

# **AGENDA**

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

**NORTON REGIONAL EVENT CENTER  
1601 EAST THIRD STREET #1000, SAN BERNARDINO**

### **REGULAR MEETING OF JANUARY 17, 2018**

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

**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

1. Approval of Minutes for Regular Meeting of November 15, 2017
2. Approval of Executive Officer's Expense Report
3. Ratify Payments as Reconciled for Months of November and December 2017 and Note Cash Receipts
4. Consideration of Fee Reduction Request by the Proponents for the Creation of a Citrus Pest Control District
5. Adoption of LAFCO Resolution No. 3257 Continuing Workers' Compensation Coverage for Commission Members with Special District Risk Management Authority (SDRMA)
6. Consent Items Deferred for Discussion

#### **PUBLIC HEARING ITEMS:**

7. Consideration of: (1) Review of Mitigated Negative Declaration Prepared by the County of San Bernardino for Tentative Tract Map No. 19991 to create sixty-two single-family residential lots and two lettered lots for an infiltration basin and water well on 16.88 acres, as CEQA Responsible Agency for LAFCO SC#421; and (2)

LAFCO SC#421 – City of Redlands Pre-Annexation Agreement (PAA) 17-01 for Water and Sewer Service (Assessor Parcel Number 0298-261-46)

8. Consideration of: (1) CEQA Statutory Exemption for LAFCO 3222; and (2) LAFCO 3222 -- Sphere of Influence Establishment for the Metropolitan Water District of Southern California (territory within San Bernardino County – coterminous with IEUA sphere of influence)

### **DISCUSSION ITEMS:**

9. Review and Accept Audit Report for Fiscal Year Ended June 30, 2017
10. Mid-Year Budget Review for Fiscal Year 2017-18:
  - Financial Report for Period July 1 through December 31, 2017
  - Authorization of Fund Transfer to Address Increased Revenues and Expenditures due to Increased Activity Related to Litigation and Proposal Processing
11. Review and Consideration of Policy Related to Retention of Electronic Communications

### **INFORMATION ITEMS:**

12. Legislative Oral Report
13. Executive Officer's Oral Report
  - a. New Proposals Received
  - b. Update on Proposals Filed with LAFCO
14. 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.)
15. 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 1170 West Third Street, Unit 150, San Bernardino, during normal business hours, on the LAFCO website at [www.sbclafco.org](http://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](http://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 NOVEMBER 15, 2017**

**REGULAR MEETING**

**9:00 A.M.**

**NOVEMBER 15, 2017**

**PRESENT:**

**COMMISSIONERS:**

<b>Jim Bagley</b>	<b>Larry McCallon</b>
<b>Kimberly Cox, Chair</b>	<b>James Ramos, Vice-Chair</b>
<b>Jim Curatalo</b>	<b>Diane Williams</b>
<b>Steve Farrell, Alternate</b>	
<b>Robert Lovingood</b>	

**STAFF:**

**Kathleen Rollings-McDonald, Executive Officer**  
**Clark Alsop, LAFCO Legal Counsel**  
**Samuel Martinez, Assistant Executive Officer**  
**Michael Tuerpe, Project Manager**  
**Jeffrey Lum, LAFCO Analyst**  
**La Trici Jones, Commission Clerk**  
**Bob Aldrich, LAFCO Consultant**

**ABSENT:**

**Janice Rutherford, Alternate**  
**Acquanetta Warren, Alternate**

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION  
– CALL TO ORDER – 9:07 A.M. – NORTON REGIONAL EVENT CENTER**

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

**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 12 months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution was made, and the matter of consideration with which they are involved. There were none.

**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.

**ITEM 1.** Approval of Minutes for Regular Meeting of October 18, 2017

**ITEM 2.** Approval of Executive Officer's Expense Report

**ITEM 3.** Ratify Payments as Reconciled for Month of October 2017 and Note Cash Receipts

Commissioner Lovingood moves approval of the Consent Calendar, Second by Commissioner Ramos. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: None.

**ITEM 4. CONSENT ITEMS DEFERRED FOR DISCUSSION:**

None

**PUBLIC HEARING ITEMS:**

**ITEM 5. CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3221; AND (2) LAFCO 3221 – ANNEXATION TO THE LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT (APN 0336-111-04)**

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 through publication in a newspaper of general circulation within the service area, the *Mountain News*. Individual notice was provided to landowners and registered voters within 750 feet surrounding the area as required by Commission policy and State law.

Mr. Martinez states that in June 2017, the Lake Arrowhead Community Services District initiated the application to annex Assessor's Parcel Number 0336-111-04. He states that this parcel is being developed into Tentative Parcel Map 1515111 and proposed to be subdivided into three single family residential lots. Mr. Martinez states that the proposed project was approved by the County in 2002, there has been a revision to this action, and a couple of extensions. He states that the last extension was granted in 2016 with an expiration of November 2018.

Mr. Martinez states that the primary reason for the annexation request is to provide water and wastewater service to the tentative parcel map. He states that the conditions of approval require that the proposed development connect to the water and sewer system of the Lake Arrowhead Community Services District prior to the final recordation of the map.

Mr. Martinez states that the parcel is within the District's sphere of influence but not its boundary, therefore, annexation is required in order to connect to the District's water and wastewater facilities.

Mr. Martinez states that the annexation is legally uninhabited, and LAFCO staff verified that there is 100% landowner consent to the annexation. Therefore, if the Commission approves LAFCO 3221, staff is recommending pursuant to Government Code Section 56662(d) that protest proceedings be waived and the Executive Officer be directed to complete the action following completion of the mandatory reconsideration period of 30 days.

Mr. Martinez states that staff recommends that the Commission approve LAFCO 3221 by taking the following actions: 1) For environmental review, certify that LAFCO 3221 is statutorily exempt from the provisions of the California Environmental Quality Act and direct the Executive Officer to file the Notice of Exemption within five (5) days; 2) Approve LAFCO 3221, with the condition for the “hold harmless” clause for potential litigation costs, continuation of fees, charges, assessments etc.; 3) Waive protest proceedings, as permitted by Government Code Section 56662(d), with 100% landowner consent to the annexation; and, 4) Adopt LAFCO Resolution #3252 setting forth the Commission’s findings and determinations concerning LAFCO 3221.

Chair Cox asks for questions from the Commission regarding staff’s presentation. There are none.

Chair Cox calls for comment from the public; there being none, she closes the public hearing and refers the matter for motion from the Commission.

Commissioner Bagley moves approval of the staff recommendation, Second by Commissioner Lovingood. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: None

**ITEM 6. CONSIDERATION OF: (1) REVIEW OF MITIGATED NEGATIVE DECLARATION PREPARED BY THE CITY OF REDLANDS FOR ANNEXATION NO. 94, ZONE CHANGE NO. 454, TENTATIVE TRACT MAP NO. 19942, AND DEMOLITION PERMIT NO. 258; (2) REVIEW OF ADDENDUM PREPARED BY LAFCO ENVIRONMENTAL CONSULTANT TO ADDRESS THE INCLUSION OF ADDITIONAL RIGHT-OF-WAY, AS CEQA LEAD AGENCY FOR LAFCO 3207; AND (3) LAFCO 3207 – REORGANIZATION TO INCLUDE CITY OF REDLANDS ANNEXATION NO. 94 AND DETACHMENTS FROM SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS VALLEY SERVICE ZONE, COUNTY SERVICE AREA 70 AND ITS ZONE P-7 (SAM-REDLANDS, LLC)**

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 through publication in a newspaper of general circulation within the service area, the *San Bernardino County Sun*. Individual notice was provided to landowners and registered voters within 750 feet surrounding the area as required by Commission policy and State law.

Mr. Martinez states the primary reason for the annexation is to receive water and sewer service from the City of Redlands. He states that the proposed tentative tract map is being developed with thirty four (34) lots for single family residences and four lettered lots for amenities.

Mr. Martinez states that since the project is contiguous to the City’s boundary along Wabash Avenue, the delivery of services to the project area is contingent upon annexation as required by the City’s “Measure U”. Mr. Martinez states that the staff report outlines the

major areas of consideration: (1) Boundaries; (2) Land use; (3) Service issues and effect on other local governments and (4) Environmental considerations.

Mr. Martinez states that in the past the Commission has expressed concern regarding piece-meal annexations, particularly in the community of Mentone and Crafton caused by the implementation of Measure U, and the Commission has directed staff to review the potential for expanding any proposal that is in that area.

Mr. Martinez states that LAFCO staff's position is that it would have been ideal to expand the proposal southerly to include the unincorporated peninsula. He states that in order to gauge if the expansion of the proposal was a viable option, LAFCO staff sent out a survey to all property owners and registered voters in the area. Mr. Martinez states that staff received a total of 15 responses to the survey which was negative for the two questions on the survey. Mr. Martinez states therefore the proposal cannot be expanded without the risk of terminating the proposal.

Mr. Martinez states that if the Commission chooses to approve this proposal, the Commission would be creating an unincorporated peninsula in the area and it requires that the Commission make the determination required to override the creation of the island.

Mr. Martinez states that on previous city annexations, the County Public Works Department identified their concerns regarding piece-meal annexations that creates a start-stop road maintenance between the city and the County. He states that since we could not expand the annexation southerly, staff viewed the expansion of the proposal to include the whole right-of-way of Wabash Avenue southerly of the LAFCO 3207 all the way to Citrus Avenue was the best service delivery option. However, upon review with the County Surveyor's office, it was identified that the right-of-way was already within the City's boundary. Therefore, Mr. Martinez states that the maintenance issue on Wabash is not a concern since the entire right-of-way is already within the City's boundary.

However, Mr. Martinez states that County Public Works Department submitted a letter, which is Attachment #5 to the staff report. He states that the letter requests that LAFCO expand the proposal to include the whole right-of-way on Sylvan Boulevard, which is adjacent to Tentative Tract Map 19942. Following staff review, Mr. Martinez states that LAFCO staff is proposing the modification of the reorganization proposal to include the whole right-of-way of Sylvan Boulevard. Mr. Martinez states the modified reorganization proposal allows Tentative Tract Map 19942 to move forward with the annexation in order to receive services and provides the City full responsibility of the entire easement of Sylvan Boulevard.

Mr. Martinez states that at this hearing, staff received a letter from the City of Redlands which identifies concerns with the expansion including the whole right-of-way of Sylvan Boulevard due to some structures that cross the easement boundary in the County's jurisdiction. The letter further states that this was not reviewed by the City Council when they approved the project in March 2017.

Executive Officer McDonald states that the discussion about the expansion of the boundaries to address the right-of-way was reviewed during the Departmental Review Committee Meeting. She states that there is sometimes an illustrative issue when showing

parcel lines against a google earth map; however, the development of structures in a flood control right-of-way is unheard of.

Mr. Martinez notes that the Mill Creek Zanja flood control (also known as the Zankey) is located within the expansion area. According to the County's letter to LAFCO, they have indicated that the easement for the flood control use is in the County's jurisdiction and the County will maintain the area.

Mr. Martinez states that approximately 5.5 acres of the 11.97 acres is a citrus grove, therefore the proposed development anticipated for LAFCO 3207 is anticipated to convert prime farmland into non-agriculture use. He states that when considering a proposal with agricultural conversion, Government Code Section 56377 requires that the Commission consider policies and priorities regarding such conversion of existing lands by: (1) Steering away from agricultural conversion unless the proposal "would not promote the planned, orderly, efficient development of an area" and; (2) encourage the development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction or within the sphere of influence of the local agency before any proposal is approved that would allow for the development of existing open-space for non-open-space uses outside the existing jurisdiction or outside the existing sphere of influence of the local agency. Mr. Martinez states that LAFCO 3207 will promote the planned, orderly efficient development of the area since the land use designation for the area is residential and the area surrounding is also designated for residential. Mr. Martinez states that a mitigation measure is included in the City's approval of Tentative Tract Map 19942 which has a 0.50/1 ratio and therefore, 2.75 acres of land will be conserved.

Mr. Martinez states that in regards to service issues, currently the area is serviced by the San Bernardino County Fire Protection District for fire and paramedic services; these services will transfer to the City's fire department. He states that LAFCO 3207 has an automatic aid agreement between the City and the County.

Mr. Martinez states that as required by Commission policy and State Law, the plan for service shows that the extension of the City's services will maintain or exceed the current levels of service provided by the County.

Mr. Martinez states that the City of Redlands prepared an environmental assessment and Mitigated Negative Declaration for Annexation No. 94, Zone Change No. 565, Tentative Tract Map No. 19942, and Demolition Permit No. 258. He states that the Commission's Environmental Consultant, Tom Dodson, prepared an addendum to the City's environmental assessment that addresses the additional right-of-way area and Mr. Dodson has determined that if the Commission approves LAFCO 3207, the addendum, together with the City's environmental assessment, are adequate for the Commission's use as a lead agency under CEQA.

Mr. Martinez states that the reorganization area is legally uninhabited and the study area possesses 100% landowner consent to the annexation. Therefore if the Commission approves LAFCO 3207 and none of the affected agencies have submitted written opposition to a waiver of protest proceedings, staff is recommending that the protest proceedings be waived and include the direction to the Executive Officer to complete the reorganization following completion of the mandatory reconsideration period of 30 days.

Mr. Martinez states that LAFCO staff supports approval of LAFCO 3207 and outlines the staff's recommendation as outlined on pages 1 and 2 of the staff report.

Chair Cox calls for questions from the Commission.

Commissioner Ramos asks Mr. Martinez to explain the survey results; to which Mr. Martinez responds that a total of 15 responses were received and both questions were received a "negative" response. Commissioner Ramos asks Mr. Martinez, what were the questions asking? Mr. Martinez states that the questions were asking if they supported the annexation, and secondly if there was no cost to them, would they support the annexation. Commissioner Ramos states the response from the community is in opposition; to which Mr. Martinez responds in the affirmative.

Discussion amongst Commissioners takes place.

In response to a question from Commissioner Ramos, Executive Officer McDonald states that the parcels in the area considered for expansion currently receive water service from the City of Redlands. She states that Measure U requires that anyone desiring water and sewer service that is contiguous to the City's boundary must annex. Ms. McDonald states that LAFCO is not removing the ability of the people to protest. She states that if the annexation area were expanded, registered voters could protest thereby terminating the entire proposal.

Discussion continues.

Chair Cox asks Mr. Martinez to speak to the matter regarding the letter received from the City of Redlands and provide further explanation. Mr. Martinez states that the City wanted to take this matter back to their City Council because the expansion of the annexation is not what the City Council approved in March 2017. Chair Cox questions whether this item should be continued to allow more time for consideration. Mr. Martinez states that we can hear from the City and the property owner as they are in attendance.

Chair Cox states that she would like to get a speaker's slip from the City as she would like a response to her question.

Chair Cox opens the public hearing on LAFCO 3207 and calls upon the proponent.

Executive Officer McDonald states that the Commission's standard process would be to call the City representative first, followed by the property owner, before the rest of the speakers are called to speak. Chair Cox states that she does not have a speaker's slip for the property owner. Ms. McDonald states that Pat Meyer is representing the property owner.

Chair Cox calls upon Mr. Meyer, followed by the City and then go the balance of the presenters.

Mr. Meyer states that he is representing the land owner and has been working on this project for a couple of years having submitted the application to the City quite some time ago. He states that the City has processed all the pertinent entitlements to get them in front

of LAFCO today. He states that he is in favor of the staff report that has been presented today, but with the knowledge now that the City has a problem with the full right-of-way; he would like to note that his original application was just to the center-line of Sylvan Avenue, not the full right-of-way. Mr. Meyer states that it was not until a letter was received by LAFCO that he was made aware of the County's desire to have control of the full right-of-way placed under the City's jurisdiction. He states that this has now created a problem. Mr. Meyer states that he remains in favor of the staff's recommendation, but would encourage the Commission to annex to the centerline of Sylvan Avenue and move forward today because the development is imminent.

Chair Cox calls Lorelee Farris, Principal Planner for the City of Redlands.

Ms. Farris states that the Redlands City Council reviewed the original boundaries of LAFCO 3207 in March 2017 and acted upon a tentative tract map and pre-zoning application and indicated their support of the annexation. She states that in response to the letter from the County's Department of Public Works, dated November 2, 2017, the City Council has not had the opportunity to fully review the modified area. She states that in conducting a preliminary review of this general area, it was identified that there was a structure that extends into the easement area and this raised ambiguity and questions regarding who the proper permitting authority for structures that might cross into different jurisdictional boundaries. Mrs. Farris states that the City Council would like an opportunity to be able to confirm support of the expanded area.

Mr. Bagley states that the original proposal that went before the City Council was just for half of the right-of-way and there were no issues with the encroachment? Ms. Farris states that Commissioner's Bagley's statement is correct. Mr. Bagley states that he is sympathetic to what the municipalities are asking and is in support of a continuance for review.

Discussion continues.

Chair Cox states that we have a property owner that is requesting to utilize the centerline as the boundary, we have a City that has already reviewed and approved this annexation to the centerline, and it's only because we received a letter from County Public Works that we are contemplating a continuation. To which Mr. Martinez states that this is correct. He states that this goes back to previous annexations that have been approved where the concern is about the start/stop maintenance on the roadway along Wabash Avenue. He states that if the Commission moves forward with going to just the centerline, he would encourage the City and the County to enter into a contractual relationship on how they are going to maintain the roads in and around that area.

Chair Cox states that it is very common to use the centerline of the road as a jurisdictional divide.

Chair Cox states that we will continue with the balance of public comment and calls Stephen Rogers.



Mr. Rogers states that he is from Redlands and is involved with the Mentone Community Association. He states that he is concerned about this project due to the underground storage tanks.

Chair Cox calls the next speaker, Anthony Serrano.

Mr. Serrano states he lives in the City of Highland and he stumbled into this matter because of septic tanks. He states that all of Mentone is on septic tanks and the contaminants from the tanks have been getting into the water.

Chair Cox calls Steve Hellerman.

Mr. Hellerman states that he lives next door to the proposed project and today is the first he has heard that Redlands is seeking to annex part of his property. He states that if the developer stays to his word this development may work. He states that the tanks on the property have not been removed. He states that the tanks are still leaking underground. Chair Cox questions if Mr. Hellerman is primarily objecting to the expansion of taking the entirety of Sylvan Avenue, but does not object to the original proposal of the centerline. Mr. Hellerman states that he really does not have a choice because he does not own the property. He states that he could live with the plans that were presented back in May as long as the toxic waste in the middle of the property is dealt with.

Chair Cox ask if there are additional speakers.

Leonette DiMuro states that she is concerned because the Commission seems to okay dishonesty from the City of Redlands. She is in opposition to the staff recommendation.

Chair Cox calls Angie DeLaRosa.

Ms. De La Rosa states that she lives in Mentone and has been advocating to keep Mentone rural and agricultural. She states that these types of developments that keep coming in set a precedence that Mentone will have high-density homes. She is in opposition to the staff recommendation.

Chair Cox closes the public hearing and asks the Commission for final comments.

Commission McCallon states that he is a firm believer in private property rights and the owner of the property wants to annex to the City to get water and sewer and the City has approved that. He states that he understands the concerns that others have brought before the Commission, but most of those concerns are outside the purview of LAFCO. He states that the City of Redlands is the one to address those issues. He states that he believes the Commission should approve this only to the centerline which was proposed and approved by Redlands.

Commissioner McCallon makes the motion to approve staff's recommendation for only the original proposal using the centerline of Sylvan Blvd. as the southerly boundary.

Commissioner Ramos states that if the Commission approves to the centerline and Redlands approves the entire right-of-way, would this matter come back to LAFCO?

Executive Officer McDonald states that if it goes to the centerline, the annexation will move forward. No jurisdictional change related to the peninsula would be processed until the areas decides it wants to be included within the City's jurisdiction.

Ms. McDonald states that with the proposed motion, Mr. Dodson would like to make a few comments.

Mr. Tom Dodson states that he would like to clarify the addendum that was prepared included the whole alignment, therefore if you go to the center-line, you would still want to take the same action because its encompassing the whole alignment of Sylvan, so you would be adopting the addendum and approving the initial study as a basis for the addendum of the study.

Commissioner Ramos states that Measure U has been a topic of discussion, and it's clear that this body has no bearing on Measure U. He states that it's more of what's given to us, and we have to react on that. Mr. Ramos states that the place to go address those concerns would be the originator of Measure U and that would be the City of Redlands.

Executive Officer McDonald states that Measure U was a referendum that was voted on by the residents of Redlands establishing a mechanism and threshold to extend services outside the city of Redlands boundaries. She states that any change in that referendum would have to go back again to the voters of the City of Redlands.

Commissioner Curatalo states that if the maps we have in the staff report are not accurate or current concerning the buildings as they state are proposed for demolition. He questions if they are already gone, would that change the staff recommendation?

Executive Officer McDonald states that it would not.

