709,721.30	15,425,355.67	0.00	15,425,355.67		1.178132
CC28 GA01	5,355,923.64	241,990.83	5,597,914.47	0.00	5,597,914.47		0.427549
CC30 GA01	9,833,912.18	392,733.05	10,226,645.23	0.00	10,226,645.23		0.781074
CC31 GA01	1,554,878.11	21,233.37	1,576,111.48	0.00	1,576,111.48		0.120377
CC32 GA01	11,269,644.99	532,682.93	11,802,327.92	0.00	11,802,327.92		0.901419
CC33 GA01	144,438.44	1,930.89	146,369.33	0.00	146,369.33		0.011179
CC34 GA01	6,778,788.02	241,862.29	7,020,650.31	0.00	7,020,650.31		0.536212
CC35 GA01	8,555,044.71	371,108.03	8,926,152.74	0.00	8,926,152.74		0.681747
CC38 GA01	2,439,147.87	77,239.22	2,516,387.09	0.00	2,516,387.09		0.192192
CS03 GA01	149,553.07	8,815.22	158,368.29	0.00	158,368.29		0.012096
CS06 GA01	3,859,307.99	155,010.32	4,014,318.31	0.00	4,014,318.31		0.306599
CS12 GA01	11,463,107.77	514,891.99	11,977,999.76	0.00	11,977,999.76		0.914836

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION
ALLOCATION PERCENTAGE CALCULATION - IV

PAGE: 2
DATE: 11/05/15

AGENCY CODE	PRIOR AGY REVENUE	+ AGY REV INCREMENT	= GROSS AGY REVENUE	- AUGMENTATION CONTRIBUTION	= NET AGY REVENUE /	(TOTAL COUNTY) (REVENUE)	= ALLOCATION PERCENTAGE
CS17 GA01	3,733,003.40	91,951.97	3,824,955.37	0.00	3,824,955.37		0.292136
CS18 GA01	261,344.08	8,067.57	269,411.65	0.00	269,411.65		0.020577
CS24 GA01	15,188,550.39	824,912.56	16,013,462.95	0.00	16,013,462.95		1.223050
CS33 GA01	100.65	3.08	103.73	0.00	103.73		0.000008
CS33 GA02	510,043.26	24,145.03	534,188.29	0.00	534,188.29		0.040799
CS37 GI01	554,606.45	12,724.97	567,331.42	0.00	567,331.42		0.043331
SC10 GA01	3,400,874.27	269,187.87-	3,131,686.40	0.00	3,131,686.40		0.239187
SC16 GA01	25,581,384.57	1,285,957.30	26,867,341.87	0.00	26,867,341.87		2.052029
SC18 GA01	1,635,134.55	53,641.41	1,688,775.96	0.00	1,688,775.96		0.128983
SC54 GA01	20,285,391.84	914,207.99	21,199,599.83	0.00	21,199,599.83		1.619148
SC66 GA01	11,454,699.67	511,116.03	11,965,815.70	0.00	11,965,815.70		0.913906
SE02 GA01	3,625,927.57	223,641.30	3,849,568.87	0.00	3,849,568.87		0.294016
SE04 GA01	8,149,007.69	360,904.42	8,509,912.11	0.00	8,509,912.11		0.649956
SE14 GA01	2,947,244.48	140,276.28	3,087,520.76	0.00	3,087,520.76		0.235813
SE22 GA01	7,495,421.88	459,336.34	7,954,758.22	0.00	7,954,758.22		0.607556
SE24 GA01	7,482,553.36	543,557.71	8,026,111.07	0.00	8,026,111.07		0.613005
SE30 GA01	960,610.34	31,551.60	992,161.94	0.00	992,161.94		0.075778
SE38 GA01	78,952.33	517.16-	78,435.17	0.00	78,435.17		0.005990
SE40 GA01	6,228,621.09	402,035.25	6,630,656.34	0.00	6,630,656.34		0.506426
SE44 GA01	16,817,075.55	682,133.45	17,499,209.00	0.00	17,499,209.00		1.336526
SE46 GA01	213,686.77	9,815.63	223,502.40	0.00	223,502.40		0.017070
SE64 GA01	7,773,325.81	280,947.51	8,054,273.32	0.00	8,054,273.32		0.615156
SH16 GA01	44,854,306.20	2,376,679.65	47,230,985.85	0.00	47,230,985.85		3.607331
SH66 GA01	11,173,667.09	489,635.07	11,663,302.16	0.00	11,663,302.16		0.890800
SU06 GA01	14,863,875.80	750,534.20	15,614,410.00	0.00	15,614,410.00		1.192572
SU08 GA01	3,715,345.91	809,663.10-	2,905,682.81	0.00	2,905,682.81		0.221926
SU10 GA01	4,077,699.72	430,793.68	4,508,493.40	0.00	4,508,493.40		0.344342
SU12 GA01	10,657,008.15	513,188.05	11,170,196.20	0.00	11,170,196.20		0.853139
SU18 GA01	58,147,193.15	2,819,908.03	60,967,101.18	0.00	60,967,101.18		4.656445
SU20 GA01	11,397,647.94	548,027.91	11,945,675.85	0.00	11,945,675.85		0.912367
SU26 GA01	14,732,136.39	647,569.66	15,379,706.05	0.00	15,379,706.05		1.174646
SU32 GA01	8,651,726.63	269,790.34	8,921,516.97	0.00	8,921,516.97		0.681393
SU34 GA01	2,464,462.73	65,140.89	2,529,603.62	0.00	2,529,603.62		0.193202
SU36 GA01	7,946,440.12	260,686.97	8,207,127.09	0.00	8,207,127.09		0.626831
SU42 GA01	1,656,644.50	3,623.52	1,660,268.02	0.00	1,660,268.02		0.126805
SU48 GA01	29,971,475.87	1,385,790.43	31,357,266.30	0.00	31,357,266.30		2.394954
SU50 GA01	14,569,509.81	755,699.26	15,325,209.07	0.00	15,325,209.07		1.170483
SU52 GA01	13,633,893.03	368,610.91	14,002,503.94	0.00	14,002,503.94		1.069461
SU54 GA01	25,787,632.78	1,292,150.47	27,079,783.25	0.00	27,079,783.25		2.068255
SU56 GA01	679,918.53	31,171.62-	648,746.91	0.00	648,746.91		0.049549
SU58 GA01	7,389,340.14	399,738.48	7,789,078.62	0.00	7,789,078.62		0.594901
SU60 GA01	118,335.34	8,863.18-	109,472.16	0.00	109,472.16		0.008361
SU62 GA01	21,689,792.91	1,055,944.92	22,745,737.83	0.00	22,745,737.83		1.737237
SU68 GA01	10,115,808.45	452,227.88	10,568,036.33	0.00	10,568,036.33		0.807148
TC84 GA01	43,834.29	3,133.76-	40,700.53	0.00	40,700.53		0.003109
TC88 GA01	281,784.30	616.29	282,400.59	0.00	282,400.59		0.021568
TC92 GA01	883.71	9.83	893.54	0.00	893.54		0.000069

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION
ALLOCATION PERCENTAGE CALCULATION - IV

AGENCY CODE	PRIOR AGY REVENUE	+ AGY REV INCREMENT	= GROSS AGY REVENUE	- AUGMENTATION CONTRIBUTION	= NET AGY REVENUE /	(TOTAL COUNTY) (REVENUE)	= ALLOCATION PERCENTAGE
TU82 GA01	5,240.30	58.29	5,298.59	0.00	5,298.59		0.000404
TU85 GA01	15,520.01	230.99	15,751.00	0.00	15,751.00		0.001203
TU86 GA01	449,503.88	4,147.12	453,651.00	0.00	453,651.00		0.034649
TU90 GA01	53,265.80	1,997.49-	51,268.31	0.00	51,268.31		0.003915
UD06 GA01	99,583.46	2,806.84	102,390.30	0.00	102,390.30		0.007820
UD08 GA01	378,781.06	45,593.73	424,374.79	0.00	424,374.79		0.032413
UD11 GA01	409,590.65	10,718.03	420,308.68	0.00	420,308.68		0.032101
UD12 GA01	3,137.42	77.57	3,214.99	0.00	3,214.99		0.000246
UD25 GA01	247,972.83	30,045.10	278,017.93	0.00	278,017.93		0.021234
UD27 GA01	28,298.21	0.00	28,298.21	0.00	28,298.21		0.002161
UD36 GA01	9,536.86	720.05	10,256.91	0.00	10,256.91		0.000784
UD39 GA01	33,158.96	635.63	33,794.59	0.00	33,794.59		0.002581
UD41 GA01	117,004.08	3,098.43	120,102.51	0.00	120,102.51		0.009173
UD43 GA01	36,404.26	770.55	37,174.81	0.00	37,174.81		0.002839
UD44 GA01	1,702,076.29	75,142.74	1,777,219.03	0.00	1,777,219.03		0.135737
UD46 GA01	76,702.86	4,744.83	81,447.69	0.00	81,447.69		0.006221
UD47 GA01	387,739.45	15,315.84	403,055.29	0.00	403,055.29		0.030784
UD48 GA01	41,220.18	1,301.65	42,521.83	0.00	42,521.83		0.003248
UD49 GA01	27,113.83	976.31	28,090.14	0.00	28,090.14		0.002145
UD50 GA01	45,183.59	1,225.20	46,408.79	0.00	46,408.79		0.003545
UD54 GA01	491,829.05	12,347.92	504,176.97	0.00	504,176.97		0.038507
UD56 GA01	10,410.16	1,068.01	11,478.17	0.00	11,478.17		0.000876
UD57 GA01	14,188.69	543.39	14,732.08	0.00	14,732.08		0.001126
UD59 GA01	515.48	27.78	543.26	0.00	543.26		0.000041
UD67 GA01	8,088.68	359.85	8,448.53	0.00	8,448.53		0.000645
UD68 GA01	53,919.16	675.99-	53,243.17	0.00	53,243.17		0.004067
UD80 GA01	143,227.30	9,008.62	152,235.92	0.00	152,235.92		0.011627
UD81 GA01	6,608.95	8,152.18	14,761.13	0.00	14,761.13		0.001128
UD82 GA01	22,736.00	9.23-	22,726.77	0.00	22,726.77		0.001735
UD84 GA01	18,652.77	1,234.95	19,887.72	0.00	19,887.72		0.001519
UD89 GA01	3,626.67	171.42	3,798.09	0.00	3,798.09		0.000290
UD93 GA01	47,683.41	1,380.46-	46,302.95	0.00	46,302.95		0.003537
UD98 GA01	609,008.43	44,533.21	653,541.64	0.00	653,541.64		0.049915
UF01 GA01	7,670,206.67	425,189.25	8,095,395.92	0.00	8,095,395.92		0.618297
UF01 GA02	8,457,834.88	276,058.14	8,733,893.02	0.00	8,733,893.02		0.667063
UF01 GA03	6,289,458.54	332,716.58	6,622,175.12	0.00	6,622,175.12		0.505777
UF01 GA04	5,298,172.42	130,110.62	5,428,283.04	0.00	5,428,283.04		0.414593
UF01 GA05	6,957,527.19	104,974.99	7,062,502.18	0.00	7,062,502.18		0.539408
UP07 GA01	1,739,295.56	82,964.45	1,822,260.01	0.00	1,822,260.01		0.139178
UP09 GA01	282,270.37	13,323.86	295,594.23	0.00	295,594.23		0.022576
US05 GI01	972,776.71	29,540.61	1,002,317.32	0.00	1,002,317.32		0.076553
VB01 GA01	92,164.42	9,245.39	101,409.81	0.00	101,409.81		0.007746
VB03 GA01	136,041.46	2,558.93	138,600.39	0.00	138,600.39		0.010586
VF02 GA01	2,890,731.48	65,164.44	2,955,895.92	0.00	2,955,895.92		0.225760
VF03 GA01	3,399,028.49	72,655.46	3,471,683.95	0.00	3,471,683.95		0.265155
VP02 GA01	1,112,170.58	30,020.24	1,142,190.82	0.00	1,142,190.82		0.087236
WA01 GA01	1,142,958.46	54,309.44	1,197,267.90	0.00	1,197,267.90		0.091443

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION
ALLOCATION PERCENTAGE CALCULATION - IV

PAGE: 4
DATE: 11/05/15

AGENCY CODE	PRIOR AGY REVENUE	+ AGY REV INCREMENT	= GROSS AGY REVENUE	- AUGMENTATION CONTRIBUTION	= NET AGY REVENUE /	(TOTAL COUNTY) (REVENUE)	= ALLOCATION PERCENTAGE
WC01 GA01	89,775.48	1,882.28-	87,893.20	0.00	87,893.20		0.006713
WC02 GA01	58,101.48	2,520.90	60,622.38	0.00	60,622.38		0.004630
WC03 GA01	1,837,492.29	96,336.90	1,933,829.19	0.00	1,933,829.19		0.147699
WC03 GA02	140,953.63	3,364.73	144,318.36	0.00	144,318.36		0.011022
WC04 GA01	18,314.71	261.06-	18,053.65	0.00	18,053.65		0.001379
WC05 GA01	63,175.14	9,267.57-	53,907.57	0.00	53,907.57		0.004118
WC06 GA01	179,051.66	10,871.07	189,922.73	0.00	189,922.73		0.014505
WC08 GI01	2,886,558.94	75,014.59	2,961,573.53	0.00	2,961,573.53		0.226194
WC09 GA01	34,654.87	266.19	34,921.06	0.00	34,921.06		0.002668
WC10 GA01	351,108.60	21,491.96	372,600.56	0.00	372,600.56		0.028457
WC11 GA01	90,766.67	2,466.74	93,233.41	0.00	93,233.41		0.007121
WC12 GA01	92,960.34	4,250.02	97,210.36	0.00	97,210.36		0.007425
WC13 GA01	888,164.41	69,324.37	957,488.78	0.00	957,488.78		0.073129
WF01 GA01	4,385,265.58	222,128.35	4,607,393.93	0.00	4,607,393.93		0.351896
WF07 GA01	18,197,121.85	976,628.47	19,173,750.32	0.00	19,173,750.32		1.464422
WF07 GA02	1,952,000.44	76,588.19	2,028,588.63	0.00	2,028,588.63		0.154936
WF07 GA03	1,928,446.05	75,664.03	2,004,110.08	0.00	2,004,110.08		0.153066
WH01 GA01	879,022.28	41,768.02	920,790.30	0.00	920,790.30		0.070327
WH02 GA01	518,801.49	16,040.65	534,842.14	0.00	534,842.14		0.040849
WH04 GA01	896,618.08	24,968.35	921,586.43	0.00	921,586.43		0.070388
WH05 GA01	34.95	0.88	35.83	0.00	35.83		0.000002
WR01 GL01	4,501.06	40.45	4,541.51	0.00	4,541.51		0.000347
WR03 GL01	78,231.82	1,336.73	79,568.55	0.00	79,568.55		0.006077
WR04 GL01	649,549.61	29,948.36	679,497.97	0.00	679,497.97		0.051898
WT01 GL01	67,760.08	2,384.54	70,144.62	0.00	70,144.62		0.005357
WT09 GL01	1,478,719.07	73,550.60	1,552,269.67	0.00	1,552,269.67		0.118557
WU06 GA01	2,979,106.16	141,556.01	3,120,662.17	0.00	3,120,662.17		0.238345
WU08 GA01	4,112,845.88	183,049.85	4,295,895.73	0.00	4,295,895.73		0.328105
WU08 GA02	10,902.04	608.53	11,510.57	0.00	11,510.57		0.000879
WU08 GA03	5,382,068.66	292,837.94	5,674,906.60	0.00	5,674,906.60		0.433429
WU08 GA04	12,832.56	891.06	13,723.62	0.00	13,723.62		0.001048
WU08 GA05	17,324,349.68	871,808.62	18,196,158.30	0.00	18,196,158.30		1.389756
WJ23 GA01	7,537,578.38	362,918.28	7,900,496.66	0.00	7,900,496.66		0.603411
WW04 GA01	204,975.96	8,772.05	213,748.01	0.00	213,748.01		0.016326
WW11 GA01	199,600.48	5,877.67	205,478.15	0.00	205,478.15		0.015693
WW15 GA01	1,161,763.57	34,440.77	1,196,204.34	0.00	1,196,204.34		0.091362
WW16 GA01	364,446.75	17,492.25	381,939.00	0.00	381,939.00		0.029171
WW17 GL01	70,971.17	4,030.60	75,001.77	0.00	75,001.77		0.005729
WW18 GL01	6,078.42	367.95	6,446.37	0.00	6,446.37		0.000492
WW21 GA01	946,547.45	41,466.02	988,013.47	0.00	988,013.47		0.075461
WW22 GA01	1,392,240.07	36,826.65	1,429,066.72	0.00	1,429,066.72		0.109147
WW28 GA01	1,147,875.56	59,860.87	1,207,736.43	0.00	1,207,736.43		0.092242
WW29 GA01	875,640.52	38,940.54	914,581.06	0.00	914,581.06		0.069853
WW29 GA02	1,622,883.96	66,947.53	1,689,831.49	0.00	1,689,831.49		0.129063
WW40 GA01	3,301.07	193.24-	3,107.83	0.00	3,107.83		0.000237
WW43 GA01	13.69	0.27	13.96	0.00	13.96		0.000001
WY08 GA01	46,011.86	1,514.94	47,526.80	0.00	47,526.80		0.003630

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION
ALLOCATION PERCENTAGE CALCULATION - IV

AGENCY CODE	PRIOR AGY REVENUE	+ AGY REV INCREMENT	= GROSS AGY REVENUE	- AUGMENTATION CONTRIBUTION	= NET AGY REVENUE /	(TOTAL COUNTY) (REVENUE)	= ALLOCATION PERCENTAGE
WY08 GA02	46,383.22	1,372.85	47,756.07	0.00	47,756.07		0.003648
WY10 GA01	633,139.47	18,363.37	651,502.84	0.00	651,502.84		0.049759
WY20 GI01	1,082,437.69	50,426.83	1,132,864.52	0.00	1,132,864.52		0.086524
	1,254,092,162.80	55,213,504.52	1,309,305,667.32	0.00	1,309,305,667.32		100.000000

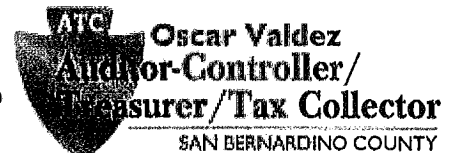
CSA - 56 WRIGHTWOOD
Property Tax Information
For Fiscal Year 2009-10 Thru 2014-15

Revenue Code	Property Tax Revenue Source	TOTAL PROPERTY TAX PAID						
		FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Total
8015	Property Taxes - Current Secured 1% Tax Levy	\$ 108,674.70	\$ 104,950.00	\$ 104,371.91	\$ 104,532.42	\$ 106,506.00	\$ 109,522.38	\$ 638,557.41
8025	Property Taxes - Current Unsecured 1% General T	5,023.65	4,699.94	4,444.32	4,577.07	4,738.39	4,726.21	28,209.58
8035	Property Taxes - Current Unitary 1% Levy	1,679.02	1,739.90	2,426.36	2,120.24	2,462.76	1,841.18	12,269.46
8115	Property Taxes - Prior Secured 1% General Tax	(1,406.72)	(66.89)	(162.55)	(84.53)	(48.71)	(94.72)	(1,864.12)
8125	Property Taxes - Prior Unsecured 1% General Tax	3,011.68	195.83	195.40	194.89	157.86	165.38	3,921.04
8135	Property Taxes - Prior Unitary 1% Levy	(0.01)	(0.01)	0.01	-	0.01	-	-
8145	Interest & Penalty Delinquent Taxes	3,978.23	3,258.48	2,242.92	2,176.61	1,451.43	1,342.12	14,449.79
8176	5% Supplemental Administrative Charges				(55.36)	(74.31)	(118.19)	(247.86)
8230	Supplemental Roll - Current	(4,437.97)	135.32	(236.53)	265.08	702.84	884.80	(2,686.46)
8235	Supplemental Roll - Prior	20,540.19	9,558.65	4,343.73	3,441.46	2,635.60	2,525.68	43,045.31
8800	General Tax Levy Homeowner Exemption	1,619.14	1,551.58	1,529.52	1,455.47	1,394.90	1,319.28	8,869.89
9800	Other Services - PTAF	(1,539.38)	(1,327.39)	(1,367.65)	(1,000.61)	(1,048.55)	(1,099.80)	(7,383.38)
	Total	\$ 137,142.53	\$ 124,695.41	\$ 117,787.44	\$ 117,622.74	\$ 118,878.22	\$ 121,014.32	\$ 737,140.66

AUDITOR-CONTROLLER/ TREASURER/TAX COLLECTOR

- ☒ 268 West Hospitality Lane, Fourth Floor
San Bernardino, CA 92415-0018 • (909) 387-8322 • Fax (909) 890-4045
- ☐ 268 West Hospitality Lane, First Floor
San Bernardino, CA 92415-0360 • (909) 387-8308 • Fax (909) 890-5797

May 19, 2016



Matt Brown
Assistant Auditor-Controller/Treasurer/Tax Collector

John Johnson
Assistant Auditor-Controller/Treasurer/Tax Collector

Kathleen Rollings-McDonald
Executive Officer
Local Agency Formation Commission
215 North D Street, Suite 204
San Bernardino, CA 92415-0490

RE: LAFCO 3202 – REORGANIZATION AND FORMATION OF THE WRIGHTWOOD
COMMUNITY SERVICES DISTRICT

Dear Ms. Rollings-McDonald:

As required under Government Code Section 56810, the Auditor-Controller/Treasurer/Tax Collector is hereby submitting the proportion which property tax revenue bears to total general revenue for each affected local agency, for the fiscal year ended June 30, 2015.

Affected Local Agency		General Revenue	Property Taxes	Property Taxes %
AB01-GA01	County of San Bernardino	736,568,562	480,187,918	65.19%
UD41-GA01	County Service Area 56	121,252	120,795	99.62%

If you have any questions or need additional information, please feel free to contact Linda Santillano, Property Tax Manager at (909)382-3189.

Sincerely,

Oscar Valdez
Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By: 

Sonia Hermosillo
Chief Deputy Disbursements Division

OV:JJ:SH:LS:ap

cc: Greg Devereaux, Chief Executive Officer
Gary McBride, Chief Financial Officer

**San Bernardino County
Board of Supervisors Agenda Item #38
from July 23, 2013 Related to County
Service Area Revolving Fund Loan**

Attachment 8

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

38

July 23, 2013

FROM: JEFFREY O. RIGNEY, Director
Special Districts Department

SUBJECT: CONTRACT WITH MICON CONSTRUCTION INC. OF PLACENTIA, FOR
CONSTRUCTION OF THE WRIGHTWOOD SKATE PARK AND LOAN
ISSUANCE FROM THE COUNTY SERVICE AREA REVOLVING LOAN FUND
TO COUNTY SERVICE AREA 56 (WRIGHTWOOD)

RECOMMENDATION(S)

Acting as the governing body of County Service Area 56:

1. Adopt Resolution authorizing a loan from the County Service Area revolving loan program for a period of seven (7) years to County Service Area 56 in the amount of \$200,000 for funds needed to complete the construction of a skate park and other improvements in the unincorporated area of Wrightwood.
2. Approve contract with Micon Construction, Inc. of Placentia, CA, in the amount of \$304,650.50 for the construction of a skate park and other improvements in the unincorporated area of Wrightwood.
3. Authorize the Director of the Special Districts Department to order any necessary changes or additions in the work performed under the contract for a total not to exceed amount of \$27,732, pursuant to Public Contract Code Section 20142.
4. Authorize the Director of the Special Districts Department to file a Notice of Completion with the Auditor-Controller/Treasurer/Tax Collector once all work is satisfactorily completed.
5. Direct the Auditor-Controller/Treasurer/Tax Collector to record the Notice of Completion and to complete needed transactions to implement the County Service Area revolving loan.

(Presenter: Jeffrey O. Rigney, Director, 387-5967)

BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total aggregate construction cost associated with the approval of this item is \$345,603.50, which includes \$304,650.50 for construction contract, \$27,733 for contingencies, and \$13,220 for contract management expenses. The \$345,603.50 in anticipated expenses was included as part

**CONTRACT WITH MICON CONSTRUCTION INC. OF PLACENTIA, FOR
CONSTRUCTION OF THE WRIGHTWOOD SKATE PARK AND LOAN
ISSUANCE FROM THE COUNTY SERVICE AREA REVOLVING LOAN
FUND TO COUNTY SERVICE AREA 56 (WRIGHTWOOD)**

38

JULY 23, 2013

PAGE 2 OF 3

of the 2013-14 capital improvement project budget for County Service Area (CSA) 56 (CDW-380). Project funding sources include \$144,585 current project fund balance derived from a \$150,000 priority policy needs allocation approved by the Board of Supervisors on April 19, 2011 (Item No. 3); revolving loan funds of \$200,000; and \$1,018 in funds to be transferred from CSA 56 operating account SKD 380 to CDW-380 Wrightwood Skate Park project fund.

CSA 56 has budgeted \$42,000 in 2013-14 to make the first year loan payment. The subsequent six scheduled payments of \$27,000 annually through 2020 will be included in the District's annual budget. The total estimated interest of \$4,000, included in the payment schedule, will be calculated and applied by the Auditor-Controller/Treasurer/Tax Collector at the rate of County pool funds.

BACKGROUND INFORMATION

Approval of this item will adopt a Resolution authorizing the proposed funding mechanism, to include contingencies, for the construction of the Wrightwood Skate Park (Project) by the lowest bidder, Micon Construction, Inc.

This Project will benefit the community as there are no public skate parks in the area. This park will include a skate-able plaza area, precast ramps, picnic tables, benches, walking paths, parking area and street improvements. The park and its amenities were established as a result of public input and participation in the design process during community forums and recommendations made by the Wrightwood Municipal Advisory Council.

On October 29, 2012, the Special Districts Department followed the informal bidding requirements in the Public Contract Code applicable to construction projects of \$175,000 or less. On November 20, 2012, six bids were received with the lowest bid being \$50,000 over the limit authorized for informally bid construction projects.

On April 23, 2013, (Item No. 60), the Board of Supervisors rejected the bids received on November 20, 2012, approved the revised plans and specifications for the Wrightwood Skate Park Re-Bid Project, and authorized the Director of Special Districts to solicit for competitive bids and reject previous bids that were received. The Special Districts Department advertised the project in the Press Enterprise newspaper, through ePro, on the department's web site, and on five various online sites that alert contractors of upcoming projects in their areas. A mandatory pre-bid job walk was held on May 9, 2013, with eleven contractors in attendance and on May 23, 2013, five bids were received as follows:

CONTRACT WITH MICON CONSTRUCTION INC. OF PLACENTIA, FOR
CONSTRUCTION OF THE WRIGHTWOOD SKATE PARK AND LOAN
ISSUANCE FROM THE COUNTY SERVICE AREA REVOLVING LOAN
FUND TO COUNTY SERVICE AREA 56 (WRIGHTWOOD)

38

JULY 23, 2013

PAGE 3 OF 3

CONTRACTOR	FROM	BID AMOUNT
Micon Construction Inc.	Placentia, CA	\$304,650.50
AToM Engineering	Hemet, CA	\$318,932.00
Sean Malek Construction	Temecula, CA	\$323,645.00
California Skate Parks	Upland, CA	\$330,536.32
Jergensen Construction	Oak Hills, CA	No Bid

The second low bidder, AToM Engineering, submitted a bid protest alleging the bid submitted by Micon should be rejected because the County's Electronic Procurement System (ePro) showed a "no-bid" by Micon. However, a review by department staff indicated that Micon had timely completed the bid proposal and uploaded it to ePro, along with all other required documents. The bid documents state that if there is a discrepancy between the bid set forth in the bid proposal and the numerical bid set forth in the ePro system, the information on the bid proposal shall prevail.

The District may terminate this Contract at any time without cause with ten days written notice to the contractor. Therefore, staff recommends that the Board approve the contract with Micon Construction, Inc. of Placentia, California.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie J. Surber, Deputy, and Dawn Messer, Deputy, 387-5455) on June 10, 2013 on June 4, 2013; Purchasing Department (Leo Gomez, Supervising Buyer, 378-2063) on May 31, 2013; County Administrative Office (Carlo Pacot, Administrative Analyst, 387-5944) on July 5, 2013; and Finance and Administration (Mary Jane Olhasso, Assistant Executive Officer, 387-4599) on July 10, 2013.

**BOARD GOVERNED
COUNTY SERVICE AREAS**

F A S

STANDARD CONTRACT

FOR OFFICIAL USE ONLY

<input checked="" type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Cancel	FAS Vendor Code MICONCO193	Dept. SC	SPD	A	Contract Number 13- _____	
ePro Vendor Number 00003367				ePro Contract Number 136083		
SPECIAL DISTRICTS DEPARTMENT				Dept. 105	Orgn. 105	Contractor's License No. 744198
Contract Representative Greg Bacon, Senior Project Manager				Telephone (909)387-5940		Total Contract Amount \$ 304,650.50
Contract Type <input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:						
If not encumbered or revenue contract type, provide reason: _____						
Commodity Code 89063		Contract Start Date July 2013		Contract End Date December 2013		Original Amount \$304,650.00
Amendment Amount \$						
Fund CDW	Dept. 380	Organization 2006	Appr. 410	Obj/Rev Source 4010	GRC/PROJ/JOB No 2006	Amount \$ 304,650.50
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount \$
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount \$
Project Name CSA 56 Wrightwood			Estimated Payment Total by Fiscal Year			
Skate Park Project Re-Bid			FY 13/14	Amount \$304,650.50	I/D	

THIS CONTRACT is entered into in the State of California by and between County Service Area 56 (Wrightwood) hereinafter called the District, and

Name

Micon Construction, Inc.

hereinafter called Contractor

Address

1616 Sierra Madre Circle

Placentia, CA 92870

Telephone

(800) 949 - 0203

Federal ID No. or Social Security No.

ON-FILE

IT IS HEREBY AGREED AS FOLLOWS:

I.

The complete contract includes all of the Contract Documents, to wit:

- A. Advertisement for Bids (Project No.2006) dated April 23, 2013.
- B. Bid Specifications titled "CSA 56 Wrightwood Skate Park Project Re-Bid"
- C. Bid Drawings titled "Wrightwood Skate Park and Street Improvements"
- D. Bidder's proposal dated: May 23, 2013 (Attachment A1-A3).
- E. Certified copy of the Record of Action of the Board of Supervisors, on behalf of Board Governed County Service Areas.

And they are included in their entirety as a part of this contract by reference thereto.

Auditor-Controller/Treasurer/Tax Collector Use Only

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

II.

The Contractor agrees to supply and provide all labor, materials, equipment and service as set forth and particularly described in the aforementioned documents, incorporated herein by reference, in consideration of:

BID PROPOSAL:

Total Itemized Base Bid Schedule I (Items 1 -27): Attachment A1 – A2 \$ 304,650.50 Dollars

III.

Contractor will furnish a payment bond and a faithful performance bond in an amount equal to one hundred percent (100%) of the contract price, said bonds to be secured from a surety company satisfactory to the District within ten (10) calendar days of the contract award. Said bonds shall be in effect through the completion of the project plus 35 days after Notice of Completion filing. Contractor shall additionally furnish a 1-year Maintenance Bond in an amount of 5% of the total contract price, after the Notice of Completion has been issued, which shall remain in full force for 1 year following completion.

IV.

Any reference to County in this Section IV refers to the County of San Bernardino. Contractor agrees to and shall comply with the following indemnification and insurance requirements:

Indemnification - The Contractor agrees to indemnify, defend (with counsel reasonably approved by the District) and hold harmless the County, the District, and their authorized officers, employees, agents and volunteers (Indemnitees) from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the Indemnitees on account of any claim, except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of Indemnitees. The Contractor's indemnification obligation applies to the Indemnitee's "passive" negligence but does not apply to the Indemnitee's "sole" or "active" negligence or "willful misconduct" within the meaning of Civil Code Section 2782.

Insurance – The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement, or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract the following types of insurance with limits as shown:

- **Workers' Compensation / Employers Liability** - A program of Workers' Compensation insurance or a State-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this Contract.

If Contractor has no employees, it may certify or warrant to District that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal Law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- **Commercial/General Liability Insurance** - The Contractor shall carry General Liability insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy coverage shall include:

- (a) Premises operations and mobile equipment
- (b) Products and completed operations
- (c) Broad form property damage (including completed operations)
- (d) Explosion, collapse and underground hazards.
- (e) Personal injury.
- (f) Contractual liability
- (g) \$2,000,000 general aggregate limit.

- **Automobile Liability Insurance** - Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired, and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage per occurrence.

If the Contractor is transporting one or more non-employee passengers in the performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

- **Umbrella Liability Insurance** - An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury, and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

Subcontractor Insurance Requirements - The Contractor hereby agrees to require that all parties or subcontractors, including architects or others it hires or contracts with related to the performance of this contract to provide insurance covering the contracted operations with the basic requirements for all contracts in Section IV and the insurance specifications for all contracts in Section IV, (including waivers of subrogation rights) and naming the District and County as additional insureds. The Contractor agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required here.

Additional Insured - All policies, except for the Workers Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming the County, the District, and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the District/County to vicarious liability but shall allow coverage for the District and County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

Waiver of Subrogation Rights - Contractor shall require the carriers of required coverages to waive all rights of subrogation against the County, District, and their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and

Contractor's employees or agents from waiving the rights of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County and District.

Policies Primary and Non-Contributory - All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County and/or District.

Severability of Interests – The Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Contractor and the County and/or the District or between the County and/or District and any other insured or additional insured under the policy.

Proof of Coverage – The Contractor shall furnish Certificates of Insurance to the District administering the contract evidencing the insurance coverage at the time the contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the District; and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Contract, the Contractor shall furnish a copy of the Declarations page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

Acceptability of Insurance Carrier – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII".

Deductibles and Self-Insured Retention – Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

Failure to Procure Coverage – In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, the District has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the District will be promptly reimbursed by the Contractor or District payments to the Contractor will be reduced to pay for District purchased insurance.

Insurance Review - Insurance requirements are subject to periodic review by the District and County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the District and/or County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the District and/or County, inflation, or any other item reasonably related to the District's and/or County's risks.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual, or alleged, on the part of the District to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the District or County.

V.

The District agrees to pay, and the Contractor agrees to accept in full payment for the work outlined in the Contract Documents, the sum of **Three Hundred Four Thousand Six Hundred Fifty Dollars and Fifty Cents (\$304,650.50)** subject to additions and deductions, if any, in accordance with said documents. Payment shall not be made more often than once each thirty (30) days, nor shall amount paid be in excess of ninety-five percent (95%) of the contract at time of completion. Payment requests shall not be deemed properly completed unless certified payrolls and any other mandatory submittals have been properly completed and submitted for each week worked during the time period covered by said payment request. Final payment will be made thirty-five (35) days subsequent to filing of Notice of Completion. Contractor may, upon Contractor's written request, and approved by the Governing Board of the District at Contractor's expense, deposit substitute securities, as stated in Government Code Section 16430, and as authorized by Public Contract Code 22300, in lieu of retention monies withheld to insure performance.

VI.

The Contractor hereby agrees to comply with the State Labor Code and acknowledges that, in accordance with Section 3700 of the State Labor Code, he will be required to secure the payment of compensation to his employees.

The Contractor acknowledges that he will be held responsible for compliance with the provisions of Sections 1777.5 and 1776 of the State Labor Code.

VII.

The Contractor shall commence the work required by this Contract within ten (10) days of the date specified in the Notice to Proceed issued by the District to begin the work and shall complete it within **Sixty (60) calendar days**.

VIII.

Contractor agrees to comply with the provisions of Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment Practice Act, and other applicable Federal, State and County laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

Contractor agrees to comply with the American Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the American Disabilities Act.

Contractor agrees to comply and certify compliance with the Drug Free Workplace Act of 1990 per Government Code Section 8350 et seq.

The Contractor certifies that neither it nor its principals, or other key decision makers, or subcontractors is presently disbarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency or on the Federal Government Excluded Parties List System (www.epls.gov). Contractor agrees that signing this Contract shall constitute signature of this Certification.

IX.

Attorney's Fees and Costs – If any legal action is instituted to enforce or declare any party's rights hereunder, each party including the prevailing party, must bear its own costs and attorney's fees except as otherwise provided

by law. This paragraph shall not apply to those costs and attorney's fees arising directly from any third party legal action against a party hereto and payable under the Insurance and Indemnification section.

X.

Former County Officials - Contractor agrees to provide information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent the Contractor. The information provided should include a list of former county administrative officials who terminated their county employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information should also include the employment with or representation of Contractor. For purposes of this provision, "county administrative official" is defined as a member of the Board of Supervisors or such officer's staff, Chief Executive Officer or member of such officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Employee Classification Group, Management Unit or Safety Management Unit.

XI.

Inaccuracies or Misrepresentations - If during the course of the administration of this agreement, the District determines that the Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the District, this contract may be immediately terminated. If this contract is terminated according to this provision, the District is entitled to pursue any available legal remedies.

XII.

Payment by Electronic Fund Transfer - Contractor shall accept all payments from the District via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by the District required to process EFT payments.

XIII.

Substitution of Subcontractors - The Contractor hereby agrees to reimburse the District for costs incurred by the awarding authority in the substitution of subcontractors. Where a hearing is held pursuant to the provisions of Chapter 4 of the Public Contract Code (commencing with Section 4100) by the awarding authority or a duly appointed hearing officer, the Director of the Special Districts Department or his/her designee shall prepare and certify a statement of all costs incurred by the District for investigation and conduct of the hearing, including the costs of any hearing officer and shorthand reporter appointed. For the purposes of a hearing for the substitution of subcontractors (pursuant to the Public Contract Code commencing with Section 4100) the awarding authority shall be the Director of the Special Districts Department, or his/her designee.

The statement shall then be sent to the general contractor, who shall reimburse the District for such costs. If not paid separately, such reimbursement may be deducted from any money due and owing to the general contractor prior to acceptance of the project.

XIV.

Termination for Convenience - Notwithstanding any other provision of this Contract, District may, at any time, and without cause, terminate this Contract, in whole or in part, upon not less than 10 days written notice to the Contractor. Such termination shall be effected by delivery to Contractor of a notice of termination specifying the effective date of the termination and the extent of the work to be terminated. Contractor shall immediately stop work in accordance with the notice and comply with any other direction as may be specified in the notice or as provided subsequently by District. District shall pay Contractor for the work completed prior to the effective date of the termination, and such payment shall be Contractor's sole remedy under this Contract. Under no circumstances will Contractor be entitled to anticipatory or unearned profits, consequential damages, or other

damages of any sort as a result of a termination or partial termination under this provision. Contractor shall insert in all subcontractors' contracts that the subcontractor shall stop work on the date or and to the extent specified in a notice of termination, and shall require subcontractors to insert the same condition in any lower tier subcontracts.

XV.

Iran Contracting Act of 2010 - (Public Contract Code sections 2200 et seq.)

(Applicable for all Contracts of one million dollars (\$1,000,000) or more)

In accordance with Public Contract Code section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract is not identified on a list created pursuant to subdivision (b) of Public Contract Code section 2203 (<http://www.dgs.ca.gov/pd/Resources/PDLegislation.aspx>) as a person (as defined in Public Contract Code section 2202(e)) engaging in investment activities in Iran described in subdivision (a) of Public Contract Code section 2202.5, or as a person described in subdivision (b) of Public Contract Code section 2202.5, as applicable.

Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code section 2205.

XVI.

Use of ARRA Funds and Requirements (This Project is not funded with ARRA)

This Contract is funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 ("ARRA"), signed into law on February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alteration, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three limited circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the "Buy American" requirement. Request for a waiver must be made to the District for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C.31). This is referred to as the "wage rate" requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage rate requirements. Contractor must contact the District contact if it has any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. Contractor will also be required to provide detailed information regarding compliance with the Buy American requirements, expenditure of funds and wages paid to employees so that the District may fulfill any reporting requirements it has under ARRA. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the District pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

Contractor may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have its subcontractors also register in the same database. Contractor must contact the District with any questions regarding registration requirements.

Schedule of Expenditure of Federal Awards

In addition to the requirements described in "Use of ARRA Funds and Requirements," proper accounting and reporting of ARRA expenditures in single audits is required. Contractor agrees to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by the Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512 (c).

In addition, Contractor agrees to separately identify to each subcontractor and document at the time of sub-contract and at the time of disbursement of funds, the Federal award number, any special CFDA number assigned for ARRA purposes, and amount of ARRA funds.

Contractor may be required to provide detailed information regarding expenditures so that the District may fulfill any reporting requirements under ARRA described in this section. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the District pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

Whistleblower Protection

Contractor agrees that both it and its subcontractors shall comply with Section 1553 of the ARRA, which prohibits all non-Federal contractors, including the State, and all contractors of the State, from discharging, demoting or otherwise discriminating against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract relating to ARRA funds; (2) a gross waste of ARRA funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of ARRA funds; (4) an abuse of authority related to the implementation or use of recovery funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) awarded or issued relating to ARRA funds.

Contractor agrees that it and its subcontractors shall post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA.

//
//
//
//
//
//
//
//
//
//
//
//

XVII.

This contract is delivered by **Micon Construction, Inc.** Contractor, to District for acceptance by its Governing Board at San Bernardino, California, and is deemed to have been entered into at San Bernardino.

IN WITNESS WHEREOF, the Board of Supervisors acting as the governing body of County Service Area 56 (Wrightwood) has caused this Contract to be subscribed by its duly authorized officers, in its behalf, and the said party of the second part has signed this Contract.

County Service Area 56 (Wrightwood)

► _____
Janice Rutherford, Board Chair

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Laura H. Welch, Clerk of the Board

Micon Construction, Inc.
(Print or type name of corporation, company, contractor, etc.)

By ► _____
(Authorized signature - sign in blue ink)

Name Gene F. Holle
(Print or type name of person signing contract)

Title President
(Print or Type)

Dated: May 30, 2013

By _____
Deputy

Address 1616 Sierra Madre Circle
Placentia, CA 92870

Approved as to Legal Form

► _____
Counsel

Date _____

Reviewed by Contract Compliance

► _____

Date _____

Presented to Board for Signature

► _____

Date _____

RESOLUTION NO. 2013-_____

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING A LOAN TO
COUNTY SERVICE AREA 56 – WRIGHTWOOD, FROM THE COUNTY
SERVICE AREA LOAN FUND**

On Tuesday, July 23, 2013, on motion of Supervisor _____,
duly seconded by Supervisor _____ and carried, the following
resolution is adopted by the Board of Supervisors of San Bernardino County, State
of California.

SECTION 1. The Board of Supervisors of the County of San Bernardino
hereby finds and determines:

(a) That California Government Code Section 25214.5(a)
authorizes this Board to appropriate available funds to a revolving fund of not more
than \$2,000,000, from which loans may be made to county service areas;

(b) That this Board, acting in its capacity as the governing body of
County Service Area 56 – Wrightwood ("District"), has determined that said District
is in need of funds for the construction of a skate park and associated
improvements required to adjacent streets, and has further determined that the loan
is for a proper purpose and that the District will be able to repay said loan within the
time and under the conditions imposed by law and by this Resolution.

SECTION 2. The Board of Supervisors of the County of San Bernardino,
therefore, hereby resolves and orders:

(a) That there is hereby authorized a loan to the District in the
amount of \$200,000, with said loan to be made from the Reserve Fund for Loans to
County Service Areas, subject to the following conditions:

- (1) The loan may be paid out in increments, as requested
by the District;
- (2) The loan shall be repaid to said fund not later than seven
(7) years after the date on which the loan increment is
disbursed to District;
- (3) Interest shall accrue on the unpaid principal of each
increment of the loan and be repaid within the time
stated herein at the current rate per annum received by
the County of San Bernardino on similar types of
transactions, as determined by the County Treasurer as
of the date of each disbursement;
- (4) Reimbursement shall be made from property tax
revenue, park and recreation fees and or other monies
which may become available to the District.

PASSED AND ADOPTED by the Board of Supervisors of the County of San Bernardino, State of California, by the following vote:

AYES: SUPERVISORS:

NOES: SUPERVISORS:

ABSENT: SUPERVISORS:

* * * * *

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.

I, **LAURA H. WELCH**, Clerk of the Board of Supervisors of the County of San Bernardino, State of California, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Supervisors, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of July 23, 2013.

LAURA H. WELCH
Clerk of the Board of Supervisors

By _____
Deputy

**Letter Dated June 30, 2016 from the
Lahontan Regional Water Quality Control
Board and Memo to File dated June 26,
2016 Regarding Discharge Requirements
for the Wrightwood community**

Attachment 9



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Lahontan Regional Water Quality Control Board

June 30, 2016

General: Wrightwood

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission for
San Bernardino County
215 North D St., Ste 204
San Bernardino, CA 92415-0490
kmcdonald@laafco.sbcounty.gov

Formation of Independent Special District – Wrightwood, San Bernardino County

The California Regional Water Quality Control Board (Water Board) supports forming an independent Special District for the community of Wrightwood including authority to manage long-term sewage treatment and disposal. Water Board staff understands that the San Bernardino County Local Agency Formation Commission (LAFCO) is evaluating a proposal to form a new independent Special District and dissolve County Service Area No. 56. A new Wrightwood Special District would have numerous service authorities granted. Water Board staff believes it appropriate to include authority to address sewage treatment and disposal.

The community of Wrightwood has no existing sewer collection system and relies solely upon individual on-site wastewater treatment systems (OWTS). These are septic tanks for solids removal followed by sub-surface disposal, typically a seepage pit. The Water Board has long desired that some form of common sewerage be implemented in Wrightwood to deal with problems that periodically arise. Options include centralized or de-centralized sewer collection, treatment and disposal and OWTS maintenance.

OWTS failures have occurred in the older sections of Wrightwood with a high density of small lots. Failures have also occurred in years with elevated precipitation when shallow groundwater rises to the surface. Many undeveloped lots do not meet the Water Board's minimum lot size for installing a OWTS.

Please send future information regarding this project to the Water Board's email address at Lahontan@waterboards.ca.gov as well as the Water Board project staff. If you have questions please contact me at (760) 241-7325 mike.plazlak@waterboards.ca.gov.

for *Jeffrey W. Cass*
Mike Plazlak, P.G.
Supervising Engineering Geologist
South Lahontan Watershed Division

cc: Michael Tuerpe, LAFCO, mtuerpe@lafco.sbcounty.gov
lafco@lafco.sbcounty.gov

R6VUnits/Jays Unit/Jay/Wrightwood/Wrightwood LAFCO Support

AMY L. HORNE, PhD, CHAIR | PAITY Z. KOUYOUNDJIAN, EXECUTIVE OFFICER

2501 Lake Tahoe Blvd., So. Lake Tahoe, CA 96150 | 14440 Civic Dr., Ste. 200, Victorville, CA 92392
e-mail: Lahontan@waterboards.ca.gov | website www.waterboards.ca.gov/lahontan

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : JUNE 26, 2016

FROM: MICHAEL TUERPE, Project Manager

TO: LAFCO 3202 FILE

SUBJECT: PHONE CONVERSATION WITH LAHONTAN

On June 26, 2016, I had a phone conversation with Jehiel Cass, Senior Engineer, from the Lahontan Water Board regarding the Wrightwood community. He stated that there have been three wastewater feasibility studies since the 1970s and that none have come to fruition.

The concerns of the Water Board center on the small lots with septic systems in the community. This has led to biological growth due to leaks that clog the soil pores. As a result, the Water Board adopted discharge requirements for the community. The Water Board's general position is that the community should build a wastewater collection system and treatment plant.

While the Lahontan Board itself does not provide grants or funding assistance (it is primarily a regulatory agency), it can coordinate and facilitate efforts to support the movement towards an organized wastewater system.

Attached to this memo are materials gathered from the Lahontan Water Board website regarding the Wrightwood community.

Attachment

Home ➤ Publications Forms ➤ Available Documents ➤ E O Reports ➤ 2000

EXECUTIVE OFFICER'S REPORT- September 2000

GENERAL

1. *Ambient Water Quality Monitoring for PAHs - Mary Fiore Wagner*

This summer, Regional Board staff initiated a monitoring program to evaluate the presence of Polycyclic Aromatic Hydrocarbons (PAHs) in Lake Tahoe. PAHs are semi-volatile compounds that are by-products of combustion. At low concentrations PAHs can be toxic to aquatic life. Likely sources of PAHs in the Lake Tahoe Basin include automobile emissions, wood smoke, from both fireplaces and prescribed burns, and motorized watercraft.

Regional Board staff believe a PAH study is needed to assist us in commenting on near-term proposals to increase shorezone development, expand marinas, and pier development in significant spawning areas. This study would evaluate existing water quality conditions before additional development is allowed.

The PAH monitoring effort is supported by funds allocated for the regional monitoring program. Regional Board staff is responsible for PAH sample collection and the University of Nevada, Reno is providing analysis of the samples. UNR is analyzing the water samples for a suite of 16 priority toxic PAHs identified by EPA.

The sample locations for the PAH Monitoring Study are designed to evaluate water quality conditions at marinas, mid-lake stations (background), and west shore sites located in significant spawning areas. Two sampling runs have already been conducted and six more events are planned between now and next July. The sampling schedule is designed to capture high-boat use holiday weekends (Fourth-of-July and Labor Day) and pre- and post-boating season activity.

The limited data to date shows background concentrations of PAHs at mid-lake and west shore stations to be below reporting limits which are in the parts per trillion. As expected, PAHs have been measured in marinas which are characterized by heavier motorized boat traffic.

2. *Opera House, Olympic Valley, Placer County - Tammy Lundquist*

Third quarter 2000 ground water analytical results for the Opera House site show nondetect for total petroleum hydrocarbons as diesel (TPH-d) in six of the eight monitoring wells. MW-1 and MW-3, which are located near the former tank cavity reported TPH-d concentration of 230 parts per billion (ppb) and MW-3 at 350 ppb, respectively. The Squaw Valley Public Service District municipal well #3 that is closest to the tank cavity was operated for a short period of time in August. Subsequent testing of the ground water in the well showed non-detect for TPH-d. This indicates that the TPH-d contamination released from the former UST has not impaired this municipal well.

3. *Loading Dock, Olympic Valley, Placer County - Tammy Lundquist*

This allowed the excavation of previously unattainable contaminated soil. The UST had been closed in place because of underground utilities that were routed over the top of the UST. In order to remediate TPH-d contamination in ground water a temporary ground water pump and treat system was installed in April 2000 at the site. The system removed approximately 200,000 gallons of water and operated continuously until July 2000 when it was decommissioned. Three monitoring wells remain at the site. The June 2000 ground water analytical results show a maximum TPH-d concentration of 350 ppb. An underground storage tank (UST) that was previously closed in place was removed.

4. ***Update on Squaw Valley Ski Corporation's Headwall-Cornice II and Gold Coast-Mainline Ski Lift Projects - Scott Ferguson***

Regional Board staff have recently attended two Placer County Planning Commission meetings (August 10, 2000 and August 24, 2000) addressing the Placer County Environmental Review Committee's (ERC) recommendations regarding the above-referenced projects. The ERC recommended that an Environmental Impact Report (EIR) be developed to address the impacts associated with unauthorized work that had been completed and additional work to be completed by Squaw Valley Ski Corporation (SVSC) on the above-referenced lift projects. The ERC also recommended that the Placer County Conditional Use Permit *be revoked in response to the unauthorized construction activities.*

The ERC's recommendation to develop an EIR was based in large part upon Regional Board staff's written comments regarding significant impacts that had occurred as a result of the unauthorized work, and the potential for significant impacts associated with the additional work SVSC has proposed. The Placer County Planning Commission supported the ERC's recommendation regarding the EIR after hearing testimony presented by the ERC, Regional Board staff, and SVSC staff and representatives.

The Placer County Planning Commission two weeks later supported the ERC recommendation to revoke the Conditional Use Permit, which will prohibit SVSC from operating the two lifts this ski season. The Placer County Planning Commission took this action after SVSC staff and representatives, the ERC, and Regional Board staff were unable to develop a consensus regarding the scope of the EIR with respect to a cumulative impacts analysis.

SVSC has appealed the two Placer County Planning Commission actions. A hearing on this appeal will be held by the Placer County Board of Supervisors during its October 16 and 17, 2000 meeting. Regional Board staff anticipates that we will be requested to present testimony regarding the water quality impacts associated with the unauthorized work that has been completed and the potential impacts associated with the proposed construction activities.

5. ***TRPA's Amendment of Code to Allow for a Pier in Prime Fish Habitat when Done in Conjunction with Removal of a Boat Ramp - Mary Fiore Wagner***

The Tahoe Regional Planning Agency's (TRPA) Code prohibits the placement of piers in areas identified as "Feeding And/Or Escape Cover Habitat," "Spawning Habitat," or "Areas Targeted for Habitat Restoration," on TRPA's Prime Fish Habitat map adopted April 26, 1984.

Early this year, TRPA received an application to "convert" a boat ramp to a pier in Prime Fish Habitat. In response to this application, TRPA evaluated the current Code language which permits demolition and replacement of a shorezone structure located in Prime Fish Habitat only if it is replaced with the same shorezone structure (i.e., a pier can replace a pier). At its October Governing Board Meeting the TRPA is considering amending the Code to allow the demolition, relocation, and replacement of one shorezone structure (boat ramp) located in a Prime Fish

Habitat area with another, different, shorezone structure (pier) within the same project area if there is a net reduction in disturbance to Prime Fish Habitat.

Regional Board staff believes amending the TRPA Code will not be consistent with the Water Quality Control Plan for the Lahontan Region (Basin Plan) language which prohibits "the discharge or threatened discharge, attributable to new pier construction...to significant spawning habitats or to areas immediately offshore of important stream inlets in Lake Tahoe." TRPA has prepared a "Buildout Structure Summary" which reveals six shorezone structures, five private boat ramps located in significant spawning habitat and one quasi public boat ramp located at an important stream inlet, which potentially may be affected by the above-mentioned Code Amendment. In addition, there are six public boat ramps that may also be converted if the Code is amended, but it is unlikely a public boat ramp would be replaced by a pier because of current and future recreational demands at Lake Tahoe.

Regional Board staff have learned of future applications requesting conversion of some of the six boat ramps. If any of these six boat ramps were allowed to convert to piers, this activity could not be permitted by the Regional Board because it would violate the above-mentioned Basin Plan Prohibition.

The proposed project application now on file at TRPA is not located in a significant spawning area or located immediately offshore of important stream inlets in Lake Tahoe. The project is located in "Feed/Cover Habitat" and as such, if the conversion of this boat ramp to a pier is allowed, it would not violate the Basin Plan Prohibition.

Regional Board staff recommends the Regional Board consider a Basin Plan amendment. Based on the TRPA's analysis, conversion of a boat ramp to a pier facilitates an opportunity to restore the substrate under the boat ramp and increase fish habitat. Conversion of a boat ramp to a pier would also move motorized watercraft activity farther offshore and create a net reduction in disturbance to the areas designated as "Prime Fish Habitat."

6. ***Update of Upper Truckee River and Trout Creek Fecal Coliform Monitoring Program, Summer 2000 - Abigail O'Keefe***
(See Attached Table)

Regional Board staff are continuing to monitor non-point sources (NPS) of fecal coliform in the Lake Tahoe Basin.

In addition to processing samples from the Upper Truckee River and Trout Creek, Regional Board staff are collaborating with the U.S. Forest Service (USFS) to monitor fecal coliform concentrations in Meiss Meadows, Big Meadows and the Baldwin allotment in the Tallac Creek subwatershed.

On August 10, 2000, fecal coliform concentrations at the Upper Barton Meadows drastically increased as a result of the landowner extending the fencing in a previously unused paddock across the Upper Truckee River to allow access for livestock to water. Fecal coliform concentrations downstream rose to 5800/100ml (three days previous to the incident, concentrations were 57/100ml). Regional Board staff immediately contacted the landowner to inform them of the violation. The landowner responded to our recommendations a few days later by moving the fence to exclude livestock direct access to the water. Fecal concentrations have now returned to the previous levels.

Occasionally, cattle are observed grazing in Trout Creek in the Truckee Marsh. Levels have

remained high. As agreed, Regional Board staff has continued to transmit monitoring data immediately after the 24-hour tests to allow the landowner to adjust grazing operations to protect water quality.

If significant violations are found this year, the landowners are to remove the cattle early. The California Tahoe Conservancy has purchased the Truckee Marsh land (lower Barton Meadows) and the livestock will be removed as soon as escrow closes. If for some reason escrow does not close, the landowners are to implement the permanent livestock management plan (involving fencing the cattle away from surface waters) or not allow cattle to graze the property next season. If the landowner does not take these corrective actions, Regional Board staff will pursue further regulatory actions.

7. *Public Workshop on Bridgeport Reservoir TMDL - Jason Churchill*

During a Mono County Board of Supervisors meeting on September 12, 2000, Regional Board staff held a public workshop to familiarize interested parties with Regional Board actions to develop Total Maximum Daily Loads (TMDLs) for the Bridgeport Reservoir, and to seek public input on the process. Approximately 20-25 members of the public attended. TMDLs are pollutant loading limits required under the federal Clean Water Act (CWA) for surface waters that are not meeting water quality standards. The Bridgeport Reservoir and several other waterbodies in Mono County are slated for TMDLs, including Crowley Lake. The workshop included presentations by Regional Board staff member Tom Suk, and Dr. Alexander Horne of the University of California, Berkeley. Dr. Horne is currently studying factors affecting the Bridgeport Reservoir, as part of the TMDL process.

A question-and-answer session followed the presentations. Among issues discussed were: processes by which water quality standards and beneficial uses of waterbodies are established or revised by the Regional Board; timeframes for development and implementation of TMDLs; how compliance with TMDLs is evaluated; potential difficulties in obtaining and interpreting meaningful water quality data; and the current nutrient problems in the Bridgeport Reservoir. Regional Board staff emphasized that we are presently in an information-gathering stage. Identifying pollutant sources and appropriate control measures may be challenging due to the nonpoint sources of nutrient inputs in this watershed. One or more additional public workshops are planned as Regional Board staff moves forward in the TMDL-development process.

8. *Caltrans Storm Water Management Program Annual Report - Bud Amorfini*

Regional Board staff has been assisting the SWRCB in reviewing and commenting on Caltrans' deliverables required under the state-wide NPDES storm water permit. Due to major deficiencies, significant staff time has been necessary to evaluate the program reports and provide comments that address key issues in the Lahontan Region. The SWRCB's comments on Caltrans' April 1, 2000 Annual Report were distributed on August 10, 2000 and mirror Regional Board staff's concerns. In general, the Annual Report was deficient due to the lack of specificity and failure to address key items required by the permit. Requirements to assess non-storm water discharges, self-audit criteria and results, educational program progress, BMP development and selection, and interagency cooperation were inadequate. In addition, the report failed to provide relevant monitoring and tracking data collected during the reporting period, failed to evaluate Caltrans' compliance with the permit, and did not recommend any changes to improve the effectiveness of the program, as required.

Implementation of Caltrans' Storm Water Management Program (SWMP) is reflected at the Regional level in the District-specific Annual Work Plans. In its comment letter, the SWRCB

required that Caltrans submit a revised Annual Report that addresses the comments by September 30, 2000, and submit revised Annual Work Plans to the respective Regional Boards once the final SWMP is approved. Regional Board staff are continuing to work with the SWRCB and Caltrans to improve the SWMP and implementation of storm water control activities in the Lahontan Region. Currently, work is focussed on Caltrans' Storm Water Characterization Monitoring Plan for the state and developing Annual Work Plans relevant to specific watersheds.

9. *US Forest Service Unauthorized Discharge Glen Alpine Road - Kara Russell*

On June 8, 2000 Regional Board staff learned that the Forest Service (Lake Tahoe Basin Management Unit) had placed fill along much of the length of Glen Alpine Road. Sections of Glen Alpine Road lie within the 100-year floodplain of Glen Alpine Creek, tributary to Fallen Leaf Lake and eventually Lake Tahoe. Regional Board staff met with the Forest Service on June 19, 2000 to inspect the roadway and the amount and type of fill placed in the road. Staff discovered road base material, some three-quarter inch size rocks but mostly fines, had been placed on the roadway. We understand from information provided by the Forest Service, 400 to 500 tons of material was imported, spread and compacted on the roadway. Approximately 100 to 150 tons of the placed material was in the floodplain.

The Forest Service previously placed large cobbles in Glen Alpine Road to restore washed out areas of roadbed after the 1997 Flood; however, this was done under a Regional Board prohibition exemption for emergency flood repair projects. Regional Board staff did not review and would not have recommended an exemption for the placement of road base material on Glen Alpine Road. The placement of fill material within the 100-year floodplain of Glen Alpine Creek without a Regional Board exemption constitutes a violation of a Basin Plan waste discharge prohibition.

I issued a Notice of Violation including a request, pursuant to Section 13267 of the California Water Code, requiring the Forest Service to submit a workplan proposing options for removal and/or stabilization of the fill material and to complete the corrective action prior to October 15, 2000.

Staff received a written response from the Forest Service listing three options. After discussing the permitting options with the Forest Service, they agreed to remove the fill material placed in the floodplain and stabilize the roadway with clean, washed rock prior to October 15, 2000.

10. *Implementation Dates for Compliance with Stormwater Effluent Limitations for Caltrans Facilities and BMP Retrofit Projects in the Lake Tahoe Hydrologic Unit - Robert Erlich*

A recent review of the Caltrans Statewide Storm Water Permit revealed that there is some ambiguity in compliance dates. One section states that Caltrans facilities must comply with treatment requirements, effluent limits, and/or receiving water limitations by 2008, while other sections require immediate compliance with numerical effluent limitations and waste discharge prohibitions. The proposed Municipal NPDES permit for Tahoe Basin local Governments requires that all areas within a permittee's jurisdiction comply with numeric effluent limits by November 30, 2008.

I believe the ambiguities in the Caltrans Statewide Permit need to be clarified and that the requirements should be consistent with requirements in the NPDES Municipal Permit. I intend to work with the State Board and Caltrans to address this issue.

11. *Status of the Project Budget for the City of South Lake Tahoe's Trout Creek Stream Restoration Project - Mary Fiore Wagner*

On April 13, 1998, the California Regional Water Quality Control Board-Lahontan Region (Regional Board) adopted Resolution 6-98-39 which approved the expenditure of funds from the Tahoe Keys Mitigation Fund for the City of South Lake Tahoe's (City) Trout Creek Stream Restoration Project (Project). The Regional Board reserved \$1,227,208 plus the remaining interest from the Tahoe Keys Mitigation Fund money to support the implementation of the water quality improvement Project.

The project site is located in El Dorado County within the Stream Environment Zone of Trout Creek and Cold Creek between Pioneer Trail and Martin Avenue. The restoration of the entire reach of Trout Creek between Pioneer Trail and Martin Avenue is occurring during two phases. Phase I, which has been completed, involved construction of over 3,000 feet of new channel and revegetation. Phase II a., occurring during the Summer and Fall of 2000, involves constructing approximately 6,100 feet of new stream channel. Phase II b., scheduled for 2001, involves introducing flow into the new channel, constructing a new confluence with Cold Creek, filling the existing channel, and completing the revegetation of the site. Each phase of this project has a monitoring component and the City has committed to evaluate the effectiveness of the project over a five-year period.

Since the Regional Board's approval of the Project Budget, additional funding became available for this Project. The additional funding came from the Bureau of Reclamation (Bureau). Funds from the Bureau were largely used to fund construction of Phase I and partly to fund monitoring. As a result of this additional funding, it appears that the city will not need the full fund authorization to complete the project.

At the time Resolution 6-98-39 was adopted the Regional Board authorized payment from the Fund not to exceed \$50,000 for monitoring. The City has developed a comprehensive long-term monitoring program for this project that exceeds this \$50,000 authorization. The City is requesting an additional \$175,000 for a total of \$225,000 to help fund a 5-year plus monitoring program. Monitoring will include digital and aerial photography, water quality monitoring including sediment transport measurements, flow measurements, stream alignment surveys, vegetation surveys, and satellite imagery.

Regional Board staff believe long-term comprehensive monitoring associated with this Project will provide regulatory agencies and project proponents with valuable information regarding the efficacy of restored wetlands in improving water quality. The Project will restore the existing meadow and creek system to a naturally functioning, ecologically balanced wetland. A comprehensive monitoring program for this Project will produce data that is currently lacking but vital for future wetland/stream restoration projects in the Lake Tahoe Basin. As such, Regional Board staff support the City's request to augment the \$50,000 currently reserved for monitoring with \$175,000 of the surplus of principle.

Because Resolution 6-98-39 authorized a \$50,000 cap on monitoring, an amendment to the Resolution is required. Regional Board staff plan to bring this matter to the November Board Meeting in Ridgecrest.

12. *Susanville Consolidated Sanitary District (SCSD), Lassen County - T. Jerrold Peacock*

As mitigation for the Skyline road extension, Lassen County proposes to construct new wetlands adjacent to SCSD's existing treatment wetland. These new mitigation wetlands will be

partially supported by treated sewage effluent flows from SCSD. Once completed, the new mitigation wetlands will offer additional treatment of effluent prior to its discharge to Brockman Slough and the Susan River. Until the new wetlands are fully developed, increases in suspended sediment may occur, and because detention time and exposure to animals will increase, coliform levels of waters entering Brockman Slough may also increase. These and other operational issues will be addressed as part of the NPDES permit update process that will be completed before the mitigation wetlands are constructed.

13. ***Proposition 13 - Cindy Wise***

In March 2000, California voters approved Proposition 13, the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act. Proposition 13 authorized the State of California to sell \$1.97 billion in general obligation bonds to support water quality, flood protection and water reliability projects throughout the State.

The State and Regional Board will help to allocate \$763.9 million of these funds to local projects throughout California. The funds are available to municipalities, local public agencies, nonprofit organizations, and in some cases, to educational institutions.

The funds will be allocated through three new grant programs: Watershed Protection Program (Watershed Program) -- \$90 million; Nonpoint Source Pollution Control Program (NPS Program) \$100 million; Coastal Nonpoint Source Control Program (Coastal NPS Program) -- \$90 million. Proposition 13 identifies six specific set-aside projects in the Watershed and Coastal NPS Programs which total \$17 million, and are located in Pajaro River, Russian River, Clover Creek, Clear Lake, Huntington Beach and San Diego. The remaining funds will be allocated through a competitive process, which uses request for proposals (RFPs). The content of the final RFPs will be developed in a public process. However, State and Regional Board staff will develop the initial limited scope RFPs in order to initiate release of funds in the first year (Fiscal Year 2000-01). The initial limited scope RFPs are expected to be available in October 2000. For project proposals received under the initial, limited scope RFPs, funding recommendations will be made by State and Regional Board staff. The State Board will make the final decisions on all project awards. The full text of Proposition 13 and other related information can be found at

http://www.waterboards.ca.gov/water_issues/programs/grants_loans/propositions/prop13.shtml

14. ***Plan for California's Nonpoint Source Pollution Control Program Program Plan - Cindy Wise***

In July 2000, the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Environmental Protection Agency (EPA) gave full approval of the Plan for California's Nonpoint Source Pollution Control Program (Program Plan). The overall purpose of the Program Plan is to improve the State's ability to effectively manage nonpoint source pollution and conform to the requirements of the federal Clean Water Act and the federal Coastal Zone Act Reauthorization Amendments of 1990.

The Program Plan was developed by staff of the State and Regional Boards, and California Coastal Commission (CCC) in coordination with staff from over 20 other State agencies. The Program Plan represents a significant commitment by the State to expand its efforts over the next 13 years to reduce and prevent nonpoint source pollution.

The approved Program Plan includes 61 management measures as goals for six nonpoint source categories (agriculture, forestry, urban areas, marinas and recreational boating,

hydromodification, and wetlands/riparian areas/vegetated treatment systems). Because California has successfully upgraded its nonpoint source program, it will receive an additional \$5.2 million in federal funds. The full text of the Program Plan and related information can be found at http://www.waterboards.ca.gov/water_issues/programs/nps/.

15. ***Wrightwood Sewerage Feasibility Study - Tim Post***

San Bernardino County has contracted Wilson So and Associates, to perform a Sewerage Feasibility Study for the Wrightwood area. Wrightwood has recently experienced an upswing in building permit applications for townhouses and condominiums that require package treatment plants according to San Bernardino County policy and the Lahonton Basin Plan. The Feasibility Study will address three scenarios: sewerage the downtown businesses, sewerage the area contained in the "Blue Zone" (an area exhibiting seasonally high ground water) and sewerage the entire Wrightwood area. Surveys are to be sent to affected residents the week of September 25, 2000, and responses are due back two weeks after that. San Bernardino County estimates the Sewerage Feasibility Study will be complete by late October. Board staff has expressed support for sewerage Wrightwood and will continue to support San Bernardino County in this effort.

16. ***Aerochem Ground Water Hexavalent Chromium Issue - Gene Rondash***

On August 17, 2000, Department of Toxic Substances Control (DTSC), as lead agency for the Aerochem El Mirage site, issued a Proposition 65 Notice based on high concentrations of Chrome VI found in upper zone ground water samples. This action was a result of four months of effort with Board staff and Aerochem engineers evaluating a Facility Investigation and an interim Volatile Organic Compound (VOC) corrective action work plan. Aerochem is providing bottled water to 38 people and conducting a Chrome VI source determination study. The Mojave Air Quality Management District is working with Aerochem to determine if Chrome VI is being emitted from the Aerochem's chemical scrubber stacks during the upper zone VOC contaminated ground water pump and treat operations. On September 1, 2000, Board staff attended a meeting at which the geological and water quality data in the El Mirage area was discussed. This meeting also served to establish a cooperative mechanism for DTSC/Aerochem's effort to develop an interim Chrome VI and VOC Corrective Action Measure (CAM). Board staff is also working closely with DTSC, Department of Health Services staff and local purveyors to determine the levels of total and Chrome VI in groundwater in the area.

17. ***Owens Lake Dust Mitigation Projects Begins - Joe Kenny***

The Southern Owens Valley is classified as a Serious Non-Attainment Area for air quality, due to toxic dust emissions from the dry lakebed surface. The City of Los Angeles Department of Water and Power (LADWP) has proposed to implement dust control mitigation measures on the dry Owens Lake playa through the shallow flooding of 13.5 square miles of the lakebed. Shallow flooding with water from the Los Angeles Aqueduct will raise the high ground water level to the level of the lakebed surface, saturate the surface, and thus, control dust that has been impacting air quality throughout the southern portion of Owens Valley. Construction of a pilot scale project will begin in early October 2000.

Board staff have provided written comments on the Environmental documents for the project and have participated in meetings that included the discussion and review of the LADWP Application for Water Quality Permit certification. We will continue to work with stakeholders during the project implementation.

18. ***Final Biosolids Environmental Impact Report (EIR) Certified and General WDRs Adopted by State Board - Jehiel Cass***

On August 17, 2000, the State Board certified the Final Biosolids EIR and adopted Statewide General WDRs for biosolids application to land. Board staff provided comments on the draft final and final EIRs.

In many respects, the new Statewide General WDRs will be similar to the general biosolids WDRs previously adopted by the Lahontan Regional Board. The Regional Boards will implement the requirements of the Statewide General Permit as we would under an individual permit issued by the Board. Under the new statewide biosolids WDRs, Dischargers proposing to apply biosolids to land will submit to the Regional Board a Notice of Intent (NOI). After reviewing the information in the NOI, the Executive Officer may issue a Notice of Applicability for the discharge to be covered under the General Permit. Individual Dischargers in the Lahontan Region will be eligible for coverage under the Statewide General WDRs. The Statewide General WDRs will be applicable to all proposed biosolids application to land projects.