Chair Cox asks if there are further comments. There are none.

Commissioner McCallon moves approval of the staff recommendation, Second by Commissioner Bagley. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: None.

## **DISCUSSION ITEMS:**

### **ITEM 7        SIX MONTH UPDATE ON THE CITY OF RIALTO'S INITIATION OF ITS FIVE NORTH RIALTO ISLANDS**

Assistant Executive Officer Martinez states that this is the third update regarding the City of Rialto's compliance with their commitment to initiate the five north Rialto Islands. Mr. Martinez states that LAFCO staff was not able to attend the community meeting in June held by the City of Rialto due to the circumstances that are outlined in the staff report. He

states that since then there has been no communication or coordination with City staff regarding the progress to annexing the five north Rialto islands.

He states that last month LAFCO staff requested that City staff provide an update as well as a new timeline regarding their commitment to annex the islands. Mr. Martinez states that City staff responded with a new timeline which anticipates submittal of an annexation application to LAFCO by July 2018.

Mr. Martinez states that staff is revising the recommendation to not only receive and file, but to also continue to participate and assist in the City's process, and return to the Commission in six months with an update on the actions of the City.

Chair Cox asks if the City has begun their CEQA process, to which Mr. Martinez states that they have begun the process in April with the initial study of the five islands. Executive Officer McDonald states that when the City did the initial study and circulated for review and comment, LAFCO staff was not included.

Commissioner McCallon states that it would be useful if a letter was sent to the City of Rialto from the LAFCO chair stating our concerns on the process. Chair Cox states that this will be added to the recommendation.

Commissioner McCallon moves approval of the staff recommendation, Second by Commissioner Lovingood. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: None.

**ITEM 8        AUTHORIZE LAFCO STAFF TO CONDUCT THE SPECIAL DISTRICT SELECTION FOR THE MEMBERSHIP ON THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD A THE REQUEST OF THE SAN BERNARDINO COUNTY AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR**

Executive Officer McDonald states that in September, LAFCO staff received a letter from Oscar Valdez, the County Auditor/Controller/Treasurer/Tax-Collector, requesting that we implement the Special Districts selection process to provide for the seating of a Special District member on the newly consolidated countywide oversight board for redevelopment agencies. Ms. McDonald states that oversight boards are related to the demise of the redevelopment agencies and with the passage of SB107, there will be a single oversight board for the entire county.

Ms. McDonald states that we will use the standard process for all Special District items which is an all-mail ballot. She states that staff has included in the staff report the process that LAFCO will undertake for the Special District regular and alternate positions.

Ms. McDonald states that staff recommends that the Commission take the following actions related to the amendment of its Policy and Procedure Manual:

(1). Authorize LAFCO staff to conduct the Special District selection process pursuant to Government Code Section 56332 to fill the seat of a regular and alternate member of the San Bernardino County Oversight Board and to bill the San Bernardino County Auditor

Controller for all costs of processing; (2) Amend Policy #4 in Section VI – Special Districts, to correct code citation to read as follows:

The business of the Special Districts Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56322(f).

(3). Add Policy #5 in Section VI – Special Districts Chapter 1 – Introduction as outlined in the staff report titled as follows:

SELECTION OF INDEPENDENT SPECIAL DISTRICT REPRESENTATIVES  
(REGULAR AND ALTERNATE) TO THE SAN BERNARDINO COUNTYWIDE  
OVERSIGHT BOARD Staff Report Pages 1&2 has Full Policy Description)

(4). Adopt Resolution No. Adopt Resolution No. 3254 approving the changes to Section VI – Special Districts, Chapter 1 – Introduction and Policies of the Policy and Procedure Manual and direct the Executive Officer to make the amended document available on the Commission's website and circulate as required.

Commissioner McCallon moves approval of the staff recommendation, Second by Commissioner Curatalo. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: None.

#### **INFORMATION ITEMS:**

#### **ITEM 9 LEGISLATIVE ORAL REPORT**

Executive Officer McDonald states that there is nothing to report at this time.

#### **ITEM 10 EXECUTIVE OFFICER'S ORAL REPORT**

Executive Officer McDonald states that there are no new proposals to identify at this time. She states that LAFCO was well represented by Commissioners at the annual conference.

#### **ITEM 11 COMMISSIONER COMMENTS**

Chair Cox states that Executive Officer Kathleen Rollings-McDonald received the Lifetime Achievement Award from CALAFCO which is a significant honor. Chair Cox thanks Ms. McDonald for all her years of service. Commissioner Curatalo states that he would like to thank Kathy and Sam for supporting CALAFCO and state that their efforts have not gone unnoticed.

#### **ITEM 12 COMMENTS FROM THE PUBLIC**

Stephen Rogers states that three minutes really is not a long time to convey to the Commission how he feels on a specific project. He states that he encouraged the Mentone community to put a letter together and provide it to LAFCO ahead of time. Mr. Rogers

states that he is concerned about the hold harmless clause when it comes to willful and professional negligence.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING IS ADJOURNED AT 10:55 A.M IN THE MEMORY OF FORMER LAFCO COMMISSIONER DICK PEARSON.**

**ATTEST:**

\_\_\_\_\_  
LA TRICI JONES  
Clerk to the Commission

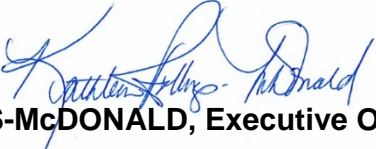
LOCAL AGENCY FORMATION COMMISSION

\_\_\_\_\_  
KIMBERLY COX, Chair

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West 3<sup>rd</sup> Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
E-MAIL: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

---

**DATE :** JANUARY 8, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** AGENDA ITEM #2 – APPROVAL OF EXECUTIVE OFFICER'S  
EXPENSE REPORT

---

## **RECOMMENDATION:**

Approve the Executive Officer's Expense Report for Procurement Card Purchases from October 24, 2017 through December 22, 2017.

## **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 Policy #3(H). Staff has prepared an itemized report of purchases that covers the billing period of October 24, 2017 through December 22, 2017.

Staff recommends that the Commission approve the Executive Officer's expense report as shown on the attachment.

KRM/LJ

Attachment



## PROCUREMENT CARD PROGRAM

## ATTACHMENT G

## MONTHLY PROCUREMENT CARD PURCHASE REPORT

PAGE 1 OF

Card Number		Cardholder						Travel	Billing Period	
		Kathleen Rollings-McDonlad							10/22-12/22	
DATE	VENDOR NAME	#	DESCRIPTION	PURPOSE	COST CENTER	G/L ACCOUNT	\$ AMT	TRIP NUMBER	*R/D	SALES TAX
10/23/17	Daisy IT	1	Office Supplies	Office Supplies	8900005012	52002305	259.56		R	
10/26/17	Bahia Hotel	2	Hotel	CALAFCO Conference	8900005012	52942942	141.09CR		R	
10/26/17	Bahia Hotel	3	Hotel	CALAFCO Conference	8900005012	52942942	258.09CR		R	
10/26/17	Bahia Hotel	4	Hotel	CALAFCO Conference	8900005012	52942942	117.3CR		R	
10/25/17	Bahia Hotel	5	Hotel	CALAFCO Conference	8900005012	52942942	18.93		R	
10/25/17	Bahia Hotel	6	Hotel	CALAFCO Conference	8900005012	52942942	423.27		R	
10/25/17	Bahia Hotel	7	Hotel	CALAFCO Conference	8900005012	52942942	561.18		R	
10/28/17	Bahia Hotel	8	Hotel	CALAFCO Conference	8900005012	52942942	3.5		R	
10/31/17	Staples Direct	9	Scanner	Office Supplies	8900005012	52002305	323.99		R	
11/02/17	Thomson West	10	Publication	Law Library Update	8900005012	52002080	203.82		R	
11/07/17	Apple Valley Florist	11	Flowers	Funeral Services	8900005012	30000002	69.4		R	
11/06/17	SouthWest Airlines	12	Samuel Martinez	CALAFCO Workshop	8900005012	52942945	475.96		R	
11/06/17	SouthWest Airlines	13	Michael Tuerpe	CALAFCO Workshop	8900005012	52942945	475.96		R	
11/06/17	SouthWest Airlines	14	K. Rollings-McDonald	CALAFCO Workshop	8900005012	52942945	475.96		R	
11/09/17	Storetrieve	15	Records Storage	Archives	8900005012	52002315	59.62		R	
11/09/17	Frontier	16	Service	Internet	8900005012	52002041	672.96		R	
11/09/17	Daisy IT	17	Office Supplies	Office Supplies	8900005012	52002305	166.83		R	
11/11/17	SouthWest Airlines	18	K. Rollings-McDonald	Refund(CALAFCO Conference)	8900005012	52942945	475.96		R	
11/10/17	Frontier	19	Telephone Service	Phone Service	8900005012	52002041	72.5		R	
11/16/17	Westin San Diego	20	Hotel (In Dispute)	Unknown	8900005012	52942942	47		D	

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)	Date
<i>Kathleen Rollings-McDonlad</i>	01/08/18

Approving Official (Print & Sign)	Date



## PROCUREMENT CARD PROGRAM

## ATTACHMENT G

## MONTHLY PROCUREMENT CARD PURCHASE REPORT

PAGE 2 OF

Card Number		Cardholder						Travel	Billing Period	
XXXXXXXXXX		Kathleen Rollings-McDonlad							10/22-12/22	
DATE	VENDOR NAME	#	DESCRIPTION	PURPOSE	COST CENTER	G/L ACCOUNT	\$ AMT	TRIP NUMBER	*R/D	SALES TAX
11/20/17	CALAFCO	21	CALAFCO-U	Conference	8900005012	52942941	259.53		R	
11/28/17	Thomson West	22	Publications	Law Library Updates	8900005012	52002080	203.82		R	
11/28/17	Frontier	23	Service	Internet	8900005012	52002040	672.96		R	
11/29/17	CALAFCO	24	CALAFCO-U	Conference Refund	8900005012	52942941	259.53CR		R	
11/29/17	CALAFCO	25	CALAFCO-U	Conference Refund	8900005012	52942941	86.51		R	
11/30/17	Daisy IT	26	Office Supplies	Office Supplies	8900005012	52002305	5.23		R	
11/30/17	Daisy IT	27	Office Supplies	Office Supplies	8900005012	52002305	106.08		R	
12/06/17	Southwest Airlines	28	K. Rollings-McDonald	CALAFCO Meeting	8900005012	52942945	497.96		R	
12/14/17	Storetrieve	29	Archives	Records Storage	8900005012	52002315	59.62		R	
12/14/17	Sitoa	30	Cab Service	Transportation	8900005012	52942946	35.75		R	
12/15/17	Frontier	31	Telephone Service	Phone Service	8900005012	52002041	124.1		R	
12/16/17	Embassy Suites	32	Hotel	CALAFCO Leg Committee	8900005012	52942942	284.92		R	
		33								
		34								
		35								
		36								
		37								
		38								
		39								
		40								



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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[www.sbclafco.org](http://www.sbclafco.org)

---

**DATE :** JANUARY 9, 2018



**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer

**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT: AGENDA ITEM #3 - RATIFY PAYMENTS AS RECONCILED FOR  
THE MONTH OF NOVEMBER 2017 AND NOTE REVENUE  
RECEIPTS**

---

## **RECOMMENDATION:**

Ratify payments as reconciled for the month of November 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 November 1, 2017 through November 30, 2017.

Due to the processing changes in the county's financial accounting system; the ratification of payments for the month of December will be presented at the February hearing.

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

KRM/LJ

Attachment

MONTH OF NOVEMBER 2017 PAYMENTS PROCESSED						
Document Number	Account	Posting Date	Activity	Reference	Vendor	Amount
1900026244	52002085	11/8/2017	Legal Notice of Hearing LAFCO 3207	B3063216	Daily Journal	\$646.80
1900026279	52002085	11/8/2017	Legal Notice of Hearing LAFCO Service Contract #419	B3043388	Daily Journal	\$670.59
1900033821	52002085	11/21/2017	Legal Notice of Hearing LAFCO 3219	B3064789	Daily Journal	\$906.24
1900028122	52002182	11/14/2017	So Cal Edison	2-3-945-2309	Edison	\$294.10
1900032577	52002308	11/14/2017	Credit Card Clearing Account	LAFCO 1/23/2017		\$1,004.17
1900034163	52002400	11/21/2017	Best Best & Krieger	Invoice 808391	Best Best & Krieger	\$3,650.27
1900034165	52002400	11/21/2017	Best Best & Krieger	Invoice 808390	Best Best & Krieger	\$2,352.30
1900034168	52002400	11/21/2017	Best Best & Krieger	Invoice 808393	Best Best & Krieger	\$1,618.31
1900034169	52002400	11/21/2017	Best Best & Krieger	Invoice 808394	Best Best & Krieger	\$1,848.00
1900034171	52002400	11/21/2017	Best Best & Krieger	Invoice 808392	Best Best & Krieger	\$574.80
1900026278	52002444	11/8/2017	Alarm Monitoring Services	Invoice 414000	Mijac Alarm	\$117.00
1900026256	52002445	11/8/2017	Aldrich & Associates	Invoice #51	Aldrich & Associates	\$3,075.00
1900030534	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	James Curatalo	\$200.00
1900030535	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	Kimberly Cox	\$200.00
1900030536	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	James Ramos	\$200.00
1900030537	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	Larry McCallon	\$200.00
1900030540	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	James Bagley	\$200.00
1900030541	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	Robert Lovingood	\$200.00
1900030543	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	Diane Williams	\$200.00
1900030544	52002445	11/16/2017	11/15/2017 Commission Hearing Stipend	LAFCO	Steven Farrell	\$200.00
1900033820	52002445	11/17/2017	Aldrich & Associates	Invoice #52	Aldrich & Associates	\$3,000.00
1900027511	52002905	11/9/2017	Unit #150 CAM & Rent Sept/Oct 2017	LAFCO	CityCom	\$15,057.90
1900032539	52002905	11/20/2017	Hearing Room Rental July thru November 2017	Invoice 499	IVDA	\$2,025.00
1900032544	52002905	11/20/2017	Hearing Room Security Deposit	Invoice 500	IVDA	\$810.00
1900036512	52002905	11/28/2017	Amortization 3rd Qtr	LAFCO	SBCTA	\$8,448.33
1900036517	52002905	11/28/2017	Amortization 4th Qtr	LAFCO	SBCTA	\$8,448.33
1900028131	52942940	11/14/2017	Personal Mileage Reimbursement CALAFCO Conference	LAFCO	James Curatalo	\$127.33
1900030534	52942940	11/16/2017	11/15/2017 Commission Hearing Mileage	LAFCO	James Curatalo	\$26.75
1900030535	52942940	11/16/2017	11/15/2017 Commission Hearing Mileage	LAFCO	Kimberly Cox	\$57.78
1900030540	52942940	11/16/2017	11/15/2017 Commission Hearing Mileage	LAFCO	James Bagley	\$96.16
1900030540	52942940	11/16/2017	Personal Mileage Reimbursement CALAFCO Conference	LAFCO	James Bagley	\$172.27
1900030543	52942940	11/16/2017	11/15/2017 Commission Hearing Mileage	LAFCO	Diane Williams	\$25.26
1900030543	52942940	11/16/2017	Personal Mileage Reimbursement CALAFCO Conference	LAFCO	Diane Williams	\$126.26
1900030544	52942940	11/16/2017	11/15/2017 Commission Hearing Mileage	LAFCO	Steven Farrell	\$18.41
190003054	52942940	11/16/2017	Personal Mileage Reimbursement CALAFCO Conference	LAFCO	Steven Farrell	\$133.75
1900028131	52942943	11/14/2017	Meal Reimbursement - CALAFCO Conference	LAFCO	James Curatalo	\$14.30
1900030540	52942943	11/16/2017	Meal Reimbursement - CALAFCO Conference	LAFCO	James Bagley	\$19.44
<b>TOTAL</b>						<b>\$56,964.85</b>
MONTH OF NOVEMBER 2017 INTERNAL TRANSFERS PROCESSED						
4200001081	52002310	11/2/2017	Mail Services	County Mail	County Mail	\$21.84
4200001084	52002310	11/2/2017	Mail Services	County Mail	County Mail	\$197.40
4200001085	52002310	11/2/2017	Mail Services	County Mail	County Mail	\$696.86
4200001086	52002310	11/2/2017	Mail Services	County Mail	County Mail	\$573.36
4200001278	52002323	11/8/2017	Printing Services	Printing	Purchasing	\$286.07

4200001278	52002323	11/8/2017	Printing Services	Printing	Purchasing	\$137.62
4100098394	52002420	11/30/2017	ISD Billing	ISD	ISD	\$17.47
4100098394	52002421	11/30/2017	ISD Desktop Support	ISD	ISD	\$1,443.53
4200002133	52002415	11/30/2017	2017/2018 COWCAP Qtr 2	County Auditor	County Auditor	\$2,114.40
4200000950	52002445	11/1/2017	Certification of Voters LAFCO 3207	ROV	ROV	\$49.56
4200001597	52002445	11/16/2017	Notice of Determination LAFCO 3207	COB	COB	\$50.00
4200001598	52002445	11/15/2017	Notice of Exemption LAFCO 3221	COB	COB	\$50.00
4200002018	52002445	11/28/2017	Accounting Services 2017 Third Quarter S08	County Auditor	County Auditor	\$984.90
4200002044	52002445	11/28/2017	Certification of Voters LAFCO 3219	ROV	ROV	\$49.56
<b>TOTAL</b>						<b>\$6,672.57</b>

**MONTH OF NOVEMBER 2017 CASH RECEIPTS**

4100057171	40709545	11/1/2017	LAFCO Service Contract #421	Individual Notice		\$700.00
4100057171	40709555	11/1/2017	LAFCO Service Contract #421	Legal		\$650.00
4100057171	40709660	11/1/2017	LAFCO Service Contract #421	Environmental		\$450.00
4100057171	40709800	11/1/2017	LAFCO Service Contract #421	LAFCO Fees		\$5,000.00
<b>TOTAL</b>						<b>\$6,800.00</b>

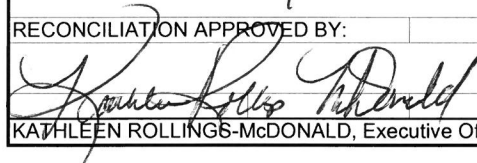
**MONTH OF NOVEMBER 2017 INTERNAL TRANSFERRED RECEIVED**

<b>TOTAL</b>						<b>\$0.00</b>
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LA TRICI JONES, Clerk to the Commission

1/8/2018  
DATE

RECONCILIATION APPROVED BY:

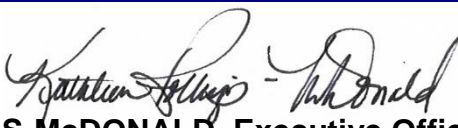
  
KATHLEEN ROLLINGS-McDONALD, Executive Officer

1/8/2018  
DATE

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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(909) 388-0480 • Fax (909) 388-0481  
lafco@lafco.sbcounty.gov  
www.sbclafco.org

---

**DATE:** JANUARY 9, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
SAMUEL MARTINEZ, Assistant Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** AGENDA ITEM #4 – Consideration of Fee Reduction Requested by  
the Proponents for the Creation of a Citrus Pest Control District

---

## **RECOMMENDATION:**

Staff recommends that the Commission approve a reduction of the LAFCO fee requested by the proponents for the creation of a Citrus Pest Control District by waiving the LAFCO filing fee for formation of a special district and only require the deposits applicable, which are estimated at \$4,950.

## **BACKGROUND:**

A group of citrus growers in San Bernardino County are considering forming a Citrus Pest Control District (hereafter "CPCD" or the "proposed district"). The immediate need for creating a CPCD is intended to treat a deadly citrus pest called the Asian Citrus Psyllid (ACP), which feeds on the citrus leaves and stems infecting the citrus trees with a bacteria that causes a plant disease called Huanglongbing (HLB). Once a citrus tree is infected with HLB, it dies. The only way to protect the citrus trees from HLB is to stop the ACP.

If the CPCD is formed, the proposed district would not only treat the affected citrus trees, it would also be responsible for tracking and locating the presence of the pest and the disease as well as educating the citrus growers and landowners about the pest/disease and how it plans to control and treat the pest as well as the disease. Once the district is formed, a special assessment will be placed on all parcels with at least 25 citrus trees that will be based on the number of trees per acre.

Initially, the proponents were not aware of the LAFCO process. LAFCO staff met with representatives of the ACP Task Force, the committee working on creating the proposed district, in late November and early December to discuss the LAFCO

requirements, the process, as well as the filing fee and deposits. The representatives have expressed their inability to shoulder all the required fee/deposits since they have no mechanism to fund the formation of the proposed district except through small donations from some of the local growers.