19. ***Sierra Business Park Environmental Impact Report (EIR) - Cindi Mitton***

The proposed Sierra Business Park is located west of the Mammoth Lakes Airport in Mono County. The project consists of a new development of 24 lots on 36.7 acres. The proposed lot use is light industrial.

Board staff provided comments on the scoping documents for the project and asked the project proponent to evaluate potential impacts to water quality from the project. Specifically, we are concerned about the water quality impacts from the proposed individual sewage disposal systems and discharges of storm water runoff. It is our belief that the EIR must address these issues and include mitigation to: 1) prevent the discharge of industrial wastes to the on-site wastewater disposal systems; 2) address the possible increased nutrient load to the watershed from the use of septic tanks and, 3) control storm water runoff. Board staff will review the final EIR to ensure our comments are adequately incorporated.

We have provided comments on the Draft EIR requesting further mitigation measures to protect water quality. Board staff will review the final EIR to ensure our comments are adequately incorporated.

UST CLOSURES

20. ***Underground Storage Tanks Closure - 6B1900975T - AIR FORCE PLANT 42, Site 4, Building 460, 3520 East Avenue M, Palmdale, Los Angeles County - Jehiel Cass***

While installing new underground piping at the site connecting the tanks to the dispenser, the contractor discovered an area of stained soil near the tanks where a spill had occurred from overtopping. Northrop Grumman, Inc., the owner, required that additional soil be excavated in the area of the release. Following excavation of visually impacted soil, soil samples were collected indicating that low levels of petroleum hydrocarbons remain. Board staff closed the case because there are only low concentrations of hydrocarbons remaining in soil and the depth to ground water is over 350 feet deep. The tanks at this location remain in service with upgraded spill and leak detection equipment installed.

ENFORCEMENT

21. ***Notice of Violation Issued to Caltrans - Cindi Mitton***

Board staff inspections of the Highway 395 Rush Creek project noted violations of the 401 Water Quality Certification issued to Caltrans. Stream diversion and clearing activities appear to be a primary cause of the violations.

On August 17, 2000, an NOV was issued to Caltrans requiring immediate actions to correct situations causing silt discharges, and an amendment of the Storm Water Pollution Prevention Plan (SWPPP) for the project. The amended SWPPP will require a specific work plan to be developed prior to each stream diversion, sampling and 72-hour notice to Board staff prior to diversion or clearing work.

22. ***Dischargers Petition Superior Courts to Overturn Administrative Civil Liability Orders for the Swiss Mart-South Lake Tahoe, Swiss Mart-Kings Beach, and Meyers Beacon - Chuck Curtis***

Attorneys representing Azad Amiri, Mohan and Sohan Singh, and Sarbjit Singh Kang have petitioned the El Dorado and Placer County Superior Courts for writs of mandate to set aside the Regional Board's Administrative Civil Liability (ACL) Orders for the two Swiss Mart gas stations and the Meyers Beacon gas station. Regional Board staff is working with the Deputy Attorney General and Regional Board counsel to prepare for these court cases.

At the October 13, 1999 Regional Board meeting, the Regional Board imposed two administrative civil liabilities of \$95,000 and \$59,000 to the Responsible Parties of the Swiss Mart-South Lake Tahoe gas station for failure to comply with their Cleanup and Abatement Order. Also at that meeting, the Regional Board imposed an administrative civil liability of \$78,000 to the Responsible Parties of the Swiss Mart-Kings Beach gas station and imposed an administrative civil liability of \$112,500 to the Responsible Parties of the Meyers Beacon gas station for failure to comply with their Cleanup and Abatement Orders. These ACL Orders were petitioned to the State Water Resources Control Board, and the petitions were denied.

23. ***IMC Chemicals Inc., Notice to Comply and Notice of Violation Issued - Greg Cash***

During an inspection on September 1, 2000, the Regional Water Quality Control Board staff (Board staff) issued a Notice to Comply (NTC) to IMC Chemicals Inc., (IMCC) for failure to implement effective Best Management Practices (BMPs) in the Argus Plant. Board staff set a September 18, 2000 date to have the deficiencies corrected (improving trash collection, better oil storage, and increased oil leak recovery).

On September 7, 2000, Board staff issued a Notice of Violation (NOV) for violations of the Cease and Desist Order (CDO), Cleanup and Abatement Order (CAO) and the Waste Discharge Requirements (WDRs) for the Trona and Argus Plants. IMCC violated the 10-day rolling average for non-kerosene petroleum hydrocarbons in the Trona Plant for seven days during August 2000. IMCC also violated the daily average for non-kerosene petroleum hydrocarbons in the Argus Plant for two days in August 2000. Additional violations of reporting requirements, violations of the CAO and violations of narrative requirements were also detailed in the NOV.

IMCC has continued the cleanup of the floating oil along the lakebed, as well as the oil stained shoreline. During the month of August, approximately 11 dead/dying waterfowl were discovered on Searles Lake. During the time period of July 17 through August 11, IMCC discovered 86

locations on Searles Lake that contained either dead waterfowl or parts of dead waterfowl. The timing of these bird deaths could not be determined.

Pilot testing by IMCC consultants continues on the discharged brine to determine the best method for achieving non-detectable final effluent limits for petroleum hydrocarbons, which IMCC must meet by July 1, 2001. At this time, two methods are being evaluated. Board staff is monitoring results of the pilot testing and is investigating other best available technologies that could be evaluated by IMCC to treat its discharges.

24. *Avocet Tungsten, Submits Financial Assurance - Michele Ochs*

In March 2000, The Board adopted a CDO against Avocet Tungsten Inc., for violation of its WDRs. Avocet had violated its WDRs, by failing to provide financial assurance for closure. The order required proof of financial assurance to be submitted by April 5, 2000. Avocet did not meet this requirement.

We have closely monitored Avocet's efforts to obtain the required Financial Assurance. The required Letter of Credit was received on September 6, 2000, fulfilling the requirements of the WDRs and CDO.

PETITIONS

25. *IMC Chemicals Inc., Petition of the Basin Plan Amendments - Greg Cash*

IMCC submitted a petition to the State Water Resources Control Board (SWRCB) requesting review of the Basin Plan Amendments that were adopted at the July 2000 Regional Board meeting. IMCC has requested that the Regional Board remove Water Contact Recreation, Non-Contact Water Recreation, Inland Saline Water Habitat, and Wildlife Habitat beneficial uses of Searles Dry Lake. The Basin Plan amendments which were adopted did **not** include removal of these beneficial uses. The petition also alleges that the Regional Board improperly noticed the amendments since the notice precluded the Board from approving IMCC's request.

26. *Petition of National Cement Company's Cement Kiln Dust WDRs - Elizabeth Lafferty*

During the May 10, 2000 meeting, The Board adopted revised WDRs for the Cement Kiln Dust (CKD) pile to incorporate closure requirements and approve a ground water corrective action strategy. The CKD pile will be closed in place. Underlying ground water will be monitored for concentration changes in total dissolved solids over time. The corrective action strategy also requires that potential surface water impacts from surfacing ground water be eliminated.

A Petition requesting Review of this action was filed with the State Water Resources Control Board (State Board) by citizens Dolores and William Reagan, and by the Association of Desert Citizens for Air Pollution. The Petition requested that the new WDRs be withdrawn and the previous WDRs continued. Additionally, the petition requested that the State Board issue a stay thereby invalidating the Regional Boards action while the merits of the petition are considered.

An extension of the filing date was given to Dolores and William Reagan in order that they might file a complete petition. The Reagans have withdrawn the request for a stay in the matter. However they have requested that the original Petition be left in place.

The California Water Boards include the State Water Resources Control Board and nine Regional Boards
The State Water Board is one of five environmental entities operating under
the authority of the California Environmental Protection Agency
Cal/EPA | ARB | CalRecycle | DPR | DTSC | OEHHA | **SWRCB**

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION**

**MEETING OF JUNE 19 - 20, 2013
Lee Vining, California**

ITEM: 7

SUBJECT: RESCISSION OF WASTE DISCHARGE REQUIREMENTS FOR
METHODIST CAMP WRIGHTWOOD WASTEWATER TREATMENT
PLANT, SAN BERNARDINO COUNTY

CHRONOLOGY:

ADOPTED ON	ORDER NO.	AGENCY	FACILITY
8/11/1994	6-94-085	CA Pacific Annual Conference	Methodist Camp Wrightwood Wastewater Treatment Plant

ISSUE: Should the Regional Board rescind Waste Discharge Requirements issued to the Methodist Camp Wrightwood Wastewater Treatment Plant because it no longer presents a threat to water quality?

DISCUSSION: This Order is no longer necessary and should be rescinded. Regional Board staff has solicited comments from the Discharger and interested parties. All comments received have been addressed.

RECOMMENDATION: Rescission of Orders as proposed.

ENCLOSURE	ITEM	BATE NUMBER
1.	Methodist Camp Wrightwood WTP - Board Order No. R6V-2013-Proposed	7-03

S:\Board Orders 2013\ MethodistCamp\Proposed\MethodistCamp-Greensheet

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION**

**BOARD ORDER NO. R6V-2013-0030
WDID NO. 6B360115009**

**RESCISSION OF WASTE DISCHARGE REQUIREMENTS
FOR**

SAN BERNARDINO COUNTY SERVICE AREA NO. 56 – WRIGHTWOOD

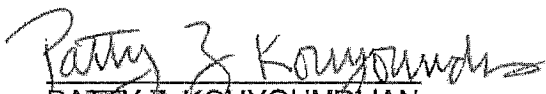
_____ San Bernardino County _____

The California Regional Water Quality Control Board, Lahontan Region (Water Board) finds:

1. Board Order No. 6-76-38 was adopted on April 22, 1976, establishing requirements for the discharge of waste from individual subsurface disposal systems in the Wrightwood Community. Waste Discharge Requirements are no longer necessary for the reasons described below and should be rescinded.
2. The unincorporated Community of Wrightwood is located on the northeast slope of the San Gabriel Mountains within the Angeles National Forest. Domestic waste throughout the community is disposed to individual onsite wastewater disposal units. After reviewing the case file, the Water Board has determined that Waste Discharge Requirements are not appropriate to be issued to San Bernardino County Special Districts Department because it has no wastewater treatment facility and produces no waste. Domestic wastewater produced by individual onsite treatment systems (i.e. septic systems) are individual private and public entities not owned or controlled by the Special Districts Department. It is appropriate to rescind Board Order No. 6-76-38 because San Bernardino County Special Districts Department is not a Discharger.
3. This action is being taken by this regulatory agency to rescind the Board Order No. 6-76-38. Orders issued pursuant to the California Water Code and as such is exempt from the provisions of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), in accordance with Title 14, California Code of Regulations, Section 15321(a)(2).
4. The Water Board has notified the Discharger and interested persons and agencies of its intent to rescind the above Waste Discharge Requirements.

IT IS HEREBY ORDERED that Board Order No. 6-76-38, be rescinded.

I, Patty Z. Kouyoumdjian, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Lahontan Region on June 19, 2013.


PATTY Z. KOUYOUMDIJAN
EXECUTIVE OFFICER

SRF Category E

Bonus	Type	Pop	Water System Name	Project Number	Problem	Project Description	Cost
0	C	2500	Mt. Hermon Association, Inc.	4410008	1 Well MH1 losing capacity, resulting in water shortages and activation of emergency intertie to San Lorenzo Valley WD.	Construct new well	\$300,000
0	C	9479	GOLDEN STATE WATER CO - WRIGHTWOOD	3610047	1 Demand can exceed source capacity during prolonged drought periods	Construct new well	\$300,000
0	C	27807	LOS ANGELES CO WW DISTRICT 29 & 80-MALIB	1910204	3 OWEN WATER TANK. THE EXISTING TANK IS VERY OLD AND UNDERSIZED. THIS IS A STRATEGIC LOCATION FOR A LARGE RESERVOIR FOR THE SITE IS LARGE ENOUGH TO ERECT A LARGE TANK THAT CAN BENEFIT MOST OF THE TOPANGA CANYON RESIDENTS.	CONSTRUCT A 500,000 GALLON TANK TO IMPROVE SYSTEM RELIABILITY.(See new definition and water outage noted in project 08)(4/	\$1,000,000
0	N	25	VENTUCOPA WATER SUPPLY	4200872	3 Well - Low water production, insufficient water supply and high nitrates	Install a new well	\$175,000
0	N	25	VENTUCOPA WATER SUPPLY	4200872	1 Low water production and inadequate storage to meet demand.	Construct new well and storage tank; may include meters	\$735,000
0	N	30	CAMP VERDUGO OAKS BOY SCOUTS	1900594	1 Limited water delivery capacity and capability of existing source	Drill new well	\$100,000
0	P	25	Barton Flats Water System	3601048	1 Frequent water outages resulting from inadequate capacity of existing filtration system that can't run at higher rate to produce water.	Construct a new filtration system to supplement existing treatment plant	\$233,040
0	P	55	Montebello SD - Montebello School	4300762	1 Present system fails to provide adequate supply of water to support the campus.	Need to add more capacity with adding another well or more storage. A faster refill system to be considered.	\$75,000
0	P	100	LATROBE ELEMENTARY SCHOOL	900410	1 Miller's Hill School system needs additional source capacity to prevent water outages.	Construct additional well and connect to storage tank.	\$100,000
0	P	100	LATROBE ELEMENTARY SCHOOL	900410	2 No water storage above ground.	Develop plans to install adequate storage for domestic water.	\$100,000
Total Projects for 'Category' = (55 Projects)					Total Costs for Category: \$40,076,840	Total Population served in Category: 144,906	

Bonus	Type	Pop	Water System Name	Project Number	Problem	Project Description	Cost
0	C	8538	BAKMAN WATER COMPANY	1010001	1 Well No. 10 exceeds the DBCP MCL, but GAC treatment has already been installed.	A GAC treatment system has already been installed on Well No. 10.	\$250,000
0	C	8646	HELENDALE COMMUNITY SERVICE DISTRICT	3610112	3 Master Plan does not provide for reliable water system operation	Develop a new master plan	\$100,000
0	C	8689	NEWHALL CWD-PINETREE	1910250	1 Insufficient treated water storage facilities to meet maximum day water demand of 5 mgd.	Install a 2 MG welded steel storage facility to supplement the Pinetree Systems existing storage. Project involves: Design to solve problem, and Construction	\$1,000,000
0	C	9479	GOLDEN STATE WATER CO - WRIGHTWOOD	3610047	2 Old, undersized mainline	Replace mainline	\$3,900,000
0	C	9479	GOLDEN STATE WATER CO - WRIGHTWOOD	3610047	3 210k Gal Lone Pine Reservoir corroded and structurally unsound	Construct new reservoir	\$200,000
0	C	9500	MAYWOOD MUTUAL WATER CO. #3	1910086	2 Replace low flow mains, replace all 4 inch main with 6-8 inch. Increase fire flow to low flow areas 6 inch main between Gage and Randolph on Atlantic Blvd, remove blockage for fire flow. Replace 4 inch mains on Mayflower & Prospect between Randolph and 61	6 inch main between Gage and Randolph on Atlantic Blvd, remove blockage for fire flow. Replace 4 inch mains on Mayflower & Prospect between Randolph and 61st street. Replace 4 inch mains on Slauson Avenue from Alamo to LA River. Replace 4 inch mains on At	\$2,000,000
0	C	9719	EAST PASADENA WATER CO.	1910020	1 Existing wells (supply) does not meet the requirements for high demand peaks per WW Stnds	Drill new well to increase capacity from Raymond Basin	\$624,000
0	C	9777	LOS ANGELES CWWDD 40, R24, 27,33-PEARBLSM	1910203	3 REGION 24, 27, 33 WELLS MAY NOT BE ABLE TO PROVIDE ADEQUATE WATER SUPPLY DURING HIGH DEMAND	CONSTRUCT A NEW 500' SHADOW WELL, A CHLORINATION SYSTEM, A BOOSTER STATION AND A FOREBAY TANK	\$1,536,000
0	C	9777	LOS ANGELES CWWDD 40, R24, 27,33-PEARBLSM	1910203	1 GROUNDWATER NEEDS TO BE CHLORINATED	CONNECT 2 ADJACENT WELLS FOR CHLORINATION AT ONE SITE	\$110,000
0	C	9777	LOS ANGELES CWWDD 40, R24, 27,33-PEARBLSM	1910203	2 OLD, UNDERSIZED WATER MAIN	INSTALL 6,600 LINEAR FEET OF 12" WATER MAIN	\$450,000
0	C	9847	SBNDO COUNTY SERVICE AREA 70J	3610125	3 Need a Water Master Plan	Develop a Water master plan	\$100,000
0	C	9847	SBNDO COUNTY SERVICE AREA 70J	3610125	5 Insufficient source capacity resulting in outages	Drill a new well	\$300,000
0	C	9847	SBNDO COUNTY SERVICE AREA 70J	3610125	4 Waterworks problems- Insufficient storage capacity	Have a hydraulic analysis performed on the system to determine size of reservoirs and location and build reservoirs	\$565,000
0	C	9847	SBNDO COUNTY SERVICE AREA 70J	3610125	2 Waterworks problems - pipelines too small in diameter to adequately supply water throughout the distribution system.	Have a hydraulic analysis performed on the system to determine how much pipeline is needed and where, contract for installation of pipelines	\$100,000
0	C	9910	Westborough County Water Dist	4110027	1 Water outages due to deteriorating pipes and low storage tanks.	Install new pipes and couplings to eliminate water outages for customers and construct new water storage tank for adequate water storage.	\$2,500,000

impoundment BAP 1 was submitted on April 16, 2015, just two weeks after US Borax submitted a revised Report of Waste Discharge (ROWD) for proposed construction of additional surface impoundments at the facility. Response to a ROWD is statutorily required within 30 days and was completed by May 1, with a Board hearing on the reused WDRs anticipated in September.

Submittal of multiple large documents within a short timeframe placed extra pressure on Water Board staff for review in a timely manner. Expedited review of this CQA Report was especially crucial as the surface impoundments were approaching capacity and U.S. Borax needed to utilize the additional capacity gained by the expansion of BAP 1 as soon as possible. Water Board staff reviewed, provided comments, and accepted the CQA Report on May 7, 2015. U.S. Borax began discharging to the newly expanded surface impoundment the same day.

6. Onsite Wastewater Treatment System Policy and Local Agency Management Program - Mike Coony

The Onsite Wastewater Treatment System Policy (Policy) became effective on May 13, 2013. Traditionally, local agencies issue permits to construct onsite wastewater treatment systems (onsite systems); they have not regulated onsite system performance. Local agency regulation has ended when the onsite system is installed. Under the Policy, local agencies must add a performance regulatory program or else be subject to the Policy's restrictive siting standards. A local agency's regulatory program is called a Local Agency Management Program (LAMP). Local agencies desiring to deviate from the Policy's siting standards must submit draft LAMPS by May 13, 2016, and the Water Boards must approve the LAMPS by May 13, 2018. Over the next year, staff will work with local agencies to assist in developing the LAMPs.

Performance regulation established in the LAMP requires local agencies to establish and implement new operational control practices of the Policy. The control practices of significance are the following:

- Local agencies must include requirements for monitoring and inspections for onsite systems that use supplemental treatment, such as aerobic treatment units.
- Local agencies must maintain a water quality assessment program to evaluate impact of onsite system discharges to surface and ground water. Existing water quality assessment programs conducted in onsite system prohibition exemption area can be included in the LAMPs.
- Local agencies must consider additional requirements for onsite system high density areas. In the South Lahontan area, these areas include: Lake Los Angeles, Little Rock, Quartz Hill, and Pearblossom in the Antelope Valley of Los Angeles County, Wrightwood, Phelan, and North Barstow in San Bernardino County, and Rosamond and California City in the Mojave region of Kern County. Requirements could include routine surface and groundwater monitoring, installation of sewers at new subdivisions, and creation of a legal entity to plan and finance construction of a community sewer and treatment system.

Water Board staff will keep the Board informed as progress is made on LAMP development.

7. City Of Victorville, Power Cost Savings - Disinfection System

– John Morales

On April 30, 2015, I amended the dose requirements for the Ultra-Violet (UV) disinfection system stated in the City of Victorville's

This list is updated monthly and may not contain recently issued or expired certificates. Although SWRCB takes all steps to ensure the accuracy of the information in the list, there may be some inaccuracies. Please contact the SWRCB Drinking Water Operator Certification Program at 916-449-5611 if you have any questions.

Updated on June 2016

Water Treatment Operators (M - Z)

OP #	GRADE	FIRST NAME	MI	LAST NAME	SUFFIX	CITY	STATE	ZIP	RENEWAL DATE	EXPIRATION DATE
36219	T2	Miguel	C.	Ma		Hacienda Heights	CA	91745	2/1/2017	6/1/2017
34295	T2	Anthony	M.	Maas		Norwalk	CA	90650	12/1/2017	4/1/2018
10105	T3	Michael	R.	Maaser		Paso Robles	CA	93446	7/1/2019	11/1/2019
13634	T1	William	S.	Mac Elvaine		Morro Bay	CA	93442	11/1/2018	3/1/2019
9985	T2	Dale	S.	Mac Intosh		Downey	CA	90241	11/1/2015	3/1/2016
24061	T3	Rick	R.	Macala		Carmichael	CA	95608	7/1/2016	11/1/2016
29431	T1	Angel	A.	Macatiag		Union City	CA	94587	4/1/2019	8/1/2019
31003	T4	Ian	D.	Macaulay		Brentwood	CA	94513	8/1/2016	12/1/2016
26042	T5	Ryan	P.	Macaulay		Pacifica	CA	94044	9/1/2017	1/1/2018
28214	T2	John	A.	Maccarrone		Winchester	CA	92596	9/1/2018	1/1/2019
33021	T2	Lawrence	J.	MacCarthy		Sacramento	CA	95826	2/1/2017	6/1/2017
26188	T2	Steve	S.	MacCarthy		Sonoma	CA	95476	9/1/2017	1/1/2018
27020	T2	Robert	N.	MacClellan	, III	Newhall	CA	91321	7/1/2017	11/1/2017
37650	T1	Brett	J.	MacDonald		Olivehurst	CA	95961	3/1/2018	7/1/2018
7435	T5	Brian	J.	MacDonald		San Marcos	CA	92069	6/1/2017	10/1/2017
33710	T2	David	E.	MacDonald		Copperopolis	CA	95228	8/1/2017	12/1/2017
30250	T3	James	A.	Macdonald		Santa Rosa	CA	95405	2/1/2018	6/1/2018
34606	T2	Robert	A	MacDonald		Grass Valley	CA	95945	4/1/2018	8/1/2018
32606	T2	Scott	I.	MacDonald		Ventura	CA	93003	9/1/2016	1/1/2017
31350	T1	Marco	J.	Macedo		Whittier	CA	90605	9/1/2018	1/1/2019
30397	T1	Shannon	M.	Maceiko		Hermosa Beach	CA	90254	9/1/2017	1/1/2018
31749	T1	Britany	H.	MacFarlane		Bremerton	WA	98312	11/1/2018	3/1/2019
30751	T2	Deborah	A.	Machado		Stockton	CA	95215	2/1/2018	6/1/2018
26789	T2	George	C.	Machado		Roseville	CA	95661	3/1/2017	7/1/2017
33508	T3	John	A.	Machado		Temecula	CA	92591	2/1/2018	6/1/2018
37951	T2	Nicholas	D.	Machado		Petaluma	CA	94952	9/1/2018	1/1/2019
25129	T3	Jose	J.	Machuca		Fontana	CA	92336	12/1/2017	4/1/2018
29341	T3	Jared	J.	Macias		Rancho Cucamonga	CA	91730	4/1/2019	8/1/2019
25549	T2	Jon	M.	Macias		Oxnard	CA	93035	10/1/2016	2/1/2017
36252	T2	Joseph	A.	Macias	, Sr.	Lakewood	CA	90713	2/1/2018	6/1/2018
31153	T2	Luis	A.	Macias		Burbank	CA	91505	3/1/2018	7/1/2018

31567	T4	Chase	P.	Michelotti		Corona	CA	92881	4/1/2017	8/1/2017
25803	T1	Gary	K.	Mickelson		Petaluma	CA	94953	3/1/2019	7/1/2019
37862	T1	Ronald	T.	Mickelson		Rescue	CA	95672	9/1/2018	1/1/2019
31260	T3	Edgardo	C.	Miclat		Chula Vista	CA	91915	3/1/2017	7/1/2017
17136	T2	Dueane		Miclette		Garberville	CA	95542	2/1/2019	6/1/2019
22991	T2	Robert	L.	Middleton		Foresthill	CA	95631	9/1/2017	1/1/2018
26601	T1	Robert	A.	Miechowicz		Riverside	CA	92506	3/1/2017	7/1/2017
37610	T2	Austin	J.	Mielke		Frazier Park	CA	93225	9/1/2018	1/1/2019
28783	T1	John	K.	Mielke		Morro Bay	CA	93442	3/1/2016	7/1/2016
34795	T2	Kendra	M.	Miers		Arcata	CA	95521	9/1/2015	1/1/2016
28042	T4	Roger	A.	Migchelbrink		Sacramento	CA	95826	4/1/2017	8/1/2017
8954	T4	Daniel	R.	Migliazzo		Templeton	CA	93465	1/1/2019	5/1/2019
19079	T2	James	M.	Mihalik		Wrightwood	CA	92397	2/1/2016	6/1/2016
17660	T3	Daniel	P.	Mihalov		Sacramento	CA	95827	1/1/2017	5/1/2017
35434	T2	Paul	J.	Mihoch		Janesville	CA	96114	3/1/2019	7/1/2019
31924	T2	Steven	A.	Mikesell		Arnold	CA	95223	1/1/2017	5/1/2017
16741	T5	Kurt	D.	Mikkola		Placerville	CA	95667	9/1/2018	1/1/2019
35317	T1	Michael	P.	Milan		Newcastle	CA	95658	3/1/2016	7/1/2016
34447	T2	Thomas	D.	Miles		Chico	CA	95926	3/1/2018	7/1/2018
35027	T1	Gary	M.	Milici		Bishop	CA	93514	9/1/2018	1/1/2019
25605	T2	David	V.	Millan		Lindsay	CA	93247	9/1/2018	1/1/2019
24724	T2	Perfecto		Millan		Newman	CA	95360	3/1/2017	7/1/2017
33054	T2	Sandra	M.	Millan		Cypress	CA	90630	3/1/2017	7/1/2017
11322	T3	Gregory	T.	Millar		Menifee	CA	92584	2/1/2016	6/1/2016
35529	T2	Brent		Millard		Costa Mesa	CA	92626	3/1/2019	7/1/2019
33055	T2	Brian	A.	Miller		Garberville	CA	95542	12/1/2018	4/1/2019
13661	T5	Bryan	G.	Miller		Richmond	CA	94806	12/1/2017	4/1/2018
22409	T2	Dale	F.	Miller		Tehachapi	CA	93561	1/1/2019	5/1/2019
24910	T2	David	A.	Miller		Chino	CA	91710	10/1/2016	2/1/2017
21649	T2	David	J.	Miller		Cupertino	CA	95014	1/1/2017	5/1/2017
16020	T5	David	R.	Miller		Yorba Linda	CA	92886	3/1/2018	7/1/2018
36818	T2	David	R.	Miller		Fresno	CA	93727	9/1/2017	1/1/2018
20719	T1	David	S.	Miller		Hesperia	CA	92340	1/1/2016	5/1/2016
30403	T2	Dennis	P.	Miller		La Grange	CA	95329	3/1/2017	7/1/2017
24478	T1	Donald	B.	Miller		Lincoln	CA	95648	9/1/2016	1/1/2017
10299	T2	Donald	J.	Miller		Newbury Park	CA	91320	10/1/2017	2/1/2018
17663	T2	Donald	W.	Miller		Beaumont	CA	92223	8/1/2016	12/1/2016
28444	T2	Douglas	F.	Miller		Santa Rosa	CA	95401	4/1/2017	8/1/2017
24825	T3	Douglas	W.	Miller		Chandler	AZ	85224	8/1/2017	12/1/2017

livestock grazing can be used to limit adverse environmental impacts, and in some cases, improve the ecosystem conditions.

DWP staff also explained its ongoing efforts to control the aquatic invasive quagga mussel. These efforts include public education and awareness about the potential impacts from quagga mussels, mandatory inspections of all boats before allowing them to be launched on Crowley Lake, and closing access roads to stop boats from launching on the lake from unauthorized locations without inspection stations. Though DWP recoups only a tiny fraction of the approximate \$100,000 per year needed to run the aquatic invasive species program, DWP believes preventative measures will be significantly less costly in the long run than corrective actions that would be needed to remove mussel infestations from its pipelines and pumps.

8. Lake Arrowhead Community Services District Fiscal Year 2013-14 Infiltration/Inflow Project Plan - Mike Coony

The Board adopted a Cease and Desist (CDO) in March 2013 ordering the Lake Arrowhead Community Services District (District) to reduce sewer service area Infiltration/Inflow (I/I) by 40% by 2026. CDO reporting requirement III.C requires the District to submit an I/I project plan each year on August 1 that identifies budgeted I/I reduction actions for the fiscal year that began on July 1.

The District submitted its Fiscal Year 2013-14 project plan and plans to install manhole flow monitors and rain gages to characterize basins along the south side of Lake Arrowhead, from Blue Jay on the west to Cedar Pines on the east. The District also has budgeted projects for manhole rehabilitation, including raising manhole covers where located in areas subject to flooding from stormwater or snowmelt.

The District's project plan also includes projects for other purposes where I/I reduction is a side benefit. For example, while the purpose of sewer slip-lining is to prevent exfiltration into the Lake, it also reduces infiltration during rain events. Ongoing smoke testing to find improper connections has a side benefit of detecting inflow points.

For Fiscal Year 2013-14, the District has budgeted \$156,440 for basin flow monitoring, and \$248,000 for projects to raise manholes and rehabilitate manholes to address I/I projects. Other collection systems projects are budgeted in the amount of \$1,980,000.

9. Wrightwood Facilities Plan - Mike Coony

Wrightwood is a mountain community of approximately 3,000 people within the Angeles National Forest. It is primarily located in San Bernardino County, with a small portion of the community in Los Angeles County.

In the 1970's, the Wrightwood community decided against accepting federal Clean Water Act grant funding to install sewers; intending for the community to retain a rural atmosphere. Wrightwood waste disposal is managed solely by onsite septic systems.

The Water Board's 1975 Basin Plan indicated that Wrightwood should build a sewer collection system, treatment plant and disposal ponds by 1978. This never occurred and instead the Water Board adopted waste discharge requirements for San Bernardino County Service Area 56 (Wrightwood). The board rescinded those requirements this year because the county did not operate a facility discharging waste and that issuing requirements to the county for a community with septic systems was inappropriate. Data from a monitoring well located down gradient of Wrightwood had indicated groundwater nitrate concentrations were increasing but still less than the drinking water standard. There is no data regarding groundwater quality directly

beneath the older, more densely developed part of the community. However, an April 2012 failure of a Wrightwood restaurant's septic system, without land for replacement, sparked the community's interest in a community sewage collection and treatment system. This led to formation of a sewer committee. The community understands that long-term waste disposal options are limited because of a lack of septic system replacement area. The community also understands that the Water Board could consider a Basin Plan prohibition of individual disposal systems at some future date.

Water Board staff and county government staff were invited to attend the Wrightwood sewer committee's meeting of October 2, 2013. Water Board staff stated that the committee's first tasks are to form a legal entity so that they are eligible for financial assistance, such as under Proposition 84 grant program that is administered by the Mojave Water Agency. This would most likely be accomplished by San Bernardino County Special Districts activating latent sewer authority for Service Area 56. Water Board staff stated that the committee's second task is to complete a feasibility study to determine the apparent best alternative for management of sewage treatment and disposal in Wrightwood.

The sewer committee also submitted fifteen questions to the Water Board staff, and Water Board staff responded to the questions in a letter. In addition, Water Board staff handed out guidance documents, ranging from individual septic tank system management to centralized sewage collection, treatment, and disposal. The sewer committee indicated its next task was to request San Bernardino County Special Districts Department to assume the lead role in completing a sewer options feasibility study.

10. The Fremont Valley Preservation Project by AquaHelio Resources, LLC –
Jan M. Zimmerman and Patrice Copeland

The Fremont Valley Preservation Project is proposed by AquaHelio Resources, LLC, and consists of three components: 1) a solar photovoltaic (PV) electrical generating facility (solar facility); 2) a water recharge and recovery facility (water banking); and 3) a native water extraction facility. The proposed Project would be located on approximately 4,800 acres of land on four geographically separate sites around Koehn Dry Lake in unincorporated eastern Kern County (Figure 1). The three project components (solar, water banking, and native water extraction) will be co-located in various combinations on each of the four Project sites.

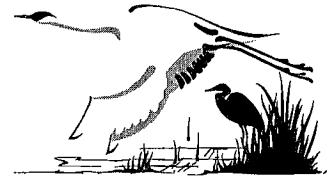
The proposed solar facility would generate up to 1,008 megawatts of solar energy. Associated infrastructure includes an estimated 3.6 million PV solar modules, overhead and below-ground utilities, and operation and maintenance buildings (one at each of the four Project sites). The solar facility also includes transmission lines and associated access roads to transfer energy generated by the Project to one or more of five existing electrical substations. The solar facility will comprise up to 4,000 acres of the total Project area.

**Letter Dated June 19, 2016 from
Tom Dodson, of Tom Dodson and
Associates, Recommending Statutory
Exemption for LAFCO 3202**

Attachment 10

TOM DODSON & ASSOCIATES

2150 N. ARROWHEAD AVENUE
SAN BERNARDINO, CA 92405
TEL (909) 882-3612 • FAX (909) 882-7015
E-MAIL tda@tdaenv.com



June 19, 2016

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Dear Kathy:

LAFCO 3202 consists of a proposal for a Reorganization to include Formation of the Wrightwood Community Services District (District) and Dissolution of County Service Area (CSA) 56 (Wrightwood community within San Bernardino and Los Angeles Counties). The territory proposed for reorganization to include formation and dissolution encompasses approximately 17 square miles, an area about twice as large as CSA 56. If approved, LAFCO 3202 will create the Wrightwood Community Services District with powers to provide streetlighting, solid waste, park and recreation services, and planning for wastewater collection and treatment services. CSA 56 currently provides streetlighting and park and recreation services to a portion of the reorganization area located within San Bernardino County. The addition of solid waste collection would replace existing similar services within the reorganization area. The staff's proposed modification to include sewer planning services allows for only planning, not actual implementation, until a plan is developed for wastewater collection and treatment for the Wrightwood area.

If LAFCO 3202 is approved by the Commission and CSA 56 is dissolved, the new District would provide these services to the approximate 17 square mile area. The District has no current proposal for physical modifications within the reorganization area and any such proposals would require a subsequent environmental determination to comply with the California Environmental Quality Act (CEQA).

Based on the above proposal, it appears that the proposed reorganization would allow the District to assume responsibility for the provision of the services currently provided by CSA 56 (streetlighting and park and recreation services) and the ability to provide these services, including the additional solid waste service and planning for wastewater service, to the entire reorganization area including an area within Los Angeles County at some point in the future. In general the replacement of one service agency (CSA 56) with another agency, the District, that assumes the service responsibilities will not result in any new physical impacts on the environment. However, based on previous analyses for similar assumptions of responsibility, a potential exists for the agency being detached to incur economic impacts that can adversely impact other operations. In this case San Bernardino County Special Districts ability to provide service at other locations, will incur only a small reduction in property taxes that will not adversely impact the financial capability of the County's Special Districts to serve the residual areas under its management. Thus, it appears the proposed actions can be implemented without causing significant physical changes to the environment or any significant adverse environmental impacts. The approval of LAFCO 3202 does not appear to have any potential to significantly alter the existing physical environment in any manner different from the existing environmental setting.

Therefore, I recommend that the Commission find that a General Rule Statutory Exemption, as defined in CEQA under Section 15061 (b) (3) of the State CEQA Guidelines, applies to LAFCO 3202. This Section states: *"A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."* It is my opinion and recommendation to the Commission that the General Rule exemption applies to LAFCO 3202.

Based on this review of LAFCO 3202 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that the proposed LAFCO action does not constitute a project under CEQA and adoption of the General Rule Statutory Exemption and filing of a Notice of Exemption is the most appropriate environmental determination to comply with CEQA for this action. Therefore, the Commission can approve the review and findings for this action as the appropriate CEQA environmental determination, and I recommend that you notice LAFCO 3202 as Statutorily Exempt from CEQA for the reasons outlined in the State CEQA Guideline sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed and assuming LAFCO 3202 is approved. A copy of this exemption recommendation should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson

**Draft Resolution to Approve or Deny
LAFCO 3202**

Attachment 11

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

PROPOSAL NO.: LAFCO 3202

HEARING DATE: JULY 20, 2016

RESOLUTION NO. 3227

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3202; APPROVING THE REORGANIZATION TO INCLUDE FORMATION OF THE WRIGHTWOOD COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 56 (generally encompassing the area commonly identified as the Wrightwood community representing approximately 10,739 acres (17 square miles) generally located east and west of the Los Angeles/San Bernardino County line. The territory is generally east of Big Pine, south of the Phelan Pinon Hills CSD, and east and west of parcel lines, Highway 2 traverses the community in a generally east/west direction).

On motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed reorganization in the Counties of Los Angeles and San Bernardino was filed with the Executive Officer of the Local Agency Formation Commission for San Bernardino County (hereinafter referred as the "Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), and the Executive Officer has examined the application and executed her certificate in accordance with law, determining and certifying that the filings are sufficient; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in order or orders continuing the hearing; and,

WHEREAS, at this hearing, this Commission heard and received all oral and written protests; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application in evidence presented at the hearing; and,

WHEREAS, the Commission determines to modify the proposal to include additional territory to the north and east and the expansion of the authorized services to include the function of wastewater for the service of planning and engineering should the Lahontan Regional Water Quality Control Board so mandate.

NOW, THEREFORE, BE IT RESOLVED, that the Commission does hereby determine, resolve, order and find as follows:

DETERMINATIONS:

SECTION 1. The proposal is approved subject to the terms and conditions hereinafter specified:

CONDITIONS:

Condition No. 1. The boundaries of this change of organization are approved as set forth in Exhibits "A" and "A-1", attached this resolution;

Condition No. 2. The following distinctive short form designation shall be used through this proceeding: LAFCO 3202;

Condition No. 3. The effective date of this reorganization shall be July 1, 2017 or later upon the completion of terms and conditions outlined in this resolution for approval as authorized by Government Code Sections 56886(p) and 57202;

Condition No. 4. The Wrightwood Community Services District (hereafter Wrightwood CSD) shall be the successor agency and shall function under and carry out all authorized duties and responsibilities assigned to a community services district as outlined in Government Code Section 61000 et seq., Community Services District Law, and other applicable laws. Upon the Effective Date of this reorganization, the legal existence of County Service Area 56 shall cease to exist, except as otherwise required by law, and the Wrightwood CSD, as successor District, shall succeed to all the rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the extinguished agency;

Condition No. 5. The Board of Directors of the Wrightwood CSD shall consist of five (5) members, elected at-large, pursuant to the provisions of Government Code Section 61020;

Condition No. 6. The Wrightwood CSD shall be authorized to provide the following functions and services as active powers:

Streetlighting -- Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements (§61100(g)).

Park and Recreation -- Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code (§61100f)).

Solid Waste and Recycling-- Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

Wastewater – Planning and engineering for the potential development of a regional wastewater treatment system should such be required by the Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 (commencing with Section 6400) of the Health and Safety Code.

Condition No. 7. The Wrightwood CSD, as the successor district, shall accept all system facilities transferred from the dissolving County Service Area 56 in “as is” condition without any payment or repair obligation from the assets of the dissolving agency (Government Code Section 56886(h)). All material and incidental liabilities, including, but not limited to, accounts payables, contract obligations and customer deposits, held by the dissolving entities shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). All assets, including, but not limited to, cash reserves, buildings and other real property, rolling stock, tools, and office furniture, fixtures and equipment, all lands, buildings, real and personal property and appurtenances held by the dissolving entity shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). All quitclaim deeds necessary to effectuate the transfer of land and/or buildings shall be prepared by the County of San Bernardino Special Districts Department to be filed upon the effective date of the change with a copy provided to LAFCO;

Condition No. 8. All property tax revenues attributable to County Service Area 56, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the District to be dissolved, shall accrue and be transferred to the successor District, the Wrightwood CSD, pursuant to the provisions of Government Code Section 56810. In providing for this calculation, the full amount of the base year allocation for value/revenue for CSA 56, increment experienced within CSA 56 boundaries, and the revenue shifts previously

RESOLUTION NO. 3227

approved by completion of LAFCO 3070 shall be transferred to the WCSD upon its formation;

Condition No. 9. All previously authorized charges, fees, assessments, and/or taxes of County Service Area 56 in effect upon the effective date of this reorganization shall be continued and assumed by the Wrightwood CSD, as the successor agency, in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t);

Condition No. 10. Until duly revised by the Wrightwood CSD, and unless otherwise expressly provided herein or legally required, all ordinances, resolutions, rules and regulations, policies, procedures, and practices existing for CSA 56 on the effective date of this reorganization shall govern the activities and affairs of the Successor District. The Board of Directors of the Wrightwood CSD, as the successor district, shall expeditiously review and ratify the ordinances, resolutions, policies, procedures and practices adopted hereby, making such revisions as it shall deem appropriate;

Condition No. 11. Upon the effective date of this reorganization, any funds currently deposited for the benefit of County Service Area 56 which have been impressed with a public trust, use or purpose shall be transferred to the Wrightwood CSD, as the successor agency, and the successor agency shall separately maintain such funds in accordance with the provisions of Government Code Section 57462;

Condition No. 12. Pursuant to the provisions of Government Code Section 56811, the provisional appropriation limit of the Wrightwood CSD shall be set at \$552,129. The permanent appropriation limit shall be established at the first district election held following the first full fiscal year of operation and shall not be considered to be a change in the appropriation limit of the district pursuant to Article XIIIB of the California Constitution;

Condition No. 13. All streetlights currently the responsibility of County Service Area 56 shall be transferred to the Wrightwood CSD upon successful formation of the District. The County Special Districts Department shall prepare the appropriate documentation to transfer the streetlights; LAFCO staff shall verify the data, and forward the signed authorization form requesting Southern California Edison to transfer the specific streetlights to the Wrightwood CSD accounts upon successful completion of LAFCO 3202;

Condition No. 14. Upon the effective date of the reorganization to include formation, the Wrightwood CSD, as the successor agency for County Service Area 56, shall continue to pay the installment payments required for the County Service Area Revolving Loan Fund Loan for development of the Skate Park and other improvements pursuant to Government Code Section 56886(a). The terms of that Loan are found in Resolution No. 2013-159 adopted on July 23, 2013;

Condition No. 15. Pursuant to the provisions of Government Code Section 56885.5(a)(4), the County Board of Supervisors, as the governing body of County

RESOLUTION NO. 3227

Service Area 56, is prohibited from taking the following actions unless an emergency situation exists as defined in Section 54956.5:

1. Approve any increase in compensation or benefits for members of the governing body, its officers, or the executive officer of the agency;
2. Appropriating, encumbering, expending or otherwise obligating, any revenues of the agencies beyond that provided in the current budget at the time the reorganization is approved by the Commission. The Commission identifies that the budget to be utilized in this condition shall be the final budget for Fiscal Year 2016-17 adopted by the County Board of Supervisors on June 14, 2016;

Condition No.16. Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts; and,

Condition No. 17. The County of San Bernardino, applicant, shall indemnify, defend, and hold harmless the Commission from any legal expense, legal action, or judgment arising out of the Commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

SECTION 2. The following determinations are made in conformance with Government Code Sections 61014 and 56301:

1. Pursuant to the requirements of Government Code Section 61014, the Commission finds that the Wrightwood CSD has sufficient revenues to perform the services as outlined in its application for streetlights, park and recreation, and solid waste, and as modified by LAFCO to include wastewater planning, and to provide for a reasonable reserve for the next three years.
2. Pursuant to requirements of Government Code Section 56301, the Commission determines that existing agencies cannot provide the range and level of services contemplated to be provided by the Wrightwood CSD in both Los Angeles and San Bernardino Counties in a more efficient and accountable manner.

SECTION 3. DETERMINATIONS. The following determinations are noted in conformance with Commission policy and Government Code Section 56668:

1. The Registrars of Voters for Los Angeles and San Bernardino Counties have determined that the reorganization study area is legally inhabited, containing a total of 2,497 registered voters broken down by county as follows:
 - a. Los Angeles County: 114 voters as of June 17, 2016
 - b. San Bernardino County: 2,383 voters as of June 16, 2016.

RESOLUTION NO. 3227

2. The reorganization including formation does not conflict with the sphere of influence of any other entity within either Los Angeles or San Bernardino Counties.
3. The County Assessors for Los Angeles and San Bernardino Counties have determined that the value of land and improvements within the study area is broken down as follows:
 - a. Los Angeles County total value is \$516,337,303
Land -- \$146,203,501; Improvements -- \$370,133,802
 - b. San Bernardino County total value is \$513,625,252
Land -- \$145,911,207; Improvements -- \$367,714,045
4. Notice of this hearing was published as required by law in The Mountaineer, a newspaper of general circulation in the area. As required by State law and Commission policy, a 1/8th page legal ad was provided in compliance with the provisions of Government Code Section 56157. Individual notices were provided to those individuals and agencies requesting special notice. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination. Comments in support and/or opposition have been received and considered by the Commission in making its determination.
5. In compliance with the requirements of Government Code Section 56125 due to the County of San Bernardino's special tax being transferred to the WCSD and Government Code Section 56157, individual notice was mailed to registered voters and landowners within the reorganization area (totaling 5,641). The number is broken down as follows:

Los Angeles County – 114 Registered Voters; 204 Landowners
San Bernardino county – 2,383 Registered Voters; 2,940 Landowners

Comments from registered voters and landowners have been considered by the Commission in making its determination.
6. The proposed reorganization including formation does not conflict with the established County General Plans for Los Angeles and San Bernardino Counties for their respective areas and has no direct impact on such land use designations.
7. The Southern California Association of Governments (SCAG) has adopted a Regional Transportation Plan and Sustainable Community Strategy pursuant to the provisions of Government Code Section 65352.5. Approval of LAFCO 3202 has no direct impact on these determinations but will provide for the delivery of park and recreation services and wastewater services, if required, to the community which supports the Sustainable Community Strategy.
8. The Local Agency Formation Commission has determined that this proposal is statutorily exempt from the California Environmental Quality Act (CEQA). The determination is based on the finding that the proposal will not change the area in which the service is provided; therefore, no physical affect upon the environment can be foreseen. The Commission certifies it has reviewed and considered the

RESOLUTION NO. 3227

environmental recommendation and finds that a General Rule Statutory Exemption as authorized under Section 15061(b) (3) of the State CEQA Guidelines is appropriate. The Commission adopted the Statutory Exemption and directed the Executive Officer to file a Notice of Exemption within five (5) days with the San Bernardino County Clerk of the Board of Supervisors.

9. The study area is served by the following public agencies: County of San Bernardino (portion), County of Los Angeles (portion), Mojave Desert Resource Conservation District (San Bernardino County), San Bernardino County Fire Protection District and its North Desert Service Zone (fire protection, emergency medical response, ambulance – San Bernardino County area); Consolidated Fire District of Los Angeles County (fire protection, emergency medical response for Los Angeles County area); County Service Area 56 (streetlighting, park and recreation – San Bernardino County portion of Wrightwood community); and County Service Area 70 (multi-function agency within San Bernardino County).

The affected agency is CSA 56 which is to be dissolved as a function of this reorganization. The other agencies are not affected by this reorganization as they are regional in nature or identified for service to a specific area.

10. The County of San Bernardino, as the proponent for LAFCO 3202, has submitted a Feasibility Study prepared by the Feasibility Committee for a Wrightwood Community Services District, which provides a general outline of the delivery of services mandated by Government Code Section 56653 for a plan for providing services. This Plan and the Fiscal Impact Analysis indicates that the transfer of service to the Wrightwood Community Services Districts upon its formation, can, at a minimum, maintain the level of service delivery currently received by the area. The Feasibility Study, including its amendments and supplements, shows that the Community Service District has sufficient revenues to provide its active range of services (park and recreation, streetlighting, and solid waste) upon formation. In addition, the staff's modification to include wastewater as an active function would only be provided should the requirement for sewerage a portion of the community be mandated by the Lahontan Regional Water Quality Control Board. The Plan for Service, Feasibility Study and its supplemental information have been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Study, its supplemental data and the Fiscal Impact Analysis as revised by LAFCO staff, conform to those adopted standards and requirements.
11. The reorganization area can benefit from the availability and extension of services, as evidenced by the Feasibility Study and its supplemental data.
12. This proposal will not affect the fair share allocation of the regional housing needs assigned to either the County of Los Angeles or the County of San Bernardino through the Southern California Association of Government's (SCAG) Regional Housing Needs Allocation (RHNA) process.
13. With respect to environmental justice, the reorganization provides for the continuation of existing park and recreation, streetlighting and solid waste (refuse collection) services within the area as well as the ability to plan and engineer a

RESOLUTION NO. 3227

wastewater system should the mandate for same occur. The delivery of these services through a locally-elected special district will not result in the unfair treatment of any person based upon race, culture or income.

14. This proposal complies with Commission and State policies that indicate the preference for the creation of multi-purpose agencies to serve growing communities. This position is taken on the basis that area proposed for formation as a community services district can be planned, funded, services extended and maintenance funding put in place for the full range of service needs as identified by the community.
15. The maps and legal descriptions, as revised are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's office for San Bernardino County.

SECTION 4. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code, noting that its approval is subject to the confirmation of the registered voters within the affected territory.

SECTION 5. The reason for the reorganization, as specified in the Resolution Initiating the Proposal, is that the residents of the community of Wrightwood have expressed the desire for local control and input into the decision-making process for the delivery of services including park and recreation, streetlighting, and solid waste.

SECTION 6. Upon formation, the Wrightwood Community Services District shall utilize the regular County Assessment Roll and such shall be identified in the final resolution confirming the formation.

SECTION 7. The Executive Officer, on behalf of the Local Agency Formation Commission for San Bernardino County, in compliance with this resolution and State law (Part 4, commencing with Government Code Section 57000), hereby requests that the County of San Bernardino Board of Supervisors and the County of Los Angeles direct their respective County Elections Official to conduct the necessary election, setting the matter for consideration on the March 7, 2017 general election, pursuant to Government Code Sections 57077 and 57100 et seq.

SECTION 8. The question to be submitted to the voters shall read as follows:

“Shall the order adopted on July 20, 2016, by the Local Agency Formation Commission for San Bernardino County ordering the reorganization to include formation of the Wrightwood Community Services District and Dissolution of County Service Area 56, known as LAFCO 3202, be approved subject to the terms and conditions as more particularly described in the order?”

SECTION 9. The election shall be held within the territory of the reorganization, as described in Exhibit “A”.

SECTION 10. The election to be held shall include a call for election of a five-member board of directors to be elected at-large pursuant to the provisions of the Uniform Election Law, Part 4 (commencing with Section 10500) of the Elections Code.

SECTION 11. A simple majority of ballots cast in favor of the measure is required to confirm the order for the reorganization to include formation.

SECTION 12. Upon completion of the canvass of ballots cast at the election, as required pursuant to Sections 15300 to 15309, inclusive of the Elections Code, the Executive Officer shall issue the final resolution and direct that either a Certificate of Completion or a Certificate of Termination, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204, shall be prepared and filed for the proposal.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
) SS.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of July 20, 2016.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

PROPOSAL NO.: LAFCO 3202

HEARING DATE: JULY 20, 2016

RESOLUTION NO. 3227

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3202; DENYING THE REORGANIZATION TO INCLUDE FORMATION OF THE WRIGHTWOOD COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 56 AND TERMINATING ITS PROCEEDINGS (generally encompassing the area commonly identified as the Wrightwood community representing approximately 10,739 acres (17 square miles) generally located east and west of the Los Angeles/San Bernardino County line. The territory is generally east of Big Pine, south of the Phelan Pinon Hills CSD, and east and west of parcel lines, Highway 2 traverses the community in a general east/west direction).

On motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed reorganization in the County of San Bernardino was filed with the Executive Officer of this Local Agency Formation Commission (hereinafter referred as the "Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), and the Executive Officer has examined the application and executed her certificate in accordance with law, determining and certifying that the filings are sufficient; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in order or orders continuing the hearing; and,

WHEREAS, at this hearing, this Commission heard and received all oral and written protests; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application in evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED, that the Commission does hereby determine, resolve, order and find as follows:

DETERMINATIONS:

SECTION 1. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code terminating the proceedings of LAFCO 3202.

SECTION 2. The proposal is denied based upon the following determinations:

1. The Commission determines that the community of Wrightwood has not sufficiently developed to the population size and density necessary to require self-governance;
2. The Commission determines that the Plan for Service and Feasibility Study has not shown the District's ability to manage the financial aspects of the delivery of the services identified in the application;
3. The Commission determines that failure to address the service needs required for the community by excluding wastewater planning and engineering when historically the problems associated with groundwater quality based upon on-site wastewater disposal systems on groundwater quality have been discussed by the Regional Water Quality Control Board; and,
4. The Commission determines that formation of the Wrightwood CSD as proposed for the developed portions of the community does not meet the criteria established by State law to provide for a permanent form of government to provide locally adequate services and advantageously provide for the present and future needs of the local community.

SECTION 3. The following determinations are noted in conformance with Commission policy and Government Code Section 56668:

1. The Registrars of Voters for Los Angeles and San Bernardino Counties have determined that the reorganization study area is legally inhabited, containing a total of 2,497 registered voters broken down by county as follows:
 - a. Los Angeles County: 114 voters as of June 17, 2016
 - b. San Bernardino County: 2,383 voters as of June 16, 2016.

RESOLUTION NO. 3227

2. The reorganization including formation does not conflict with the sphere of influence of any other entity within either Los Angeles or San Bernardino Counties.
3. The County Assessors for Los Angeles and San Bernardino Counties have determined that the value of land and improvements within the study area is broken down as follows:
 - a. Los Angeles County total value is \$516,337,303
Land -- \$146,203,501; Improvements -- \$370,133,802
 - b. San Bernardino County total value is \$513,625,252
Land -- \$145,911,207; Improvements -- \$367,714,045
4. Notice of this hearing was published as required by law in The Mountaineer, a newspaper of general circulation in the area. As required by State law and Commission policy, a 1/8th page legal ad was provided in compliance with the provisions of Government Code Section 56157. Individual notices were provided to those individuals and agencies requesting special notice. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination. Comments in support and/or opposition has been received and considered by the Commission in making its determination.
5. In compliance with the requirements of Government Code Section 56125 due to the County of San Bernardino's special tax being transferred to the Wrightwood CSD and Government Code Section 56157, individual notice was mailed to registered voters and landowners within the reorganization area (totaling 5,641). The number is broken down as follows:

Los Angeles County – 114 Registered Voters; 204 Landowners
San Bernardino county – 2,383 Registered Voters; 2,940 Landowners

Comments from registered voters and landowners have been considered by the Commission in making its determination.
6. The study area is presented served by the following public agencies: County of San Bernardino (portion), County of Los Angeles (portion), Mojave Desert Resource Conservation District (San Bernardino County), San Bernardino County Fire Protection District and its North Desert Service Zone (fire protection, emergency medical response, ambulance – San Bernardino County area); Consolidated Fire District of Los Angeles County (fire protection, emergency medical response for Los Angeles County area); County Service Area 56 (streetlighting, park and recreation – San Bernardino County portion of Wrightwood community); and County Service Area 70 (multi-function agency within San Bernardino County).

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
) SS.
COUNTY OF SAN BERNARDINO)


I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of July 20, 2016.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 11, 2016 
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #10: Review and Consideration of Contract No. 16-1001429 Between San Bernardino County Transportation Commission and LAFCO for Lease of Harvey House premises and \$130,000 Loan for Interior Improvements located at 1170 West 3rd Street, Unit 150, San Bernardino

RECOMMENDATION:

Staff is recommending that the Commission:

- A. Approve the lease agreement with the San Bernardino County Transportation Commission for the purposes of leasing Unit 150, commonly known as the Harvey House space of the San Bernardino Santa Fe Depot, and authorize the Chairman to sign and execute the lease agreement on behalf of the Commission;
- B. Authorize the payment of an amount not to exceed \$230,000, to fund the necessary renovations and improvements to allow for use of the Harvey House space as the LAFCO staff office, which requires an up-front payment of \$100,000 to the San Bernardino Associated Governments prior to the commencement of construction and the balance of \$130,000 to be amortized over a 5-year term; and,
- C. Authorize the Executive Officer to continue to negotiate with GM Business Interiors on a floor plan for the new office space to be presented to the Commission at a later date.

BACKGROUND:

LAFCO's current office space lease will expire on June 30, 2017. In response to the Commission's direction to change the office location and its desire to possibly move to the San Bernardino Santa Fe Depot (Depot), staff has been working with the staff of the San Bernardino Associated Governments (SANBAG) on leasing the historic Harvey House (a former railway hotel and restaurant chain) space of the Depot. The Harvey House space is approximately 3,513 square feet in area. Moving to this location will allow for employee and visitor access to the staff office via public transportation and the potential for hearings to be conducted at the adjacent facility where SANBAG holds its hearings (subject to installation of video recording equipment).

The Depot is jointly owned by SANBAG, acting in its capacity as the San Bernardino County Transportation Commission, and the City of San Bernardino; however, SANBAG has exclusive rights to enter into, amend, or terminate all property agreements at the Depot, pursuant to SANBAG Cooperative Agreement No. 04-040 with the City of San Bernardino.

This change in office location requires a multi-step process. First, as identified in the 2016-17 budget, LAFCO has been negotiating with SANBAG to identify the terms of leasing the Harvey House space. This space has not been occupied since the 1950s and is also a historic place. Therefore, it requires extensive renovation before it can be occupied, as well as working with the restrictions of being a historic place. As identified in the preliminary drawings (included as Attachment #1 to this report) the renovation includes, but is not limited to, the installation of a new HVAC system, construction of men's and women's restrooms, plumbing, installation of lighting fixtures and electrification of the entire space, repair of existing tile flooring and installation of carpet for non-tiled area of the space, repair of plaster and/or wood wall/columns and ceilings, painting and refinishing, and generally restoring all of the space's historic materials and structure elements. These drawings were used to generate the initial estimate to renovate the Harvey House space, totaling \$230,000. The cost to renovate is an obligation of the tenant and, according to the lease, is dependent upon the final scope of work and actual costs incurred. As part of the lease agreement, LAFCO will agree to pay \$100,000 up-front, and LAFCO will then reimburse SANBAG the remainder \$130,000 over the first 5-year term of the lease (\$2,167 per month for 60 months). Of note, the lease does not contain a 10% contingency, but LAFCO staff will closely monitor the renovation costs to stay within the budgeted amount. Additionally, costs for window coverings are not included in this cost, which will be absorbed by the current year budget.

The monthly rent as outlined in the lease is \$0.95 per square foot. Based on the total area of 3,513 square feet, which also includes the area for the new bathrooms, the monthly base rent is \$3,337. In addition to the base rent, LAFCO will also pay its share of the Common Area Operating Expenses (CAM) identified as 9.3% of the total costs to maintain the common areas of the Depot. The items included in the CAM costs include water, sewer, trash, exterior maintenance and 24-hour security. The total estimated

monthly CAM cost (at \$0.67 per square foot) is \$2,354. The total cost per square foot is \$1.62. The current LAFCO office cost is \$1.91 per square foot for the 2,357 square foot useable office area during Fiscal Year 2016-17. The amortized monthly cost for the remainder \$130,000 that SANBAG is shouldering for the renovation is \$2,167 paid separately to SANBAG. The overall monthly rent for the first five-year lease term, which includes the base rent, the CAM costs, and the amortized cost, is \$7,858. After the first term, the estimated total monthly payment would reduce to \$5,691. The lease terms also include an annual inflation factor based on the Consumer Price Index (CPI) rental adjustment factor (not to exceed 3%).

Second, if the Commission approves this lease agreement, additional costs will be incurred as part of the change in office location. These costs, which were approved as part of this year's budget, are currently budgeted as follows:

1. Modular Furniture for New Office Space	\$49,910
2. Moving	5,000
3. Site preparation through the County's ISD	15,000
4. Other (printing of new business cards)	350
ESTIMATED TOTAL	\$70,260

Staff has asked GM Business Interiors to provide a preliminary layout for the new office space utilizing modular furnishings to create the interior office configuration. After a layout is finalized and a final quote provided, LAFCO staff will present to the Commission a draft contract for its consideration. Installation of the new office furnishings will not commence until the renovation is complete.

Staff has also verified with the County's Information Services Department (ISD) that moving to the Depot still allows for maintenance of County connections to mainframe computer functions, inter and intranet facilities, telephone, mail services, etc.

The contract, which is included as Attachment #2 to this report, has been reviewed by LAFCO Counsel, and was approved by SANBAG at its July 6, 2016 Board of Directors meeting. Once the contract is executed by both parties, SANBAG staff will have an architect begin drafting the final construction drawings to be use to solicit construction bids for the actual renovation project.

CONCLUSION:

Staff recommends that the Commission take the actions listed on page 1, which are:

- Approve the lease agreement to move to the San Bernardino Santa Fe Depot, which includes the total amount, not to exceed \$230,000, to fund the necessary renovations and improvements, an up-front payment of \$100,000 and the balance of \$130,000 to be amortized monthly over a 5-year term; and,

- Authorize the Executive Officer to continue to negotiate a floor plan design for the new office space to be presented to the Commission, along with purchase contract for furnishings at a later date.

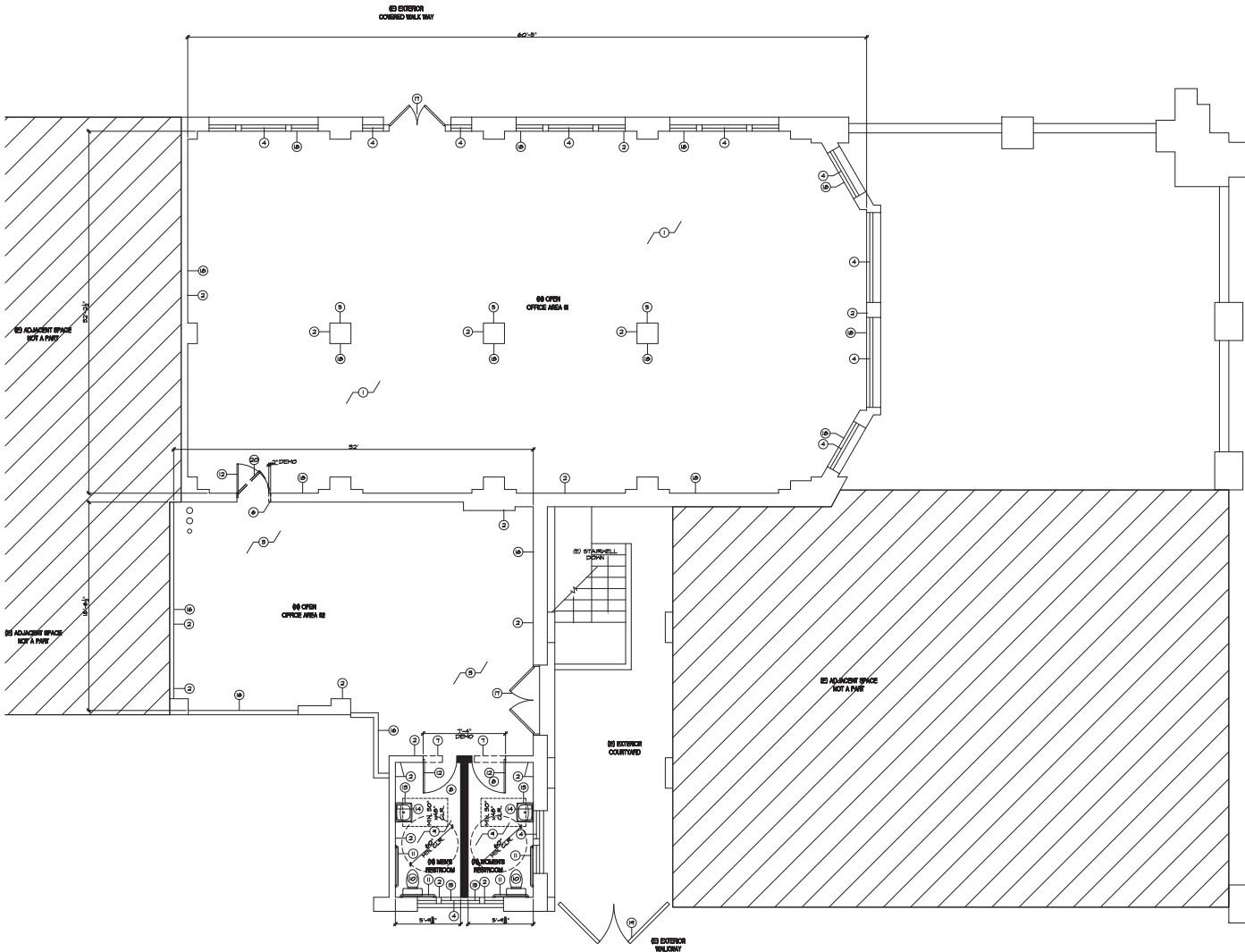
KRM/sm

Attachments:

1. Preliminary Drawings with Renovation Notes
2. Draft Contract No. 16-1001429

Preliminary Drawings with Renovation Notes

Attachment 1



FLOOR PLAN
SCALE: 1/4" = 1'-0"

2,882 S.F. ±



WALL LEGEND

- EXISTING WALL TO REMAIN
- NEW NON-BRICK METAL STUD WALL
- EXISTING WALL TO BE REMOVED

FLOOR PLAN KEYED NOTES

1. (1) TILE FLOORS AND BASE TO REMAIN. PATCH AND REPAIR ALL MISSING TILE WITH SAME TILE FROM UNUSED AREAS OR UNDER CABINET OR STORAGE AREA AS FOR SANBAG PRESTIGE.
2. PATCH AND REPAIR MISSING WALL PLASTER BASE COAT TO LEVEL WALL SURFACE. APPLY 1/2" SAND FRESH WALL TEXTURE TO MATCH (2) WALL FINISHES IN SANBAG 2ND FLOOR OFFICE.
3. (1) COMMERCIAL GRADE CARPET. PREP AND LEVEL. (2) CONCRETE SLAB FLOOR PRIOR TO INSTALLATION. CARPET TO MATCH (2) SANBAG 2ND FLOOR OFFICE - OR APPROVED EQUAL.
4. (1) REMOVE TO REMAIN. PATCH AND REPAIR ANY DAMAGED WINDOW FRAMES AS REQUIRED. ANY REPLACEMENT PARTS TO BE CONFIRMED WITH SANBAG AND PRESIDING HISTORIC REVENUE AGENCY PRIOR TO INSTALLATION.
5. PATCH AND OR REPAIR DAMAGED COLUMN CAPS. REPLACE ANY AVAILABLE MISSING PARTS. CONFIRM WITH SANBAG AND THE PRESIDING HISTORIC REVENUE AGENCY PRIOR TO INSTALLATION OR REPAIR.
6. PORTION OF (2) WALL TO BE DEMOLISHED AND OPENED TO ACCOMMODATE IN (1) HIDE DOOR. REINFORCEMENT FOR WALL OPENING TO BE DETERMINED IN PHASE 2. ALL WALL PATCHING AND FINISHES AS PER KEYNOTE 12.
7. PORTION OF (2) WALL TO BE DEMOLISHED FOR (1) RESTROOM DOORWAY. REINFORCEMENT FOR WALL OPENING TO BE DETERMINED IN PHASE 2. ALL WALL PATCHING AND FINISHES AS PER KEYNOTE 12.
8. (1) MEN'S AND WOMEN'S RESTROOMS. PREP AND REPAIR AND LEVEL. (2) WALL FINISHES. WALLS TO RECEIVE IN SUBWAY TILE TO MATCH (2) 2ND FLOOR SANBAG RESTROOMS.
9. PREP AND LEVEL. (2) CONCRETE SLAB. INSTALL IN MEN FLOOR TILE TO MATCH (2) 2ND FLOOR SANBAG RESTROOMS.
10. (1) FLOOR MOUNTED PLUMB TANK ACCESSIBLE TOILET TO MATCH (2) 2ND FLOOR SANBAG RESTROOMS.
11. (1) STAINLESS STEEL GRAB BARS WITH WALL BACKSPLASH/RESISTANT PER CODE.
12. (1) 36" WIDE SOLID HOODS GORE DOOR - PANELLED WITH ACCESSIBLE LEVERED HANDLE HARDWARE. ALL (2) DOORS TO MATCH (2) 2ND FLOOR SANBAG OFFICES IN STYLE, MATERIAL, COLOR AND HARDWARE INCLUDING CASING AND HOLDING.
13. (1) WALL HANG ACCESSIBLE LAVATORY/SINK WITH PROTECTIVE PIPE BOOT. DOORS TO MATCH (2) 2ND FLOOR SANBAG RESTROOM DOORS.
14. (1) WALL MOUNTED ACCESSIBLE MIRROR - TO MATCH (2) 2ND FLOOR SANBAG RESTROOMS.
15. PROVIDE (1) WINDOW COVERINGS TO MATCH (2) 2ND FLOOR SANBAG RESTROOM WINDOW COVERINGS. FULL WINDOW HT.
16. COVER ALL (2) EXPOSED WALL FRAMING STUDS WITH (1) GYP. BOARD BACKING AND (1) PLASTER FINISH TO MATCH ALL (1) WALL FINISHES.
17. PROVIDE (1) ACCESSIBLE LEVERED HANDLE DOOR HARDWARE ON ALL (2) DOORS THAT REMAIN.
18. (2) BRICK WALL FINISH TO REMAIN. CLEAN ALL BRICK AND GROUT JOINTS. APPLY SEALER.
19. (2) IRON GATES TO REMAIN - CONFIRM WITH SANBAG.
20. (2) DOOR TO BE REMOVED - SALVAGE AND CONFIRM WITH SANBAG.

SEE BLOW-UP ON NEXT PAGE

FLOOR PLAN GENERAL NOTES

1. PLANS ARE PRELIMINARY CONCEPT SPACE PLANS FOR CONSTRUCTION ESTIMATING ONLY.
2. ALL FINISHES TO BE CONFIRMED WITH SANBAG.
3. ALL FINISHES TO BE CONFIRMED APPROVED AS PER THE PRESIDING HISTORIC REVENUE AGENCY.
4. RESTORATION OF HISTORIC MATERIALS, PATTERNS, STRUCTURAL ELEMENTS TO BE REVIEWED AND APPROVED BY SANBAG AND THE PRESIDING HISTORIC REVENUE AGENCY.
5. ALL ELECTRICAL POWER OUTLETS TO BE TESTED AND REPLACED AS REQUIRED. CHECK PANEL LOADS FOR THIS SPACE.
6. ALL GYPHUM PLASTER TO BE FINISHED TO MATCH (2) 2ND FLOOR SANBAG OFFICES. CONFIRM COLOR AND PAINT SPECIFICATION WITH SANBAG. TEXTURES ARE TO MATCH (2) 2ND FLOOR SANBAG OFFICES AND RESTROOM TEXTURES.
7. PROVIDE (1) 36" PLY GLENNAGE MEMBRANE UNDERLAYMENT AT ALL INTERIOR SPACES THAT ARE SCHEDULED TO RECEIVE NEW CERAMIC TILE AS A FINISH FLOOR MATERIAL. TYP.
8. PROTECT ALL (2) HISTORIC FABRIC DURING CONSTRUCTION. ANY ITEMS DAMAGED BY THE CONTRACTOR SHALL BE REPLACED IN-SITU AND ADJUSTED BY THE CONTRACTOR TO THE ORIGINAL CONDITION.
9. REPAIR ALL CRACKS, BLENDES AND DEFECTS IN (2) PLASTER WALL OR CEILING.