On December 13, 2017, LAFCO received a letter from Teresa M. Buoye, Chair of the ACP Task Force, which outlines their request for assistance with the LAFCO fees.

The Task Force is currently preparing the application materials needed to form the district including the required plan for service and fiscal impact analysis as well as making a final determination on the boundaries of the proposed district. Due to time constraints, this request for waiver/reduction of fees is being made without the required application package submitted to LAFCO. This is to allow LAFCO staff the ability to begin processing the proposal immediately once a complete application package is formally submitted since the Commission would have already rendered a decision regarding the request for fee waiver/reduction – a requirement prior to processing a proposal. Due to the pervasive threat of the ACP and HLB, timing is critical in forming the proposed district and every effort is being made by staff to assist the proponents' efforts to form the CPCD as quickly as possible.

Based on the Commission's adopted fee schedule, the total filing fee/deposits for the formation of a special district would be \$19,950. The breakdown below shows all the required fees/deposits for the submission of said formation proposal:

a. Formation of Special District Filing Fee	\$ 15,000
b. Deposit – Legal Counsel	\$ 1,200
c. Deposit – Environmental	\$ 750
d. Deposit – Legal Ad In Lieu of Individual Notice	\$ 1,000
e. Deposit – Protest Hearing (Legal Ad + Individual Notice to Landowners to be Assessed Estimated @ 650 Parcels)	\$ 2,000 (estimate)
<b>TOTAL</b>	<b>\$ 19,950</b>

Pursuant to Government Code Section 56383(d), the Commission may waive/reduce the filing fee if it determines that payment would be detrimental to the public interest. Given the dire need to create the CPCD for control and treatment of the emerging pest/disease that has become widespread in California—having already affected Florida, Texas and San Diego County—and the proponents' inability to shoulder the required filing fee, staff supports the proponents' request to reduce/waive the LAFCO fee. The fee reduction would be based on payment of direct cost as outlined in the Commission's adopted fee schedule through the submission of funds to accommodate the deposits as follows:

a. Formation of Special District Filing Fee	-waived-
b. Deposit – Legal Counsel	\$ 1,200
c. Deposit – Environmental	\$ 750

d. Deposit – Legal Ad In Lieu of Individual Notice	\$ 1,000
e. Deposit – Protest Hearing (Legal Ad + Individual Notice to Landowners to be Assessed Estimated @ 650 Parcels)	\$ 2,000 (estimate)
<b>TOTAL</b>	<b>\$ 4,950</b>

Staff is recommending that the Commission make the determination to reduce the total LAFCO fee by waiving the formation of special district filing fee and simply charge the required deposits. Staff will be happy to answer any questions of the Commission prior to or at the hearing.

KRM/sm

Attachment - Letter Dated December 11, 2017 from Teresa M. Buoye Representing the  
ACP Task Force, Proponents for the Creation of a Citrus Pest Control  
District

**Letter Dated  
December 11, 2017 from  
Teresa M. Buoye  
Representing the ACP Task  
Force, Proponents for the  
Creation of Citrus Pest  
Control**

**Attachment 1**

December 11, 2017

Teresa M. Buoye  
1500 E. Citrus Ave.  
Redlands, CA 92374

RECEIVED

2017 DEC 13 PM 2:35

LOCAL AGENCY  
FORMATION COMMISSION

Local Agency Formation Commission for San Bernardino County  
c/o Kathleen Rollings-McDonald, Executive Officer  
1170 West 3<sup>rd</sup> Street, Unit 150  
San Bernardino, CA 92415-0490

Regarding: Pest Control District Formation

Dear LAFCO members,

On November 20, 2017 members of our ACP Task Force and LAFCO officers met to discuss the possible formation of a PCD to assist in the fight against a very invasive citrus pest Asian Citrus Psyllid(ACP) and Huanglongbing(HLB), the incurable disease it carries. The management of this pest requires full participation from growers to residents if we wish to continue farming and enjoying the iconic citrus fruit that is so unique to our area. This crisis necessitates the formation of a PCD to organize, track, locate, educate, and treat citrus until a viable solution is found. Current treatments are voluntary and follow the protocols set by the scientific community at UC Riverside and the Citrus Pest and Disease Prevention Program(CPDPP), whose grower representatives are working with the California Department of Food and Agriculture(CDFA), to assist commercial farmers. To date all positive Huanglongbing(HLB) finds have been in residential yards with the most recent being in the City of Riverside.

Upon further discussion of the PCD, the fees required for the application do present a financial hardship to the relatively small "grass roots" group of farmers within our district. It is our hope that LAFCO can assist with fees as well as formation so that the district can form and together with our County Ag Commissioner work toward the suppression of this dangerous pest.

We thank you for considering our request and appreciate your assistance.

Sincerely,



Teresa Buoye

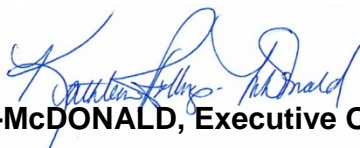
PCD Committee Chairperson



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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www.sbclafco.org

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**DATE :** JANUARY 9, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** Agenda Item #5: Adoption of Resolution No. 3257 Continuing  
Workers' Compensation Coverage for Commission Members with  
Special District Risk Management Authority

---

## **RECOMMENDATION:**

Staff recommends that the Commission adopt Resolution No. 3257 continuing Workers' Compensation coverage for Commission members with the Special District Risk Management Authority.

## **BACKGROUND:**

As a member of the Special District Risk Management Authority (SDRMA), the Commission participates in the Workers' Compensation coverage offered for its employees and Commissioners. On December 5, 2017, staff received a letter (copy included as Attachment #1) identifying the need to adopt a new resolution to continue Workers' Compensation coverage for Commission members under the California Labor Code. The required resolution has been drafted by SDRMA to meet the Labor Code requirements and is included as Attachment #2 to this report.

Staff is recommending that the Commission adopt the required resolution provided by SDRMA to continue coverage. Staff will be happy to answer any questions prior to or at the hearing.

KRM

## **Attachments:**

1. Letter Dated November 30, 2017 from Special District Risk Management Authority Regarding Workers Compensation Resolution
2. Draft Resolutions No. 3257 as Prepared by SDRMA

**Letter Dated November 30,  
2017 from Special District  
Risk Management Authority  
Regarding Workers  
Compensation Resolution**

**Attachment 1**



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

RECEIVED

1112 I Street, Suite 300

Sacramento, California 95814-2865

T 916.231.4141 or 800.537.7790 • F 916.231.4111

Maximizing Protection. Minimizing Risk. • [www.sdrma.org](http://www.sdrma.org)

November 30, 2017

2017 DEC -5 AM 10: 06

LOCAL AGENCY  
FORMATION COMMISSION

Ms. La Trici Jones

Clerk to the Commission

Local Agency Formation Commission for San Bernardino County

1170 West Third Street, Suite 150

San Bernardino, California 92415-0490

**Re: Workers' Compensation Resolution for Governing Body Member and/or Volunteer Coverage**

Dear Ms. Jones,

Recently our excess carrier has made us aware that SDRMA Workers' Compensation (WC) members need to pass a **new Resolution** if they would like to continue (or start) covering their Governing Body members and/or volunteers.

Section 3363.5 of the California Labor Code provides that a person who performs voluntary service for a public agency as designated and authorized by the Governing Body of the agency or its designee, shall, upon adoption of a Resolution by the Governing Body of the agency so declaring, be deemed to be an employee for workers' compensation purposes. Thus, if such a resolution is adopted, and the volunteer is injured while performing duties for the agency, the volunteer is entitled to receive workers' compensation benefits and their exclusive remedy for recovery against the agency is through the Workers' Compensation system.

Such Governing Body members and/or volunteers may be covered for workers' compensation benefits only if a Resolution to that effect is adopted by the Governing Body pursuant to Labor Code § 3363.5 and a copy of the Resolution is filed with SDRMA.

A new Resolution (see attached) has been created by our coverage counsel. The Resolution permits your Governing Body to designate the various categories of persons who the agency desires to "deem" to be employees for purposes of workers' compensation. It declares, on a blanket basis, that the designated categories of volunteers are deemed employees and those categories consist of Governing Body Members, persons performing voluntary service, persons on work study, interns, and other volunteers. In addition, those so designated persons also need to be listed under our Workers' Compensation Program (which includes paying an annual contribution amount) to enable coverage.

When using the sample Resolution provided, please do not make any changes other than the areas highlighted in yellow. **To ensure accurate and timely implementation of your Resolution, please return your Governing Body approved Workers' Compensation Resolution as soon as possible by fax or email.** A Microsoft Word version of the sample Resolution can be downloaded at <http://www.sdrma.org/program-coverages/workers-compensation-program>. If your agency has any questions please contact Ellen Doughty, Chief Member Services Officer, at 800.537.7790 or [edoughty@sdrrma.org](mailto:edoughty@sdrrma.org).

Sincerely,

Special District Risk Management Authority

Gregory S. Hall, ARM  
Chief Executive Officer

Enclosures: Sample Resolution for Covering Governing Body and/or Volunteers

**Draft Resolution No. 3257 as  
Prepared by SDRMA**

**Attachment 2**

**RESOLUTION No. 3257**

**RESOLUTION OF THE GOVERNING BODY OF  
THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO  
COUNTY, DECLARING THAT GOVERNING BODY MEMBERS AND  
VOLUNTEERS SHALL BE DEEMED TO BE EMPLOYEES OF THE DISTRICT  
FOR THE PURPOSE OF PROVIDING WORKERS' COMPENSATION COVERAGE  
FOR SAID CERTAIN INDIVIDUALS WHILE PROVIDING THEIR SERVICES**

---

**WHEREAS**, the Local Agency Formation Commission for San Bernardino County utilizes the services of Governing Body Members and Volunteers; and

**WHEREAS**, Section 3363.5 of the California Labor Code provides that a person who performs voluntary service for a public agency as designated and authorized by the Governing Body of the agency or its designee, shall, upon adoption of a resolution by the Governing Body of the agency so declaring, be deemed to be an employee of the agency for the purpose of Division 4 of said Labor Code while performing such services; and

**WHEREAS**, the Governing Body wishes to extend Workers' Compensation coverage as provided by State law to the following designated categories of persons as indicated by a checkmark in the box to the left of the descriptions:

- ☐ All Members of the Governing Body of the Local Agency Formation Commission for San Bernardino County as presently or hereafter constituted and/or
- ☐ All persons performing voluntary services without pay other than meals, transportation, lodging or reimbursement for incidental expenses
- ☐ Individuals on Work-study programs
- ☐ Interns
- ☐ Other Volunteers
- ☐ \_\_\_\_\_  
[designate]

**NOW, THEREFORE, BE IT RESOLVED**, that such persons coming within the categories specified above, including the duly elected or appointed replacements of any Governing Body Member and other designated individuals be deemed to be employees of the Local Agency Formation Commission for San Bernardino County for the purpose of Workers' Compensation coverage as provided in Division 4 of the Labor Code while performing such service. However, said Governing Body Members and other designated individuals will not be considered an employee of the Local Agency Formation Commission for San Bernardino County for any purpose other than for such Workers' Compensation coverage, nor grant nor enlarge upon any other right, duty, or responsibility of such Governing Body Members or other designated individuals, nor allow such persons to claim any other benefits or rights given to paid employees of the Local Agency Formation Commission for San Bernardino County.

**PASSED, APPROVED AND ADOPTED** this 17<sup>th</sup> day of January, 2018 by the following vote:

AYES:  
NOES:  
ABSENT:

---

KIMBERLY COX, CHAIR  
Local Agency Formation Commission for San Bernardino County


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APPROVED AS TO FORM:

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
lafco@lafco.sbcounty.gov  
www.sbclafco.org

---

**DATE:** JANUARY 8, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
SAMUEL MARTINEZ, Assistant Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** Agenda Item #7: LAFCO SC#421 – City of Redlands Pre-Annexation Agreement 17-01 for Water and Sewer Service to Tentative Tract 19991 (Assessor Parcel Number 0298-261-46)

---

**INITIATED BY:**

City of Redlands, on behalf of the property owner/developer

**RECOMMENDATION:**

Staff recommends that the Commission approve LAFCO SC#421 by taking the following actions:

1. For environmental review as a responsible agency:
  - a. Certify that the Commission, its staff, and its Environmental Consultant have reviewed and considered the environmental assessment and Mitigated Negative Declaration prepared by the County of San Bernardino for Tentative Tract Map 19991 to create 62 single-family residential lots and two lettered lots for an infiltration basin and water well on approximately 16.88 acres, and found them to be adequate for Commission use;
  - b. Determine that the Commission does not intend to adopt alternatives or additional mitigation measures for this project; that all mitigation measures are the responsibility of the County of San Bernardino and/or others, not the Commission, and are self-mitigating through implementation of the Conditions of Approval; and,
  - c. Note that this proposal is exempt from Department of Fish and Wildlife fees because the filing fee was the responsibility of the County as CEQA

lead agency, and direct the Executive Officer to file a Notice of Determination within five (5) days of this action.

2. Approve LAFCO SC#421 authorizing the City of Redlands to extend water and sewer service outside its boundaries to Tentative Tract 19991, proposed for a 62-lot single-family residential subdivision, on Assessor Parcel Number 0298-261-46; and,
3. Adopt LAFCO Resolution #3260 setting forth the Commission's determinations and approval of the agreement for service outside the City of Redlands' boundaries.

### **BACKGROUND:**

The City of Redlands (hereinafter the "City") has submitted a request for approval of a Pre-annexation Agreement that outlines the terms by which it will extend water and sewer service. The agreement relates to a single parcel (Assessor Parcel Number 0298-261-46) comprising approximately 16.88 acres, which is generally located at the northeast corner of Nice Avenue and Sapphire Street within the City of Redlands' eastern sphere of influence within the community known as "Mentone". Figure 1 below outlines the location of the contract area and Attachment #1 also provides a location and vicinity map of the site along with maps outlining the location of the infrastructure to be extended.

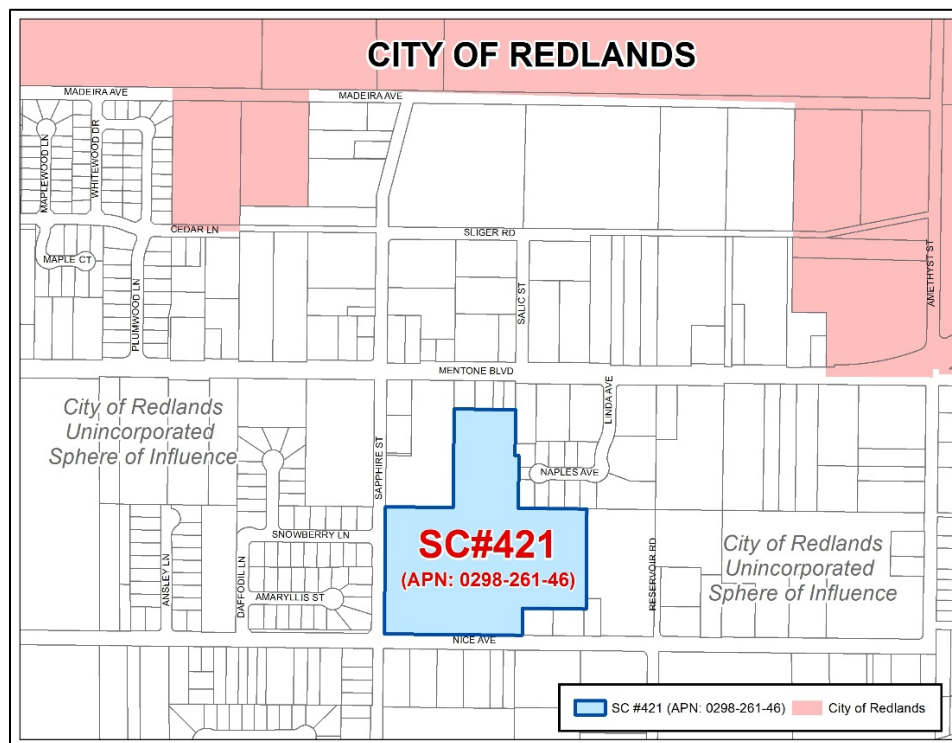


FIGURE 1 – Vicinity Map

In July 2017, the County Land Use Services Department processed and approved Tentative Tract Map 19991 (see Figure 2 below) to create 62 single-family residential lots on the 16.88-acre project site.

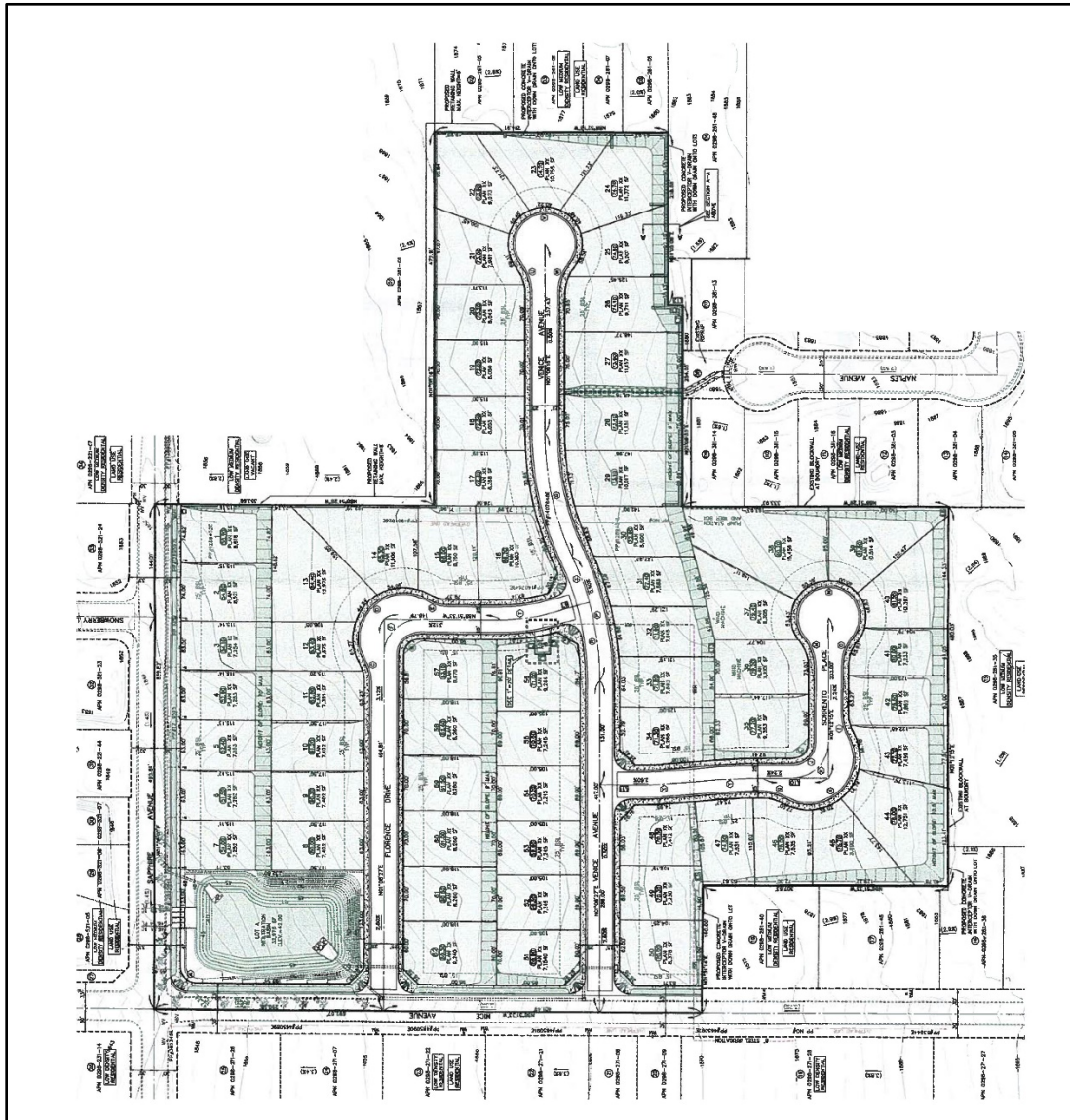


FIGURE 2 – Site Plan for Tentative Tract 19991

The Conditions of Approval placed upon this project included the requirement to connect to the City of Redlands' water and sewer facilities prior to recordation of the final map (see Conditions 57, 58, 59, and 60) and requires LAFCO approval of said out-of-agency connection (Condition 64). A copy of the Conditions of Approval for the project is included as Attachment #3 to this report.



Therefore, the City, on behalf of the property owner/develop, has requested that the Commission authorize the extension of water and sewer service to the parcel pursuant to the provisions of Government Code Section 56133. Authorization of this agreement is required before the City can take the final actions to implement the terms of the agreement.