PRELIMINARY
FOR BID ESTIMATE ONLY
NOT FOR CONSTRUCTION
5/22/15

FLOOR PLAN KEYED NOTES

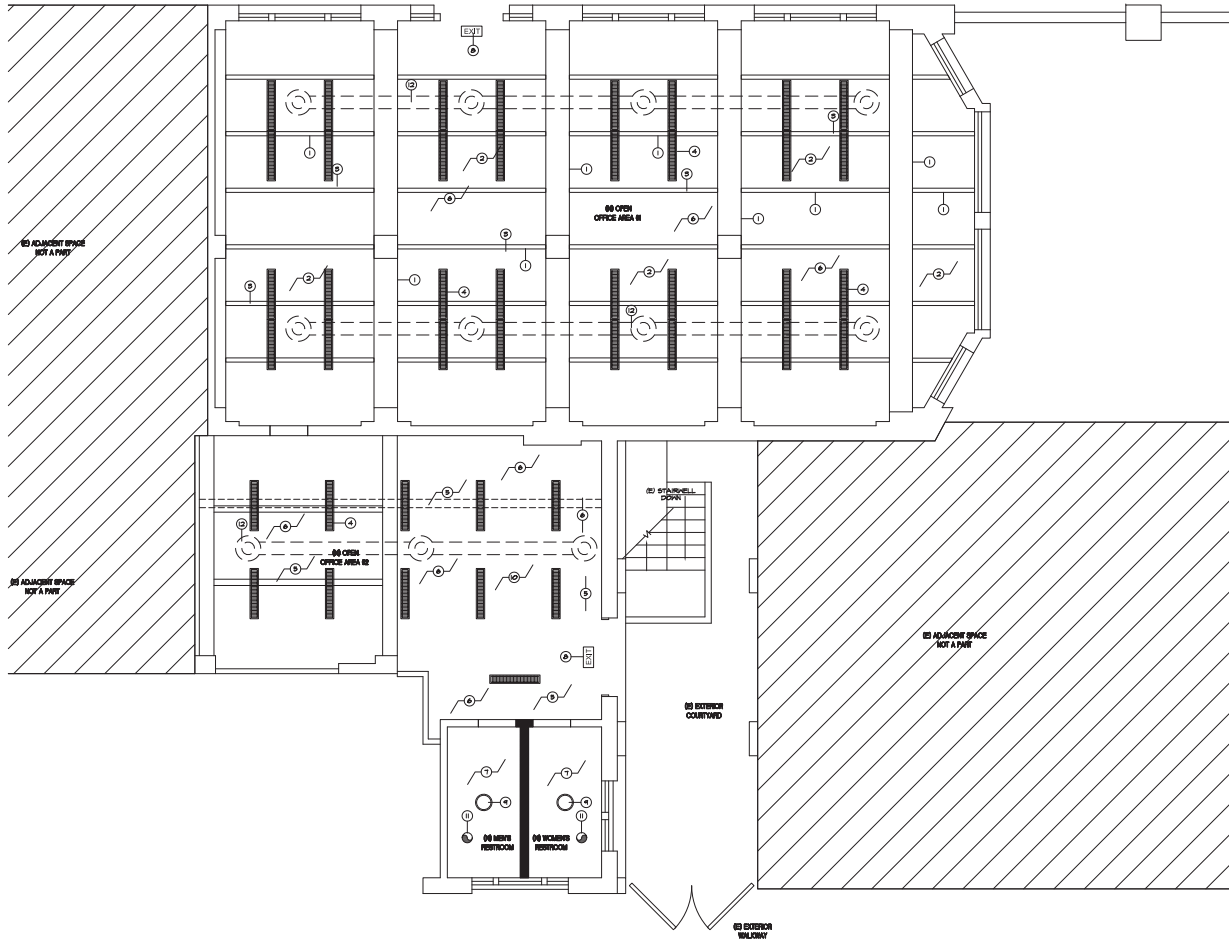
- ① (E) TILE FLOOR AND BASE TO REMAIN. PATCH AND REPAIR ALL MISSING TILE WITH SAME TILE FROM UNUSED AREAS OR UNDER CABINET OR STORAGE AREA AS PER SANBAG DIRECTIVES.
- ② PATCH AND REPAIR MISSING WALL PLASTER BASE COAT TO LEVEL WALL SURFACE EVEN. APPLY NEW SAND FINISH WALL TEXTURE TO MATCH (E) WALL FINISHES IN SANBAG 2nd FLOOR OFFICES.
- ③ (N) COMMERCIAL GRADE CARPET. PREP AND LEVEL (E) CONCRETE SLAB FLOOR PRIOR TO INSTALLATION. CARPET TO MATCH (E) SANBAG 2nd FLOOR OFFICES - OR APPROVED EQUAL.
- ④ (E) WINDOWS TO REMAIN. PATCH AND REPAIR ANY DAMAGED WOOD WINDOW FRAMES AS REQUIRED. ANY REPLACEMENT PARTS TO BE CONFIRMED WITH SANBAG AND PRESIDING HISTORIC AGENCY PRIOR TO INSTALLATION.
- ⑤ PATCH AND OR REPAIR DAMAGED COLUMN CAPS. REPLACE ANY AVAILABLE MISSING PARTS. CONFIRM WITH SANBAG AND THE PRESIDING HISTORIC AGENCY PRIOR TO INSTALLATION OR REPAIR.
- ⑥ PORTION OF (E) WALL TO BE DEMOLISHED AND OPENED TO ACCOMMODATE (N) 36" WIDE DOOR. REINFORCEMENT FOR WALL OPENING TO BE DETERMINED IN PHASE 2. ALL WALL PATCHING AND FINISHES AS PER KEYNOTE #2.
- ⑦ PORTION OF (E) WALL TO BE DEMOLISHED FOR (N) RESTROOM DOOR(S) OPENINGS. REINFORCEMENT FOR WALL OPENING TO BE DETERMINED IN PHASE 2. ALL WALL PATCHING AND FINISHES AS PER KEYNOTE #2.
- ⑧ (N) MEN'S AND WOMEN'S RESTROOMS. PREP AND REPAIR AND LEVEL (E) WALL FINISHES. WALLS TO RECEIVE (N) SUBWAY TILE TO MATCH (E) 2nd FLOOR SANBAG RESTROOMS.
- ⑨ PREP AND LEVEL (E) CONCRETE SLAB. INSTALL (N) HEX FLOOR TILE TO MATCH (E) 2nd FLOOR SANBAG RESTROOMS. (N) CONFIRM ALL FINISH MATERIALS WITH SANBAG.
- ⑩ (N) FLOOR MOUNTED FLUSH TANK ACCESSIBLE TOILET TO MATCH (E) 2nd FLOOR SANBAG RESTROOMS.
- ⑪ (N) STAINLESS STEEL GRAB BARS WITH WALL BACKING/REINFORCEMENT PER CODE.
- ⑫ (N) 36" WIDE SOLID WOOD CORE DOOR - PANELED WITH ACCESSIBLE LEVERED HANDLE HARDWARE. ALL (E) DOORS TO MATCH (E) 2nd FLOOR SANBAG OFFICES IN STYLE, MATERIAL, COLOR AND HARDWARE INCLUDING CASING AND MOLDING.
- ⑬ (N) WALL HUNG ACCESSIBLE LAVATORY/SINK WITH PROTECTIVE PIPE BOOT. DOORS TO MATCH (E) 2nd FLOOR SANBAG RESTROOM DOORS.
- ⑭ (N) WALL MOUNTED ACCESSIBLE MIRROR - TO MATCH (E) 2nd FLOOR SANBAG RESTROOMS.
- ⑮ PROVIDE (N) WINDOW COVERINGS TO MATCH (E) 2nd FLOOR SANBAG RESTROOM WINDOW COVERINGS. FULL WINDOW HT.
- ⑯ COVER ALL (E) EXPOSED WALL FRAMING STUDS WITH (N) GYP. BD. BACKING AND (N) PLASTER FINISH TO MATCH ALL (N) WALL FINISHES.
- ⑰ PROVIDE (N) ACCESSIBLE LEVERED HANDLE DOOR HARDWARE ON ALL (E) DOORS THAT REMAIN.
- ⑱ (E) BRICK WALL FINISH TO REMAIN. CLEAN ALL BRICK AND GROUT JOINTS. APPLY SEALER.
- ⑲ (E) IRON GATES TO REMAIN - CONFIRM WITH SANBAG.
- ⑳ (E) DOOR TO BE REMOVED - SALVAGE AND CONFIRM WITH SANBAG.

LARRY CASAREZ
ASSOCIATES
LLC
CONSTRUCTION DESIGN SERVICES



1433 DEERFOOT DRIVE
DIAMOND BAR, CA 91765
(951) 233-0399 • (909) 860-3092
LCASAREZHOME@ROADRUNNER.COM

LARRY CASAREZ ARCH



REFLECTED CEILING PLAN
SCALE: 1/4" = 1'-0"



REFLECTED CEILING PLAN KEYED NOTES

1. EXPOSED HOOD BEAMS TO REMAIN. STAIN AND REPAIR AS TO MATCH REQUIRED. CONFIRM STAINPANT PRODUCT WITH SANBAG AND THE PRESIDING HISTORIC REVIEW AGENCY PRIOR TO APPLICATION.
2. HOOD PLANK CEILING. INSTALL HOODING PLANKS FROM SANBAG STAINED PLANKING. STAIN AND OR PAINT ANY DAMAGED PLANKS TO MATCH (2). CONFIRM STAINPANT PRODUCT WITH SANBAG AND THE PRESIDING HISTORIC REVIEW AGENCY PRIOR TO APPLICATION.
3. LINEAR LIGHT FIXTURES. CONFIRM OPERATIVE FUNCTION AND ELECTRICAL CONNECTIONS. CONFIRM WITH SANBAG IF LIGHTS ARE TO REMAIN INTACT AND OPERATIONAL WITH SWITCHING.
4. LED SUSPENDED LOWVOLTAGE LIGHT FIXTURES TO MATCH (2). SANBAG 2ND FLOOR LIGHT FIXTURES. IN CEILING LEVEL TO BE INSTALLED BELOW LOWEST SPRINKLER LINE. OBSTRUCTION. CEILING FINISH TO MATCH (2) 2ND FLOOR SANBAG OFFICES CEILING IN TEXTURE AND COLOR.
5. INSTALL NEW R-30 BATT INSULATION BELOW (2) 2ND FLOOR STRUCTURE ABOVE (N) OR (2) CEILING.
6. METAL JOIST FRAMED GYPSUM BOARD CEILING AT APPROX. 8'-0" - 8'-6" A.F.F. CEILING FINISH TO MATCH (2) 2ND FLOOR RESTROOMS IN TEXTURE AND COLOR.
7. IN CEILING MOUNTED ILLUMINATED EXIT SIGN PER CODE.
8. IN CHAN HANG LIGHT FIXTURE WITH AGORA BRACE. MATTE ANTIQUE BRASS FINISH. LED AND ELECTRIC BALLAST. REFLUTERATION LAMP AND FIXTURE CO. LUMINOUS-CHROMATE ANTIQUE BRASS-SOFT-TO-SHARD-GRAIN KIND (VERIFY EXACT LENGTH AND LAMP TYPE WITH MANUFACTURER).
9. CLEARSTORY SKYLIGHT TO REMAIN. INSULATION OF UNDERSIDE OF ROOF STRUCTURE TO BE IN PLACE BID AS WELL AS FINISHES OF EXPOSED WOOD AND METAL FRAMING ELEMENTS.
10. IN CEILING MOUNTED EXHAUST FAN MIN. 9 AIR CHANGES PER HOUR.
11. EXPOSED HVAC SHEET METAL DUCTS AND REGISTERS SUSPENDED FROM CEILING. FINAL LAYOUT TBD.

SEE BLOW-UP ON NEXT PAGE

REFLECTED CEILING PLAN GENERAL NOTES

1. PLANS ARE PRELIMINARY CONCEPT SPACE PLANS FOR CONSTRUCTION ESTIMATING ONLY.
2. ALL FINISHES TO BE CONFIRMED WITH SANBAG.
3. ALL FINISHES TO BE CONFIRMED APPROVED AS PER THE PRESIDING HISTORIC REVIEW AGENCY.
4. RESTORATION OF HISTORIC MATERIALS, PATTERNS, STRUCTURAL ELEMENTS TO BE REVIEWED AND APPROVED BY SANBAG AND THE PRESIDING HISTORIC REVIEW AGENCY.
5. ALL (2) ELECTRICAL LIGHTING FIXTURES/LINES TO BE TESTED AND REPLACED AS REQUIRED. CHECK PANEL LOADS FOR THIS SPACE.
6. PROTECT ALL (2) HISTORIC FABRIC DURING CONSTRUCTION. ANY ITEMS DAMAGED BY THE CONTRACTOR SHALL BE REPLACE IN-KIND AT NO ADDITIONAL COST TO THE OWNER.
7. REPAIR ALL GRAVES BUBBLES AND DEFECTS IN (2) PLASTER AND OR WOOD WALL OR CEILING.
8. FIGURES NOTED ON PLANS ARE TO MATCH (2) 2ND FLOOR OFFICES AND RESTROOMS AS NOTED. HOWEVER SOME FIGURES OR FINISHES MAY NO LONGER BE AVAILABLE UNDER THE NOTES OR SPECIFICATIONS NOTED. CONTRACTOR TO VERIFY AVAILABILITY AND SUBMIT DOCUMENTS TO SANBAG FOR REVIEW WITH BID.
9. ALL EXISTING FIRE SPRINKLERS TO BE MODIFIED/ADDED TO COVER ENTIRE TENANT SPACE AS REQUIRED BY CODE.

PRELIMINARY
FOR BID ESTIMATE ONLY
NOT FOR CONSTRUCTION
5/22/15

REFLECTED CEILING PLAN KEYED NOTES

- ① (E) EXPOSED WOOD BEAMS TO REMAIN. STAIN AND REPAIR AS TO MATCH REQUIRED. CONFIRM STAIN/PAINT PRODUCT WITH SANBAG AND THE PRESIDING HISTORIC REVIEW AGENCY PRIOR TO APPLICATION.
- ② (E) WOOD PLANK CEILING. INSTALL MISSING PLANKS FROM SANBAG STORED PLANKING. STAIN AND OR PAINT ANY DAMAGED PLANKS TO MATCH (E). CONFIRM STAIN/PAINT PRODUCT WITH SANBAG AND THE PRESIDING HISTORIC REVIEW AGENCY PRIOR TO APPLICATION.
- ③ (E) LINEAR LIGHT FIXTURES. CONFIRM OPERATIVE FUNCTION AND ELECTRICAL CONNECTIONS. CONFIRM WITH SANBAG IF LIGHTS ARE TO REMAIN INTACT AND OPERATIONAL WITH SWITCHING.
- ④ (N) LED SUSPENDED LOUVERED LIGHT FIXTURES TO MATCH (E) SANBAG 2nd FLOOR LIGHT FIXTURES. PROVIDE NEW SWITCHING SEPARATED IN AREAS PER SANBAG.
- ⑤ NEW METAL JOIST FRAMED GYPSUM BOARD CEILING BELOW EXISTING EXPOSED CONCRETE STRUCTURE. (N) CEILING LEVEL TO BE INSTALLED BELOW LOWEST SPRINKLER LINE OBSTRUCTION. CEILING FINISH TO MATCH (E) 2nd FLOOR SANBAG OFFICES CEILING IN TEXTURE AND COLOR.
- ⑥ INSTALL NEW R-30 BATT INSULATION BELOW (E) 2nd FLOOR STRUCTURE ABOVE (N) OR (E) CEILING.
- ⑦ (N) METAL JOIST FRAMED GYPSUM BOARD CEILING AT APPROX. 9'-0" - 10'-0" A.F.F. CEILING FINISH TO MATCH (E) 2nd FLOOR RESTROOMS IN TEXTURE AND COLOR.
- ⑧ (N) CEILING MOUNTED ILLUMINATED EXIT SIGN PER CODE.
- ⑨ (N) CHAIN HUNG LIGHT FIXTURE WITH ACORN SHADE. MATTE ANTIQUE BRASS FINISH, LED AND ELECTRONIC BALLAST. REJUVENATION LAMP AND FIXTURE CO. #LOMBARD-C999-MATTE ANTIQUE BRASS-32WFLT-38450-CHAIN HUNG (VERIFY EXACT LENGTH AND LAMP TYPE WITH MANUFACTURER).
- ⑩ (E) CLEARSTORY SKYLIGHT TO REMAIN. INSULATION OF UNDERSIDE OF ROOF STRUCTURE TO BE IN BASE BID. AS WELL AS FINISHING OF EXPOSED WOOD AND METAL FRAMING ELEMENTS.
- ⑪ (N) CEILING MOUNTED EXHAUST FAN MIN. 5 AIR CHANGES PER HOUR.
- ⑫ (N) EXPOSED HVAC SHEET METAL DUCTING AND REGISTERS SUSPENDED FROM CEILING. FINAL LAYOUT TBD.

LARRY CASAREZ
ASSOCIATES
LLC
CONSTRUCTION DESIGN SERVICES



1433 DEERFOOT DRIVE
DIAMOND BAR, CA 91765
(951) 233-0399 • (909) 860-3092
LCASAREZHOME@ROADRUNNER.COM

Draft Contract No. 16-1001429

Attachment 2

CONTRACT NO: 16-1001429

BY AND BETWEEN

SAN BERNARDINO COUNTY TRANSPORTATION COMMISSION

AND

**LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY
(LAFCO)**

TABLE OF CONTENTS

<u>Section #</u>		<u>Page #</u>
1	Summary of Lease Provisions	3
2	Premises	3
3	Common Areas	3
4	Parking	4
5	Term	4
6	Rent	4
6	Common Area Operating Expenses	4
7	Rent Increase	5
8	Security Deposit	5
9	Use	5
10	Maintenance & Repairs	5
11	Utilities & Services	6
12	Alterations & Additions	6
13	Insurance & Indemnity	7
14	Property Taxes	8
15	Assignment & Subletting	8
16	Default; Breach; Remedies	8
16	Late Charges	9
17	Estoppel Certificate	9
18	Surrender; Move-out	9
19	Holding Over	9
20	Substituted Premises	9
21	Landlord's Access	9
22	Security	10
23	Signs	10
24	Subordination	10
25	Options	10
26	Damage or Destruction	11
27	General Lease Terms	12
28	Additional Terms	13
	Signatures	13
Exhibit "A"	Rules & Regulations	
Exhibit "B"	[intentionally omitted]	
Exhibit "C"	Space Plan	

1. Summary of Lease Provisions

1.01 **Parties:** This Lease, dated, for reference purposes only, October 5, 2015, is made by and between **San Bernardino Associated Governments, acting in its capacity as the San Bernardino County Transportation Commission (SANBAG)** (herein called "Landlord") and **Local Agency Formation Commission for San Bernardino County (LAFCO)** (herein called "Tenant").

1.02 **Premises:** Unit Number(s) 150, consisting of **3,513** rentable square feet, more or less, as defined in Section 2 (the "Premises").

1.03 **Building:** Commonly described as being located at **1170 West 3rd Street** in the City of **San Bernardino**, County of **San Bernardino**, State of California.

1.04 **Term:** **Five (5) years**, commencing **June 1, 2017** ("Commencement Date") and ending **March 31, 2022**, as defined in Section 5.

1.05 **Base Rent:** **\$.95** per rentable square foot of Premises per month, payable quarterly in advance on the **first** calendar day of each quarter, per Section 6.

1.06 **Base Rent Increase:** Annually, the monthly Base Rent payable under Section 1.05 shall be adjusted as provided in Section 7.

1.07 **Late Charges:** **6%** if any installment of Base Rent, Operating Expense Increase, or any other sum due from Tenant shall not be received by Landlord within **five (5)** business days after the first day of each month.

1.08 **Security Deposit:** **\$0.00.**

1.09 **Tenant's Share of Common Area Operating Expenses:** **9.3%** as defined in Section 6.

1.10 **Parking:** Maximum **fourteen (14)** unreserved and unassigned vehicle parking spaces for Tenant's employees and visitors (who shall not utilize any spaces reserved for other occupants of the Depot), as provided for in Section 4.

1.11 **Use:** **LAFCO Offices.**

1.12 **Utilities:** Provided by Landlord (subject to reimbursement as may be provided for in this Lease): **Water/Sewer/Gas/Trash** Provided by Tenant: **Electricity/Phone/Data**, as further defined and subject to the provisions in Section 11.

1.13 **Maintenance & Repairs:** Interior of Premises maintained by **Tenant**; Exterior of Building maintained by **Landlord** subject to and in accordance with Section 10.

1.14 **Insurance:** **\$1,000,000** liability policy required to be carried by Tenant prior to Occupancy - see Section 13.

1.15 **Options to Extend:** Tenant has **two (2)** Options to Extend the term of this Lease for a period of **five (5)** years each, as provided for in Section 25.

1.16 **Tenant Improvements:** (check one)

- ☐ Tenant to accept Premises in as-is condition.
☒ Landlord to provide Tenant Improvements as provided for in Paragraph 28.
☐ Tenant to provide Tenant Improvements as provided for in Paragraph ____.

1.17 **Notices:**

To Landlord:

**San Bernardino Associated Governments
(SANBAG)**

**c/o City Commercial Management
10722 Arrow Route - Suite 500
Post Office Box 548
Rancho Cucamonga, CA 91729-0548
Telephone: (909) 948-1662
FAX : (909) 948-1349
Email: mike@city-commercial.com**

To Tenant:

**Local Agency Formation Commission for
San Bernardino County (LAFCO)**

**215 N. D Street, Suite 204
San Bernardino, CA 92415-0490**

**(909) 388-0480
(909) 885-8170 fax
Email: lafco@lafco.sbcounty.gov**

2. Premises.

Landlord hereby leases to Tenant for the term, at the rental, and upon all of the conditions set forth herein, the Premises as defined in Section 1.02. The Premises, the Building(s), the Common Areas, and the land upon which the same are located, are collectively referred to as the "Depot" (as per the attached Site Plan). It is understood and agreed that the square footage figures set forth in the Basic Lease Provisions are approximations which Landlord and Tenant agree are reasonable and shall not be subject to revision except in connection with an actual change in the size of the Premises.

Tenant hereby accepts the Premises and the Depot in their condition existing as of the Lease Commencement Date or the date that Tenant takes possession of the Premises, whichever is earlier, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises, and any easements, covenants or restrictions of record, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Tenant acknowledges that it has satisfied by its own independent investigation that the Premises are suitable for its intended use, and that neither Landlord nor Landlord's agent or agents has made any representation or warranty as to the present or future suitability of the Premises, Common Areas, or Depot for the conduct of Tenant's business. LANDLORD HEREBY DISCLOSES THAT PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1938, THE PREMISES, COMMON AREAS, AND THE BUSINESS PARK HAS NOT UNDERGONE INSPECTION BY "CERTIFIED ACCESS SPECIALIST" (A CASp), AND THUS HAS NOT BEEN VERIFIED TO MEET ALL APPLICABLE CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS.

3. Common Areas.

"Common Areas" are defined as all areas outside the confines of the Premises, including but not limited to parking areas, loading and unloading zones, trash enclosures, roadways, sidewalks, walkways, parkways, ramps, driveways, landscaped areas, and that are within the Depot that are provided and designated for the general non-exclusive use of Landlord, Tenant, and all other Tenants of the Depot. Tenant, Tenant's employees, visitors, and invitees hereby agree to abide by and conform to all rules and regulations, which Landlord shall have the right in its sole reasonable discretion to modify from time to time. Landlord shall have the exclusive control and management of the Common Areas; however, Landlord shall not be responsible for the non-compliance of said rules and regulations by other tenants, employees, and invitees to the Depot. Landlord shall have the right in its sole discretion to (1) make changes to the Building exterior and/or Common Areas; (2) close temporarily any of the Common Areas for maintenance purposes so long as reasonable access remains available; and (3) to add additional improvements to the Common Areas. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord shall have the right, without notice, in addition to such other rights and remedies it may have, to remove the property and charge the cost to Tenant, which cost shall be immediately payable upon demand by Landlord.

4. Parking.

Tenant shall be entitled to use the vehicle parking spaces as provided for in Section 1.10 on those portions of the Common Areas designated by Landlord for parking. Tenant shall not use more spaces than said maximum number, and spaces shall be used only for vehicles no larger than full-sized passenger vehicles, pick-up trucks, or sport utility vehicles. Any vehicle loading or unloading shall only be permitted in areas and at times designated by Landlord for such activities. Landlord shall have the right, without notice, to tow any of Tenant's vehicles (or Tenant's employees, invitees, contractors, or visitors) that are in violation of any parking rules and regulations, the cost of which shall be the sole responsibility of Tenant.

5. Term.

"Possession" of the Premises shall be deemed tendered to Tenant when (1) improvements, if any, are substantially completed, and (2) Tenant has been given reasonable access to the Premises, including delivery by Landlord of keys to the Premises. If for any reason Landlord cannot deliver possession of the Premises on the Commencement Date as provided for in Section 1.04, the Commencement Date and ending dates shall be correspondingly extended in relation to the Term of this Lease, and Landlord shall not be subject to any liability, nor shall such delay in commencement affect the validity of this Lease or the obligations of Tenant hereunder (except that Tenant shall not be obligated to pay rent until possession of the Premises has been delivered as provided for herein). However, there shall be no abatement of rent or adjustment of the Commencement Date if such delays are caused by actions of Tenant, Tenant's agents or contractors.

6. Rent.

Rent and Base Rent. Any and all amounts from time to time payable to Landlord by Tenant hereunder shall be referred to herein as Rent, including, but not limited to, Base Rent, and shall be paid in full when due without right of offset, setoff or deduction. Tenant shall pay to Landlord the Base Rent for the Premises as provided of in Section 1.05. Base Rent for any period less than one month shall be prorated based upon the actual number of days in the calendar month involved. Rent shall be payable in lawful money of the United States to Landlord at the address stated herein or to any such other persons or at any such other places as Landlord may designate in writing.

Common Area Maintenance Expenses ("CAM"). Tenant shall pay to Landlord during the term hereof, in addition to the Base Rent, Tenant's Share as provided for in Section 1.09 and hereinafter defined, of all Common Area Maintenance Expenses, as herein defined, during each calendar year, also referred to as "CAM Charges", in accordance with the following provisions:

(a) "Common Area Maintenance Expenses" are defined, for purposes of this Lease, as all costs incurred by Landlord, relating to the ownership and operation of the Depot, including, but not limited to, the following:

(i) The operation, repair and maintenance, in neat, clean, good order and condition, of the following:

(aa) The Common Areas, including parking areas, loading and unloading areas, trash areas, public restrooms, roadways, sidewalks, walkways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, escalators, and roof;

(bb) Exterior signs and any tenant directories.

(cc) Fire detection (including monitoring costs) and sprinkler systems.

(ii) The cost of water, gas, electricity, and telephone to service the Common Areas.

(iii) Trash disposal, property management, security services, association fees, and the costs of any environmental inspections.

(iv) Reserves set aside for maintenance and repair of Common Areas.

(v) Real Property Taxes (as defined in Section 14) for the Building and the Common Areas.

(vi) The cost of the premiums for the insurance policies maintained by Landlord under Section

13.

(vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

(viii) Any other services to be provided by Landlord that are stated elsewhere in this Lease to be a Common Area Maintenance Expense.

(ix) Any management fees incurred by Landlord in connection with the operation of the Depot or, at Landlord's option, in lieu of any such management fees, 15% of CAM Charges as computed without regard to this clause (ix).

(b) Any Common Area Maintenance Expenses and Real Property Taxes that are specifically attributable to the Building or to any other building in the Depot or to the operation, repair, and maintenance thereof, shall be allocated entirely to the building or to such other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair, and maintenance thereof, shall be equitably allocated by Landlord to all buildings in the Depot.

(c) The inclusion of the improvements, facilities, and services set forth in this Section shall not be deemed to impose an obligation upon Landlord to either have said improvements or facilities or to provide those services unless the Depot already has the same or Landlord already provides the services.

(d) Tenant's Share of Common Area Operating Expenses (CAM Charges) shall be payable by Tenant within ten (10) days after a reasonably detailed statement of actual expenses is presented to Tenant by Landlord's agent. At Landlord's option, however, an amount may be estimated by Landlord from time to time of Tenant's Share of annual CAM Charges and the same shall be payable monthly or quarterly, as Landlord shall designate, during each 12-month period of the Lease term, on the same day as the Base Rent is due hereunder. Landlord shall deliver to Tenant within sixty (60) days after the expiration of each calendar year a reasonably detailed statement showing Tenant's Share of the actual CAM Charges incurred during the preceding year (the "Reconciliation"). If Tenant's payments during said preceding year exceed Tenant's Share as indicated on said Reconciliation, Landlord shall be credited the amount of such overpayment against Tenant's Share of CAM Charges next becoming due. If Tenant's payments during said preceding year were less than Tenant's Share as indicated on said Reconciliation, Tenant shall pay to Landlord the amount of the deficiency within ten (10) days after delivery by Landlord to Tenant of said Reconciliation.

7. Rent Increase.

On each anniversary date of this Lease, the Base Rent shall be increased by CPI Adjustment (see subsection "A" below) or fixed rental adjustment (see subsection "B" below).

A. CPI Rental Adjustment ("CPI"): At the times set forth in paragraph 1.06 of the Basic Lease Provisions, the monthly Base Rent shall be adjusted by the increase, if any, in the Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers, (1982-84=100), "All Items", for the City nearest the location of the Building, herein referred to as "CPI.", since the date of this Lease. The monthly Base Rent shall be calculated as follows: the Base Rent payable for the first month of the term of this Lease shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month during which the adjustment is to take effect, and the denominator of which shall be the CPI for the calendar month in which the original Lease term commences. The sum so calculated shall constitute the new monthly Base Rent hereunder, but, in no event, shall such new monthly Base Rent be more than one hundred three percent (103%) of the Base Rent payable for the month immediately preceding the date for the rent adjustment. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculations. Tenant shall continue to pay the rent at the rate previously in effect until the increase, if any, is determined. Within ten (10) days following the date on which the increase is determined, Tenant shall make such payment to Landlord as will bring the increased rental current. Thereafter the rental shall be paid at the increased rate.

8. Security Deposit – Intentionally Omitted

9. Use.

The Premises shall be used and occupied only for the purpose as provided for in Section 1.11 and for no other purpose. Tenant shall conduct its business in a lawful manner (including obtaining and maintaining any required governmental permits and licenses) and shall not use or permit use of the Premises or the Common Areas in any manner that will tend to create waste or a nuisance or shall tend to disturb other occupants of the Depot.

10. Maintenance and Repairs.

Landlord's Obligations: Landlord shall keep the Office Building Project, including the Premises, interior and exterior walls, roof, and common areas, replacement of light bulbs, tubes, and ballasts, and the equipment whether used exclusively for the Premises or in common with other premises, in good condition and repair; provided, however, Landlord shall not be obligated to paint, repair, or replace wall coverings, or to repair or replace any improvements that are not ordinarily a part of the Building or are

above the Building standards. There shall be no abatement of rent or liability of Tenant on account of any injury or interference with Tenant's business with respect to any improvements, alterations, or repairs made by Landlord to the Office Building Project or any part thereof. Tenant expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford Tenant the right to make repairs at Landlord's expense or to terminate this Lease because of Landlord's failure to keep the Premises in good order, condition, and repair.

Tenant's Obligations: Tenant shall be responsible for payment to Landlord as additional rent of the cost for all repairs to the Premises to the extent such cost is attributable to causes beyond normal wear and tear, including the cost of any maintenance and repair of any equipment (wherever located) that serves only Tenant or the Premises. Tenant shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any Premises improvements that are not ordinarily a part of the Building or that are above the Building standards.

Hazardous Substances. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, chemical, material, or waste whose presence, nature, quantity, and/or intensity of existence, use, manufacture, disposal, transportation, spill, release, or effect, either by itself or in combination with other materials expected to be on the Premises, is either (i) potentially injurious to the public health, safety, or welfare, the environment, or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Tenant shall not engage in any activity in or about the Premises which constitutes a use of Hazardous Substances without the express written consent of Landlord and compliance in a timely matter (at Tenant's sole cost and expense) with all governmental requirements (including but not limited to compliance with all laws, rules, regulations, ordinances, directives, covenants, easements, and restrictions of record, permits, and the requirements of any applicable fire insurance underwriter or rating bureau). Landlord may (but without any obligation to do so) condition its consent, if granted, to Tenant's use of any Hazardous Substance upon Tenant's giving Landlord such additional assurances as Landlord, in its reasonable discretion, deems necessary to protect itself, the public, the Premises, and the environment against damage, contamination, or injury and/or liability therefor, including but not limited to the installation (and, at Landlord's option, removal on or before Lease expiration or earlier termination) of reasonably necessary protective modifications to the Premises and/or the deposit of an additional Security Deposit. Tenant shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including, without limitation, through the plumbing or sanitary sewer system).

Tenant shall indemnify, protect, defend, and hold Landlord, its agents, employees, lenders, and ground Landlord, if any, and the Premises, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of and involving and Hazardous Substance brought onto the Premises by or for Tenant or by anyone under Tenant's control. Tenant's obligations under this subsection shall include, but not be limited to, the effects of any contamination or injury to person, property, or the environment created or suffered by Tenant, and the cost of investigation (including consultants' and attorneys' fees and testing), removal, remediation, restoration, and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation, or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Landlord in writing at the time of such agreement.

11. Utilities & Services.

Landlord shall be responsible for the payment of the following utilities and services that serve the Premises, subject to reimbursement of same as provided for herein (check those that apply):

- ☐ Electricity
- ☒ Gas
- ☒ Water/Sewer
- ☐ Telephone & Data Service
- ☒ Trash
- ☐ Security Alarm Monitoring
- ☐ Janitorial Service & Supplies

Tenant shall be responsible for the direct payment or reimbursement to Landlord of the following utilities and services that serve the Premises (check those that apply):

- ☒ Electricity
- ☐ Gas
- ☐ Water/Sewer
- ☒ Telephone & Data Service
- ☐ Trash
- ☒ Security Alarm Monitoring
- ☒ Janitorial Service & Supplies

In the event any of Tenant's afore-mentioned utilities are not separately metered to the Premises, Tenant shall pay at Landlord's option, either Tenant's Share or a reasonable proportion to be determined by Landlord of all charges jointly metered with other Premises in the Building.

Said services and utilities shall be provided during generally accepted business days and hours or such other days or hours as may hereafter be set forth. Utilities and services required at other times shall be subject to advance request and reimbursement by Tenant to Landlord of the cost thereof. Tenant shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting, or power, or suffer or permit any act that causes extra burden upon the utilities or services. Landlord shall require Tenant reimburse Landlord for any excess expenses or costs that may arise out of a breach of this subparagraph by Tenant at actual cost or at a predetermined rate of **\$50.00** per hour of usage. Landlord may, in its sole

discretion, install at Tenant's expense supplemental equipment and/or separate metering applicable to Tenant's excess usage or loading.

There shall be no abatement of rent and Landlord shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption, or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair, or other cause beyond Landlord's reasonable control or in cooperation with governmental request or directions.