**PLAN FOR SERVICE:**

The City's application (included as Attachment #2 to this report) indicates that water service will be provided to Tentative Tract 19991 through connection to the existing 8-inch water main in Nice Avenue. Water laterals will be extended from the existing main to the project. Sewer service will be provided by extending the 8-inch sewer main approximately 670 feet in Nice Avenue from Daffodil Lane to the intersection of Sapphire Street and approximately 80 feet easterly in Snowberry Lane to allow for the extensions to serve the project. Sewer laterals will also be extended into the project.

Pursuant to the Commission's application requirements for service contracts, information must be provided regarding all financial obligations for the extension of service outside an agency's boundaries. The provisions of Measure U within the City of Redlands require that the property owner/developer pay the "sums equivalent to the City's development impact fees" as a condition for access to water and sewer service. The City of Redlands has identified an estimated cost \$1,061,798.24 in sums equivalent in development impact fees as well as water and sewer fees for the extension of water and sewer service to the tentative tract. The following table shows the cost to the applicant to fulfill this requirement:

<b>FEES</b>	<b>TOTAL</b>
Transportation	\$93,766.32
Fire	\$35,778.96
Government	\$42,559.90
Library	\$16,403.96
Open Space/Park/Community Facility	\$245,516.28
Police	\$1,866.82
Storm Drain	\$43,400.00
Solid Waste	\$40,300.00
<b>Total Sums Equivalent to City's DIF</b>	<b>\$519,592.24</b>

The table below is the City's water and sewer related fees:

<b>FEES</b>	<b>TOTAL</b>
Sewer Capacity	\$194,060.00
Water Capacity	\$269,700.00
Water Source	\$48,546.00
Water Frontage	\$29,900.00
<b>Total Water and Sewer Fees</b>	<b>\$542,206.00</b>

In addition, the property owner/developer will be responsible for the entire cost of the construction and installation of the water and sewer improvements for the project. The City has indicated that there is no rate difference for providing service outside the City's boundaries; therefore, the proposed single-family residences will be charged the normal in-City monthly rate for water and sewer service.

**ENVIRONMENTAL DETERMINATION:**

The County prepared an Initial Study and Mitigated Negative Declaration for Tentative Tract Map 19991 to create 62 single-family residential lots and two lettered lots for an infiltration basin and water well on approximately 16.88 acres.

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the County's environmental assessment and the Mitigated Negative Declaration for the proposed project. 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. Dodson has indicated that the necessary environmental actions to be taken by the Commission are as follows:

- a) Certify that the Commission, its staff and its Environmental Consultant, have independently reviewed and considered the County's environmental assessment and Mitigated Negative Declaration;
- b) Determine that the Commission does not intend to adopt alternatives or additional mitigation measures for the project; that the mitigation measures identified in the County's environmental documents are the responsibility of the County and/or others, not the Commission; and,
- c) Direct the Executive Officer to file the Notice of Determination within five (5) days and find that no further Department of Fish and Wildlife filing fees are required by the Commission's approval since the County, as lead agency, has paid said fees for its environmental determination.

**CONCLUSION:**

The development of Tentative Tract 19991, approved by the County of San Bernardino, requires that it receive water and sewer service from the City of Redlands. In order for the project to proceed to record the Final Tract Map, the property owner/developer must show proof of his ability to connect to the City of Redlands' water and sewer infrastructure – which is the Commission's authorization for the agreement pursuant to Government Code Section 56133.

Staff has reviewed this request for the provision of water and sewer service from the City of Redlands outside its corporate boundaries against the criteria established by Commission policy and Government Code Section 56133. The parcel to be served is within the sphere of influence assigned the City of Redlands within the Mentone community, and is anticipated to become a part of the City sometime in the future. Staff supports the City's request for authorization to provide water and sewer service to the proposed residential development since its facilities are either adjacent to or in close proximity to the anticipated development, and there is no other existing entity available to provide the level of service required by the approved residential development within the area.

**DETERMINATIONS:**

1. The project area, identified as Assessor Parcel Number 0298-261-46, is within the sphere of influence assigned the City of Redlands and is anticipated to become a part of that City sometime in the future.

The application requests authorization to receive City of Redlands water and sewer service for Tentative Tract 19991, a proposed 62-lot single-family residential development. The requirements for water and sewer connection are conditions of approval as identified in the County's approval of Tentative Tract 19991. Therefore, approval of the City of Redlands' request for authorization to provide water and sewer service is necessary in order to satisfy the conditions of approval for the project.

2. The City of Redlands' Pre-Annexation Agreement being considered is for the provision of water and sewer service by the City of Redlands to the project site, identified as Assessor Parcel Number 0298-261-46, which is generally located at the northeast corner of Nice Avenue and Sapphire Street, within the City of Redlands' eastern sphere of influence. This contract will remain in force in perpetuity for the proposed residential development or until such time as the area is annexed. Approval of this application will allow the property owner/developer and the City of Redlands to proceed in finalizing the contract for the extension of the water and sewer service.
3. The fees charged by the City of Redlands for water and sewer service are identified as totaling \$1,061,798.24 (for a breakdown of fees, see tables on pages 3 and 4). Payment of these fees is required prior to connection to the City's water and sewer facilities. In addition, the property owner shall bear all costs to complete improvements needed to extend both water and sewer service to the proposed residential development.
4. During the period from March 2017 to July 2017, acting as the CEQA lead agency, the County prepared an environmental assessment for Tentative Tract Map 19991 to create 62 single-family residential lots and two lettered lots for an infiltration basin and water well on approximately 16.88 acres. The County's environmental assessment indicates that the project would not have a significant

effect on the environment through its development under the Conditions of Approval that has been prepared for the proposed project.

LAFCO's environmental consultant, Tom Dodson and Associates, has reviewed the County's environmental assessment and recommends that, if the Commission approves LAFCO SC#421, the County's Initial Study and Mitigated Negative Declaration are adequate for the Commission's use as CEQA responsible agency. The Commission will not be adopting alternatives or additional mitigation measures, as these are the responsibility of the County and/or others and are considered self-mitigating through implementation of the Conditions of Approval. Attachment #4 to this report includes a copy of Mr. Dodson's response and recommendation regarding the Commission's environmental review and the necessary actions to be taken.

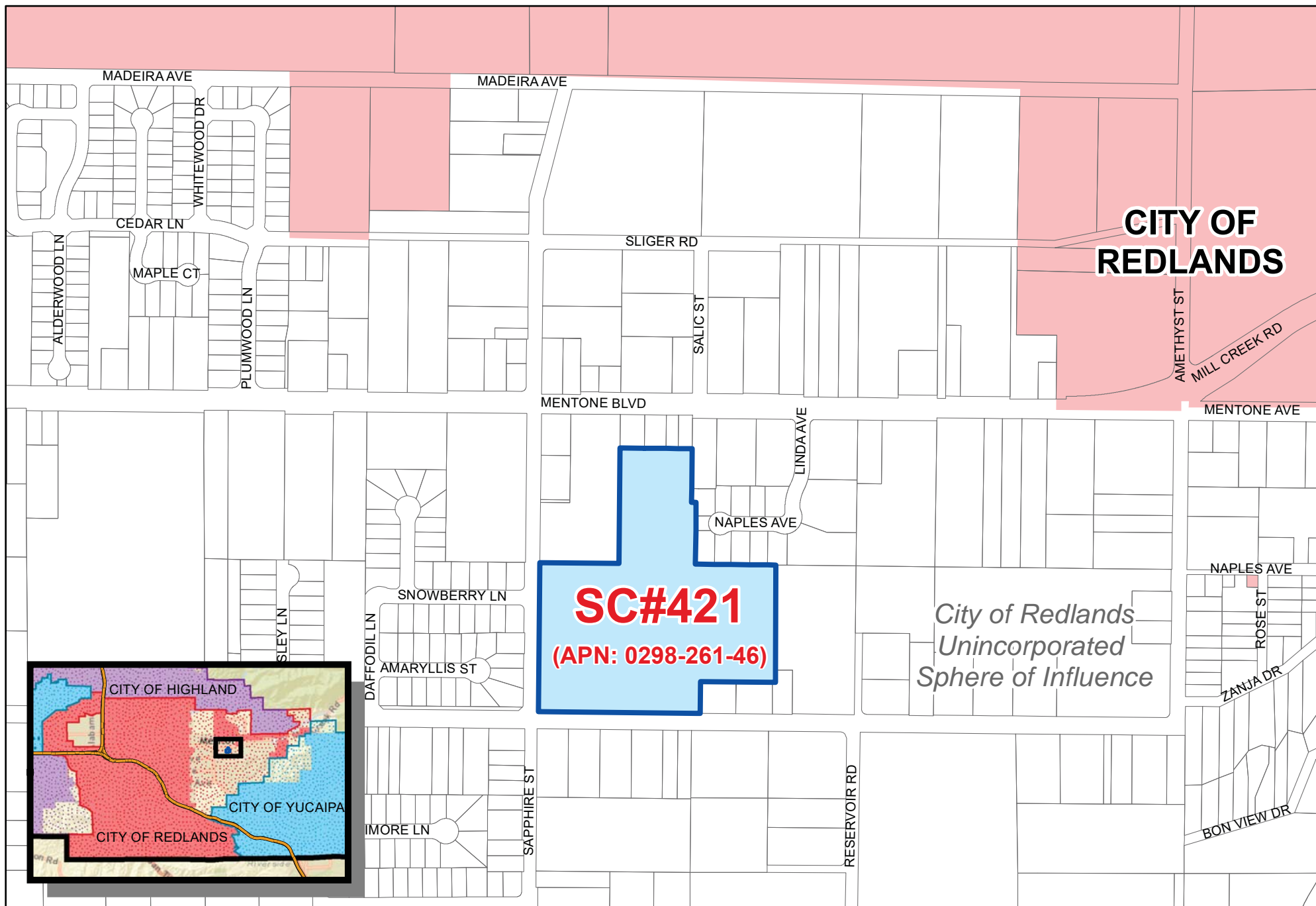
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Attachments:

1. Vicinity Map and Maps of the Contract Area
2. City of Redlands' Application and Signed Contract
3. County's Conditions of Approval for Tentative Tract Map 19991
4. Tom Dodson and Associates' Response Including the County's Mitigated Negative Declaration
5. Draft Resolution #3260

# **Vicinity Map and Maps of the Contract Area**

**Attachment 1**





**SC 421 — City of Redlands Pre-Annexation Agreement (PAA) 17-01  
for Water and Sewer Service (Assessor Parcel Number 0298-261-46)**



Map Created: 11/21/2017

0 75 150 300  
Yards



 SC #421 (APN: 0298-261-46)  City of Redlands



Title

LAFCO

OUTSIDE CITY  
CASE 17-26

WATER  
INFRASTRUCTURE

This map was produced by the City of Redlands Geographic Information System. The City of Redlands assumes no warranty or legal responsibility for the information contained on this map. The data used to generate this map is dynamic in nature, therefore the information shown may or may not be the most current.



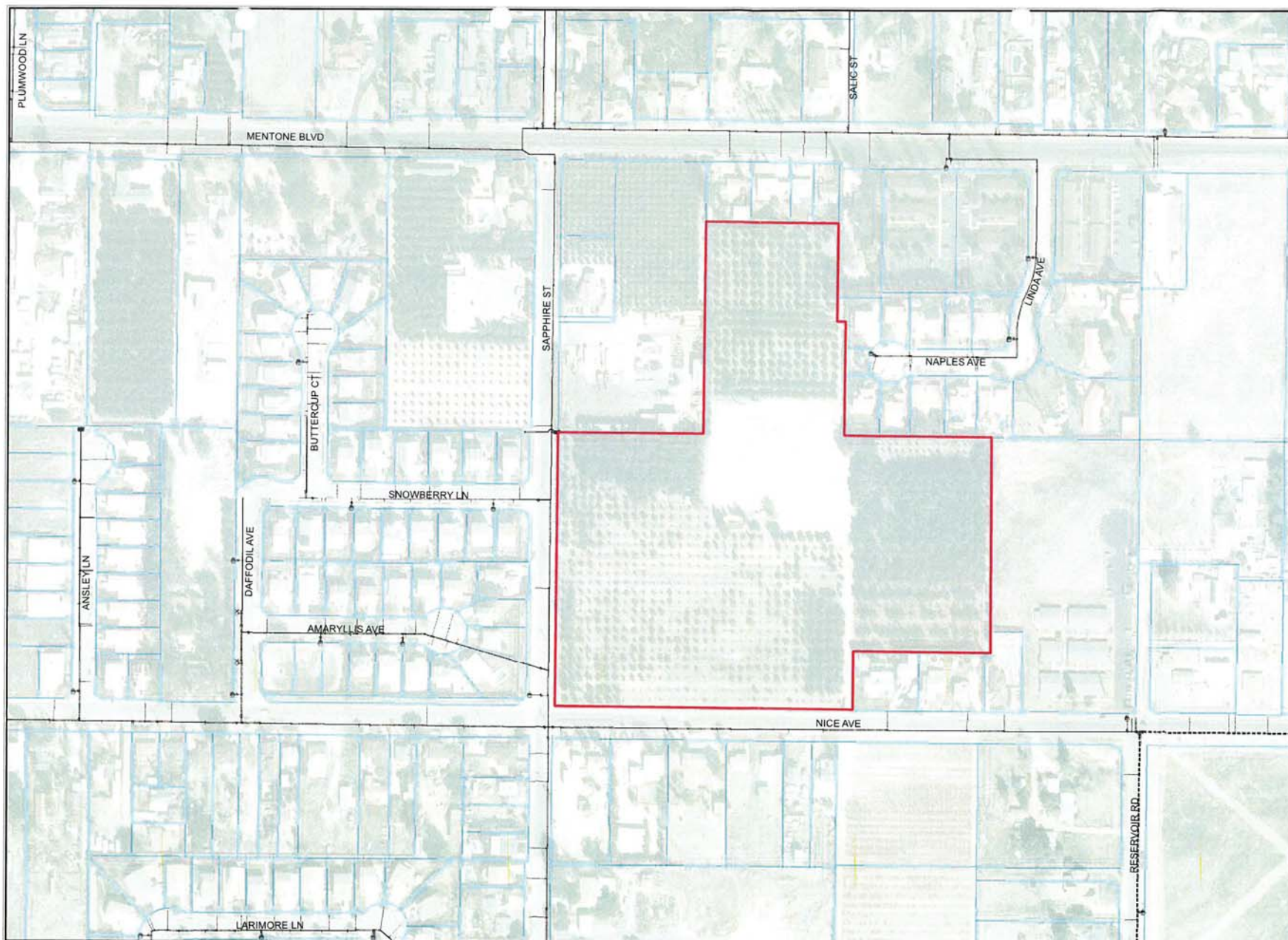
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0 80 160 240  
Feet



REDLANDS "A City That Works"

City of  
**Redlands**  
Infrastructure Technology Services Department  
Geographic Information Systems

OneStop.mxd



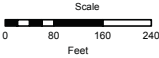




Title

**LAFCO**  
**OUTSIDE CITY**  
**CASE 17-26**  
**SEWER**  
**INFRASTRUCTURE**

This map was produced by the City of Redlands, Geographic Information System. The City of Redlands assumes no warranty or legal responsibility for the information contained on this map. The data used to generate this map is dynamic in nature, therefore the information shown may or may not be the most current.



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# **City of Redlands' Application and Signed Contract**

**Attachment 2**

**SAN BERNARDINO LAFCO  
APPLICATION FOR  
EXTENSION OF SERVICE BY CONTRACT**

(A certified copy of the City Council/District Board of Directors resolution or a letter from the City Manager/General Manager requesting approval for an out-of-agency service agreement must be submitted together with this application form.)

**AGENCY TO EXTEND SERVICE:**

AGENCY NAME: CITY OF REDLANDS  
CONTACT PERSON: ROSS WITTMAN  
ADDRESS: 35 CASON STREET SUITE 15A  
REDLANDS CA 92373  
PHONE: 909.798.7524 x1  
EMAIL: RWITTMAN@CITYOFREDLANDS.ORG

**CONTRACTING PARTY:**

NAME OF  
PROPERTY OWNER: LARRY JACINTO LIVING TRUST  
CONTACT PERSON: LARRY JACINTO  
MAILING ADDRESS: P.O. Box 615  
MENTORIE CA. 92359  
PHONE: 909.794.2151  
EMAIL: \_\_\_\_\_  
ADDRESS OF PROPERTY  
PROPOSED FOR CONTRACT: NORTHEAST CORNER OF SAPPHIRE  
AVENUE AND NICE AVENUE  
CONTRACT NUMBER/IDENTIFICATION: \_\_\_\_\_  
PARCEL NUMBER(S): APN 0298-261.46  
ACREAGE: 16.88 ACRES

Extension of Service by Contract  
Application Form

(FOR LAFCO USE ONLY)

The following questions are designed to obtain information related to the proposed agreement/contract to allow the Commission and staff to adequately assess the proposed service extension. You may include any additional information which you believe is pertinent. Please use additional sheets where necessary.

1. (a) List the type or types of service(s) to be provided by this agreement/contract.

DOMESTIC SEWER AND WATER

- (b) Are any of the services identified above "new" services to be offered by the agency? ☐ YES ☒ NO. If yes, please provide explanation on how the agency is able to provide the service.

2. Is the property to be served within the agency's sphere of influence? ☒ YES ☐ NO

3. Please provide a description of the service agreement/contract.

A PRE-ANNEXATION AGREEMENT IS ATTACHED

4. (a) Is annexation of the territory by your agency anticipated at some point in the future? ☒ YES ☐ NO. If yes, please provide a projected timeframe when it anticipates filing an application for annexation of territory that would include the area to be served. If no, please provide an explanation as to why a jurisdictional change is not possible at this time.

AN ESTIMATED TIMEFRAME IS NOT AVAILABLE. PROJECT  
WILL ANNEX WHEN CITY LIMITS BECOME CONTIGUOUS

Extension of Service by Contract  
Application Form

(FOR LAFCO USE ONLY)

- (b) Is the property to be served contiguous to the agency's boundary?  
☐ YES ☒ NO. If yes, please provide explanation on why annexation to the agency is not being contemplated.

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5. Is the service agreement/contract outside the Agency's sphere of influence in response to a threat to the public health and safety of the existing residents as defined by Government Code Section 56133(c)?  
☐ YES ☒ NO. If yes, please provide documentation regarding the circumstance (i.e. letter from Environmental Health Services or the Regional Water Quality Control Board).

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6. (a) What is the existing use of the property?

VACANT-AGRICULTURAL

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- (b) Is a change in use proposed for the property? ☒ YES ☐ NO. If yes, please provide a description of the land use change.

TENTATIVE TRACT 19991- A 62 UNIT SINGLE FAMILY  
RESIDENTIAL DEVELOPMENT

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7. If the service agreement/contract is for development purposes, please provide a complete description of the project to be served and its approval status.

TENTATIVE TRACT 19991 APPROVED BY COUNTY OF  
SAN BERNARDINO

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Extension of Service by Contract  
Application Form

(FOR LAFCO USE ONLY)

8. Are there any land use entitlements/permits involved in the agreement/contract?  
☒ YES ☐ NO. If yes, please provide documentation for this entitlement including the conditions of approval and environmental assessment that are being processed together with the project. Please check and attach copies of those documents that apply:

Tentative Tract Map / Parcel Map  
Permit (Conditional Use Permit, General Plan Amendment, etc.)  
Conditions of Approval  
Negative Declaration (Initial Study)  
Notice of Determination (NOD)/Notice of Exemption (NOE)  
Department of Fish and Game (DFG) Receipt  
Others (please identify below)

☒  
☐  
☒  
☒  
☒  
☒  
☐

9. Has the agency proposing to extend service conducted any CEQA review for this contract? ☐ YES ☒ NO. If yes, please provide a copy of the agency's environmental assessment including a copy of the filed NOD/NOE and a copy of the DFG Receipt.

10. Plan for Service:

- (a) Please provide a detailed description of how services are to be extended to the property. The response should include, but not be limited to, a description of:  
1) capacity of existing infrastructure, 2) type of infrastructure to be extended or added to serve the area, 3) location of existing infrastructure in relation to the area to be served, 4) distance of infrastructure to be extended to serve the area, and 5) other permits required to move forward with the service extension.

SEE ATTACHMENT

*Extension of Service by Contract  
Application Form*

(FOR LAFCO USE ONLY)

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- (b) Please provide a detailed description of the overall cost to serve the property. The response should include the costs to provide the service (i.e. fees, connection charges, etc.) and also the costs of all improvements necessary to serve the area (i.e. material/equipment costs, construction/installation costs, etc.).

<i>Description of Fees/Charges</i>	<i>Cost</i>	<i>Total</i>
<b>Total Costs</b>		

- (c) Please identify any unique costs related to the service agreement such as premium outside City/District rates or additional 3<sup>rd</sup>-party user fees and charges (i.e. fees/charges attributable to other agencies).