Promptly upon request from Landlord, Tenant shall provide monthly electricity and other utility usage data for the Premises to Landlord for the period of time requested by Landlord in electronic or paper format, or, at Landlord's sole option, provide any written authorization or other documentation required for Landlord to request information regarding Tenant's electricity and other utility usage data with respect to the Premises directly from the appropriate utility company.

12. Alterations and Additions.

Tenant shall not without Landlord's prior written consent make any alterations, improvements, additions, or repairs (hereinafter collectively referred to as "Alterations") in, on or about the Premises or the Depot. Should Landlord permit Tenant to make its own Alterations, Tenant shall use only contractors that are properly and adequately licensed and insured, and Landlord may require Tenant to provide Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such improvements, to insure Landlord against any liability for mechanic's and materialmen's liens and to ensure completion of the work. Any Alterations in or about the Premises or the Depot that Tenant shall desire to make shall be presented to Landlord in written form, with proposed detailed plans. If Landlord shall give its consent to making such Alteration, the consent shall be deemed conditioned upon Tenant acquiring a permit to do so from the applicable governmental agencies, furnishing of a copy thereof to Landlord prior to the commencement of the work, and compliance by Tenant of all conditions of said permit in a prompt and expeditious manner.

Tenant shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises, the Building, or the Depot, or any interest therein. Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of any work in the Premises by Tenant, and Landlord shall have the right to post notices of non-responsibility in or on the Premises or the Building as provided by law.

All Alterations which may be made on the Premises by Tenant shall be made and done in a good and workmanlike manner and of good and sufficient quality and materials and shall be the property of Landlord and shall remain upon and be surrendered with the Premises at the expiration of the Lease term, unless Landlord requires their removal pursuant to Section 18.

Tenant further acknowledges that the Depot is an historical landmark and thus cannot be altered or modified in any way (including hanging anything on the walls or puncturing wall surfaces with any nail, screw, etc.) without the express written consent of Landlord.

13. Insurance and Indemnity.

Liability and Property Insurance - Tenant: Tenant shall provide a certificate of self insurance to Landlord of not less than \$1,000,000 per occurrence of bodily injury and property damage, or Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of Comprehensive General Liability insurance in an amount of not less than \$1,000,000 per occurrence of bodily injury and property damage combined and damage to premises rented by Tenant or in a greater amount as reasonably determined by Landlord and shall insure Tenant with Landlord as additional insured against liability arising out of the use, occupancy, or maintenance of the Premises. The policy shall be endorsed to provide: "This insurance will be primary and noncontributory with any other insurance of the additional insureds." Compliance with the above requirement shall not, however, limit the liability of Tenant hereunder. Tenant shall also maintain insurance coverage on all of Tenant's personal property, trade fixtures, and alterations and improvements in, on, or about the Premises similar in coverage to that carried by Landlord (such insurance shall be full replacement cost coverage with a deductible not to exceed \$2,500 per occurrence, and the proceeds from any such insurance shall be used exclusively for the replacement of personal property and the restoration of trade fixtures, alterations, and improvements). To the fullest extent permitted by law, Tenant hereby waives all rights of recovery under subrogation against the Additional Insured, and any other consultant, subconsultant or sub-subconsultant performing work or rendering services on behalf of SANBAG, in connection to the Depot. Tenant shall deliver to Landlord certificates evidencing the existence and amounts of such insurance within seven (7) days after the Commencement Date of this Lease, and shall, at least thirty (30) days prior to the expiration of such policies, furnish Landlord with renewals thereof.

The cost of the premiums for the insurance policies maintained by Landlord hereinafter shall be a Common Area Operating Expense.

Liability Insurance - Landlord: Landlord shall obtain and keep in force during the term of this Lease a policy of Combined Single Limit Bodily Injury and Broad Form Property Damage Insurance, plus coverage against such other risks Landlord deems advisable from time to time, insuring Landlord, but not Tenant, against liability arising out of the ownership, use, occupancy, or maintenance of the Depot in an amount not less than \$1,000,000 per occurrence.

Property Insurance: Landlord shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Depot improvements, but not Tenant's personal property, fixtures, equipment, or tenant improvements, in an amount of the full replacement cost thereof, as the same may exist from time to time, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, plate glass, and such other perils as Landlord deems advisable or may be required by a lender having a lien on the Depot. In addition, Landlord shall obtain and keep in force, during the term of this Lease, a policy of rental value insurance

covering a period of one year, with loss payable to Landlord, which insurance shall also cover all Operating Expenses for said period. Tenant shall not be named in any such policies carried by Landlord and shall have no right to any proceeds therefrom. In the event that the Premises shall suffer any insured losses, the deductible amounts under the applicable insurance policies shall be deemed an Operating Expense. Tenant shall not do or permit to be done anything which shall invalidate the insurance policies carried by Landlord. Tenant shall pay the entirety of any increase in the property insurance premium for the Depot over what it was immediately prior to the commencement of the term of this Lease if the increase is specified by Landlord's insurance carrier as being caused by the nature of Tenant's occupancy or any act or omission of Tenant.

Waiver of Subrogation: Tenant and Landlord each hereby release and relieve the other, and waive their entire right of recovery against the other for direct or consequential loss or damage arising out of or incident to the perils covered by property insurance carried by such party, whether due to the negligence of Landlord or Tenant or their agents, employees, contractors, and/or invitees.

Indemnity: Tenant shall indemnify and hold harmless Landlord and its agents, Landlord's master or ground Landlord, partners and lenders, from and against any and all claims for damage to the person or property of anyone or any entity arising from Tenant's use of the Depot, or from the conduct of Tenant's business or from any activity, work or things done, permitted or suffered by Tenant in or about the Premises or elsewhere and shall further indemnify and hold harmless Landlord from and against any and all claims, costs and expenses arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or omission of Tenant, or any of Tenant's agents, contractors, employees, or invitees, and from and against all costs, attorney's fees, expenses and liabilities incurred by Landlord as the result of any such use, conduct, activity, work, things done, permitted or suffered, breach, default, or negligence, and in dealing reasonably therewith, including but not limited to the defense or pursuit of any claim or any action or proceeding involved therein; and in case any action or proceeding be brought against Landlord by reason of any such matter. Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord need not have first paid any such claim in order to be so indemnified.

Exemption of Landlord from Liability: Tenant hereby agrees the Landlord shall not be liable to Tenant's business or any loss of income therefrom or for damage to the goods, wares, merchandise or other property of Tenant, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether said damage results from conditions arising upon the Premises or upon other portions of the Depot, or from other sources or places, or from new construction or the repair, alteration, or improvement of any part of the Depot, or of the equipment, fixtures, or appurtenances applicable thereto, and regardless of whether the cause of such damage or the means or repairing the same is inaccessible. Landlord shall not be liable for any damages arising from any act or neglect of any other Tenant, occupant or user of the Depot, nor from the failure of Landlord to enforce the provisions of any other lease of any other Tenant of the Depot.

14. Property Taxes.

Real Property Taxes: Landlord shall pay real property taxes and associated assessments applicable to the Depot, subject to reimbursement as a Common Area Operating Expense by Tenant in accordance with the provisions of Sections 1.09 and 6. Tenant shall also pay to Landlord the entirety of any increase in real property tax if assessed solely by reason of additional improvements placed upon the Premises by Tenant or at Tenant's request. Real property taxes shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income, or estate taxes) imposed on the Depot or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agriculture, sanitary, fire, street, drainage or other improvement district thereof.

Personal Property Taxes: Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere.

15. Assignment & Subletting.

Tenant shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Tenant's interest in the Lease or in the Premises, without Landlord's prior written consent, which Landlord shall not unreasonably withhold (however, Landlord reserves the right to condition any approval to assign or sublet upon Landlord's determination that (a) the proposed assignee or subtenant shall conduct a business on the Premises of a quality substantially equal to that of Tenant and consistent with the general character of the other occupants of the Depot and not in violation of any exclusives or rights then held by other tenants, and (b) the proposed assignee or subtenant be at least as financially responsible as Tenant was expected to be at the time of the execution of this Lease or of such assignment or subletting, whichever is greater). Regardless of Landlord's consent, no assignment or subletting shall release Tenant of Tenant's obligations hereunder or alter the primary liability of Tenant to pay the rent and other sums due Landlord hereunder including Tenant's Share of Operating Expense Increase, and to perform all other obligations to be performed by Tenant hereunder. If Tenant's obligations under this Lease have been guaranteed by third parties, then an assignment or sublease, and Landlord's consent thereto, shall not be effective unless said guarantors give their written consent to such sublease and the terms thereof. The consent by Landlord to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting by Tenant or to any subsequent or successive assignment or subletting by the subtenant. Landlord shall be a party to, and have the right to review, any proposed subleases and associated documents. If Tenant shall request the consent of Landlord for a proposed assignment or subletting, then Tenant shall pay Landlord's reasonable costs and expenses incurred in connection therewith, including attorneys', architects', engineers', or other consultants' fees.

In the event of any default under this Lease, Landlord may proceed directly against Tenant, any guarantors or anyone else responsible for the performance of this Lease, including the subtenant, without first exhausting Landlord's remedies against any other person or entity responsible therefor to Landlord, or any security held by Landlord or Tenant. The discovery of the fact that any financial statement relied upon by Landlord in giving its consent to an assignment or subletting was materially false shall, at Landlord's election, render Landlord's said consent null and void.

16. Default; Breach; Remedies.

Tenant's Default/Breach: The occurrence of any one or more of the following events shall constitute a material default of this Lease by Tenant:

(a) The breach by Tenant of any of the covenants, conditions or provisions contained within this Lease, where such breach is of an incurable nature.

(b) The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, and as when due, where such failure shall continue for a period of three (3) days after written notice thereof from Landlord to Tenant. In the event that Landlord serves Tenant with a Notice to Pay Rent or Quit pursuant to applicable Unlawful Detainer statutes such Notice to Pay Rent or Quit shall also constitute the notice required by this subparagraph.

(c) The failure of Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, where such failure is curable in nature and continues for a period of three (3) business days after written notice thereof from Landlord to Tenant; provided, however, that if the nature of Tenant's noncompliance is such that more than three (3) business days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said three (3) business day period and thereafter diligently pursues such cure to completion. Such three (3) business day notice shall constitute the sole and exclusive notice required to be given to Tenant under applicable Unlawful Detainer statutes.

(d) The discovery by Landlord that any financial statement given to Landlord by Tenant, or its successor in interest or by any guarantor of Tenant's obligation hereunder, was materially false.

Landlord's Default/Breach: Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than three (3) business days after written notice by Tenant to Landlord; provided, however, that if the nature of Landlord's obligation is such that more than three (3) business days are required for performance then Landlord shall not be in default if Landlord commences performance within such three (3) business day period and thereafter diligently pursues the same to completion.

Remedies: In the event of any material default or breach of this Lease by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, recapture of any inducement such as abated rent periods, reasonable attorneys' fees, and any real estate commission actually paid; the worth at the time of award of the court having jurisdiction thereof the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided; that portion of the leasing commission paid by Landlord applicable to the unexpired term of this Lease.

(b) Maintain Tenant's right to possession in which case this Lease shall continue in effect whether or not Tenant shall have vacated or abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(c) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state wherein the Premises are located. Unpaid installments of rent and other unpaid monetary obligations of Tenant under the terms of this Lease shall bear interest from the date due at the maximum rate then allowable by law.

Late Charges: Tenant hereby acknowledges that the late payment by Tenant to Landlord of Base Rent, Tenant's Share of Operating Expense Increase or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of Base Rent, Operating Expense Increase, or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within **five business (5) days** after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall pay to Landlord a late charge equal to **six percent (6%)** of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

17. Estoppel Certificate.

Each party (as "responding party") shall at any time upon not less than ten (10) days' prior written notice from the other party ("requesting party") execute, acknowledge, and deliver to the requesting party a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to the responding party's knowledge, any uncured defaults on the part of the requesting party, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Depot or of the business of Tenant. At the requesting party's option, the failure to deliver such statement within such time shall be conclusive upon such party that (i) this Lease is in full force and effect, without modification except as may be represented by the requesting party, (ii) there are no uncured defaults in the requesting party's performance, and (iii) if Landlord is the requesting party, not more than one month's rent has been paid in

advance.

18. Surrender; Move-out.

On the last day of the term hereof, or on any sooner termination, Tenant shall surrender the Premises to Landlord, which shall include the return of all keys and access control devices, in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if the same could have been prevented by reasonable maintenance practices by Tenant. Tenant shall repair any damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, alterations, furnishings and equipment, and shall leave the HVAC equipment, power panels, electrical distribution systems, lighting fixtures and lamps, window coverings, wall and floor coverings, ceilings, plumbing fixtures, and all other building systems in the Premises in good operating condition.

19. Holding Over.

If Tenant, with Landlord's consent, remains in possession of the Premises or any part thereof after the expiration of the term hereof, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Tenant, except that the rent payable shall be **125%** of the rent immediately preceding the termination date of this Lease, and all Options, if any, granted under the terms of this Lease shall be deemed terminated and be of no further effect during said month to month tenancy.

20. Substituted Premises - Intentionally Omitted

21. Landlord's Access.

Landlord and Landlord's agents shall have the right to enter the Premises at reasonable time for the purpose of inspecting the same, performing any services required of Landlord, showing the same to prospective purchasers, lenders, or tenants, making such alterations, repairs, improvements, or additions to the Premises or to the Depot as Landlord may reasonably deem necessary or desirable and the erecting, using, and maintaining of utilities, services, pipes, and conduits through the Premises and/or other premises as long as there is no unreasonable interference with Tenant's property or business use of the Premises. Landlord may at any time place on or about the Premises or the Building any ordinary "For Sale" signs and Landlord may at any time during the last 120 days of the term hereof place on or about the Premises any ordinary "For Lease" signs. All activities of Landlord pursuant to this paragraph shall be without abatement of rent, nor shall Landlord have any liability to Tenant for the same.

Landlord shall have the right to retain keys to the Premises and to unlock all doors in or upon the Premises other than to files, vaults, and safes, and in the case of emergency to enter the Premises by any reasonably appropriate means, and any such entry shall not be deemed a forcible or unlawful entry or detainer of the Premises or an eviction. This Section shall in no event constitute a waiver of Tenant's right to quiet enjoyment of the Premises.

22. Security.

Tenant hereby acknowledges that Landlord shall have no obligation whatsoever to provide guard service or other security measures for the benefit of the Premises or the Depot. Tenant assumes all responsibility for the protection of Tenant, its agents, and invitees and the property of Tenant and of Tenant's agents and invitees from acts of third parties. Nothing herein contained shall prevent Landlord, at Landlord's sole option, from providing security protection for the Depot or any part thereof, in which event the cost thereof shall be included within the definition of Common Area Operating Expenses.

Tenant shall not permit anyone, except in emergency or with Landlord's prior approval, to go upon the roof of the building nor to access electrical, utility, elevator, machinery or equipment rooms.

23. Signs.

Tenant shall not place any sign upon the Premises or the Depot without Landlord's prior consent. Under no circumstances shall Tenant place a sign on any roof of the Depot. Lettering on directory or monument signs, if applicable and which must be expressly approved herein, shall be provided by ☐ Landlord ☒ Tenant, and shall conform to the Depot sign criteria. In the event Tenant is permitted signage on the Building exterior, such signage shall be subject to the Depot sign criteria and in accordance with applicable codes, requirements, and governmental approval of the City in which the Building is located. The installation, maintenance, repair, and removal (including any underlying damage caused by removal) of such exterior signage shall be provided by Tenant, at Tenant's sole cost and expense. Failure to maintain such signage shall, at Landlord's option, result in forfeiture of the sign position(s) and removal of existing signage (at Tenant's cost).

24. Subordination.

This Lease, and any Option or first refusal granted hereby, at Landlord's option, shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation or security now or hereafter placed upon the Depot. Notwithstanding such subordination, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent and observe and perform all of the provisions of this Lease, unless otherwise terminated pursuant to its terms. Tenant agrees to execute any documents required to effectuate an attornment, a subordination, or to make this Lease or any Option granted herein prior to the lien of any mortgage, deed of trust, or ground lease, as the case may be. Tenant's failure to execute such documents within ten (10) days after written demand shall constitute a material default by Tenant hereunder without further notice to Tenant or, at Landlord's option, Landlord shall execute such documents on behalf of Tenant as Tenant's attorney-in-fact.

25. Options.

As used in this paragraph the word "Option" means the right or option to extend the term of this Lease or to renew this Lease;

Each Option granted to Tenant in this Lease is personal to the original Tenant and may be exercised only by the original Tenant while occupying the Premises. In the event that Tenant has multiple options to extend or renew this Lease a later option cannot be exercised unless the prior option to extend or renew this Lease has been so exercised. All rights of Tenant under the provisions of an Option shall terminate and be of no further force or effect, notwithstanding Tenant's due and timely exercise of the Option, if, during the term of this Lease, (i) Tenant fails to pay Landlord a monetary obligation of Tenant for a period of thirty (30) days after such obligation becomes due (without any necessity of Landlord to give notice thereof to Tenant), or (ii) Tenant fails to commence to cure any curable default or breach of any other provision of this Lease within thirty (30) days after the date that Landlord gives notice to Tenant of such default and/or Tenant fails thereafter to diligently prosecute said cure to completion, or (iii) Landlord gives to Tenant three or more notices of default for the non-payment of rent, whether or not the defaults are cured, or (iv) if Tenant has committed any non-curable breach or is otherwise in default of any of the terms, covenants, and conditions of this Lease.

Any and all Options granted to Tenant, if any, are hereby prescribed as follows:

Option to Extend: So long as Tenant is not in default of this Lease, and has not been habitually in default during the initial or any previously extended Term as determined by Landlord in its sole discretion, Landlord hereby grants Tenant the right to extend the term of this Lease for two (2) additional periods of five (5) years each. Each successive option shall be deemed to have been automatically exercised by Tenant unless Tenant notifies Landlord, in writing, no later than ninety (90) days prior to the expiration of the preceding term, of its intent not to exercise the Option to Extend. The monthly Base Rent for these Option periods granted herein, if exercised, shall be increased annually in accordance with Section 7(a) of this Lease.

26. Damage or Destruction.

In the event the Premises sustains damages of less than fifty percent (50%) of its then replacement value, then Landlord shall repair such damage (except for Tenant's improvements, trade fixtures and equipment) as soon as reasonably possible, and this Lease shall continue in full force and effect, and Rent and other charges shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired. In the event such damages are uninsured, Landlord may elect not to restore and repair the Premises, in which case this Lease shall be terminated. In either case, if such damages or destruction was caused by a negligent or willful act of Tenant, then Tenant shall make all necessary repairs and restorations at its sole cost and expense and this Lease shall continue in full force and effect with no abatement of rent.

In the event the Premises sustains damages of more than fifty percent (50%) of its then replacement value, (unless caused by a negligent or willful act of Tenant in which case Tenant shall make all necessary repairs and restorations at its sole cost and expense and this Lease shall continue in full force and effect with no abatement of rent), this Lease shall terminate effective on the date of such damage or destruction.

27. Eminent Domain.

Eminent domain proceedings resulting in the condemnation of part of the Premises herein that leave the remaining portion usable by Tenant for purposes of the business for which the Premises are leased will not terminate this Lease. If Tenant determines that the remaining portion is not reasonably usable, Tenant may terminate this Lease by giving written notice of termination to Landlord no more than ninety (90) days after the notice of condemnation or taking. The effect of such condemnation, should Tenant not terminate this Lease, will be to terminate this Lease as to the portion of the Premises condemned and leave it in effect as to the remainder of the Premises, and the Rent and all other expenses provided for herein shall be adjusted accordingly. Compensation awarded as a result of such condemnation shall belong to Landlord (including damages for the bonus value of Tenant's leasehold improvements), except to the extent that part of the award is allocated as damages to fixtures of the Depot which were furnished by Tenant, or expenses for Tenant's relocation.

28. General Lease Terms:

Severability. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

Time of Essence. Time is of the essence with respect to the obligations to be performed under this Lease.

Additional Rent. All monetary obligations of Tenant to Landlord under the terms of this Lease, including but not limited to Tenant's Share of Operating Expense Increase and any other expenses payable by Tenant hereunder shall be deemed to be rent.

Prior Agreements; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior or contemporaneous agreement or understanding pertaining to any such matter, including but not limited to Letters of Intent, Proposals to Lease, and other documentation associated with the negotiation of this tenancy, shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification. Except as otherwise stated in this Lease, Tenant hereby acknowledges that no real estate broker on this transaction nor the Landlord or any employee or agents of any said persons has made any oral or written warranties or representations to Tenant relative to the condition or use by Tenant of the Premises or the Depot and Tenant acknowledges

that Tenant assumes all responsibility regarding the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the term of this Lease, including but not limited to the Occupational Safety Health Act and the Americans with Disabilities Act ("ADA"); However, Tenant shall not be responsible for ADA and/or CAL OSHA related requirements which may or may not have been addressed prior to the initiation of this Lease.

Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery or by certified or registered mail, and shall be deemed sufficiently given if delivered or addressed to Tenant or to Landlord at the address noted in Section 1.17. Mailed notices shall be deemed given upon actual receipt at the address required, or forty-eight hours following deposit in the mail, postage prepaid, whichever first occurs. Either party may by notice to the other specify a different address for notice purposes. A copy of all notices required or permitted to be given to Landlord hereunder shall be concurrently transmitted to such party or parties at such addresses as Landlord may from time to time hereafter designate by notice to Tenant.

Waivers. No waiver by Landlord or any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant. The acceptance of rent hereunder by Landlord shall not be a waiver of any preceding breach by Tenant of any provision hereof, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one party to the other under the provisions hereof, the party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment, and there shall survive the right on the part of said party to institute suit for recovery of such sum. If it shall be adjusted that there was no legal obligation on the part of said party to pay such sum or any part thereof, said party shall be entitled to recover such sum or so much thereof as if it was not legally required to pay under the provisions of this Lease.

Covenants and Conditions. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

Binding Effect; Jurisdiction. This Lease shall bind the parties, their personal representatives, successors, and assigns. This Lease shall be governed by the laws of the State where the Depot is located and any litigation concerning this Lease between the parties hereto shall be initiated in the county in which the Depot is located.

Attorney's Fees. If either party brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action, trial or appeal thereon, shall be entitled to his reasonable attorneys' fees to be paid by the losing party as fixed by the court in the same or a separate suit, and whether or not such action is pursued to decision or judgment. Landlord shall be entitled to reasonable attorneys' fees and all other costs and expenses incurred in the preparation and service of notice of default (including but not limited to notices required under the Unlawful Detainer statutes) and consultations in connection therewith, whether or not a legal transaction is subsequently commenced in connection with such default. The costs, salary and expenses of the City Attorney and members of his office in enforcing this contract on behalf of the City of San Bernardino shall be considered as "attorney's fees" for the purposes of this paragraph".

Consents. Wherever in this Lease the consent of one party is required to an act of the other party such consent shall not be unreasonably withheld or delayed.

Guarantor. In the event that there is a guarantor of this Lease, said guarantor shall have the same obligations as Tenant under this Lease.

Authority. The individuals executing this Lease on behalf of the Landlord represent and warrant to Tenant that they are fully authorized and legally capable of executing this Lease on behalf of Landlord and that such execution is binding upon all parties holding an ownership interest in the Depot. If Tenant is a corporation, trust, or general or limited partnership, Tenant, and each individual executing this Lease on behalf of such entity represent and warrant that such individual is duly authorized to execute and deliver this Lease on behalf of such entity.

Conflict. Any conflict between the printed provisions, Exhibits, or Addenda of this Lease and the typewritten or handwritten provisions, if any, shall be controlled by the typewritten or handwritten provisions.

Multiple Parties. If more than one person or entity is named as either Landlord or Tenant herein, except as otherwise expressly provided herein, the obligations of the Landlord or Tenant herein shall be the joint and several responsibility of all persons or entities named herein as such Landlord or Tenant, respectively.

ATTACHMENTS:

Attached hereto are the following documents which constitute a part of this Lease:

Exhibit "A" - Rules and Regulations
Exhibit "B" - [Intentionally omitted]
Exhibit "C" - Space Plan

ADDITIONAL TERMS:

29. Tenant Improvements. Landlord shall provide tenant improvements and other site improvements for the Premises based upon working drawings and specifications mutually agreed upon by Landlord and Tenant and prepared in accordance with the Space Plan and Specifications, attached hereto as Exhibit "C". The cost of such improvements, including but not limited to architects' and engineers' fees, cost of permits, materials, labor, general contractor's fees, overhead, Landlord's construction management fee, and other costs related to the construction of the improvements (but shall not include costs for Tenant's cabling, furniture, fixtures, or equipment) shall be paid for by Landlord initially, and Tenant shall reimburse Landlord for such costs, with \$100,000 paid up front in a lump sum due at the beginning of construction, and the remaining balance amortized over the initial term of the Lease and payable monthly concurrent to other rents due. The cost of the tenant improvements is currently estimated to be approximately \$230,000. In addition to the tenant improvements, the parties have identified and estimated the cost of certain necessary site improvements outside of the Tenant's actual leased space that are necessary or beneficial to Tenant's use and occupancy of the Premises. Landlord has agreed to contribute \$45,000 toward the cost of these site improvements, which will not be reimbursed by Tenant. By way of example only using estimated figures (which may not be accurate and are dependent upon the final scope of work and actual costs incurred):

Total improvements costs:	\$275,000.00
Less site improvement costs paid by Landlord:	\$45,000.00
Total tenant improvement costs reimbursed by Tenant:	\$230,000.00
Up front lump sum due from Tenant:	\$100,000.00
Balance owed by Tenant:	\$130,000.00

Amortized monthly over 5 years: \$2,166.67 per month (Amortization Payment)

The Amortization Payment each month shall be paid separately and directly to SANBAG regardless of any agent relationship SANBAG may have for collection of rents.

In the event

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE PREMISES.

THIS LEASE HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR APPROVAL. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE REAL ESTATE BROKERS, OR ANY OF THEIR AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION RELATING THERETO. THE PARTIES SHALL RELY SOLELY UPON THE ADVICE OF THEIR OWN LEGAL COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

----- Signatures on next page -----

San Bernardino Associated Governments

**Local Agency Formation Commission
for San Bernardino County (LAFCO)**

By: _____
Raymond W. Wolfe, Ph.D.
Executive Director

Date: _____

By: _____
Name
Title

Date: _____

APPROVED AS TO FORM

By: _____
Robert D. Herrick
Assistant General Counsel

CONCURRENCE

By: _____
Jeffery Hill
Procurement Manager

EXHIBIT "A"

RULES AND REGULATIONS

GENERAL RULES

1. Tenant shall not suffer or permit the obstruction of any Common Areas.
2. Landlord reserves the right to refuse access to any persons Landlord in good faith judges to be a threat to the safety, reputation, or property of the Depot or its occupants.
3. Tenant shall not make or permit any noise or odors that annoy or interfere with other Tenants or persons having business within the Depot.
4. Tenant shall not keep animals or birds within the Depot (unless a part of approved use as per Section 9 of this Lease), and shall not bring bicycles, motorcycles, or other vehicles into areas not designated as authorized for same.
5. Tenant shall not make, suffer, or permit litter except in appropriate receptacles for that purpose. All garbage and refuse shall be placed in containers designated for refuse collection, and such items must fit entirely within the receptacles. All large boxes and other refuse shall be broken down prior to placing in the containers. The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by Tenant to the satisfaction of Landlord.
6. Tenant shall not alter any exterior lock or install new or additional locks or bolts on exterior doors without providing Landlord copies of same.
7. Tenant shall not deface the walls, partitions, or other surfaces of the premises or the Depot.
8. Tenant shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Landlord.
9. Tenant shall return all keys, including duplicates, at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
10. No window coverings, shades, or awnings shall be installed or used by Tenant without Landlord's prior approval.
11. No Tenant, employee, or invitee shall go upon the roof of the Building without Landlord's prior approval.
12. Smoking shall be restricted to designated smoking areas, if any, and then not near, doors, windows, or other entrances, exits, or openings to other units within the Depot.
13. Tenant shall not install, maintain, or operate any vending machines upon the Premises without Landlord's written consent.
14. The premises shall not be used for lodging or manufacturing, cooking, or food preparation, except as an approved Use per Section 9 of this Lease.
15. Tenant shall comply with all safety, fire protection, and evacuation regulations established by Landlord or any applicable governmental agency.
16. Landlord reserves the right to waive any one of these rules or regulations, and/or as to any particular Tenant, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Tenant.
17. Tenant assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
18. Landlord reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Depot and its occupants. Tenant agrees to abide by these and such rules and regulations.
19. Signs shall conform to sign criteria established by Landlord and shall not exceed the quantity or dimensions authorized by Landlord. No signs (other than signs that strictly conform to sign criteria), placards, pictures, advertisements, names, or notices shall be inscribed, displayed, painted, or affixed on or to any part of the outside or inside of the Building or within the Common Areas of the Depot. Landlord shall have the right to remove any such non-conforming signs without notice to Tenant, at the expense of Tenant.
20. Tenant shall not disturb, solicit, or canvass any other Tenant within the Depot.
21. Tenant, its contractors, employers, or invitees, shall not loiter in the Common Areas of the Depot or in any way obstruct the entrances and driveways.
22. No antenna, aerial, discs, satellite dishes, or other such device shall be erected on the roof or exterior walls of the Building without Landlord's express consent.

PARKING RULES

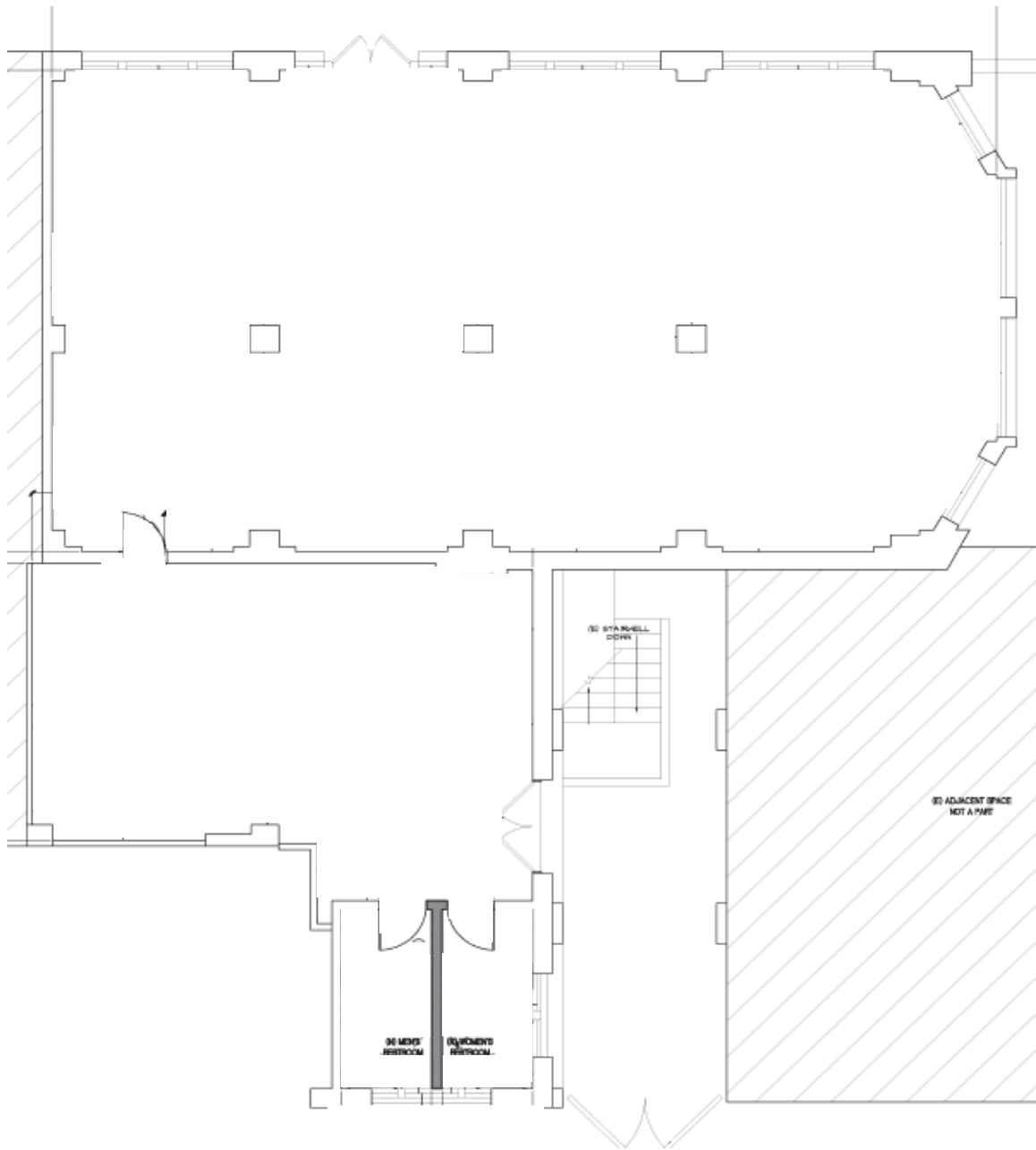
1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles, non-commercial pick-up trucks, and sport utility vehicles herein called "Permitted Size Vehicles". Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles".
2. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Landlord for such activities.
3. Parking stickers or identification devices shall be the property of Landlord and be returned to Landlord by the holder thereof upon termination of the holder's parking privileges. Tenant will pay such replacement charge as is reasonably established by Landlord for the loss of such devices.
4. Landlord reserves the right to refuse the sale or issuance of identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws, and/or agreements.
5. Landlord reserves the right to relocate all or a part of parking spaces, and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances, and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Landlord will not be responsible for any damage to vehicles, injury to persons, or loss of property, all of which risks are assumed by the party using the parking area. No overnight parking shall be permitted.

8. The maintenance, washing, waxing, or cleaning of vehicles in the parking structure or Common Areas is prohibited.
9. Tenant shall be responsible for seeing that all of its employees, agents, and invitees comply with the applicable parking rules, regulations, laws, and agreements.
10. Landlord reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
11. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.
12. Violation of any of the parking rules or regulations may result, without notice, in the towing of any of Tenant's vehicles (or Tenant's employees, invitees, contractors, or visitors), the cost of which (including impound fees) shall be the sole responsibility of Tenant.

EXHIBIT "B"

[Intentionally omitted]

EXHIBIT "C" SPACE PLAN



**LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY**

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 13, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #11: Policy and Procedure Manual Amendments
Establishing Compensation Range for Executive Officer and Incentive
Payment

RECOMMENDATION:

Staff recommends that the Commission:

1. Approve amendments to the LAFCO Policy and Procedure Manual, Section III (Human Resources) Chapter 2 Employment, Policy 2(B) establishing compensation range for the Executive Officer position;
2. Adopt Resolution No. 3228 to amend its Policy and Procedure Manual.

BACKGROUND:

At the June 15, 2016 hearing, as a part of the ongoing discussions related to the contract with the existing Executive Officer, the Commission has been advised by Legal Counsel that it should provide for a salary range for this position rather than its past practice of providing for an annually determined salary. This same type of change was approved by the County in its Exempt Compensation Plan by action taken at the June 14, 2016 Board hearing. The County staff report and ordinance are included as Attachment #1 to this report.