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*Extension of Service by Contract  
Application Form*

(FOR LAFCO USE ONLY)

- (d) If financing is to occur, please provide any special financial arrangement between the agency and the property owner, including a discussion of any later repayment or reimbursement (If available, a copy of the agreement for repayment/reimbursement is to be provided).

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- 11 Does the City/District have any policies related to extending service(s) outside its boundary? ☒ YES ☐ NO. If yes, has a copy been provided to LAFCO?  
☒ YES ☐ NO. If not, please include a copy of the policy or policies (i.e. resolution, municipal code section, etc.) as part of the application.

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**CERTIFICATION**

As a part of this application, the City/Town of REDLANDS, or the \_\_\_\_\_ District/Agency agree to defend, indemnify, hold harmless, promptly reimburse San Bernardino LAFCO for all reasonable expenses and attorney fees, and release San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it.

This indemnification obligation shall include, but not be limited to, damages, penalties, fines and other costs imposed upon or incurred by San Bernardino LAFCO should San Bernardino LAFCO be named as a party in any litigation or administrative proceeding in connection with this application.

The agency signing this application will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I understand that if this application 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.

*Extension of Service by Contract  
Application Form*

(FOR LAFCO USE ONLY)

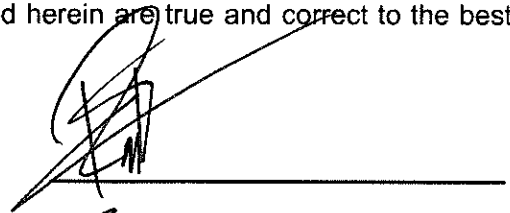
I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this evaluation of service extension to the best of my ability, and that the facts, statement and information presented herein are true and correct to the best of my knowledge and belief.

SIGNED

NAME:

POSITION TITLE:

DATE:



Ross Wittman

SENIOR PROJECT MANAGER

OCTOBER 30, 2017

REQUIRED EXHIBITS TO THIS APPLICATION:

1. Copy of the agreement/contract.
2. Map(s) showing the property to be served, existing agency boundary, the location of the existing infrastructure, and the proposed location of the infrastructure to be extended.
3. Certified Plan for Service (if submitted as a separate document) including financing arrangements for service.

Please forward the completed form and related information to:

Local Agency Formation Commission for San Bernardino County  
1170 W. Third Street, Unit 150,  
San Bernardino, CA 92415-0490  
PHONE: (909) 388-0480 • FAX: (909) 388-0481



**SAN BERNARDINO LAFCO APPLICATION FOR EXTENSION OF SERVICE BY CONTRACT**  
**OUT-OF-AGENCY AGREEMENT/ CONTRACTS FOR SERVICE**

**10. (A)**

**1. Capacity of existing infrastructure:**

- a. **WATER:** Existing domestic water system, including wells and reservoirs, has capacity to serve the development.
- b. **SEWER:** Existing sewer system, including the municipally operated treatment system, has capacity to serve the development.

**2. Type of infrastructure to be extended:**

- a. **WATER:** Developer will construct water main(s) into the project site from adjacent streets.
- b. **SEWER:** Developer will construct sewer main(s) into the project site from adjacent streets and along Nice Avenue property frontage

**3. Location of existing infrastructure in relation to area to be served:**

- a. **WATER:** Existing water mains already exist in both Nice Avenue (8") and Sapphire Street (12")
- b. **SEWER:** Existing sewer mains already exist in Nice Avenue (8") to within 670' of the project site and within Snowberry Lane (8") to within 80' of the project site

**4. Distance of infrastructure to be extended:**

- a. **WATER:** Not applicable
- b. **SEWER:** Developer will extend an existing sewer main in Nice Avenue approximately 670' to the project site and from Snowberry Lane approximately 80' to the project site

**5. Other permits required for extension:**

- a. **WATER & SEWER:** Construction permit

Proposed Development

Applicant

Project

Address

Prior project

(Include Agriculture if water supplied by City)

Project Data:

**Jacinto**

**OSC 17/26**

**Sapphire and Nice**

**62 SFR**

Date: ENTER DATE 10/30/2017

Prepared by: DPY

DIF Preliminary Estimate

DIF Preliminary Credit

**PW DIF:**

	Fee	Credit	Est. NET DIF
Transportation	\$93,766.32	\$0.00	\$93,766.32
Fire	\$35,778.96	\$0.00	\$35,778.96
Government	\$42,559.90	\$0.00	\$42,559.90
Library	\$16,403.96	\$0.00	\$16,403.96
Open Space/Park/Community Fac	\$245,516.28	\$0.00	\$245,516.28
Police	\$1,866.82	\$0.00	\$1,866.82
Storm Drain	\$43,400.00	\$0.00	\$43,400.00
Subtotal:	<b>\$479,292.24</b>	<b>\$0.00</b>	<b>\$479,292.24</b>

**Water and Sewer DIF:**

Sewer Capacity	\$194,060.00	\$0.00	\$194,060.00
Recycled Irr	\$0.00	\$0.00	\$0.00
Water Capacity	\$269,700.00	\$0.00	\$269,700.00
Water Source	\$48,546.00	\$0.00	\$48,546.00
Solid Waste	\$40,300.00	\$0.00	\$40,300.00
Subtotal:	<b>\$552,606.00</b>		<b>\$552,606.00</b>

**Frontage Fees:**

Frontage Fee 8" Water	\$0.00	\$0.00	\$0.00
Frontage Fee 12" Water:	\$29,900.00	\$0.00	\$29,900.00
Frontage Fee 6" Non-Potable	\$0.00	\$0.00	\$0.00
Frontage Fee 8" Sewer:	\$0.00	\$0.00	\$0.00
Subtotal	<b>\$29,900.00</b>		<b>\$29,900.00</b>

With Credits -

Grand Total: **\$1,061,798.24** Adjusted Total: **\$1,061,798.24**

Fees are subject to change based upon most current fee resolution at time of fee payment.

Recording requested by  
and when recorded mail to:

City Clerk  
City of Redlands  
P. O. Box 3005  
Redlands, CA 92373

**AGREEMENT FOR ANNEXATION AND PROVISION  
FOR CITY UTILITY SERVICES**

**FEES NOT REQUIRED**  
PER GOVERNMENT CODE  
SECTION 6103

This Agreement for Annexation and Provision of City Utility Services ("Agreement") is made and entered into this 17<sup>th</sup> day of October, 2017, by and between the City of Redlands, a municipal corporation organized and existing under the laws of the State of California ("City") and Larry Jacinto Living Trust ("Property Owner"). The City and Property Owner are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

**RECITALS**

WHEREAS, to provide for orderly planning, the City (1) has the authority pursuant to Government Code sections 65300 and 65301 to include in its General Plan property outside its boundaries which is in the City's sphere of influence or, which in the City's judgment, bears a relation to its strategic planning, and (2) also has the authority pursuant to Government Code section 65859 to pre-zone property within its sphere of influence for the purpose of determining the zoning designation that will apply to such property in the event of a subsequent annexation of the property to the City; and

WHEREAS, Property Owner owns a vacant parcel of land generally located at the northeast corner of Nice and Sapphire Avenues and identified as county of San Bernardino Assessor's Parcel Number 0298-261-46 (the "Property") in the unincorporated area of the county of San Bernardino within the City's sphere of Influence, and has provided evidence satisfactory to the City that Property Owner is the fee owner of the Property; and

WHEREAS, Property Owner desires to connect to the City's domestic water and sewer/wastewater system without any change in the Low Density Residential and Low-Medium Density Residential land use designations and future single-family residential subdivision and development; and

WHEREAS, Government Code section 56133 authorizes the City to provide new or extended services by contract outside its jurisdictional boundaries if it first receives written approval from the Local Agency Formation Commission for San Bernardino County ("LAFCO"), and provides that LAFCO may authorize the City to provide such services within the City's sphere of

influence in anticipation of a later change of organization; and

WHEREAS, the City's General Plan and Chapter 13.60 of the Redlands Municipal Code establish policies and procedures for the approval of City utility services to land located within the City's sphere of influence and require, among other things, the owner of the property to be served to enter into an agreement and record the same in the official records of the county of san Bernardino requiring the owner to annex the land to the City upon certain conditions; and

WHEREAS, the City has prepared a General Plan for the unincorporated area in which the Property is located to provide for the orderly planning of such area and has determined that the Property is consistent with the goals and policies of the City's General Plan; and

WHEREAS, it is the policy and goal of the City to discourage and not facilitate development in the City's sphere of influence which is unwilling and/or fails to comply with the City's General Plan and the City's development standards by refusing to extend utility services in such instances; and

WHEREAS, pursuant to the requirements of Chapter 13.60 of the Redlands Municipal Code and in consideration for the City's agreement to extend utility services outside its jurisdictional boundaries to the Property, Property Owner has entered into this Agreement to provide assurances to the City that connection to the City of Redlands domestic water system and City of Redlands sewer system will occur in accordance with the Redlands General Plan and the Development Standards of the Redlands Municipal Code, and that the Property shall be annexed to the City in accordance with this Agreement's terms, provisions and conditions; and

WHEREAS, City staff has determined that the Property is currently unimproved, was previously utilized for agricultural purposes, and has the potential to contain single-family residential development consistent with the current Redlands General Plan land use designations of Low Density Residential and Low-Medium Density Residential; and

WHEREAS, Property Owner's proposed development of the Property is subject to the City's General Plan provisions enacted by the voter approved initiative ordinance commonly known as "Measure U;" and

WHEREAS, a Socio-Economic Cost/Benefit Study was prepared for Property Owner's proposed development of the Property, found that no unmitigable impacts would occur as a result of the development, and was recommended for approval by the City's Environmental Review Committee on September 5, 2017;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the City of Redlands and the Larry Jacinto Living Trust agree as follows:

## AGREEMENT

1. Recitals. The foregoing recitals are true and correct.
2. Definitions. The following terms, when used in this Agreement, shall have the meanings ascribed to them:
  - a. "Agreement" means this Agreement for Annexation and Provision of Utility Services.
  - b. "Annexation" means the procedure for a change of organization or reorganization set forth in the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000 (Government Code sections 56000 et seq.).
  - c. "Property Owner" means the Larry Jacinto Living Trust, and its successors-in-interest to all or any part of the Property.
  - d. "Project" means the extension and provision of domestic water services and sewer services by the City to the Property as shown on Exhibit "A."
3. Provision of Utility Services. The City agrees to provide domestic water service to the Property consistent with the terms and conditions of this Agreement, provided that the connection complies with all rules and regulations of the City governing the extension and provision of utility services to properties located outside the City's boundaries at the time a request by the Property Owner for application for a water connection is approved by the City's Municipal Utilities and Engineering Department. Nothing herein represents a commitment by the City to provide such service unless and until Property Owner complies with all such rules and regulations. As a condition of approval of an application for water connection and sewer connection, and prior to receiving any service, the Property Owner agrees to pay the full cost of such service as established by the City for the extension of utility services to the Property.
4. Agreement to Develop by City Standards. In consideration of the City's agreement to provide City water service and City sewer service to the Property, Property Owner shall develop the Property in accordance with the Redlands General Plan and any applicable development standards of the Redlands Municipal Code.
5. Agreement to Annex. In consideration of the City's agreement to provide City water service to the Property, Property Owner hereby irrevocably consents to annexation of the Property to City and agrees it shall take any and all reasonable and necessary actions, and fully and in good faith cooperate with City, to cause the annexation of the Property to the City. Property Owner and the City agree that in the event City initiates an annexation of the Property, the City shall be responsible for the costs of such annexation. In all other instances where the annexation of the Property is proposed to the City, Property Owner shall be responsible for such costs.

6. Taxes and Assessments. Property Owner hereby consents to the imposition of, and agrees that the Property Owner shall pay, all taxes and assessments imposed and/or levied by the City which may be applicable to the Property at the time the Property is annexed to the City.

7. Recordation. By entering into this Agreement, Property Owner and the City acknowledge and agree that, among other things, it is the express intention of the Parties that any and all successors in interest, assigns, heirs and executors of Property Owner shall have actual and constructive notice of Property Owner's obligations under, and the benefits and burdens of, this Agreement. Therefore, this Agreement and any amendments hereof, shall be recorded in the official records of the County of San Bernardino. Property Owner further agrees that the City shall, at the sole cost of Property Owner, have the right to cause the recordation of this Agreement.

8. Breach/Failure to Annex In the event Property Owner fails to comply with its obligations under this Agreement or takes any action to protest, challenge, contravene or otherwise breach any of its obligations or representations under this Agreement, the City shall have the right to, without any liability whatsoever, cease the provision of City utility services to the Property. This right shall be in addition to any other legal or equitable relief available to the City.

9. Not a Partnership. The Parties specifically acknowledge that Property Owner's development of the Property is a private project, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint-venture or other association of any kind is formed by this Agreement. The only relationship between the City and Property Owner is that of a governmental entity regulating the development of private property and the owner of such property.

10. Indemnity and Cost of Litigation.

a. Hold Harmless - Development. Property Owner agrees to and shall hold the City, and its elected and appointed officials, officers, agents and employees free and harmless from any and all liability for damage or claims for damage for personal injury, including death, and claims for property damage which may arise from the operations, errors, or omissions of Property Owner or those of its contractors, subcontractors, agents, employees or any other persons acting on Property Owner's behalf which relate to development of the Property. Property Owner agrees to and shall defend, indemnify and hold harmless the City, its elected officials, officers, agents, employees and representatives from all actions for damages caused or alleged to have been caused by reason of Property Owner's acts, errors or omissions in connection with the development of the Property. This hold harmless agreement applies to all damages and claims for damages suffered or alleged to have been suffered by reason of Property Owner's or its representatives' acts, errors or omissions regardless of whether or not the City supplied, prepared or approved plans or specifications relating to the development of the Property and regardless of whether or not any insurance policies of Property Owner relating to such development are applicable.

b. Third Party Litigation Concerning Agreement. Property Owner shall defend, at its expense, including attorneys' fees, indemnify and hold harmless the City, and its elected and appointed officials, officers, agents and employees from any claim, action or proceeding against any of them to attack, set aside, void or annul the approval of this Agreement or the approval of any permit or entitlement granted in furtherance of this Agreement. The City may, in its sole discretion, participate in the defense of any such claim, action or proceeding.

11. Liquidated Damages In the event that the property is not annexed to the City in accordance with the terms of the Agreement, the owner of the Property shall pay each year to the City, as liquidated damages, a sum equal to the property taxes and any sales taxes the City would have received had the Property been annexed. Failure to make such liquidated damages payments shall be cause for the City to cease water and/or sewer service to the Property.

12. Section Headings. All section headings and sub-headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and construed in accordance with the laws of the State of California.

14. Attorneys' Fees. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees.

15. Binding Effect. The burdens of this Agreement bind and the benefits of this Agreement inure to the successors in interest of the Parties.

16. Authority to Execute. The person or persons executing this Agreement warrant and represent that they have the authority to execute this Agreement on behalf of the legal, fee title owner of the Property.

17. Waiver and Release. Property Owner hereby waives and releases any and all claims it may have against the City, and its elected and appointed officials, officers, employees and agents with respect to any City actions or omissions relating to the development of the Property and Property Owner's and the City's entry into and execution of this Agreement. Property Owner makes such waiver and release with full knowledge of Civil Code Section 1542, and hereby waives any and all rights thereunder to the extent of this waiver and release, of such Section 1542 is applicable. Civil Code Section 1542 provides as follows:

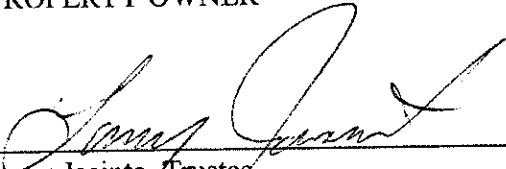
"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

18. Construction. The Parties agree that each Party and its counsel have reviewed this

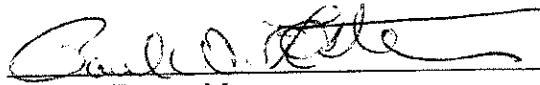
Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement. The Parties further agree that this Agreement represents an "arms-length" transaction agreed to by and between the Parties and that each Party has had the opportunity to consult with legal counsel regarding the terms, conditions and effect of this Agreement.

19. Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the Parties as to the matters contained herein, and there are no oral or written representations, understandings or ancillary covenants or agreements which are not contained or expressly referenced herein, and no testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

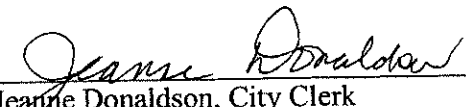
PROPERTY OWNER

 Date: 10-24-2017  
Larry Jacinto, Trustee  
Larry Jacinto Living Trust

CITY OF REDLANDS

 Date: 10/25/17  
Paul W. Foster, Mayor

ATTEST:

 Date: 10/25/17  
Jeanne Donaldson, City Clerk



# ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of San Bernardino }

On October 24, 2017 before me, Robin Pain, Notary Public  
(Here insert name and title of the officer)

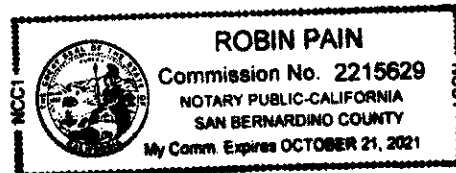
personally appeared Larry Jacinto  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Robin Pain  
Notary Public Signature

(Notary Public Seal)



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

Agreement for Annexation & Provision

(Title or description of attached document)

for City Utility Services

(Title or description of attached document continued)

Number of Pages 2 Document Date 10/24/17

### CAPACITY CLAIMED BY THE SIGNER

- ☒ Individual (s)  
☐ Corporate Officer

(Title)

- ☐ Partner(s)  
☐ Attorney-in-Fact  
☐ Trustee(s)  
☐ Other \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~ is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT****CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

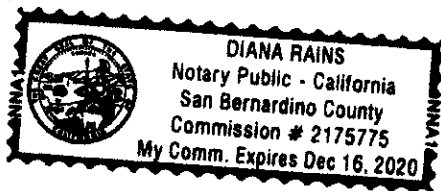
State of California )

County of San Bernardino )On 10.25.17 before me, Diana Rains, Notary Public  
Date Here Insert Name and Title of the Officerpersonally appeared Paul W. Foster and Jeanne Donaldson  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Diana Rains  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer -- Title(s): \_\_\_\_\_☐ Partner -- ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer -- Title(s): \_\_\_\_\_☐ Partner -- ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



**County's Conditions of  
Approval for Tentative Tract  
Map 19991**

**Attachment 3**



**Land Use Services Department**  
**Planning**

Tom Hudson  
Director

July 7, 2017

**Effective Date:** July 17, 2017  
**Expiration Date:** July 17, 2020

Patrick J. Meyer  
Urban Environs  
1345 Fountain Place  
Redlands, CA 92373

Larry Jacinto  
Larry Jacinto Living Trust  
P.O. Box 615  
Redlands, CA 92373

**RE: APPROVAL LETTER – TENTATIVE TRACT MAP NO. 19991 TO CREATE 62 SINGLE FAMILY RESIDENTIAL LOTS AND 2 LETTERED LOTS FOR AN INFILTRATION BASIN AND WATER WELL ON 16.88 ACRES; 3<sup>RD</sup> SUPERVISORIAL DISTRICT; APN 0298-261-46, CASE NO. P201600018.**

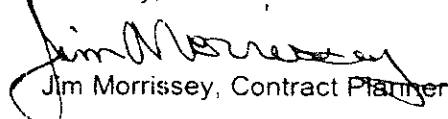
Dear Applicant and Representative,

After completion of the appropriate land use review the referenced project was **CONDITIONALLY APPROVED**, by the Planning Director on July 7, 2017, subject to the Conditions of Approval. The Planning Division considers your Tentative Tract Map your final development criteria/design. This is not considered a conceptual design. Therefore, any modifications and/or alterations may require the submittal, review and approval of a "Revisions to an Approved Action Application."

This approval shall become null and void if the occupancy or use of the land has not taken place within thirty-six (36) months of the effective date of conditional approval. A maximum of three Extensions of time, not to exceed thirty-six (36) months may be granted upon written application and the payment of the required fee to the Planning Division not less than thirty (30) days prior to the date of the expiration. **PLEASE NOTE: The expiration date is listed at the top of this letter and is the only notice of the approval expiration date. The applicant is responsible for initiating extension requests.**

If you have any questions or concerns regarding this matter, please contact me at [Jim.Morrissey@lus.sbcounty.gov](mailto:Jim.Morrissey@lus.sbcounty.gov) or by phone (909) 387-4234.

Sincerely,

  
Jim Morrissey, Contract Planner

JM/drpf/mgr

**BOARD OF SUPERVISORS**

**ROBERT A. LOYINGOOD**  
Chairman, First District

**JANICE RUTHERFORD**  
Second District

**JAMES RAMOS**  
Third District

**CURT HAGMAN**  
Vice Chairman, Fourth District

**JOSIE GONZALES**  
Fifth District

**DENA M. SMITH**  
Interim Chief Executive Officer

# CONDITIONS OF APPROVAL

## TENTATIVE TRACT 19991

Larry Jacinto

### GENERAL REQUIREMENTS

Conditions of Operation and Procedure

LAND USE SERVICES – Planning Division (909) 387-8311

1. Project Approval Description. Tentative Tract (TT) 19991 is approved to be recorded and constructed in compliance with the San Bernardino County Code (SBCC), the conditions of approval stated herein and the approved stamped tentative tract map. This approval includes the requirements of any approved reports (e.g. traffic study, noise study). TT 19991 is approved to subdivide 16.88 gross acres into 62 numbered residential lots and 2 lettered lot for a well site and drainage improvements, located on an irregularly shaped parcel at the northeast corner of Sapphire Avenue and Nice Avenue, approximately 150 feet south of Mentone Boulevard, in the Mentone area. APN: 0298-261-46. Project No: P201600018.
2. Expiration. This conditional approval shall become null and void unless all conditions have been completed and the Tentative Map has been deemed complete by the County Surveyor for purposes of recordation within thirty-six (36) months following the effective approval date, unless an extension of time is granted.

PLEASE NOTE: This will be the ONLY notice given of the approval expiration date. The "developer" is responsible for initiation of any extension request.

3. Revisions. Any proposed change to the approved use/activity on the site or any increase in the developed area of the site or any expansion or modification to the approved facilities, including changes to the height, location, bulk or size of structure or equipment shall require an additional land use review and application subject to approval by the County. The developer shall prepare, submit with fees and obtain approval of the application prior to implementing any such revision or modification. (SBCC §86.06.070)
4. Extension of Time. Extensions of time to the expiration date (listed above or as otherwise extended) may be granted in increments each not to exceed an additional three years beyond the current expiration date. An application to request consideration of an extension of time may be filed with the appropriate fees no less than thirty days before the expiration date. Extensions of time may be granted based on a review of the application, which includes a justification of the delay in construction and a plan of action for completion. The granting of such an extension request is a discretionary action that may be subject to additional or revised conditions of approval or site plan modifications. (SBCC §86.06.060)

5. Project Account. The Job Costing System (JCS) account number is P201600018. This is an actual cost project with a deposit account to which hourly charges are assessed by various county agency staff (e.g. Land Use Services, Public Works, and County Counsel). Upon notice, the "developer" shall deposit additional funds to maintain or return the account to a positive balance. The "developer" is responsible for all expense charged to this account. Processing of the project shall cease, if it is determined that the account has a negative balance and that an additional deposit has not been made in a timely manner. A minimum balance of \$1,000.00 must be in the project account at the time the Condition Compliance Review is initiated. Sufficient funds must remain in the account to cover the charges during each compliance review. All fees required for processing shall be paid in full prior to final inspection, occupancy and operation of the approved use.
6. Indemnification. In compliance with SBCC §81.01.070, the developer shall agree, to defend, indemnify, and hold harmless the County or its "indemnitees" (herein collectively the County's elected officials, appointed officials (including Planning Commissioners), Zoning Administrator, agents, officers, employees, volunteers, advisory agencies or committees, appeal boards or legislative body) from any claim, action, or proceeding against the County or its indemnitees to attack, set aside, void, or annul an approval of the County by an indemnitee concerning a map or permit or any other action relating to or arising out of County approval, 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. In the alternative, the developer may agree to relinquish such approval.

Any condition of approval imposed in compliance with the County Development Code or County General Plan shall include a requirement that the County acts reasonably to promptly notify the developer of any claim, action, or proceeding and that the County cooperates fully in the defense. The developer shall reimburse the County and its indemnitees for all expenses resulting from such actions, including any court costs and attorney fees, which the County or its indemnitees may be required by a court to pay as a result of such action.

The County may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the developer of their obligations under this condition to reimburse the County or its indemnitees for all such expenses.

This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The developer's indemnification obligation applies to the indemnitees' "passive" negligence but does not apply to the indemnitees' "sole" or "active" negligence or "willful misconduct" within the meaning of Civil Code Section 2782.

7. Development Impact Fees. Additional fees may be required prior to issuance of development permits. Fees shall be paid as specified in adopted fee ordinances.
8. Underground Utilities. Utility lines, including electric, telephone, communications, and street lighting, within or directly serving each subdivision, shall be placed underground. The subdivider is responsible for complying with the requirements of this Subsection without expense to the County, and shall make necessary arrangements with the utility company for the installation of the facilities. Appurtenances and associated equipment (e.g., boxes and meter cabinets) and concealed ducts in an underground system may be placed above ground.
9. Additional Permits. The property owner, developer, and land use operator are all responsible to ascertain and comply with all laws, ordinances, regulations and any other requirements of Federal, State, County and Local agencies as are applicable to the development and operation of the approved land use and project site. These include:
  - a) FEDERAL: N/A
  - b) STATE: Regional Water Quality Control Board (RWQCB) – Santa Ana Region, South Coast Air Quality Management District (AQMD)
  - c) COUNTY: Land Use Services-Building and Safety/Code Enforcement, Planning, Land Development; County Fire; County Surveyor; Public Health-Environmental Health Services (DEHS), Public Works, Local Agency Formation Commission (LAFCO), AND;
  - d) LOCAL: City of Redlands (Water and Sewer).
10. Condition Compliance. In order to obtain construction permits for grading, building, final inspection and tenant occupancy for each approved building, the developer shall process a Condition Compliance Release Form (CCRF) for each respective building and/or phase of the development through County Planning in accordance with the directions stated in the Approval letter. County Planning shall release its holds on each phase of development by providing to County Building and Safety the following:
  - a) Grading Permits - a copy of the signed CCRF for grading/land disturbance and two "red" stamped and signed approved copies of the grading plans.
  - b) Building Permits - a copy of the signed CCRF for building permits and three "red" stamped and signed approved copies of the final approved site plan.
  - c) Final Inspection - a copy of the signed CCRF for final inspection of each respective building, after an on-site compliance inspection by County Planning.

LAND USE SERVICES – Code Enforcement Division (909) 387-4044

11. Enforcement. If any County enforcement activities are required to enforce compliance with the conditions of approval, the property owner shall be charged for such enforcement activities in accordance with the County Code Schedule of Fees.



12. Weed Abatement. The applicant shall comply with San Bernardino County weed abatement regulations [SBCC§ 23.031-23.043] and periodically clear the site of all non-complying vegetation. This includes removal of all Russian thistle (tumbleweeds).

COUNTY FIRE – Community Safety (909) 386-8465

13. Jurisdiction. The above referenced project is under the jurisdiction of the San Bernardino County Fire Department herein "Fire Department". Prior to any construction occurring on any parcel, the applicant shall contact the Fire Department for verification of current fire protection requirements. All new construction shall comply with the current California Fire Code requirements and all applicable statutes, codes, ordinances and standards of the Fire Department.
14. Fire Fee. The required fire fees are due at time of submittal and paid to the San Bernardino County Fire Department/Community Safety Division. This fee is in addition fire fees that are paid to other City or County offices. [F40] \$1,138 TTM
15. Construction Permits. Including Fire Condition Letters, shall automatically expire and become invalid unless the work authorized by such permit is commenced within 180 days after its issuance, or if the work authorized by such permit is suspended or abandoned for a period of 180 days after the time the work is commenced. Suspension or abandonment shall mean that no inspection by the Department has occurred within 180 days of any previous inspection. After a construction permit or Fire Condition Letter, becomes invalid and before such previously approved work recommences, a new permit shall be first obtained and the fee to recommence work shall be one-half the fee for the new permit for such work, provided no changes have been made or will be made in the original construction documents for such work, and provided further that such suspension or abandonment has not exceeded one year. A request to extend the Fire Condition Letter or Permit may be made in writing PRIOR TO the expiration date justifying the reason that the Fire Condition Letter should be extended.
16. Additional Requirements. In addition to the Fire requirements stated herein, other on-site and off-site improvements may be required which cannot be determined from tentative plans at this time and would have to be reviewed after more complete improvement plans and profiles have been submitted to this office. [F01A]

LAND USE SERVICES – Land Development Division– Drainage (909) 387-8311

17. Tributary Drainage. Adequate provisions should be made to intercept and conduct the tributary off site - on site drainage flows around and through the site in a manner, which will not adversely affect adjacent or downstream properties at the time the site is developed.

18. Natural Drainage. The natural drainage courses traversing the site shall not be occupied or obstructed.
19. Additional Drainage Requirements. In addition to drainage requirements stated herein, other "on-site" and/or "off-site" improvements may be required which cannot be determined from tentative plans at this time and would have to be reviewed after more complete improvement plans and profiles have been submitted to this office.
20. Continuous BMP Maintenance. The property owner/"developer" is required to provide periodic and continuous maintenance of all Best Management Practices (BMP) devices/facilities listed in the County approved Water Quality Management Plan (WQMP) for the project. This includes but is not limited to, filter material replacement and sediment removal, as required to assure peak performance of all BMPs. Furthermore, such maintenance activity will require compliance with all Local, State, or Federal laws and regulations, including those pertaining to confined space and waste disposal methods in effect at the time such maintenance occurs.
21. BMP Enforcement. In the event the property owner/"developer" (including any successors or assigns) fails to accomplish the necessary BMP maintenance within five (5) days of being given written notice by County Public Works, then the County shall cause any required maintenance to be done. The entire cost and expense of the required maintenance shall be charged to the property owner and/or "developer", including administrative costs, attorney's fees and interest thereon at the rate authorized by the County Code from the date of the original notice to the date the expense is paid in full.

PUBLIC WORKS - Solid Waste Management (909) 387-8701

22. Mandatory Trash Service. This project falls within a Uniform Handling Service area. If uniform handling is implemented in all or part of a particular franchise area, all owners of a dwelling or a commercial or industrial unit within the uniform handling area who are required to have uniform handling service shall, upon notice thereof, be required to accept uniform handling service from the grantee holding a franchise agreement and pay the rate of such services. This requirement is a stipulation of County Code Title 4, Division 6, Chapter 5 Section 46.0501.
23. Recycling Storage Capacity. The developer shall provide adequate space and storage bins for both refuse and recycling materials. This requirement is to assist the County in compliance with the recycling requirements of Assembly Bill (AB) 2176.

### **PRIOR TO ISSUANCE OF GRADING PERMITS**

The following shall be completed:

#### LAND USE SERVICES - Building and Safety Division (909) 387- 8311

24. Retaining Wall Plans. Submit plans and obtain separate building permits for any required walls or retaining walls.
25. Geology Report. A geology report shall be submitted to the Building and Safety Division for review and approval by the County Geologist and fees paid for the review prior to final project approval.
26. Geotechnical (Soil) Report. A geotechnical (soil) report shall be submitted to the Building and Safety Division for review and approval prior to issuance of grading permits.
27. Grading Plans. Grading plans shall be submitted to Building and Safety for review and approval prior to grading/land disturbance of more than 50 Cu Yards.
28. Demolition Permit. Obtain a demolition permit for any building/s or structures to be demolished. Underground structures must be broken in, back-filled and inspected before covering.
29. Erosion & Sediment Control Plan. An erosion and sediment control plan shall be submitted to and approved by the Building Official.
30. Erosion Control Installation. Erosion control permit shall be obtained and devices installed prior to any land disturbance. No sediment is to leave the job site.
31. NPDES Permit. An NPDES permit - Notice of Intent (NOI) - is required on all grading of one (1) acre or more prior to issuance of a grading/construction permit. Contact your Regional Water Quality Control Board for specifics.  
[www.swrcb.ca.gov](http://www.swrcb.ca.gov)
32. Regional Board Permit. CONSTRUCTION projects involving one or more acres must be accompanied by a copy of the Regional Board permit letter with the WDID #. Construction activity includes clearing, grading, or excavation that results in the disturbance of at least one (1) acre of land total.
33. Project Geotechnical Consultant. Once project grading plans are prepared and available, the project geotechnical consultant shall review the grading plans relative to the recommendations in the above referenced report. The geotechnical consultant shall either prepare a Grading Plan Review Report or stamp and wet-sign the grading plans which shall be submitted to the County for review and approval prior to grading permit issuance.

LAND USE SERVICES - Planning Division (909) 387- 8311

34. Nesting Bird Surveys. *Pre-construction Nesting Bird Surveys and Avoidance. Within 30 days prior to demolition, tree removal, vegetation clearing or ground disturbance associated with grading that would occur during the nesting/breeding season (between February 15 and September 1). The applicant shall retain a qualified biologist, knowledgeable in local birds and their nesting preferences, to conduct a pre-construction survey for nesting bird species. The survey shall be conducted no more than seven (7) days prior to initiation of disturbance work and will be conducted to ensure compliance with the federal Migratory Bird Treaty Act and CFG Code Section 3504.5. If ground disturbance activities are delayed, then additional pre-disturbance surveys shall be conducted such that no more than seven days will have elapsed between the survey and ground disturbance activities.*

*If active nests are found during the breeding season then no-work buffer zones shall be established around the active nests by a qualified biologist (typically 250 feet radius for a songbird and 500 feet for raptors). A lesser distance may be approved in consultation with the California Department of Fish and Wildlife. Demolition, tree removal, vegetation clearing, and ground disturbance shall be postponed or halted within the buffer zone until a qualified biologist determines that the nest is no longer active. No-work buffers shall be established in the field with highly visible construction fencing or flagging, and construction personnel shall be instructed on the sensitivity of nest areas. A qualified biologist shall serve as a grading and construction monitor during those periods to regularly monitor active nests to ensure that no inadvertent impacts on these nests occur and to determine when the nests become inactive so that buffer restrictions may be removed.*

*[Mitigation Measure BIO-1] Prior to Grading Permit/Planning*

35. AQ-Dust Control Plan. *The "developer" shall prepare, submit for review and obtain approval from County Planning of both a Dust Control Plan (DCP) consistent with SCAQMD guidelines and a signed letter agreeing to include in any construction contracts/ subcontracts a requirement that project contractors adhere to the requirements of the DCP. The DCP shall include the following requirements:*
- a) Exposed soil shall be kept continually moist to reduce fugitive dust during all grading and construction activities, through application of water sprayed a minimum of three times each day.*
  - b) Any portion of the site to be graded shall be pre-watered to a depth of three feet prior to the onset of grading activities.*
  - c) During high wind conditions (i.e., wind speeds exceeding 25 mph), areas with disturbed soil shall be watered hourly and activities on unpaved surfaces shall cease until wind speeds no longer exceed 25 mph.*
  - d) Any area that will remain undeveloped for a period of more than 30 days shall be stabilized using either chemical stabilizers and/or a desert wildflower mix hydroseed on the affected portion of the site.*

- e) *Storage piles that are to be left in place for more than three working days shall be sprayed with a non-toxic soil binder, covered with plastic or revegetated.*
  - f) *Imported fill and exported excess cut shall be adequately watered prior to transport, covered during transport, and watered prior to unloading on the project site.*
  - g) *Storm water control systems shall be installed to prevent off-site mud deposition.*
  - h) *All trucks hauling dirt away from the site shall be covered.*
  - i) *Construction vehicle tires shall be washed, prior to leaving the project site.*
  - j) *Rumble plates shall be installed at construction exits from dirt driveways.*
  - k) *Paved access driveways and streets shall be washed and swept daily when there are visible signs of dirt track-out.*
  - l) *Street sweeping shall be conducted daily when visible soil accumulations occur along site access roadways to remove dirt dropped or tracked-out by construction vehicles. Site access driveways and adjacent streets shall be washed daily, if there are visible signs of any dirt track-out at the conclusion of any workday and after street sweeping.*
- [Mitigation Measure AQ-1] Prior to Grading Permits/Planning*

36. *AQ - Construction Mitigation.* *The "developer" shall submit for review and obtain approval from County Planning of a signed letter agreeing to include as a condition of all construction contracts/subcontracts requirements to reduce vehicle and equipment emissions and other impacts to air quality by implementing the following measures and submitting documentation of compliance: The developer/construction contractors shall do the following:*
- a) *Provide documentation prior to beginning construction demonstrating that the Project will comply with all SCAQMD regulations including 402 (nuisance), 403 (fugitive dust), 431.1(sulfur content of gaseous fuels), 431.2 (sulfur content of liquid fuels), 1113 (architectural coatings), and 1403 (asbestos emissions from demolition activities).*
  - b) *Each contractor shall certify to the developer prior to construction-use that all equipment engines are properly maintained and have been tuned-up within last 6 months.*
  - c) *Each contractor shall minimize the use of diesel-powered vehicles and equipment through the use of electric, gasoline or CNG-powered equipment. All diesel engines shall have aqueous diesel filters and diesel particulate filters.*
  - d) *All gasoline-powered equipment shall have catalytic converters.*
  - e) *Provide onsite electrical power to encourage use of electric tools.*
  - f) *Minimize concurrent use of equipment through equipment phasing.*
  - g) *Provide traffic control during construction to reduce wait times.*
  - h) *Provide on-site food service for construction workers to reduce offsite trips.*
  - i) *Implement the County approved Dust Control Plan (DCP)*
  - j) *Suspend use of all construction equipment operations during second stage smog alerts. NOTE: For daily forecast, call (800) 367-4710 (San Bernardino and Riverside counties).*

*[Mitigation Measure AQ-2] Prior to Grading Permits/Planning*

37. Noise Mitigation. The developer will submit for review and obtain approval of an agreement letter that stipulates that all construction contracts/subcontracts contain as a requirement that the following noise attenuation measures be implemented:
- a) Noise levels of any project use or activity will be maintained at or below adopted County noise standards (SBCC 83.01.080). The use of noise-producing signals, including horns, whistles, alarms, and bells, will be for safety warning purposes only.*
  - b) Exterior construction activities will be limited between 7 a.m. and 7 p.m. There will be no exterior construction activities on Sundays or National Holidays.*
  - c) Construction equipment will be muffled per manufacturer's specifications. Electrically powered equipment will be used instead of pneumatic or internal combustion powered equipment, where feasible.*
  - d) All stationary construction equipment will be placed in a manner so that emitted noise is directed away from sensitive receptors nearest the project site.*
  - e) Homes shall incorporate noise attenuation design intended to maintain interior noise levels at a minimum of 45 dBA.*

*[Mitigation Measure N-1] Prior to Grading Permit/Planning*

38. GHG Construction Standards. The developer shall submit for review and obtain approval from County Planning of a signed letter agreeing to include as a condition of all construction contracts/subcontracts requirements to reduce impacts to GHG and submitting documentation of compliance. The developer/construction contractors shall do the following:
- a) Implement both the approved Coating Restriction Plans.*
  - b) Select construction equipment based on low-emissions factors and high-energy efficiency. All diesel/gasoline-powered construction equipment shall be replaced, where possible, with equivalent electric or CNG equipment.*
  - c) Grading plans shall include the following statements:*
    - "All construction equipment engines shall be properly tuned and maintained in accordance with the manufactures specifications prior to arriving on site and throughout construction duration."*
    - "All construction equipment (including electric generators) shall be shut off by work crews when not in use and shall not idle for more than 5 minutes.*
  - d) Schedule construction traffic ingress/egress to; not interfere with peak-hour traffic and to minimize traffic obstructions. Queuing of trucks on and off site shall be firmly discouraged and not scheduled. A flag person shall be retained to maintain efficient traffic flow and safety adjacent to existing roadways.*
  - e) Recycle and reuse construction and demolition waste (e.g. soil, vegetation, concrete, lumber, metal and cardboard) per County Solid Waste procedures.*

- f) The construction contractor shall support and encourage ridesharing and transit incentives for the construction crew and educate all construction workers about the required waste reduction and the availability of recycling services.
39. Cultural Resources. During grading or excavation operations, should any potential paleontological or archaeological artifacts be unearthed or otherwise discovered, the San Bernardino County Museum shall be notified and the uncovered items shall be preserved and curated, as required. In addition, please notify the Colorado River Indian Tribes Tribal Historic Preservation Office within 48 hours. For information, contact the County Museum, Community and Cultural Section, telephone (909) 798-8570.
40. Cultural Resources – Tribal Monitoring. *Cultural resource monitoring shall occur during any Project-related ground-disturbing activity that includes a qualified archaeological monitor and a Native American monitor to determine if potentially significant resources exist. Prior to initiating ground disturbance activities a letter shall be provided to the Planning Division confirming that arrangements have been made with the Soboba Indians to provide site monitoring.*  
*[Mitigation Measure C-1] Prior to Grading/Permit, Planning*
41. The applicant shall submit a plan to the Planning Division for review and approval delineating a proposed spot archaeological monitoring process that will be undertaken during removal of site trees, as part of either the site grubbing/clearing phase and/or grading phase. The plan shall identify various locations throughout the site in which monitoring would occur utilizing, at a minimum, Tribal representatives from the San Manuel Mission Indians. Monitoring is considered part of an on-going tribal consultation process. Upon conclusion of the monitoring process a report shall be provided to the Planning Division identifying the results of that process. The individuals monitoring the process shall have the authority to stop work to identify and/or catalog these resources should any cultural resources be observed and the determination of the ultimate disposition of any tribal cultural resources shall include the San Manuel Tribe.