In moving in the direction to establish a salary range, one issue for the Commission to determine is whether they wish to establish a single salary range which would be applied to the current returning annuitant contract position or address the question of a range to be utilized in the recruitment process. Such a range designation could depend upon the qualifications of a new applicant, taking into consideration education and experience that are brought to the table. Staff is proposing that the salary range be established with

internal levels to allow for addressing the qualifications of a future applicant for this position as well as the status of the current contractor. In addition, the range would be subject to the same wage increases approved for regular employees at the January 27, 2016 hearing. Staff's recommendation is that the range be identified as follows, with the levels underneath identified:

Executive Officer effective January 9, 2016 – Hourly rate from \$75.82 to \$115.31

Level A:	Hourly Rate from \$75.82 (Step 1) to \$104.47 (Step 14)
Level B:	Hourly Rate from \$77.71 (Step 1) to \$107.09 (Step 14)
Level C:	Hourly Rate from \$79.64 (Step 1) to \$109.77 (Step 14)
Level D:	Hourly Rate from \$81.63 (Step 1) to \$112.51 (Step 14)
Level E:	Hourly Rate from \$83.66 (Step 1) to \$115.31 (Step 14)

Executive Officer effective July 23, 2016 – 1% Increase – Hourly rate from \$76.57 to \$116.46

Level A:	Hourly Rate from \$76.57 (Step 1) to \$105.51 (Step 14)
Level B:	Hourly Rate from \$78.49 (Step 1) to \$108.16 (Step 14)
Level C:	Hourly Rate from \$80.44 (Step 1) to \$110.87 (Step 14)
Level D:	Hourly Rate from \$82.45 (Step 1) to \$113.64 (Step 14)
Level E:	Hourly Rate from \$84.50 (Step 1) to \$116.46 (Step 14)

Executive Officer effective July 22, 2017 – 2% Increase – Hourly rate from \$78.10 to \$118.79

Level A:	Hourly Rate from \$78.10 (Step 1) to \$107.62 (Step 14)
Level B:	Hourly Rate from \$80.06 (Step 1) to \$110.32 (Step 14)
Level C:	Hourly Rate from \$82.05 (Step 1) to \$113.09 (Step 14)
Level D:	Hourly Rate from \$84.10 (Step 1) to \$115.91 (Step 14)
Level E:	Hourly Rate from \$86.19 (Step 1) to \$118.79 (Step 14)

Executive Officer effective July 21, 2018 – 3% Increase – Hourly rate from \$80.44 to \$122.35

Level A:	Hourly Rate from \$80.44 (Step 1) to \$110.85 (Step 14)
Level B:	Hourly Rate from \$82.46 (Step 1) to \$113.63 (Step 14)
Level C:	Hourly Rate from \$84.51 (Step 1) to \$116.48 (Step 14)
Level D:	Hourly Rate from \$86.62 (Step 1) to \$119.39 (Step 14)
Level E:	Hourly Rate from \$88.78 (Step 1) to \$122.35 (Step 14)

Discussions with the Administrative Ad Hoc committee and the Commission also directed that staff and Legal Counsel look at the potential to provide for an incentive payment system to address those unique applications submitted for consideration and to acknowledge the expertise necessary to bring them through the process. The original incentive payment system was implemented in April of 2015, again mirroring the County Exempt Compensation Plan, for regular LAFCO employees providing for a one-time enhancement to acknowledge the sacrifices made in foregoing wage increases that had

been originally adopted. Legal Counsel has provided proposed language to provide for a means to incentivize the effort necessary for the more complex and time-sensitive applications or other unique situations.

*Any [***INSERT POSITION OR LIST OF POSITIONS***] who has received a rating of exceptional or higher on her/his annual performance evaluation is eligible for an incentive bonus not to exceed \$10,000. The decision to award an employee an incentive bonus, as well as the amount of any award, shall be at the discretion of the voting members of the Commission. Factors that the Commission may look at when deciding on whether to award an incentive bonus include, but are not limited to, an employee's ability to meet expressly stated performance goals and exceptional work on projects that is above and beyond the normal expectations for the job.*

The choice for what level position can receive the incentive payment needs to be determined by the Commission. It could be limited to the Executive Officer, the Management staff (Executive Officer, Assistant Executive Officer, and Project Manager) or provided to all staff. The implementation of the policy is clear if it is limited to the Executive Officer, since the Commission is the direct appointing authority for that position. Extension to other employees, who work directly for the Executive Officer, would require a discussion in closed session with the Commission to determine the amount of award. Staff is recommending that this incentive payment system be extended to the Management Team composed of the Executive Officer, Assistant Executive Officer and Project Manager.

CONCLUSION:

To address the recommendations of LAFCO Legal Counsel and SBCERA, staff is recommending that the Commission approve the salary range amendments v and incentive plan language. This recommendation is with the understanding that the Executive Officer salary range has levels underneath to address future recruitment activities as outlined above:

Amend Chapter 2 (Employment), Policy 2 (Compensation)

...

- B. Effective January 9, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

Position	Hourly Range
Executive Officer	\$75.82 to \$115.31
Assistant Executive Officer	\$37.09 to \$51.07
Project Manager	\$29.00 to \$39.94
LAFCO Analyst – GIS/Database Manager	\$25.07 to \$34.45
Clerk to the Commission/Office Manager	\$21.63 to \$29.74

Effective July 23, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

Position	Hourly Range
Executive Officer	\$76.57 to \$116.46
Assistant Executive Officer	\$37.46 to \$51.58
Project Manager	\$29.29 to \$40.34
LAFCO Analyst – GIS/Database Manager	\$25.32 to \$34.79
Clerk to the Commission/Office Manager	\$21.85 to \$30.04
Administrative Assistant	\$17.99 to \$24.71

Effective July 22, 2017, the following shall be the salary ranges for LAFCO positions (2.0% increase):

Position	Hourly Range
Executive Officer	\$78.10 to \$118.79
Assistant Executive Officer	\$38.21 to \$52.61
Project Manager	\$29.88 to \$41.45
LAFCO Analyst – GIS/Database Manager	\$25.83 to \$35.49
Clerk to the Commission/Office Manager	\$22.29 to \$30.64
Administrative Assistant	\$18.35 to \$25.20

Effective July 21, 2018, the following shall be the salary ranges for LAFCO positions (3.0% increase):

Position	Hourly Range
Executive Officer	\$80.44 to \$122.35
Assistant Executive Officer	\$39.36 to \$54.19
Project Manager	\$30.78 to \$42.38
LAFCO Analyst – GIS/Database Manager	\$26.60 to \$36.55
Clerk to the Commission/Office Manager	\$22.96 to \$31.56
Administrative Assistant	\$18.90 to \$25.96

E. INCENTIVE PAYMENT

Any Executive Officer, Assistant Executive Officer or Project Manager who has received a rating of exceptional or higher on her/his annual performance evaluation is eligible for an incentive bonus not to exceed \$10,000. The decision to award an

employee an incentive bonus, as well as the amount of any award, shall be at the discretion of the voting members of the Commission. Factors that the Commission may look at when deciding on whether to award an incentive bonus include, but are not limited to, an employee's ability to meet expressly stated performance goals and exceptional work on a project(s) that is above and beyond the normal expectations for the job.

Should there be any questions on this report, staff will be happy to respond prior to or at the hearing.

KRM/

Attachments:

1. San Bernardino County Board Agenda Item 164 for June 14, 2016 Related to Compensation and Working Conditions of the Exempt Group
2. Draft Resolution No. 3228 to Revise and Amend LAFCO Policy and Procedure Manual

**San Bernardino County Board Agenda
Item 164 for June 14, 2016
Related to Compensation and Working
Conditions of the Exempt Group**

Attachment 1

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

164

June 14, 2016

**FROM: GREGORY C. DEVEREAUX, Chief Executive Officer
County Administrative Office**

**SUBJECT: INTRODUCTION OF AN ORDINANCE RELATING TO COMPENSATION AND
WORKING CONDITIONS OF THE EXEMPT GROUP**

RECOMMENDATION(S)

1. Consider proposed ordinance relating to compensation and working conditions of the Exempt Group.
 2. Make alterations, if necessary, to proposed ordinance.
 3. Approve introduction of proposed ordinance.
 4. Read title only of proposed ordinance; waive reading of the entire text and SCHEDULE FOR FINAL ADOPTION ON TUESDAY, JUNE 28, 2016 on the Consent Calendar.
- (Presenter: Gregory C. Devereaux, Chief Executive Officer, 387-5570)

BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES

**Create, Maintain and Grow Jobs and Economic Value in the County.
Operate in a Fiscally-Responsible and Business-Like Manner.**

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost).

BACKGROUND INFORMATION

The salary ordinance for the Exempt Group sets the terms, compensation, and other working conditions for employees covered by the ordinance.

To ensure consistency, it is proposed that certain Exempt Group classifications with fixed annual salaries be moved to a salary range to be effective when any employee is newly hired into such classification. In addition, it is recommended that other obsolete or outdated provisions of the salary ordinance be updated.

The proposed amendments to the ordinance will become effective in the pay period immediately following its adoption, which will be pay period 16 of 2016, should the Board adopt the ordinance on June 28, 2016.

Page 1 of 2

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (W. Andrew Hartzell, Principal Assistant County Counsel, 387-5455) on May 19, 2016; Human Resources (Bob Windle, Assistant Director, 387-5570) on May 19, 2016; Finance (Amanda Trussell, Administrative Analyst, 387-4773) on May 23, 2016; and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on June 1, 2016.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

The Board of Supervisors of the County of San Bernardino, State of California,
ordains as follows:

9

10

11

13

14

10

22

4

22

the Exempt Group) with a one percent (1.00%) across the board salary increase.

Effective July 23, 2016, the County shall provide all classifications in the Exempt Group with a one percent (1.00%) across the board salary increase.

Effective July 22, 2017, the County shall provide all classifications in the Exempt Group with a two percent (2.00%) across the board salary increase.

Effective July 21, 2018, the County shall provide all classifications in the Exempt Group with a three percent (3.00%) across the board salary increase.

SECTION 4. Section 13.0604 of the San Bernardino County Code is amended, to read:

13.0604 List of Exempt Group Classifications.

(a) Exempt – Executive County Administrators

(1) Table 1.

This table applies to employees hired into the listed positions before July 9, 2016.

<i>Classifications</i>	<i>Exempt Group</i>	<i>Annual Salary Effective 1/9/16</i>	<i>Annual Salary Effective 7/23/16</i>	<i>Annual Salary Effective 7/22/17</i>	<i>Annual Salary Effective 7/21/18</i>
Agricultural Commissioner/Sealer	B	\$148,204	\$149,686	\$152,680	\$157,260
Assistant Executive Officer-Finance and Administration	A	\$218,568	\$220,754	\$225,169	\$231,924
Assistant Executive Officer-Human Services	A	\$218,568	\$220,754	\$225,169	\$231,924
Behavioral Health Medical Director	C	\$295,046	\$297,996	\$303,956	\$313,075
Chief Executive Officer	A	\$315,751	\$318,909	\$325,287	\$335,046
Chief Information Officer	A	\$197,407	\$199,381	\$203,369	\$209,470
Chief Probation Officer	B	\$177,276	\$179,049	\$182,630	\$188,109

<i>Classifications</i>	<i>Exempt Group</i>	<i>Annual Salary Effective 1/9/16</i>	<i>Annual Salary Effective 7/23/16</i>	<i>Annual Salary Effective 7/22/17</i>	<i>Annual Salary Effective 7/21/18</i>
Clerk of the Board of Supervisors	B	\$142,954	\$144,384	\$147,272	\$151,690
County Chief Financial Officer	A	\$196,900	\$198,869	\$202,846	\$208,931
County Clerk	N/A	\$10,258	\$10,361	\$10,568	\$10,885
County Counsel	A	\$238,229	\$240,611	\$245,423	\$252,786
County Librarian	B	\$144,258	\$145,701	\$148,615	\$153,073
Director of Aging and Adult Services	B	\$144,311	\$145,754	\$148,669	\$153,129
Director of Airports	B	\$140,750	\$142,158	\$145,001	\$149,351
Director of Arrowhead Regional Medical Center	A	\$262,928	\$265,557	\$270,868	\$278,994
Director of Behavioral Health	B	\$191,612	\$193,528	\$197,399	\$203,321
Director of Child Support	B	\$172,266	\$173,989	\$177,469	\$182,793
Director of County Museum	B	\$133,223	\$134,555	\$137,246	\$141,363
Director of Economic Development	B	\$139,902	\$141,301	\$144,127	\$148,451
Director of Fleet Management	B	\$133,223	\$134,555	\$137,246	\$141,363
Director of Human Resources	A	\$192,984	\$194,914	\$198,812	\$204,776
Director of Land Use Services	B	\$170,406	\$172,110	\$175,552	\$180,819
Director of Preschool Services	B	\$144,311	\$145,754	\$148,669	\$153,129
Director of Public Works	B	\$195,518	\$197,473	\$201,422	\$207,465
Director of Purchasing	B	\$137,179	\$138,551	\$141,322	\$145,562
Director of Real Estate Services	B	\$133,223	\$134,555	\$137,246	\$141,363
Director of Risk Management	B	\$135,150	\$136,502	\$139,232	\$143,409

<i>Classifications</i>	<i>Exempt Group</i>	<i>Annual Salary Effective 1/9/16</i>	<i>Annual Salary Effective 7/23/16</i>	<i>Annual Salary Effective 7/22/17</i>	<i>Annual Salary Effective 7/21/18</i>
Director of Transitional Assistance	B	\$165,772	\$167,430	\$170,779	\$175,902
Director of Veterans' Affairs	B	\$133,223	\$134,555	\$137,246	\$141,363
Director, Children and Family Services	B	\$182,770	\$184,598	\$188,290	\$193,939
Director, Community Development and Housing	B	\$139,902	\$141,301	\$144,127	\$148,451
Director, Regional Parks	B	\$134,031	\$135,371	\$138,078	\$142,220
Director, Workforce Development	B	\$139,902	\$141,301	\$144,127	\$148,451
Economic Development Administrator	B	\$175,486	\$177,241	\$180,786	\$186,210
Public Defender	B	\$215,905	\$218,064	\$222,425	\$229,098
Public Health Director	B	\$166,918	\$168,587	\$171,959	\$177,118
Registrar of Voters	B	\$153,860	\$155,399	\$158,507	\$163,262

(2) Table 2.

This table applies to employees hired into the listed positions on or after July 9, 2016.

<i>Classifications</i>	<i>Exempt Group</i>	<i>Salary Grade</i>
Agricultural Commissioner/Sealer	B	85
Assistant Executive Officer-Finance and Administration	B	101
Assistant Executive Officer-Human Services	B	101
Behavioral Health Medical Director	C	113
Chief Executive Officer	B	116
Chief Information Officer	B	97

<i>Classifications</i>	<i>Exempt Group</i>	<i>Salary Grade</i>
Chief Probation Officer	B	93
Clerk of the Board of Supervisors	B	84
County Chief Financial Officer	B	97
County Clerk ¹	N/A	N/A
County Counsel	B	105
County Librarian	B	84
Director of Aging and Adult Services	B	84
Director of Airports	B	83
Director of Arrowhead Regional Medical Center	B	109
Director of Behavioral Health	B	96
Director of Child Support	B	92
Director of County Museum	B	81
Director of Economic Development	B	83
Director of Fleet Management	B	81
Director of Human Resources	B	96
Director of Land Use Services	B	91
Director of Preschool Services	B	84
Director of Public Works	B	97
Director of Purchasing	B	82
Director of Real Estate Services	B	81
Director of Risk Management	B	82
Director of Transitional Assistance	B	90
Director of Veterans' Affairs	B	81
Director, Children and Family Services	B	94
Director, Community Development and Housing	B	83
Director, Regional Parks	B	81
Director, Workforce Development	B	83

¹ Salary for this position is set at \$1, not a salary grade.

<i>Classifications</i>	<i>Exempt Group</i>	<i>Salary Grade</i>
Economic Development Administrator	B	92
Public Defender	B	101
Public Health Director	B	90
Registrar of Voters	B	87

(b) Exempt – Associate Administrators

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Administrative Analyst I	D	56	56	56	56
Administrative Analyst II	C	66	66	66	66
Administrative Analyst III	C	73	73	73	73
Administrative Analyst Trainee	D	45T	45T	45T	45T
ARMC Chief Compliance Officer	C	75	75	75	75
ARMC Chief Financial Officer	B	100	100	100	100
ARMC Chief Operating Officer	B	98	98	98	98
ARMC Medical Director	C	108	108	108	108
ARC Project Administrator	C	57	57	57	57
Assistant Administrator, Economic Development Agency	B	85	85	85	85
Assistant Agricultural Commissioner/Sealer	C	75	75	75	75
Assistant Assessor	B	80	80	80	80
Assistant Chief Information Officer	C	86	86	86	86
Assistant Chief Probation Officer	C	85	85	85	85

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Assistant County Librarian	C	73	73	73	73
Assistant Director of Airports	C	73	73	73	73
Assistant Director of Behavioral Health	C	86	86	86	86
Assistant Director of Child Support	C	85	85	85	85
Assistant Director of Children and Family Services	C	85	85	85	85
Assistant Director of Facilities Management	C	73	73	73	73
Assistant Director of Human Resources	C	87	87	87	87
Assistant Director of Land Use Services	C	84	84	84	84
Assistant Director of Preschool Services	C	78	78	78	78
Assistant Director of Public Health	C	82	82	82	82
Assistant Director of Real Estate Services	C	77	77	77	77
Assistant Director of RES Project Management Division	C	77	77	77	77
Assistant Director of Risk Management	C	77	77	77	77
Assistant Director of Transitional Assistance	C	84	84	84	84
Assistant District Attorney	B	97	97	97	97
Assistant Hospital Administrator - Ambulatory Services	C	74	74	74	74
Assistant Hospital Administrator - Behavioral Health	C	75	75	75	75

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Assistant Hospital Administrator - Nursing Services	C	75	75	75	75
Assistant Public Defender	C	97	97	97	97
Assistant Recorder	B	80	80	80	80
Assistant Registrar of Voters	C	78	78	78	78
Assistant Sheriff	C	93	93	93	93
Associate Chief Nursing Officer	C	82	82	82	82
Associate Hospital Administrator Professional Services	C	82	82	82	82
Assistant Auditor-Controller/Treasurer/Tax Collector	B	84	84	84	84
ATC Project Administrator	C	57	57	57	57
Auditor-Controller Division Chief	C	76	76	76	76
Auditor-Controller Manager	C	71	71	71	71
Board of Supervisor's Administrative Analyst	B	73	73	73	73
BOS Chief of Staff	B	84	84	84	84
Building Official	C	79	79	79	79
Chief Administrative Analyst	C	80	80	80	80
Chief Appraiser	C	76	76	76	76
Chief Assistant County Counsel	B	98	98	98	98
Chief Assistant District Attorney	B	100	100	100	100
Chief Compliance Officer -Behavioral Health	C	72	72	72	72

1						
2		Classification	Exempt Group	Grade Effective 1/9/16	Grade Effective 7/23/16	Grade Effective 7/22/17
3						Grade Effective 7/21/18
4		Chief Deputy Clerk of Board of Supervisors	C	73	73	73
5		Chief Deputy County Museum	C	65	65	65
6		Chief Deputy District Attorney	C	94	94	94
7		Chief Deputy Public Defender	C	94	94	94
8		Chief Deputy Registrar of Voters	C	65	65	65
9		Chief Deputy Treasurer	C	76	76	76
10		Chief Learning Officer	C	78	78	78
11		Chief Medical Information Officer	C	90	90	90
12		Chief Nursing Officer	C	90	90	90
13		Chief of Animal Care and Control	C	80	80	80
14		Chief of Assessment Services	C	76	76	76
15		Chief of Clinical Operations	C	71	71	71
16		Chief of Community Health and Nursing Services	C	80	80	80
17		Chief of County Counsel's Administration	C	70	70	70
18		Chief of District Attorney's Administration	C	73	73	73
19		Chief of Environmental Health Services	C	80	80	80
20		Chief of Public Defender's Administration	C	70	70	70
21		Chief Public Works Engineer	C	82	84	86
22						88
23						
24						
25						
26						
27						
28						

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Child Support Chief Attorney	C	90	90	90	90
Children's Network Officer	C	69	69	69	69
Code Enforcement Chief	C	79	79	79	79
Community Services Finance and Operations Chief	C	73	73	73	73
Contracts and Compliance Officer	C	75	75	75	75
County Chief Operating Officer	B	98	98	98	98
County Counsel Research Attorney I	C	62T	62T	62T	62T
County Counsel Research Attorney II	C	71	71	71	71
County Surveyor	C	82	82	82	82
Department Technology Chief	C	82	82	82	82
Departmental IS Administrator	C	80	80	80	80
Deputy Chief of Community Health Services	C	73	73	73	73
Deputy Chief of Network Services	C	77	77	77	77
Deputy Chief Probation Administrator	C	77	77	77	77
Deputy Chief Probation Officer	C	81	81	81	81
Deputy County Counsel I	C	62T	62T	62T	62T
Deputy County Counsel II	C	71T	71T	71T	71T
Deputy County Counsel III	C	78T	78T	78T	78T

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Deputy Director, Program Development	C	73	73	73	73
Deputy Director, Redevelopment Agency	C	74	74	74	74
Deputy Director, Sheriff's Coroner Division	C	75	75	75	75
Deputy Director, Transitional Assistance	C	73	73	73	73
Deputy Director, Workforce Development	C	74	74	74	74
Deputy Executive Officer	B	89	89	89	89
Deputy Public Information Officer	C	66	66	66	66
Director of Governmental & Legislative Affairs	B	80	80	80	80
Director of Public Relations and Marketing	C	68	68	68	68
District Attorney Assistant Chief Investigator	C	83	83	83	83
District Attorney Chief Investigator	C	89	89	89	89
District Attorney, Public Affairs Officer	C	67	67	67	67
Division Chief, Disease Control	C	80	80	80	80
Economic Development Manager	C	69	69	69	69
EMACS Manager	C	71	71	71	71
Employee Relations Chief	C	80	80	80	80
Ethics Resource Officer	D	64	64	64	64
Field Representative	B	63	63	63	63

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Information Services Finance Officer	C	71	71	71	71
Information Services Security Officer	C	71	73	75	78
Investment Officer	C	71	71	71	71
Labor Negotiator	C	80	80	80	80
Labor Relations Financial Analyst	D	57	57	57	57
Legislative Analyst I	D	56	56	56	56
Legislative Analyst II	C	66	66	66	66
Legislative Analyst III	C	73	73	73	73
Legislative Program Manager	C	66	66	66	66
Network Services Division Chief	C	82	82	82	82
Payroll Supervisor	C	68	68	68	68
Planning Director	C	82	82	82	82
Principal Administrative Analyst	C	77	77	77	77
Principal Appraiser	C	65	67	67	67
Principal Assistant County Counsel	B	92	92	92	92
Principal Management Analyst	B	84	84	84	84
Probation Health Services Manager	C	73	73	73	73
Public Health Chief Financial Officer	C	80	80	80	80
Public Health Division Chief	C	80	80	80	80
Public Health Medical Director	C	92	92	92	92
Public Information Officer	B	83	83	83	83
Public Works Chief Financial Officer	C	80	80	80	80

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade Effective 1/9/16</i>	<i>Grade Effective 7/23/16</i>	<i>Grade Effective 7/22/17</i>	<i>Grade Effective 7/21/18</i>
Quality and Compliance Officer	C	75	75	75	75
Real Estate Services Manager	C	67	67	67	67
Risk Assessment Officer	C	70	70	70	70
Sheriff's Deputy Director of Administrative Services	C	84	84	84	84
Sheriff's Administrative Manager	C	73	73	73	73
Sheriff's Captain	C	82	82	82	82
Sheriff's Deputy Chief	C	88	88	88	88
Sheriff's Financial Manager	C	73	73	73	73
Sheriff's Health Services Manager	C	75	75	75	75
Small Business Development Manager	C	69	69	69	69
Solid Waste Management Division Manager	C	82	82	82	82
Special Assistant Deputy District Attorney	C	88	88	88	88
Special Assistant to the District Attorney	B	97	97	97	97
Supervising Deputy County Counsel	C	90	90	90	90
Systems Development Division Chief	C	82	82	82	82
Systems Support Division Chief	C	82	82	82	82
Undersheriff	B	98	98	98	98
Victim Services Chief	C	71	71	71	71

//

//

(c) Exempt – Executive Assistants

<i>Classification</i>	<i>Exempt Group</i>	<i>Grade</i>
Administrative Aide (K)	C	57
Administrative Aide to the County Counsel	C	57
County Counsel Law Clerk	C	58
County Counsel Lead Secretary	D	48
County Counsel Paralegal	D	50
Executive Assistant	D	57
Executive Assistant to the District Attorney	D	57
Executive Secretary I	D	40
Executive Secretary II	D	45
Executive Secretary III - Classified	D	50
Executive Secretary III - Unclassified	C	50
Executive Secretary, Board of Supervisors	C	52
Secretary, Civil Service Commission	D	45
Sheriff's Special Assistant	C	57

(d) Notwithstanding the salary as established by this chapter, the Board of Supervisors may establish salary, benefits and other terms and conditions of employment by contract for the positions listed in Section 13.0604.

SECTION 5. Subsection 13.0613(e)(1) of the San Bernardino County Code is amended, to read:

13.0613 Exempt Group Working Conditions

(e) Leave Provisions.

(1) Sick Leave. Sick leave with pay is an insurance or protection provided by the County to be granted in circumstances of adversity to promote the health of the

1 individual employee. It is not an earned right to time off from work. SICK LEAVE is
2 defined to mean the authorized absence from duty of an employee because of physical
3 or mental illness, injury, pregnancy, confirmed exposure to a serious contagious
4 disease, for a medical, optical, or dental appointment, for certain purposes related to
5 being a victim of domestic violence, sexual assault or stalking, or other purpose
6 authorized herein.

7 (A) Definition.

8 (I) Family Member. A family member, as defined by Labor Code
9 section 245.5, is a parent, child, spouse, registered domestic partner, grandparent,
10 grandchild, or sibling. Parent means a biological, foster, or adoptive parent, a step
11 parent, legal guardian, or a person who stood in loco parentis when the employee was a
12 minor child. Child means a biological, foster, or adopted child, a stepchild, a legal ward,
13 a child of a domestic partner, or a child to whom the employee stands in loco parentis.
14 Domestic partner is defined by Family Code § 297.

15 (II) Extended Family. Extended family is defined as, parent/sibling-in-
16 law, aunt, uncle, niece, nephew, or any step relations as defined herein.

17 (B) Accumulation. Employees in regular positions shall accrue sick leave for
18 each payroll period completed, prorated on the basis of 3.69 hours per pay period,
19 except as provided in § 13.0613 (e)(14). Earned sick leave shall be available for use
20 the first day following the payroll period in which it is earned. Employees in regular
21 positions paid less than 80 hours per pay period or job-shared positions shall receive
22 sick leave accumulation on a pro rata basis. There shall be no limit on sick leave
23 accumulation.

24 (C) Compensation. Approved sick leave with pay shall be compensated at the
25 employee's base rate of pay. The minimum charge against accumulated sick leave
26 shall be 15 minutes.

27 (D) Administration.

28 (I) Investigation. It shall be the responsibility and duty of each

1 appointing authority to investigate each request for sick leave and to allow sick leave
2 with pay where the application is determined to be proper and fitting, subject to approval
3 of the Director of Human Resources.

4 (II) Notice of Sickness. In 24 hour departments, the appointing
5 authority or designee should be notified at least two hours prior to the start of the
6 employee's scheduled tour of duty of a sickness on the first day of absence and must
7 be notified at least one hour prior to the start of the employee's scheduled tour of duty.
8 In other departments, the appointing authority or designee must be notified within one-
9 half hour after the start of the employee's scheduled tour of duty of a sickness on the
10 first day of absence.

11 It is the responsibility of the employee to keep the appointing
12 authority informed as to continued absence beyond the first day for reasons due to
13 sickness or occupational disability. Failure to make such notification shall result in
14 denial of sick leave with pay. If the employee receives a doctor's off-work order and
15 provides notice of same to the appointing authority, the employee is not required to
16 contact the department daily. If the employee does not have an off-work order or has
17 not notified the appointing authority that one has been issued, the employee shall be
18 required to contact the department daily in accordance with the timeframe above.

19 (III) Review. The Director of Human Resources may review and
20 determine the justification of any request for sick leave with pay and may, in the interest
21 of the County, require information from a doctor to support a claim for sick leave pay.

22 (IV) Proof. A doctor's certificate or other adequate proof shall be
23 provided by the employee in all cases of absence due to illness if requested by the
24 appointing authority. All requests for proof of illness shall be made in compliance with
25 the Labor Code and other law.

26 (V) Improper Use. Evidence substantiating the use of sick leave for
27 willful injury, gross negligence, intemperance, trivial indispositions, instances of
28 misrepresentation, or violation of the rules defined herein will result in denial of sick

1 leave with pay and shall be construed as grounds for disciplinary action up to and
2 including termination.

3 (E) Sick Leave for Other than Personal Illness/Injury.

4 (I) Family Sick Leave. A maximum of one-half of the employee's
5 annual accrual of earned sick leave per calendar year may be used for attendance upon
6 family members who require the attention of the employee.

7 Upon approval of the appointing authority, the employee may use
8 part of this annual allowance for attendance upon members of the employee's extended
9 family residing in the employee's household who require the attention of the employee.

10 (II) Bereavement. A maximum of three days earned sick leave may be
11 used per occurrence for bereavement due to the death of a family member or a member
12 of the employee's extended family, as defined herein, or any relative who resided with
13 the employee.

14 (III) Birth/Adoption. A maximum of 40 hours earned sick leave may be
15 used per occurrence for arrival of an adoptive child at the employee's home. An
16 employee may utilize on an annual basis no more than 40 hours of accumulated sick
17 leave per calendar year for the birth of his or her child.

18 (IV) Medical, Optical or Dental Appointments. The employee may use
19 sick leave for medical, dental or optical appointments; however, every effort should be
20 made to schedule the appointments at a time of day that will minimize the employee's
21 time off work.

22 (F) Return-to-Work Medical Clearance.

23 (I) Under the following circumstances, all employees who have been
24 off work due to an illness or injury will report to the San Bernardino County Center for
25 Employee Health and Wellness for a medical evaluation of condition and authorization
26 to return to work before returning to work.

27 (i) Employees whose treating physician or other qualified
28 medical provider has ordered job modification(s) as a condition for either continuing to

1 work or for returning to work after an illness or injury. This applies to both occupational
2 and non-occupational illness or injury.

3 (ii) Employees who have been off work due to communicable
4 diseases such as, but not limited to, chicken pox and measles.

5 (iii) Employees who have been absent on account of serious
6 medical condition, when so directed by appointing authority, and with concurrence of
7 the San Bernardino County Center for Employee Health and Wellness.

8 (II) Employees are required to attend return-to-work medical
9 appointments at the Center for Employee Health and Wellness on their own time;
10 however, mileage for attending such appointments are eligible for reimbursement
11 pursuant to the Expense Reimbursement provision, § 13.0613(h).

12 (III) It is the responsibility of the employee to obtain written notice from
13 the medical provider of authorization to return to work with or without job modification.
14 To ensure all necessary and relevant medical information is provided, the County shall
15 make available forms to be completed by the medical provider. It is the responsibility of
16 the employee to provide verbal notice to his or her appointing authority immediately
17 upon receipt of the medical provider's authorization to return to work, and no later than
18 24 hours after receipt of the notice. The appointing authority or designee will schedule
19 an appropriate medical evaluation for the employee with the Center for Employee
20 Health and Wellness prior to the employee's return to work. The employee shall
21 provide the medical provider's written notice of authorization to return to work to the
22 Center at or prior to the employee's scheduled appointment time.

23 (IV) Exceptions to the above requirements may be made on a case-by-
24 case basis by the Center for Employee Health and Wellness.

25 (V) The employee is obligated to attend the appointment as scheduled
26 under the conditions outlined above. If the employee fails to adhere to the procedure,
27 the employee is required to use sick leave or leave without pay for any work hours
28 missed. If required notice has been provided, and there is a delay between the

1 employee's appointment with the Center and the start of his or her scheduled tour of
2 duty on the day that he or she was released to return to work, the County will pay for
3 work hours missed, without charge to the employee's leave balances.

4 (VI) The final decision on the employee's ability to return to work rests
5 with the medical provider at the Center. In the event the employee is not released to
6 return to work by the medical provider at the Center, the employee's status would
7 continue on sick leave or, where there is no balance, leave without pay.

8 (G) Workers' Compensation.

9 (I) Employees shall receive full salary in lieu of Workers'
10 Compensation benefits and paid sick leave for the first 40 hours following an
11 occupational injury or illness, if authorized off work by order of an accepted physician
12 under the Workers' Compensation sections of the California Labor Code. Thereafter,
13 accumulated paid leave may be prorated to supplement such temporary disability
14 compensation payments, provided that the total amount shall not exceed the regular
15 gross salary of the employee. Employees eligible for salary continuation pursuant to
16 Labor Code § 4850 are not entitled to this paid time.

17 (H) Employees covered by Labor Code § 4850 of the Labor Code who are
18 injured in the line of duty are entitled to full salary in lieu of Workers' Compensation
19 benefits and sick leave for a period not to exceed one year. After the employee has
20 used one full year of such "4850 time", said employee may use accumulated sick leave
21 with pay with the approval of the appointing authority to augment temporary disability
22 payments if said employee is still temporarily disabled by order of an accepted
23 physician under the Workers' Compensation sections or until said employee is retired.

24 (I) Separation. Unused sick leave shall not be payable upon separation of
25 the employee, except as provided in the Retirement Medical Trust Fund, § 13.0613
26 (i)(4) and as provided below.

27 Upon the death of an active employee with five or more years of
28 continuous service from the most recent date of hire in a regular position, the estate of

the deceased employee will be paid the cash value for the unused sick leave balances according to the sick leave conversion formula below, and will not go into the Trust.

<i>Sick Leave Balance as of Date of Separation for Death</i>	<i>Cash Payment Percent of Hours of Sick Leave Balance</i>
480 hours or less	30 percent
481 to 600 hours	35 percent
601 to 720 hours	40 percent
721 to 840 hours	45 percent
841 to 1,000 hours	50 percent

(J) Sick Leave Conversion. While employed by the County, employees who have contributed to a public sector retirement(s) for over five years and have not withdrawn the contribution from the system(s) may exchange accrued sick leave hours in excess of 200 hours for vacation time on the following basis:

<i>Sick Leave Balance at Time of Conversion</i>	<i>Sick Leave to Vacation Leave Conversion Ratio</i>
201 to 599 hours	3 sick hours to 1 hour vacation
600 to 799 hours	2.5 sick hours to 1 hour vacation
800 or more hours	2 sick hours to 1 hour vacation

Any such exchange must be made in ten hour increments of accrued sick leave under the procedures established by the Director of Human Resources. Employees may elect this exchange once per calendar year.

SECTION 6. Subsection 13.0613(l)(2) of the San Bernardino County Code is amended, to read:

13.0613 Exempt Group Working Conditions

(l) Automobiles.

1 (2) All elected officials and all County employees in benefit groups A and B,
2 Assistant Sheriffs, and Sheriff's Deputy Chiefs, and the District Attorney Chief
3 Investigator in a paid status shall receive a biweekly automobile allowance in the
4 amount of \$561.54 with no mileage reimbursement, provided they are not assigned a
5 County vehicle pursuant to § 13.0613(l)(1) above and they provide a private vehicle for
6 their own use on County business. An employee who becomes eligible or ineligible for
7 this benefit in the middle of a pay period will receive a prorated sum of automobile
8 allowance. Employees selecting this allowance shall be required to have a vehicle
9 available at all times for use on County business. This allowance shall be considered
10 complete reimbursement for the acquisition, insurance, maintenance, repair, upkeep,
11 fuel, and all other costs for the required vehicle.

12 SECTION 7. Subsection 13.0613(cc) of the San Bernardino County Code is
13 repealed.

14 SECTION 8. Subsection 13.0613(hh) of the San Bernardino County Code is
15 repealed.

16 SECTION 9. Subsection 13.0613(ii)(2) of the San Bernardino County Code is
17 amended, to read:

18 **13.0613 Exempt Group Working Conditions**

19 (ii) Definitions.