COUNTY FIRE – Community Safety (909) 386-8465

42. Water System. Prior to any land disturbance, the water systems shall be designed to meet the required fire flow for this development and shall be approved by the Fire Department. The required fire flow shall be determined by using Appendix IIIA of the Uniform Fire Code. [F05]
43. Street Signs. This project is required to have an approved street sign (temporary or permanent). The street sign shall be installed on the nearest street corner to the project. Installation of the temporary sign shall be prior any combustible material being placed on the construction site. Prior to final inspection and occupancy of the first structure, the permanent street sign shall be installed. Standard 901.4.4 [F72]

44. Fire Hydrant. Your project meets fire flow however, the fire hydrant in your submittal is in excess of the required spacing and/or a substandard fire hydrant. You will be required to either install an approved fire hydrant within 300 feet (as measured along vehicular travel-ways) from the driveway on the address side of the proposed structure or install an approved fire sprinkler system. This requirement shall be completed prior to combination inspection by Building and Safety. [F05A]

PUBLIC HEALTH – Environmental Health Services (DEHS) (800) 442-2283

45. Vectors. The project area has a high probability of containing vectors. DEHS Vector Control Section will determine the need for vector survey and any required control programs. A vector clearance letter shall be submitted to DEHS/Land Use. For information, contact Vector Control at (800) 442-2283.

LAND USE SERVICES - Land Development Division - Drainage (909) 387-8311

46. Grading Plans. Grading plans shall be submitted to Land Development Division for review and approval obtained, prior to construction. All drainage and water quality improvements shall be shown on the grading plans along with the supporting hydrology, hydraulics and water quality calculations. An \$806 deposit for grading plan review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule.
47. Drainage Improvements. A Registered Civil Engineer shall investigate and design adequate drainage improvements to intercept and conduct the off-site and on-site drainage flows around and through the site in a manner, which will not adversely affect adjacent or downstream properties. Submit drainage study for review and obtain approval. A \$550 deposit for drainage study review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule.
48. FEMA Flood Zone. The project is located within Flood Zone X-Shaded according to FEMA Panel Number 8730H dated 08/28/2008 and will require the first floor to be elevated one foot (1ft.) above the natural highest adjacent ground (HAG) in compliance with SBC regulations. The requirements may change based on the most current Flood Map prior to issuance of grading permit.
49. Topo Map. A topographic map shall be provided to facilitate the design and review of necessary drainage facilities.
50. WQMP. A completed Water Quality Management Plan (WQMP) shall be submitted for review and approval obtained. A \$2,650 deposit for WQMP review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule. The report shall adhere to the current requirements established by the



Tentative Tract Map 19991  
LARRY JACINTO  
P201600018

Santa Ana Watershed Region. Copies of the WQMP guidance and template can be found at: (<http://cms.sbcounty.gov/dpw/Land/WQMPTemplatesandForms.aspx>)

51. WQMP Inspection Fee. The developer shall deposit an inspection fee for WQMP in the amount of \$3,600 to Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule.

PUBLIC WORKS – Office of Surveyor (909) 387-8148

52. Land Survey Monumentation. If any activity on this project will disturb any land survey monumentation, including but not limited to vertical control points (benchmarks), said monumentation shall be located and referenced by or under the direction of a licensed land surveyor or registered civil engineer authorized to practice land surveying prior to commencement of any activity with the potential to disturb said monumentation, and appropriate documents shall be filed with the County Surveyor pursuant to Section 8771(b) Business and Professions Code.

**PRIOR TO RECORDATION OF THE FINAL MAP**  
The Following Conditions Shall Be Completed

LAND USE SERVICES – Planning Division (909) 387-8311

53. HOA required. The Developer shall establish a Homeowners' Association (HOA) for the purpose of monitoring and maintaining common area amenities and where applicable, private lot areas with HOA maintenance easements. The HOA shall include all lots in Tentative Tract 19991 and shall be formed to the satisfaction of County Planning. The Developer shall submit the following to County Planning for review and approval:
- a) Cover Letter. Reference the project case number P201600018 and TT 19991 and identify the contact individual (with contact information) for any questions concerning the submitted documents.
  - b) By-Laws/CC&R. The proposed HOA By-Laws, Declaration of Covenants, Conditions and Restrictions (CC&R's), and HOA Rules and Regulations shall be submitted for review and approval obtained from County Planning. The By-laws and the CC&R's, as approved by the County, shall not be modified or rescinded without County approval. The CC&R's shall:
    - Provide for a minimum term of 60 years.
    - Provide for the establishment of an HOA comprised of the owners of each individual lot or unit as tenants in common.
    - Provide for common area ownership to be by either the HOA or the owners of each individual lot or unit as tenants in common.
    - Contain the following note verbatim: "Notwithstanding any provision in this Declaration to the contrary, the following provisions shall apply: The property owners' association established herein shall manage and continuously maintain the 'common area', more particularly described on

Exhibit 'A', attached hereto, and shall not sell or transfer the 'common area' or any part thereof, absent the prior written consent of the County of San Bernardino or the County's successor-in-interest. The property owners' association shall have the right to assess the owners of each individual lot or unit for the reasonable cost of maintaining such 'common area', and shall have the right to lien the property of any such owner who defaults in the payment of a maintenance assessment. An assessment lien, once created, shall be paid in full prior to all other liens recorded subsequent to the notice of assessment or other document creating the assessment lien. This Declaration shall not be terminated, 'substantially' amended, or property deannexed there from absent the prior written consent of the County of San Bernardino or the County's successor-in-interest. A proposed amendment shall be considered 'substantial' if it affects the extent, usage, or maintenance of the 'common area' established pursuant to the Declaration. In the event of any conflict between this Declaration and the Articles of Incorporation, the Bylaws, or the property owners' association Rules and Regulations, if any, this Declaration shall control."

- c) Sample Title. A sample document conveying title to the purchaser of an individual lot or unit, which provides that the declaration of covenants, conditions, and restrictions is incorporated therein by reference.
- d) Recordation. After approval by the County, the HOA By-Laws, the Declaration of Covenants, Conditions and Restrictions (CC&R's) shall be recorded and a copy of the recorded documents shall be provided to County Planning. The submitted documents shall include: One (1) copy and one (1) original, wet signed, notarized and ready for recordation declaration of covenants, conditions, and restrictions; attached to these documents there shall be included a legal description of the property included within the covenants, conditions and restrictions and a scaled map or diagram of such boundaries, both signed and stamped by a California registered civil engineer or licensed land surveyor.
- e) HOA Responsibilities. The HOA documents (CC&R's) shall indicate that the HOA is required to maintain common area landscaping, street landscaping, if applicable, internal paved roadways, fuel modification measures, slopes, fencing, retaining walls, drainage facilities, and water quality facilities. The HOA shall enforce architectural controls to insure compatibility of colors, materials, landscaping and overall aesthetic appearance, including prompt removal of graffiti. The HOA shall require that roof mounted mechanical equipment shall be screened from view, on all sides to minimize any visual and aesthetic adverse impacts. Homeowners shall be required to incorporate drought-resistant, fire retardant, and water conserving plants and irrigation systems in their landscaping designs. Homeowners will be required to maintain any required fuel modification and sound attenuation measures. Any or all maintenance responsibilities of the HOA may be assumed by a special district formed for such maintenance.
- f) Landscaped Area Maintenance. The maintenance of landscaped areas shall be the sole responsibility of the developer until the transfer to individual

ownership of the lots or until the maintenance is officially assumed by the required Homeowners' Association (HOA) or by a maintenance district. A separate water meter shall be installed in any common easement landscaped area, in conformance with an approved landscaping plan.

LAND USE SERVICES - Building & Safety Division (909) 387-8311

54. Demolition Permit. Obtain a demolition permit for any building/s or structures to be demolished. Underground structures must be broken in, back-filled and inspected before covering.
55. Geology Report. A geology report shall be submitted to the Building and Safety Division for review and approval by the County Geologist and fees paid for the review.
56. Geotechnical (Soil) Report. A geotechnical (soil) report shall be submitted to the Building and Safety Division for review and approval prior to issuance of grading permits.

PUBLIC HEALTH - Environmental Health Services (DEHS) (800) 442-2283

57. Water Purveyor. The water purveyor shall be City of Redlands.
58. Water Verification. Water purveyor shall be DEHS approved. (i.e. approved water agency/district, water source and/or well). Applicant shall procure a verification letter from the water agency with jurisdiction. This letter shall state whether or not water connection and service shall be made available to the project by the water agency. This letter shall reference the project name and Assessor's Parcel Number. For more information contact DEHS.
59. Sewage Disposal. Method of sewage disposal shall be the City of Redlands.
60. Sewer Purveyor. Sewage disposal shall be EHS approved (i.e. approved sewage/wastewater agency/district and/or Onsite Wastewater Treatment System (OWTS)). Applicant shall procure a verification letter from the sewerage agency with jurisdiction. This letter shall state whether or not sewer connection and service shall be made available to the project by the sewerage agency. The letter shall also reference the project name and Assessor's Parcel Number. For more information contact DEHS Wastewater Section.
61. Vector Survey. The project area has a high probability of containing vectors. This includes, but is not limited to, activities related to the demolition/destruction of structures. DEHS Vector Control Program will determine the need for vector survey and any required control programs. A vector clearance letter shall be submitted to DEHS/Land Use prior to the issuance of any permits. For more information, contact the DEHS Vector Control Program.

62. Water System Permit. If an approved water company cannot service the project a water systems permit will be required. The source of water shall meet water quality and quantity standards pursuant to Title 22 Drinking Water Standards. For more information contact DEHS Drinking Water Section.
63. Existing Wells. If wells are found onsite then, evidence shall be provided that all wells are (1) properly destroyed under permit from that Country OR (2) constructed to DEHS standards, properly sealed and certified to the County as inactivated OR (3) constructed to DEHS standards and meet the quality standards for the proposed use of the water (industrial and/or domestic). Evidence shall be submitted to DEHS/Water Section for approval. Contact DEHS/Water Section for approval. Contact DEHS/Water Section for more information at 909-442-2283.
64. LAFCO. Submit verification of LAFCO approval to EHS for any project that requires water or sewer connection outside a purveyor's jurisdiction. For information, contact LAFCO at (909) 388-0480.
65. Water System. The public water supply system shall be maintained and operated by an entity or association acceptable to DEHS. For information, contact the Water Section at (800) 442-2283.
66. Water/Sewer Requirements. The following must be completed to meet the requirements for installation and/or finance of the on-site/off-site water system and/or sewer system.
- A. Where the water and/or sewer system is to be **installed** prior to recordation, it is the developer's responsibility to submit to the LAND USE SERVICE DEPARTMENT, LAND DEVELOPMENT DIVISION, a copy of the approved plan and a signed statement from the utility of jurisdiction confirming that the improvement has been installed and accepted.
  - B. Where a **bond** is to be posted in lieu of installation of the improvement, the developer shall submit the approved plans and determined amount or a signed statement from an acceptable governmental entity, that financial arrangements have been completed and submitted to the LAND USE SERVICES DEPARTMENT, LAND DEVELOPMENT DIVISION.
67. Water/Sewer Requirements. The following must be completed to meet the requirements for installation and/or finance of the on-site/off-site water system and/or sewer system.
- A. Where the water and/or sewer system is to be installed prior to recordation, submit a signed statement to DEHS from the approved utility of jurisdiction confirming that the improvement has been installed and accepted.

B. Where a bond is to be posted in lieu of installation of the improvement, the developer shall submit evidence of financial arrangements agreeable to the water purveyor and/or sewerage entity to DEHS for review and approval.

68. Acoustical Information. Submit preliminary acoustical information demonstrating that the proposed project maintains noise levels at or below San Bernardino County Noise Standard(s), San Bernardino Development Code Section 87.0905(b). The purpose is to evaluate potential future on-site and/or adjacent off-site noise sources. If the preliminary information cannot demonstrate compliance to noise standards, a project specific acoustical analysis shall be required. Submit information/analysis to the DEHS for review and approval. For information and acoustical checklist, contact DEHS at (800) 442-2283.

LAND USE SERVICES - Land Development Division - Drainage (909) 387-8311

69. Drainage Improvements. A Registered Civil Engineer shall investigate and design adequate drainage improvements to intercept and conduct the off-site and on-site drainage flows around and through the site in a manner, which will not adversely affect adjacent or downstream properties. Submit drainage study for review and obtain approval. A \$550 deposit for drainage study review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule.
70. Drainage Easements. Adequate San Bernardino County Drainage Easements (minimum fifteen [15] feet wide) shall be provided over the natural drainage courses, drainage facilities/or concentration of runoff from the site. Proof of recordation shall be provided to the Land Development Division.
71. Topo Map. A topographic map shall be provided to facilitate the design and review of necessary drainage facilities.
72. On-site Flows. On-site flows need to be directed to drainage facilities unless a drainage acceptance letter is secured from the adjacent property owners and provided to Land Development Division, Drainage Section.
73. Grading Plans. Grading plans shall be submitted for review and approval obtained if grading occurs prior to Final Map recordation. All drainage and water quality improvements shall be shown on the grading plans along with the supporting hydrology, hydraulics and water quality calculations. An \$806 deposit for grading plan review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee schedule.
74. WQMP. A completed Water Quality Management Plan (WQMP) shall be submitted for review and approval obtained. A \$2,650 deposit for WQMP review will be collected upon submittal to the Land Development Division. Deposit amounts are subject to change in accordance with the latest approved fee

schedule. The report shall adhere to the current requirements established by the Santa Ana Watershed Region. Copies of the WQMP guidance and template can be found at: (<http://cms.sbcounty.gov/dpw/Land/WQMPTemplatesandForms.aspx>)

75. FEMA Flood Zone. The project is located within Flood Zone X-Shaded according to FEMA Panel Number 8730H dated 08/28/2008 and will require the first floor to be elevated one foot (1ft.) above the natural highest adjacent ground in compliance with SBC regulations. The requirements may change based on the most current Flood Map prior to issuance of grading permit."

LAND USE SERVICES - Land Development Division - Roads (909) 387-8311

76. Road Dedication/Improvements. The developer shall submit for review and obtain approval from the Land Use Services Department the following dedications and plans for the listed required improvements, designed by a Registered Civil Engineer (RCE), licensed in the State of California.

**Nice Avenue (Collector – 66')**

- Road Dedication. A 3 foot grant of easement is required to provide a half-width right-of-way of 33'.
- Street Improvements. Design curb and gutter with match up paving 22 feet from centerline.
- Sidewalks. Design sidewalks per County Standard 109 Type "B".
- Curb Returns and Sidewalk Ramps. Curb Returns shall be designed per County Standard 110 at the intersection of Nice Avenue and Sapphire Avenue. Adequate easement shall be provided to ensure sidewalk improvements are within Public right-of-way.

**Sapphire Avenue (Collector – 66')**

- Road Dedication. A 3 foot grant of easement is required to provide a half-width right-of-way of 33'.
- Street Improvements. Design curb and gutter with match up paving 22 feet from centerline.
- Sidewalks. Design sidewalks per County Standard 109 Type "B".
- Driveway Approach. Design driveway approach per San Bernardino County Standard 128 and located per San Bernardino County Standard 130.

**Florence Drive (Private Street – 50')**

- Road Dedication. A grant of easement is required to provide a 50 foot full width right-of-way for the full length of the street.
- Street Improvements. Design curb and gutter with match up paving 18 feet from centerline.
- Sidewalks. Design sidewalks per County Standard 109 Type "C".
- Curb Returns and Sidewalk Ramps. Curb Returns shall be designed per County Standard 110 at the intersection of Florence Drive and Nice Avenue and also at Florence Drive and Venice Avenue. Adequate easement shall be provided to ensure sidewalk improvements are within Public right-of-way.
- Driveway Approach. Design driveway approach per 2010 Caltrans Driveway Standard Detail A87A (W=12' min – 34' max), and located per San Bernardino County Standard 130.

**Venice Drive (Private Street – 50')**

- Road Dedication. A grant of easement is required to provide a 50 foot full width right-of-way for the full length of the street.
- Street Improvements. Design curb and gutter with match up paving 18 feet from centerline.
- Sidewalks. Design sidewalks per County Standard 109 Type "C".
- Curb Returns and Sidewalk Ramps. Curb Returns shall be designed per County Standard 110 at the intersection of Venice Avenue and Nice Avenue. Adequate easement shall be provided to ensure sidewalk improvements are within Public right-of-way.
- Driveway Approach. Design driveway approach per 2010 Caltrans Driveway Standard Detail A87A (W=12' min – 34' max), and located per San Bernardino County Standard 130.
- Cul-de-sac Design. The proposed cul-de-sac shall be designed and constructed full width to County Standards. The map shall be revised as necessary to accomplish this.

**Sorrento Place (Private Street - 50')**

- Road Dedication. A grant of easement is required to provide a 50 foot full width right-of-way for the full length of the street.

- Street Improvements. Design curb and gutter with match up paving 18 feet from centerline.
  - Sidewalks. Design sidewalks per County Standard 109 Type "C".
  - Curb Returns and Sidewalk Ramps. Curb returns and sidewalk ramps shall be designed per County Standard 110 at the intersection of Sorrento Place and Venice Avenue. Adequate easement shall be provided to ensure sidewalk improvements are within Public right-of-way.
  - Driveway Approach. Design driveway approach per 2010 Caltrans Driveway Standard Detail A87A (W=12' min – 34' max), and located per San Bernardino County Standard 130.
  - Cul-de-sac Design. The proposed cul-de-sac shall be designed and constructed full width to County Standards. The map shall be revised as necessary to accomplish this.
77. Road Standards and Design. All required street improvements shall comply with latest San Bernardino County Road Planning and Design Standards and the San Bernardino County Standard Plans. Road sections shall be designed to Valley Road Standards of San Bernardino County, and to the policies and requirements of the County Department of Public Works and in accordance with the General Plan, Circulation Element.
78. Street Improvement Plans. The developer shall submit for review and obtain approval of street improvement plans prior to construction. Final plans and profiles shall indicate the location of any existing utility facility or utility pole which would affect construction. Any utility affecting construction shall be relocated as necessary without cost to the County. Street improvement plans shall not be approved until all necessary right-of-way is acquired.
79. Improvement Securities. Any required public road, drainage, WQMP, and/or utility improvements for subdivisions shall be bonded in accordance with County Development code unless constructed and approved prior to recordation. All necessary fees shall be provided in accordance with the latest fee schedule.
80. Maintenance Bond. Once all required public road, drainage, WQMP, and/or utility improvements have been constructed and approved, a maintenance bond for a period of one year shall be required to insure satisfactory condition of all improvements. Submit necessary fees, per the latest fee schedule, for new securities.
81. Road Improvements. All required on-site and off-site improvements shall be completed by the applicant, inspected and approved by County Public Works. Completion of road and drainage improvements does not imply acceptance for maintenance by the County.



82. Structural Section Testing. Prior to occupancy, a thorough evaluation of the structural road section, to include parkway improvements, from a qualified materials engineer, shall be submitted to the County Public Works."
83. Private Roads/Improvements. Construction of private roads and private road related drainage improvements shall be inspected and certified by the engineer. Certification shall be submitted to Land Development by the engineer identifying all supporting engineering criteria.
84. Construction Permits. Prior to installation of road and drainage improvements, a construction permit is required from County Public Works, Transportation Operations Division, Permit Section, (909) 387-8046, as well as other agencies prior to work within their jurisdiction. Submittal shall include a materials report and pavement section design in support of the section shown on the plans. Applicant shall conduct classification counts and compute a Traffic Index (TI) Value in support of the pavement section design.
85. Encroachment Permits. Prior to installation of road and drainage improvements, a permit is required from County Public Works, Transportation Operations Division, Permit Section, (909) 387-8046, as well as other agencies prior to work within their jurisdiction.
86. Soils Testing. Any grading within the road right-of-way prior to the signing of the improvement plans shall be accomplished under the direction of a soils testing engineer. Compaction tests of embankment construction, trench back fill, and all sub-grades shall be performed at no cost to San Bernardino County and a written report shall be submitted to the Transportation Operations Division, Permits Section of County Public Works, prior to any placement of base materials and/or paving.
87. Open Roads/Cash Deposit. Existing County roads, which will require reconstruction, shall remain open for traffic at all times, with adequate detours, during actual construction. A cash deposit shall be made to cover the cost of grading and paving prior to issuance of road encroachment permit. Upon completion of the road and drainage improvement to the satisfaction of the Department of Public Works, the cash deposit may be refunded.
88. Street Type Entrance. Street type entrance(s) with curb returns shall be constructed at the entrance(s) to the development.
89. Transitional Improvements. Right-of-way and improvements (including off-site) to transition traffic and drainage flows from proposed to existing, shall be required as necessary.