20 (2) Base Rate of Pay/Base Hourly Rate. The employee's base hourly
21 wage, excluding differentials and other pay above the base hourly wage.

22 SECTION 10. Subsection 13.0613(mm) is added to Chapter 6 of Division 3 of
23 Title 1 of the San Bernardino County Code, to read:

24 **13.0613 Exempt Group Working Conditions**

25 (mm) Behavioral Health Director differential. The Behavioral Health Medical
26 Director shall receive a five percent (5.00%) differential above the employee's base rate
27 of pay provided such employee is certified as a Diplomate by the American Board of
28 Psychiatry and Neurology. The differential shall be paid for all hours actually worked up

1 to eighty (80) hours per pay period.

2 SECTION 11. This ordinance shall take effect immediately upon adoption,
3 pursuant to the provisions of Government Code section 25123.

4

5

6

JAMES RAMOS, Chairman
Board of Supervisors

7

8 SIGNED AND CERTIFIED THAT A COPY
9 OF THIS DOCUMENT HAS BEEN DELIVERED
10 TO THE CHAIRMAN OF THE BOARD

11 LAURA H. WELCH, Clerk of the
12 Board of Supervisors

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1 STATE OF CALIFORNIA)
2) ss.
3 COUNTY OF SAN BERNARDINO)

4 I, LAURA H. WELCH, Clerk of the Board of Supervisors of the County of San
5 Bernardino, State of California, hereby certify that at a regular meeting of the Board of
6 Supervisors of said County and State, held on the _____ day of _____, 2016,
7 at which meeting were present Supervisors: _____

8 and the Clerk, the foregoing ordinance was passed and adopted by the following vote,
9 to wit:

10 AYES: SUPERVISORS:

11 NOES: SUPERVISORS:

12 ABSENT: SUPERVISORS:

13 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official
14 seal of the Board of Supervisors this _____ day of _____, 2016.

15 LAURA H. WELCH, Clerk of the
16 Board of Supervisors of the
17 County of San Bernardino,
18 State of California

19 _____
20 Deputy

21 Approved as to Form:

22 JEAN-RENE BASLE
23 County Counsel

24 By: _____
25 KENNETH C. HARDY
26 Deputy County Counsel

27 Date: _____
28

**Draft Resolution No. 3228 to Revise and
Amend LAFCO Policy and Procedure
Manual**

Attachment 2

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

RESOLUTION NO. 3228

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, REVISING AND AMENDING SECTION III (HUMAN RESOURCES) OF ITS POLICY AND PROCEDURE MANUAL

On Wednesday, July 20, 2016, on motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

SECTION 1. The Local Agency Formation Commission for San Bernardino County, State of California (hereafter shown as "LAFCO"), hereby finds and determines that it wishes to revise and amend its Policy and Procedure Manual approved by the Commission at its January 27, 2016 hearing. Revision is to add a compensation range for the Executive Officer position. .

SECTION 2. The Local Agency Formation Commission for San Bernardino County therefore resolves and orders that the following changes to the Policy and Procedure Manual are approved:

1. Chapter 2 (Employment), Policy 2 (Compensation) is amended to read as follows:

...

- B. The following shall be the salary ranges for LAFCO positions (*Added June 16, 2011; Amended May 16, 2012; Amended October 22, 2014; Amended April 15, 2015; Amended January 27, 2016, July 20, 2016*):

RESOLUTION NO. 3210

Effective January 9, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

Position	Hourly Range
Executive Officer	\$75.82 to \$115.31
Assistant Executive Officer	\$37.09 to \$51.07
Project Manager	\$29.00 to \$39.94
LAFCO Analyst – GIS/Database Manager	\$25.07 to \$34.45
Clerk to the Commission/Office Manager	\$21.63 to \$29.74
Administrative Assistant	\$17.81 to \$24.47

Effective July 23, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

Position	Hourly Range
Executive Officer	\$76.57 to \$116.46
Assistant Executive Officer	\$37.46 to \$51.58
Project Manager	\$29.29 to \$40.34
LAFCO Analyst – GIS/Database Manager	\$25.32 to \$34.79
Clerk to the Commission/Office Manager	\$21.85 to \$30.04
Administrative Assistant	\$17.99 to \$24.71

Effective July 22, 2017, the following shall be the salary ranges for LAFCO positions (2.0% increase):

Position	Hourly Range
Executive Officer	\$78.10 to \$118.79
Assistant Executive Officer	\$38.21 to \$52.61
Project Manager	\$29.88 to \$41.45
LAFCO Analyst – GIS/Database Manager	\$25.83 to \$35.49
Clerk to the Commission/Office Manager	\$22.29 to \$30.64
Administrative Assistant	\$18.35 to \$25.20

Effective July 21, 2018, the following shall be the salary ranges for LAFCO positions (3.0% increase):

Position	Hourly Range
Executive Officer	\$80.44 to \$122.35
Assistant Executive Officer	\$39.36 to \$54.19
Project Manager	\$30.78 to \$42.38
LAFCO Analyst – GIS/Database Manager	\$26.60 to \$36.55
Clerk to the Commission/Office Manager	\$22.96 to \$31.56
Administrative Assistant	\$18.90 to \$25.96

E. INCENTIVE PAYMENT

Any Executive Officer, Assistant Executive Officer or Project Manager who has received a rating of exceptional or higher on her/his annual performance evaluation is eligible for an incentive bonus not to exceed \$10,000. The decision to award an employee an incentive bonus, as well as the amount of any award, shall be at the discretion of the voting members of the Commission. Factors that the Commission may look at when deciding on whether to award an incentive bonus include, but are not limited to, an employee's ability to meet expressly stated performance goals and exceptional work on a project(s) that is above and beyond the normal expectations for the job.

RESOLUTION NO. 3210

SECTION 3. The Executive Officer of LAFCO is ordered to certify the passage of this resolution and to cause a copy of the revised and amended Policy and Procedure Manual to be posted on the LAFCO Website, and a certified copy of this resolution to be forwarded to the County Administrative Office, each City, Town, and Independent Special District in the County and to affected County Departments for implementation.

THIS ACTION APPROVED AND ADOPTED BY THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
)ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of July 20, 2016.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-mail: lafoo@lafoo.sbcounly.gov
www.sbcloafoo.org

DATE: JULY 11, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #13- CONSIDERATION OF CONTRACT AMENDMENT
#6 WITH EXECUTIVE OFFICER RELATED TO COMPENSATION AND
BENEFITS

BACKGROUND:

This item is included on the July hearing agenda in anticipation of the conclusion of the evaluation of my position being conducted by the Commission. As these discussions are ongoing in closed session scheduled for this hearing, no recommendation or information is provided at this time.

/KRM

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: JULY 13, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #15: Executive Officer's Report

RECOMMENDATION:

Staff recommends that the Commission:

1. If a City or Public member of the Commission is interested in serving as a candidate for the CALAFCO Board of Directors, approve the nomination.
2. Provide direction to staff on those projects to be nominated for a CALAFCO Achievement Award.

BACKGROUND:

The California Association of LAFCOs (CALAFCO) has sent out two notifications for potential action by the Commission:

1. The first is the call for nominations for the FY 2016-17 Board of Directors nomination (copy of materials included as Attachment #1). For the Southern Region the positions up for election are the City and Public member. Any regular or alternate member of the Commission is eligible for the position. At present Cheryl Brothers from Orange LAFCO is the City member and she has indicated her interest in continuing in that position and Gerard McCallum from Los Angeles LAFCO is the Public member and he has indicated his interest in continuing in that position. The past practice of the Southern Region has been to nominate a secondary person for each election so that in the event of vacancy a replacement candidate can be conveyed to the Board of Directors in a timely manner.
2. CALAFCO has sent out a solicitation letter for the annual Achievement Awards nominations (copy included as Attachment #2). In the past San Bernardino

LAFCO has received recognition for its efforts in the original County Fire Reorganization in 2008 and the City of Fontana Island Annexation program. At this time, LAFCO staff would request authorization to submit the City of San Bernardino and Twentynine Palms Fire reorganizations for consideration by the CALAFCO Achievement Award committee.

Should there be any questions on this report, staff will be happy to respond prior to or at the hearing.

KRM/

Attachments:

1. Nomination Packet for 2016-17 CALAFCO Board of Directors
2. 2016 CALAFCO Achievement Award Nomination Packet

**Nomination Packet for 2016-17
CALAFCO Board of Directors**

Attachment 1



June 27, 2016

To: Local Agency Formation Commission
Members and Alternate Members

From: Jim Curatalo, Committee Chair
Board Recruitment Committee
CALAFCO Board of Directors

CALAFCO
ELECTION
2016

RE: Nominations for 2016/2017 CALAFCO Board of Directors

Nominations are now open for the fall elections of the CALAFCO Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four to five times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

CALAFCO's Recruitment Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

Northern Region

City Member
Public Member

Central Region

County Member
District Member

Coastal Region

County Member
District Member

Southern Region

City Member
Public Member

The election will be conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 27, 2016 at the Fess Parker DoubleTree in Santa Barbara, CA.

Please inform your Commission that the CALAFCO Recruitment Committee is accepting nominations for the above-cited seats until *Monday, September 26, 2016*.

Incumbents are eligible to run for another term. Nominations received by September 26 will be included in the Recruitment Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than October 12 and ballots made available to Voting Delegates at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. The ballot request must be made no later than Monday, September 26, 2016. Completed absentee ballots must be returned by October 21, 2016.

Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.

The nomination forms and materials must be received by the CALAFCO Executive Director no later than *Monday, September 26, 2016*

Here is a summary of the deadlines for this year's nomination process:

- **June 27** – Nomination Announcement and packet sent to LAFCo membership and posted on the CALAFCO website.
- **September 26** – Completed Nomination packet due
- **September 26** – Request for an absentee/electronic ballot due
- **September 26** – Voting delegate name due to CALAFCO
- **October 12** – Distribution of the Recruitment Committee Report (includes all completed/submitted nomination papers)
- **October 12** – Distribution of requested absentee/electronic ballots.
- **October 21** – Absentee ballots due to CALAFCO
- **October 27** - Elections

Returning the nomination form prior to the deadline ensures your nominee is placed on the ballot. Electronic filing of nomination forms and materials is encouraged to facilitate the recruitment process. Please send e-mails with forms and materials to info@calafco.org. Alternatively, nomination forms and materials can be mailed or faxed to the address or fax number below. Please forward nominations to:

CALAFCO Recruitment Committee c/o Executive Director
California Association of Local Agency Formation Commissions
1215 K Street, Suite 1650
Sacramento, California 95814
FAX: 916-442-6535
EMAIL: info@calafco.org

Questions about the election process can be sent to the Chair of the Committee, Jim Curatalo, at jcuratalo@calafco.org or by calling him at 909-261-7005. You may also contact CALAFCO Executive Director Pamela Miller at pmiller@calafco.org or by calling 916-442-6536.

Members of the 2016/2017 CALAFCO Recruitment Committee are:

James Curatalo, Chair jcuratalo@calafco.org	San Bernardino LAFCo (Southern Region) 909-261-7005
Bill Connelly bconnelly@calafco.org	Butte LAFCo (Northern Region) 530-538-2134
John Marchand jmarchand@calafco.org	Alameda LAFCo (Coastal Region) 925-960-4020
Anita Paque apaque@calafco.org	Calaveras LAFCo (Central Region) 408-893-4353

Attached please find a copy of the CALAFCO Board of Directors Nomination and Election Procedures.

Please consider joining us!

Enclosures

Board of Directors Nomination and Election Procedures and Forms

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

1. APPOINTMENT OF A RECRUITMENT COMMITTEE

- a. Following the Annual Membership Meeting the Board shall appoint a Committee of four members of the Board. The Recruitment Committee shall consist of one member from each region whose term is not ending.
- b. The Board shall appoint one of the members of the Recruitment Committee to serve as Chairman. The CALAFCO Executive Officer shall appoint a CALAFCO staff member to serve as staff for the Recruitment Committee in cooperation with the CALAFCO Executive Director.
- c. Each region shall designate a regional representative to serve as staff liaison to the Recruitment Committee.
- d. Goals of the Committee are to encourage and solicit candidates by region who represent member LAFcos across the spectrum of geography, size, and urban-suburban-rural population, and to provide oversight of the elections process.

2. ANNOUNCEMENT TO ALL MEMBER LAFcos

- a. No later than three months prior to the Annual Membership Meeting, the Recruitment Committee Chair shall send an announcement to each LAFco for distribution to each commissioner and alternate. The announcement shall include the following:
 - i. A statement clearly indicating which offices are subject to the election.
 - ii. A regional map including LAFcos listed by region.
 - iii. The dates by which all nominations must be received by the Recruitment Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFco marked "Received too late for Nominations Committee action."
 - iv. The names of the Recruitment Committee members with the Committee Chair's LAFco address and phone number, and the names and contact information for each of the regional representatives.
 - v. The address to send the nominations forms.
 - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
- b. No later than four months before the annual membership meeting, the Recruitment Committee Chair shall send an announcement to the Executive Director for distribution to each member LAFco and for publication in the newsletter and on the website. The announcement shall include the following:

Key Timeframes for Nominations Process

Days*

90	Nomination announcement
30	Nomination deadline
14	Committee report released

**Days prior to annual membership meeting*

- i. A statement clearly indicating which offices are subject to the election.
 - ii. The specific date by which all nominations must be received by the Recruitment Committee. Nominations received after the closing dates shall be returned to the proposing LAFCo marked "Received too late for Recruitment Committee action."
 - iii. The names of the Recruitment Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.
 - iv. Requirement that nominated individual must be a commissioner or alternate commissioner from a member in good standing within the region.
- c. A copy of these procedures shall be posted on the web site.

3. THE RECRUITMENT COMMITTEE

- a. The Recruitment Committee and the regional representatives have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Recruitment Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.
- b. At the close of the nominations the Recruitment Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated seats. Caucus elections must be held prior to the annual membership meeting at the conference. The Executive Director or assigned staff along with a member of the Recruitment committee shall tally ballots at each caucus and provide the Recruitment Committee the names of the elected Board members and any open seats. In the event of a tie, the staff and Recruitment Committee member shall immediately conduct a run-off ballot of the tied candidates.
- c. Make available sufficient copies of the Committee Report for each Voting Member by the beginning of the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Annual Conference Planning Committee to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.
- f. Post the candidate statements/resumes organized by region on a bulletin board near the registration desk.
- g. Regional elections shall be conducted as described in Section 4 below. The representative from the Recruitment Committee shall serve as the Presiding Officer for the purpose of the caucus election.
- h. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Recruitment Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.

4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING

Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCos requesting an electronic ballot shall do so in writing no later than 30 days prior to the annual meeting.
- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the executive director no later than three days prior to the annual meeting.
- e. LAFCos voting under this provision may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCos voting under this provision may only vote for the candidates nominated by the Recruitment Committee.

5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING

- a. The Recruitment Committee Chairman, another member of the Recruitment Committee, or the Chair's designee (hereafter called the Presiding Officer) shall:
 - i. Review the election procedure with the membership.
 - ii. Present the Recruitment Committee Report (previously distributed).
 - iii. Call for nominations from the floor by category for those seats subject to this election:
 1. For city member.
 2. For county member.
 3. For public member.
 4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a "Candidates Forum". Each candidate shall be given time to make a brief statement for their candidacy.
- e. The Presiding Officer shall then conduct the election:
 - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
 1. Name the nominees and offices for which they are nominated.
 2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.

ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:

1. Poll the LAFcos in good standing by written ballot.
2. Each LAFco in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
3. With assistance from CALAFco staff, tally the votes cast and announce the results.

iii. Election to the Board shall occur as follows:

1. The nominee receiving the majority of votes cast is elected.
2. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election.
3. In case of tie votes:
 - a. A second run-off election shall be held with the same two nominees.
 - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.
4. In the case of two vacancies, any candidate receiving a majority of votes cast is elected.
 - a. In the case of no majority for either vacancy, the three nominees receiving the three highest number of votes cast shall face each other in a run-off election.
 - b. In the case of no majority for one vacancy, the two nominees receiving the second and third highest number of votes cast shall face each other in a run-off election.
 - c. In the event of a tie, a second run-off election shall be held with the tied nominees. If there remains a tie after the second run-off election the winner shall be determined by a draw of lots.

6. ADDITIONAL PROCEDURES

- a. For categories where there are more candidates than vacancies, names will be listed in the order nominated.
- b. The Recruitment Committee Chair shall announce and introduce all Board Members elected at the Regional Caucuses at the annual business meeting.
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFco may be nominated for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
- e. As required by the Bylaws, the members of the Board shall meet as soon as possible after election of new board members for the purpose of electing officers, determining meeting places and times for the coming year, and conducting any other necessary business.

7. LOSS OF ELECTION IN HOME LAFCO

Board Members and candidates who lose elections in their home office shall notify the Executive Director within 15 days of the certification of the election.

8. FILLING BOARD VACANCIES

Vacancies on the Board of Directors may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy, and should be from the same region.

These policies and procedures were adopted by the CALAFCO Board of Directors on 12 January 2007 and amended on 9 November 2007, 8 February 2008, 13 February 2009, 12 February 2010, 18 February 2011, and 29 April 2011. They supersede all previous versions of the policies.

CALAFCO Regions

FOUR REGIONS



The counties in each of the four regions consist of the following:

Northern Region

Butte
Colusa
Del Norte
Glenn
Humboldt
Lake
Lassen
Mendocino
Modoc
Nevada
Plumas
Shasta
Sierra
Siskiyou
Sutter
Tehama
Trinity
Yuba

CONTACT: Steve Lucas
Butte LAFCo
slucas@buttecounty.net

Southern Region

Orange
Los Angeles
Imperial
Riverside
San Bernardino
San Diego

CONTACT: Paul Novak
Los Angeles LAFCo
pnovak@lalafo.org

Coastal Region

Alameda
Contra Costa
Marin
Monterey
Napa
San Benito
San Francisco
San Luis Obispo
San Mateo
Santa Barbara
Santa Clara
Santa Cruz
Solano
Sonoma
Ventura

CONTACT: David Church
San Luis Obispo LAFCo
dchurch@slolafo.com

Central Region

Alpine
Amador
Calaveras
El Dorado
Fresno
Inyo
Kern
Kings
Madera
Mariposa
Merced
Mono
Placer
Sacramento
San Joaquin
Stanislaus
Tulare
Tuolumne
Yolo

CONTACT: Kris Berry, Placer LAFCo
kberry@placer.ca.gov

Board of Directors 2016/2017 Nominations Form

Nomination to the CALAFCO Board of Directors

In accordance with the Nominations and Election Procedures of CALAFCO,

_____ LAFCo of the _____ Region

Nominates _____

for the (check one) ☐ City ☐ County ☐ Special District ☐ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual
Membership Meeting of the Association.

LAFCo Chair

Date

NOTICE OF DEADLINE

Nominations must be received by **September 26, 2016**
to be considered by the Recruitment Committee. Send
completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Board of Directors 2016/2017 Candidate Resume Form

Nominated By: _____ LAFCo Date: _____

Region (please check one): ☐ Northern ☐ Coastal ☐ Central ☐ Southern

Category (please check one): ☐ City ☐ County ☐ Special District ☐ Public

Candidate Name _____

Address _____

Phone Office _____ Mobile _____

e-mail _____ @ _____

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

NOTICE OF DEADLINE

Nominations must be received by **September 26, 2016** to be considered by the Recruitment Committee. Send completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

**2016 CALAFCO Achievement Award
Nomination Packet**

Attachment 2

Date: 20 June 2016

To: LAFCo Commissioners and Staff
CALAFCO Members
Other Interested Organizations

From: CALAFCO Achievement Awards Committee

Subject: **2016 CALAFCO Achievement Award Nominations**



Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go above and beyond in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition. ***The nomination procedures have changed this year, so please review the instructions below carefully.***

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization. There is no limit to the number of nominations you can submit.
2. Please use a separate form (attached) for each nomination. Nominations must be submitted with a completed nomination form. The form is your opportunity to highlight the most important points of your nomination.
3. Nominations must be limited to no more than 1500 words or 3 pages in length maximum. You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request.
4. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. Please limit supporting documentation to no more than 5 pages. If the Awards Committee members require additional information, you will be contacted with that request.
5. All nomination materials must be submitted at one time and must be received by the deadline. Electronic submittals are encouraged.
6. **Nominations and supporting materials must be received no later than 5:00 p.m., Wednesday, August 31, 2016.** Send nominations via e-mail, or U.S. mail to:

Pamela Miller, Executive Director
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814
pmiller@calafco.org

Members of the 2016 CALAFCO Board of Directors Awards Committee are:

Larry Duncan, Committee Chair (Butte LAFCo, Northern Region)
John Leopold, CALAFCO Board Chair (Santa Cruz LAFCo, Coastal Region)
Cheryl Brothers (Orange LAFCo, Southern Region)
Michael Kelley (Imperial LAFCo, Southern Region)
William Kirby (Placer LAFCo, Central Region)

lduncan@calafco.org
jleopold@calafco.org
cbrothers@calafco.org
mkelley@calafco.org
wkirby@calafco.org

Please contact Pamela Miller, CALAFCO Executive Director, at pmiller@calafco.org or (916) 442-6536 with any questions. A list of the previous Achievement Award recipients is attached to this announcement.



2016 Achievement Award Nominations

Nomination Form

NOMINEE - Person or Agency Being Nominated:

Name:

Organization:

Address:

Phone:

E-mail:

NOMINATION CATEGORY (check one – see category criteria on attached sheet)

- ☐ Outstanding CALAFCO Member
- ☐ Most Effective Commission
- ☐ Outstanding Commissioner
- ☐ Outstanding LAFCo Professional
- ☐ Outstanding LAFCo Clerk
- ☐ Outstanding CALAFCO Associate Member
- ☐ Project of the Year
- ☐ Distinguished Service Award
- ☐ Government Leadership Award
- ☐ Legislator of the Year (must be approved by the full CALAFCO Board)
- ☐ Mike Gotch Courage and Innovation in Local Government Award
- ☐ Lifetime Achievement Award

NOMINATION SUBMITTED BY:

Name:

Organization:

Address:

Phone:

E-mail:



2016 Achievement Award Nominations

ACHIEVEMENTS

Please indicate the reasons why this person or agency deserves to be recognized (Remember to keep this portion to 1500 words or 3 pages maximum and use additional sheets as needed):



2016 Achievement Award Nominations

CALAFCO ACHIEVEMENT AWARD CATEGORIES

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until **Monday, July 20, 2015**, in the following categories:

Outstanding CALAFCO Member	Recognizes a CALAFCO Board Member or staff person who has provided exemplary service during the past year.
Distinguished Service Award	Given to a member of the LAFCo community to recognize long-term service by an individual.
Most Effective Commission	Presented to an individual Commission to recognize innovation, streamlining, and/or initiative in implementing LAFCo programs; may also be presented to multiple Commissions for joint efforts.
Outstanding Commissioner	Presented to an individual Commissioner for extraordinary service to his or her Commission.
Outstanding LAFCo Professional	Recognizes an Executive Officer, Staff Analyst, or Legal Counsel for exemplary service during the past year.
Outstanding LAFCo Clerk	Recognizes a LAFCo Clerk for exemplary service during the past year.
Outstanding CALAFCO Associate Member	Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCOs by consistently producing distinguished work that upholds the mission and goals of LAFCOs, and has helped elevate the roles and mission of LAFCOs through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement.
Project of the Year	Recognition for a project-specific program that involved complex staff analysis, community involvement, or an outstanding solution.
Government Leadership Award	Presented to a decision-making body at the city, county, special district, regional or state level which has furthered good government efforts in California.
Legislator of the Year	Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals. Selected by CALAFCO Board.
Mike Gotch Courage and Innovation in Local Government Award	Presented to an individual who has taken extraordinary steps to improve and innovate local government. This award is named for Mike Gotch: former Assembly Member, LAFCo Executive Officer and CALAFCO Executive Director responsible for much of the foundations of LAFCo law and CALAFCO. He is remembered as a source of great inspiration for staff and legislators from throughout the state.
Lifetime Achievement Award	Recognizes any individual who has made extraordinary contributions to the LAFCo community in terms of longevity of service, exemplary advocacy of LAFCO-related legislation, proven leadership in approaching a particular issue or issues, and/or demonstrated support in innovative and creative ways of the goals of LAFCOs throughout California. At a minimum, the individual should be involved in the LAFCo community for at least ten years.



2016 Achievement Award Nominations

CALAFCO ACHIEVEMENT AWARD RECIPIENTS

2015

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

CALAFCO Associate Member of the Year

Legislators of the Year Award

Lifetime Achievement Award

Yuba County Water Agency

Mary Jane Griego, Yuba LAFCo

Butte LAFCo

Marjorie Blom, formerly of Stanislaus LAFCo

Matthew Beekman, formerly of Stanislaus LAFCo

Sam Martinez, San Bernardino LAFCo

Terri Tuck, Yolo LAFCo

Formation of the Ventura County Waterworks District No. 38 (Ventura LAFCo) and 2015 San Diego County Health Care Services five-year sphere of influence and service review report (San Diego LAFCo)

The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency

Michael Colantuono of Colantuono, Highsmith & Whatley

Assembly member Chad Mayes

Jim Chapman (Lassen LAFCo) and Chris Tooker (formerly of Sacramento LAFCo)

2014

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

David Church, San Luis Obispo LAFCo

Kate McKenna, Monterey LAFCo

Santa Clara LAFCo

Stephen Lucas, Butte LAFCo

Paul Norsell, Nevada LAFCo

Kate McKenna, Monterey LAFCo

Paige Hensley, Yuba LAFCo

LAFCo Procedures Guide: 50th Year Special Edition, San Diego LAFCo

Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District

Assembly member Katcho Achadjian

Susan Wilson, Orange LAFCo

2013

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Simón Salinas, Commissioner, Monterey LAFCo

Roseanne Chamberlain, Amador LAFCo

Stanislaus LAFCo

Harry Ehrlich, San Diego LAFCo



2016 Achievement Award Nominations

Outstanding Commissioner
Outstanding LAFCo Professional
LAFCo Outstanding LAFCo Clerk
Project of the Year
Government Leadership Award

Legislators of the Year Award
Lifetime Achievement Award

Jerry Gladbach, Los Angeles LAFCo
Lou Ann Texeira, Contra Costa
Kate Sibley, Contra Costa LAFCo
Plan for Agricultural Preservation, Stanislaus LAFCo
Orange County LAFCo Community Islands Taskforce,
Orange LAFCo
Senators Bill Emmerson and Richard Roth
H. Peter Faye, Yolo LAFCo; Henry Pellissier, Los Angeles
LAFCo; Carl Leverenz, Butte LAFCo; Susan Vicklund-Wilson,
Santa Clara LAFCo.

2012

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member

Outstanding Commissioner
LAFCo Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Lifetime Achievement Award

Bill Chiat, CALAFCO Executive Director

Marty McClelland, Commissioner, Humboldt LAFCo
Sonoma LAFCo
Stephen A. Souza, Commissioner, Yolo LAFCo and
CALAFCO Board of Directors
Sherwood Darington, Monterey
Carole Cooper, Sonoma LAFCo
Gwenna MacDonald, Lassen LAFCo
Countywide Service Review & SOI Update, Santa Clara
LAFCo
North Orange County Coalition of Cities, Orange LAFCo
P. Scott Browne, Legal Counsel LAFCos

2011

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
LAFCo Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award

Martin Tuttle, Deputy Director for Planning, Caltrans
Mike McKeever, Executive Director, SACOG
Carl Leverenz, Commissioner and Chair, Butte
San Bernardino LAFCo
Keene Simonds, Executive Officer, Napa LAFCo
Louis R. Calcagno, Monterey LAFCo
June Savala, Deputy Executive Officer, Los Angeles LAFCo
Debbie Shubert, Ventura LAFCo
Cortese-Knox-Hertzberg Definitions Revision
Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper,
and George Spiliotis
Contra Costa Sanitary District
Elsinore Water District and Elsinore Valley Municipal Water
District

2010

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award

Helen Thompson, Commissioner, Yolo LAFCo

Kathleen Rollings-McDonald, Executive Officer, San
Bernardino LAFCo
Bob Braitman, Executive Officer, Santa Barbara LAFCo



2016 Achievement Award Nominations

Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Special Achievement

Tulare LAFCo

Roger Anderson, Ph.D., CALAFCO Chair, Santa Cruz LAFCo

George Lange, Ventura LAFCo

Harry Ehrlich, Government Consultant, San Diego LAFCo

Candle Fleming, Fresno LAFCo

Butte LAFCo

Sewer Commission - Oroville Region Municipal Service Review

Nipomo Community Services District and the **County of San Luis Obispo**

Chris Tooker, Sacramento LAFCo and CALAFCO Board of Directors

2009

Mike Gotch Courage & Innovation in Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislator of the Year Award

Paul Hood, Executive Officer, San Luis Obispo LAFCo

William Zumwalt, Executive Officer, Kings LAFCo

Napa LAFCo

Susan Vicklund Wilson, CALAFCO Vice Chair

Jerry Gladbach, CALAFCO Treasurer

Larry M. Fortune, Fresno LAFCo

Pat McCormick, Santa Cruz LAFCo Executive Officer

Emmanuel Abello, Santa Clara LAFCo

Orange LAFCo Boundary Report

Cities of Amador City, Jackson, Lone, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD – Countywide MSR Project

Assembly Member Jim Silva

2008

Distinguished Service Award

Most Effective Commission

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislator of the Year Award

Peter M. Detwiler, Senate Local Government Committee Chief Consultant

Yuba LAFCo

Dennis Hansberger, San Bernardino LAFCo

Michael Ott, San Diego LAFCo Executive Officer

Martha Poyatos, San Mateo Executive Officer

Wilda Turner, Los Angeles LAFCo

Kings LAFCo

City and Community District MSR and SOI Update

San Bernardino Board of Supervisors

Assembly Member Anna M. Caballero

2007

Outstanding CALAFCO Member

Distinguished Service Award

Counsel Most Effective Commission

Outstanding Commissioner

Kathy Long, Board Chair, Ventura LAFCo

William D. Smith, San Diego Legal

Santa Clara LAFCo

Gayle Uilkema, Contra Costa LAFCo



2016 Achievement Award Nominations

Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Lifetime Achievement

Joyce Crosthwaite, Orange LAFCo Executive Officer
Debby Chamberlin, San Bernardino LAFCo
San Bernardino LAFCo and City of Fontana
Islands Annexation Program
City of Fontana - Islands Annexation Program
John T. "Jack" Knox

2006

Outstanding CALAFCO Member

Everett Millais, CALAFCO Executive Officer and Executive
Officer of Ventura LAFCo

Distinguished Service Award

Clark Alsop, CALAFCO Legal Counsel

Most Effective Commission Award

Alameda LAFCo

Outstanding Commissioner Award

Ted Grandsen, Ventura LAFCo

Chris Tooker, Sacramento LAFCo

Outstanding LAFCo Professional Award

Larry Calemine, Los Angeles LAFCo Executive Officer

Outstanding LAFCo Clerk Award

Janice Bryson, San Diego LAFCo

Marilyn Flemmer, Sacramento LAFCo

Project of the Year Award

Sacramento Municipal Utility District Sphere of Influence
Amendment and Annexation; Sacramento LAFCo

Outstanding Government Leadership Award

Cities of Porterville, Tulare, and Visalia and Tulare LAFCo
Island Annexation Program

Legislator of the Year Award

Senator Christine Kehoe

2005

Outstanding CALAFCO Member

Peter Herzog, CALAFCO Board, Orange LAFCo

Distinguished Service Award

Elizabeth Castro Kemper, Yolo LAFCo

Most Effective Commission Award

Ventura LAFCo

Outstanding Commissioner Award

Art Aseltine, Yuba LAFCo

Henri Pellissier, Los Angeles LAFCo

Outstanding LAFCo Professional Award

Bruce Baracco, San Joaquin LAFCo

Outstanding LAFCo Clerk Award

Danielle Ball, Orange LAFCo

Project of the Year Award

San Diego LAFCo

MSR of Fire Protection and Emergency Medical Services

Outstanding Government Leadership Award

Sacramento Area Council of Governments (SACOG)

2004

Outstanding CALAFCO Member

Scott Harvey, CALAFCO Executive Director

Distinguished Service Award

Julie Howard, Shasta LAFCo

Most Effective Commission Award

San Diego LAFCo

Outstanding Commissioner Award

Edith Johnsen, Monterey LAFCo

Outstanding LAFCo Professional Award

David Kindig, Santa Cruz LAFCo

Project of the Year Award

San Luis Obispo LAFCo

Nipomo CSD SOI Update, MSR, and EIR



2016 Achievement Award Nominations

2003

Outstanding CALAFCO Member
Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award

Special Achievement Award

Michael P. Ryan, CALAFCO Board Member
Henri F. Pellissier, Los Angeles LAFCo
San Luis Obispo LAFCo
Bob Salazar, El Dorado LAFCo
Shirley Anderson, San Diego LAFCo
Lori Fleck, Siskiyou LAFCo
Napa LAFCo
Comprehensive Water Service Study
James M. Roddy

2002

Outstanding CALAFCO Member
Most Effective Commission Award
Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Outstanding Government Leadership Award

Ken Lee, CALAFCo Legislative Committee Chair
San Diego LAFCo Outstanding
Ed Snively, Imperial LAFCo
Paul Hood, San Luis Obispo LAFCo
Danielle Ball, Orange LAFCo
San Luis Obispo LAFCo
Napa LAFCo, Napa County Farm Bureau, Napa Valley
Vintners Association, Napa Valley Housing Authority, Napa
County Agricultural Commissioner's Office, Napa County
Counsel Office, and Assembly Member Patricia Wiggins

2001

Outstanding CALAFCO Member
Distinguished Service Award

Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Project of the Year Award
Outstanding Government Leadership Award

Legislator of the Year Award

SR Jones, CALAFCO Executive Officer
David Martin, Tax Area Services Section, State Board of
Equalization
H. Peter Faye, Yolo LAFCo
Ingrid Hansen, San Diego LAFCo
Santa Barbara LAFCo
Alameda County Board of Supervisors, Livermore City
Council, Pleasanton City Council
Senator Jack O'Connell

2000

Outstanding CALAFCO Member
Distinguished Service Award

Most Effective Commission Award
Outstanding Commissioner
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Legislator of the Year Award

Ron Wootton, CALAFCO Board Chair
Ben Williams, Commission on Local Governance for the
21st Century
Yolo LAFCo
Rich Gordon, San Mateo LAFCo
Annamaria Perrella, Contra Costa LAFCo
Susan Stahmann, El Dorado LAFCo
San Diego LAFCo
Robert Hertzberg, Assembly Member



2016 Achievement Award Nominations

1999

Distinguished Service Award	Marilyn Ann Flemmer-Rodgers, Sacramento LAFCo
Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	Don Graff, Alameda LAFCo
Outstanding LAFCo Clerk Award	Dory Adams, Marin LAFCo
Most Creative Solution to a Multi-Jurisdictional Problem	San Diego LAFCo
Outstanding Government Leadership Award	Assembly Member John Longville
Legislator of the Year Award	Assembly Member Robert Hertzberg

1998

Outstanding CALAFCO Member	Dana Smith, Orange LAFCo
Distinguished Service Award	Marvin Panter, Fresno LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Executive Officer Award	George Spiliotis, Riverside LAFCo
Outstanding Staff Analysis	Joe Convery, San Diego LAFCo Joyce Crosthwaite, Orange LAFCo
Outstanding Government Leadership Award	Santa Clara County Planning Department

1997

Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	George Finney, Tulare LAFCo
Outstanding Staff Analysis	Annamaria Perrella, Contra Costa LAFCo
Outstanding Government Leadership Award	South County Issues Discussion Group
Most Creative Solution to a Multi-Jurisdictional Problem	Alameda LAFCo and Contra Costa LAFCo
Legislator of the Year Award	Assembly Member Tom Torlakson

Please join us for the CALAFCO Annual Conference
October 26 – 28, 2016
Santa Barbara, California