*Tentative Tract Map 19991*  
**LARRY JACINTO**  
**P201600018**

90. Street Gradients. Road profile grades shall not be less than 0.5% unless the engineer at the time of submittal of the improvement plans provides justification to the satisfaction of County Public Works confirming the adequacy of the grade.

**PUBLIC WORKS – Office of Surveyor (909) 387-8148**

91. Tentative and Final Map. A tentative and final map is required in compliance with the Subdivision Map Act and the San Bernardino County Development Code.
92. Non-interference Letter. Developer shall present evidence to the County Surveyor's Office that he has tried to obtain a non-interference letter from any utility company that may have rights of easement within the property boundaries.
93. Easements of Record. Easements of record not shown on the tentative map shall be relinquished or relocated. Lots affected by proposed easements or easement of record, which cannot be relinquished or relocated, shall be redesigned.
94. Final Map Review. Review of the Final Map by our office is based on actual cost, and requires an initial \$8,000.00 deposit. Prior to recordation of the map all fees due to our office for the project shall be paid in full.
95. Title Report. A current Title Report prepared for subdivision purposes is required at the time the map is submitted to our office for review.
96. Final Monumentation. Final monumentation, not set prior to recordation, shall be bonded with a cash amount deposited to the County Surveyor's Office as established per the County Fee Ordinance on file with the Clerk of the Board.

**PRIOR TO ISSUANCE OF BUILDING PERMITS**

The following shall be completed:

**LAND USE SERVICES - Building & Safety Division (909) 387-8311**

97. Construction Plans. Any building, sign, or structure to be constructed or located on site, will require professionally prepared plans based on the most current County and California Building Codes, submitted for review and approval by the Building and Safety Division.

**LAND USE SERVICES – Planning Division (909) 387-8311**

98. Project Development Standards. Prior to issuance of Building Permits for any phase of the project, the Developer shall submit a final plan of design for review and approval by the Planning Division. That plan shall contain the following elements:
- a) A final site plan showing all lots, building footprints, setbacks, mechanical equipment and model home assignments on individual lots.

- b) Each model floor plan and elevations (all sides).
  - c) Two (2) sets of photographic or color prints of the sample board and colored elevations shall be submitted for review.
  - d) There shall be a minimum of three different floor plans for this project. For development projects that are to be constructed in phases, a phasing plan shall be submitted to assure that the requirements for the number of floor plans is being met.
  - e) Building setbacks shall be as shown on the approved Tentative Map.
  - f) Air Conditioning units, fireplaces, and entertainment center pop-outs may encroach up to two feet into the non-gated side yard thus allowing a minimum three feet clearance to property line, wall, or toe of slope. If Air Conditioning units, fireplaces, and entertainment center pop-outs are proposed on the gated side yard, then a minimum of five feet free and clear shall be provided to the property line, wall, or toe of slope.
  - g) The colors and materials on adjacent residential structures should be varied to establish a separate identity for the dwellings. A variety of colors and textures of building materials is encouraged, while maintaining overall design continuity in the neighborhood. Color sample boards shall be submitted as a part of the application and review process.
  - h) All windows must be trimmed. Shutters, pot shelves, clay vents, outlookers and/or decorative grille details used on the front elevation must be carried around to the rear elevation.
  - i) All new residences with garages shall be provided with roll-up (i.e. on tracks) garage doors (either sectional wood or steel).
  - j) Lots the backup to perimeter roads or along visible perimeter edges shall incorporate single story homes as often as feasible. The proportion of single story homes must meet or exceed the proportion represented in the overall product mix, with a minimum requirement of 50% on lots that backup to perimeter streets.
  - k) All elevations along visible edges must meet the following requirements.
    - No single-story home may have an uninterrupted side-to-side gable.
    - No uninterrupted two-story masses facing perimeter edges are allowed (permitted on interior conditions).
    - A 12-inch gable or hip projection can be added to create an acceptable massing.
99. Landscape and Irrigation Plan. Landscape and Irrigation Plans shall be prepared in conformance with Chapter 83.10, Landscaping Standards, of the County Development Code. Three (3) sets of landscape plans shall be submitted to the Planning Division for review and approval. The landscape and irrigation plans shall include details for the following improvements and features, as applicable:
- a) Pedestrian walkways and bicycle paths, with cross-sections.
  - b) Entry treatment details at project entrances, including any monument signs, walls, landscaping and hardscapes.
  - c) Walls and fences, indicating locations, heights and proposed materials.
  - d) Proposed buffer treatment (walls/landscape) for any double frontage lots or transition areas, including site-specific measures for screening.

- e) Drought-tolerant and smog-tolerant plant species.
- f) Smart irrigation systems with soil moisture sensing features.

100. Individual Lot Landscaping. The Developer shall be responsible for providing landscaping and irrigation in the front and street side yard areas of all single family residential lots. Landscaping of one model home shall consist only of drought tolerant landscaping to give potential homebuyers an option for a low maintenance yard with limited water usage.

101. Model Home Complex TUP. Where model homes or Model Home Complexes are proposed, the Developer shall submit, with appropriate fees, an application for a Temporary Use Permit (TUP). A model home or model home complex may be authorized before the completion of subdivision improvements in compliance with the following standards.

- a) The sales office and any off-street parking shall be converted back to residential use and/or removed before the issuance of the Final Occupancy Permit or within 14 days from the sale of the last parcel in the subdivision, whichever first occurs.
- b) The model home complex shall be used to sell only units within the subdivision within which the complex is located.
- c) Model home permits will be finalized and the model homes will be allowed to be open to the public only after all subdivision improvements are completed and accepted by the County.
- d) Model home sign permits will be issued only after all subdivision improvements are completed and accepted by the County.
- e) The review authority over the TUP may require other conditions of approval deemed necessary to protect the public health, safety, and general welfare of persons residing or working in the neighborhood.

102. GHG Design Standards. The developer shall submit for review and obtain approval from County Planning that the following measures have been incorporated into the design of the project. These are to; reduce potential project impacts on greenhouse gases: Proper installation of the approved design features and equipment shall be confirmed by County Building and Safety prior to final inspection of each structure.

- a) Meet Current Title 24 Energy Efficiency requirements. The Developer shall document that the design of the proposed structures meets the current Title 24 energy-efficiency requirements. County Planning shall coordinate this review with the County Building and Safety. Any combination of the following design features may be used to fulfill this requirement, provided that the total increase in efficiency meets or exceeds the cumulative goal for the entire project (Title 24, Part 6 of the California Code of Regulations; Energy Efficiency Standards for Residential and Non Residential Buildings):
  - Incorporate dual paned or other energy efficient windows,
  - Incorporate energy efficient space heating and cooling equipment,
  - Incorporate energy efficient light fixtures, photocells, and motion detectors,

- Incorporate energy efficient appliances.
  - Incorporate solar panels into the electrical system
  - Incorporate cool roofs/light colored roofing.
  - Incorporate other measures that will increase energy efficiency.
  - Incorporate insulation to reduce heat transfer and thermal bridging.
  - Limit air leakage throughout the structure and within the heating and cooling distribution system to minimize energy consumption.
- b) Plumbing. All plumbing shall incorporate the following:
- All showerheads, lavatory faucets, and sink faucets shall comply with the California Energy Conservation flow rate standards.
  - Low flush toilets shall be installed where applicable as specified in California State Health and Safety Code Section 17921.3
  - All hot water piping and storage tanks shall be insulated. Energy efficient boilers shall be used.
  - If possible, utilize grey water systems and dual plumbing for recycled water.
- c) Lighting. Lighting design for building interiors shall support the use of:
- Compact fluorescent light bulbs or equivalently efficient lighting.
  - Natural day lighting through site orientation and the use of reflected light.
  - Skylight/roof window systems.
  - Light colored building materials and finishes shall be used to reflect natural and artificial light with greater efficiency and less glare.
  - A multi-zone programmable dimming system shall be used to control lighting to maximize the energy efficiency of lighting requirements at various times of the day.
  - The developer shall ensure that a minimum of 2.5 percent of the project's electricity needs is provided by on-site solar panels.
- d) Building Design. Building design and construction shall incorporate the following elements:
- Orient building locations to best utilize natural cooling/heating with respect to the sun and prevailing winds/natural convection to take advantage of shade, day lighting and natural cooling opportunities.
  - Utilize natural, low maintenance building materials that do not require finishes and regular maintenance.
  - Roofing materials shall have a solar reflectance index of 78 or greater.
  - All supply duct work shall be sealed and leak-tested. Oval or round ducts shall be used for at least 75 percent of the supply duct work, excluding risers.
  - Energy Star or equivalent equipment shall be installed.
  - Building automation system including outdoor temperature/humidity sensors will control public area heating, vent, and air conditioning units.
- e) Recycling. Exterior storage areas for recyclables and green waste shall be provided. Adequate recycling containers shall be located in public areas. Construction and operation waste shall be collected for reuse and recycling.

103. AQ – Coating Restriction Plan. The developer shall submit for review and obtain approval from County Planning of a Coating Restriction Plan (CRP), consistent with SCAQMD guidelines and a signed letter agreeing to include in any construction contracts/subcontracts a condition that the contractors adhere to the requirements of the CRP. The CRP measures shall be following implemented to the satisfaction of County Building and Safety:

- a) Architectural coatings with Reactive Organic Compounds (ROC) shall not have content greater than 100 g/l.
  - b) Architectural coating volume shall not exceed the significance threshold for ROG, which is 75 lbs. /day and the combined daily ROC volume of architectural coatings and asphalt paving shall not exceed the significance threshold for ROC of 75 lbs. per day.
  - c) High-Volume, Low Pressure (HVLP) spray guns shall be used to apply coatings.
  - d) Precoated/natural colored building materials, water-based or low volatile organic compound (VOC) coatings shall be used, if practical.
  - e) Comply with SCAQMD Rule 1113 on the use of architectural coatings.
- [Mitigation Measure AQ-3] Prior to Building Permits/Planning

PUBLIC WORKS – Traffic Division (909) 387-8186

104. The total fair share contribution for this project is required based on the traffic report dated June 13, 2017 from Kunzman and Associates. The fair share breakdown for these improvements is shown below:

<b>INTERSECTION</b>	<b>ESTIMATED COST</b>	<b>FAIR SHARE PERCENTAGE</b>	<b>ESTIMATED CONTRIBUTION</b>
<b>Sapphire Ave at Mentone Blvd (SR 38)</b>			
<b>Intersection Total</b>	<b>\$ 350,000</b>	<b>4.7%</b>	<b>\$ 16,450</b>

The total fair share contribution will be based on the fair share percentages listed above and the estimated construction costs at the time of application for a building permit and shall be paid to the Department of Public Works - Traffic Division. At the present time, the estimated cost is \$16,450. This amount will be adjusted to reflect actual construction costs incurred, if available, or will be adjusted to account for future construction costs using the Caltrans Construction Cost Index.

105. Improvements: Measures instituted by the County of San Bernardino and/or Caltrans to improve traffic movements and respond to potential environmental impacts, such as lane stripping, traffic sign, tree removal, fee payment, traffic signalization or other right of way and roadway improvements for vehicles or pedestrians, such as sidewalks, are to be undertaken during the appropriate construction phase.

LAND USE SERVICES - Land Development Division - Roads (909) 387-8311

106. Construction Permits. Prior to installation of road and drainage improvements, a construction permit is required from County Public Works, Transportation Operations Division, Permit Section, (909) 387-8046, as well as other agencies prior to work within their jurisdiction. Submittal shall include a materials report and pavement section design in support of the section shown on the plans. Applicant shall conduct classification counts and compute a Traffic Index (TI) Value in support of the pavement section design.
107. Encroachment Permits. Prior to installation of road and drainage improvements, a permit is required from County Public Works, Transportation Operations Division, Permit Section, (909) 387-8046, as well as other agencies prior to work within their jurisdiction. Submittal shall include a materials report and pavement section design in support of the section shown on the plans. Applicant shall conduct classification counts and compute a Traffic Index (TI) Value in support of the pavement section design.
108. Open Roads/Cash Deposit. Existing County roads, which will require reconstruction, shall remain open for traffic at all times, with adequate detours, during actual construction. A cash deposit shall be made to cover the cost of grading and paving prior to issuance of road encroachment permit. Upon completion of the road and drainage improvement to the satisfaction of the Department of Public Works, the cash deposit may be refunded.

COUNTY FIRE – Community Safety (909) 386-8465

109. Fire Flow Test. Your submittal did not include a flow test report to establish whether the public water supply is capable of meeting your project fire flow demand. You will be required to either produce a current flow test report from your water purveyor demonstrating that the fire flow demand is satisfied or you must install an approved fire sprinkler system. This requirement shall be completed prior to combination inspection by Building and Safety. [F05B] 3000 GPM at 20 psi for 4 hours.
110. Combustible Protection. Prior to combustibles, being placed on the project site an approved paved road with curb and gutter and fire hydrants with an acceptable fire flow shall be installed. The topcoat of asphalt does not have to be installed until final inspection and occupancy. [F-44]
111. Single Story Road Access Width. All buildings shall have access provided by approved roads, alleys and private drives with a minimum twenty six (26) foot unobstructed width and vertically to fourteen (14) feet six (6) inches in height. Other recognized standards may be more restrictive by requiring wider access provisions.

112. Multi-Story Road Access Width. Buildings three (3) stories in height or more shall have a minimum access of thirty (3) feet unobstructed width and vertically to fourteen (14) feet six (6) inches in height. [F41]
113. Water System Residential. A water system approved by the Fire Department is required. The system shall be operational, prior to any combustibles being stored on the site. Detached single family residential developments may increase the spacing between hydrants to be no more than six hundred (600) feet and no more than three hundred (300) feet (as measured along vehicular travel-ways) from the driveway on the address side of the proposed single family structure. [F-54B]
114. Street Sign. This project is required to have an approved street sign (temporary or permanent). The street sign shall be installed on the nearest street corner to the project. Installation of the temporary sign shall be prior any combustible material being placed on the construction site. Prior to final inspection and occupancy of the first structure, the permanent street sign shall be installed. Standard 901.4.4 [F72]

SPECIAL DISTRICTS DEPARTMENT – (909) 387-5940

115. Streetlights and Basin. This project is not in a streetlight district. Therefore, if streetlights are required, the applicant will need to form a Zone for streetlight services. Formation costs, plan check fee and one (1) year of advanced energy charges must be submitted to Special Districts Department. A preliminary layout of streetlight locations is needed in order to review locations and number of streetlights to then determine annual costs for the development. Please contact the Engineering Division at (909) 387-5940. If the infiltration basin is to be maintained by Special Districts, a Zone must be formed for drainage basin maintenance. A deposit of \$2,500 for formation with a written request to form the Zone must be provided to Special Districts Department. A preliminary plan for landscaping and maintenance of the basin including all gates, fences, spillway etc, must be provided with an estimate of annual costs detailed by labor type, material, equipment type and other relevant categories of costs. Please allow at least 3 months for this process prior to map recordation. For further information, contact Tim Millington, Regional Manager, Special Districts Department at (909) 387-5940.

PUBLIC WORKS - Solid Waste Management (909) 387-8701

116. Construction and Demolition Waste Management Plan (CDWMP) Part 1. The developer shall prepare, submit, and obtain approval from SWMD of a CDWMP Part 1 for each phase of the project. The CDWMP shall list the types and weights or volumes of solid waste materials expected to be generated from construction. The CDWMP shall include options to divert from landfill disposal, materials for reuse or recycling by a minimum of 50% of total weight or volume. Forms can be found on our website at [www.sbcounty.gov/dpw/solidwaste](http://www.sbcounty.gov/dpw/solidwaste). An approved CDWMP Part 1 is required before a demolition permit can be issued.



PUBLIC WORKS – Office of Surveyor (909) 387-8148

117. Land Survey Monumentation. If any activity on this project will disturb any land survey monumentation, including but not limited to vertical control points (benchmarks), said monumentation shall be located and referenced by or under the direction of a licensed land surveyor or registered civil engineer authorized to practice land surveying prior to commencement of any activity with the potential to disturb said monumentation, and appropriate documents shall be filed with the County Surveyor pursuant to Section 8771(b) Business and Professions Code.

PUBLIC HEALTH - Environmental Health Services (DEHS) (800) 442-2283

118. Proof of Installation. Proof of installation of water improvements shall be provided prior to the issuance of building permits.

**PRIOR TO FINAL INSPECTION OR OCCUPANCY PERMITS**

The Following Shall Be Completed:

LAND USE SERVICES - Building and Safety Division (909) 387-8311

119. Condition Compliance Release Form Sign-off. Prior to occupancy all Department/Division requirements and sign-off's shall be completed.

LAND USE SERVICES - Planning Division (909) 387-8311

120. Individual Lot Landscaping Installed. Prior to final occupancy of each individual lot, all front yard and street side yard landscaping, irrigation, hardscape, exterior features (benches, walkways, etc), walls and fencing shall be installed as shown on the approved landscaping plans.
121. Landscape Certificate of Completion. Prior to the issuance of the certificate of occupancy or final inspection for each phase of the project, a Landscape Certificate of Completion shall be prepared pursuant to Section 83.10.100 for the County Development Code. The Certificate of Completion shall be submitted to the Planning Division certifying that the landscape and irrigation has been installed in accordance with the approved landscape plans. The Landscape Certificate of Completion shall be signed and dated by the licensed professional who prepared the plans.
122. Model Home and Phased Landscaping. Prior to final inspection of the first building permit for the model homes, all exterior community landscaping adjacent to the street that provides primary access to the models and all landscaping at the project entry serving the models shall be fully installed in conformance with the approved landscape plans. One hundred percent (100%) of the installed landscaping shall be healthy and flourishing within each phase of the development as shown on the approved landscape plans.

123. Walls and Fences Installed. All required walls and fences as detailed on the Tentative Map exhibit shall be installed prior to occupancy of any structure within each phase of development.
124. On-Site and Off-Site Improvements Installed. All required on-site and off-site improvements required in conjunction with this Tentative Tract Map shall be completed prior to occupancy of any structure within each phase of development. The installation of such improvements shall be sufficient to ensure protection from storm water or run-off, safe vehicular access for occupants and public safety vehicles and the ordinary intended use of the structures to be occupied.
125. GHG Installation/Implementation Standards. The developer shall submit for review and obtain approval from County Planning of evidence that all applicable GHG performance standards have been installed, implemented properly and that specified performance objectives are being met to the satisfaction of County Planning and County Building and Safety. These installations/procedures include the following:
- a) Design features and/or equipment that demonstrate compliance with Title 24 standards.
  - b) All interior building lighting shall support the use of fluorescent light bulbs or equivalent energy-efficient lighting.
  - c) Installation of both the identified mandatory and optional design features or equipment that have been constructed and incorporated into the facility/structure.

LAND USE SERVICES - Land Development Division - Drainage (909) 387-8311

126. Drainage Improvements. All required drainage improvements shall be completed by the applicant. The private registered engineer shall inspect improvements outside the County right-of-way and certify that these improvements have been completed according to the approved plans. Certification letter shall be submitted to Land Development Division, Drainage Section.
127. WQMP Improvements. All required WQMP improvements shall be completed by the applicant, inspected and approved by County Public Works. An electronic file of the final and approved WQMP shall be submitted to Land Development Division, Drainage Section.

LAND USE SERVICES - Land Development Division - Roads (909) 387-8311

128. Road Improvements. All required on-site and off-site improvements shall be completed by the applicant. Completion of road and drainage improvements does not imply acceptance for maintenance by the County.
129. Private Roads/Improvements. All required on-site and off-site improvements shall be completed by the applicant. Construction of private roads and private road

related drainage improvements shall be inspected and certified by the engineer. Certification shall be submitted to Land Development by the engineer identifying all supporting engineering criteria.

130. Condition of Road Improvements. At the time of occupancy for all structures, the condition of all required on-site and off-site improvements shall be acceptable to County Public Works.
131. Landscape Maintenance. Trees, irrigation systems, and landscaping required to be installed on public right-of-way shall be approved by the County Public Works/Current Planning, maintained by the adjacent property owner or other County-approved entity.

COUNTY FIRE – Community Safety (909) 386-8465

132. Fire Sprinkler-NFPA #13D. An automatic life safety fire sprinkler system complying with NFPA Pamphlet #13D and the Fire Department standards is required. The applicant shall hire a Fire Department approved fire sprinkler contractor, or be the approved homeowner/installer. The fire sprinkler contractor/installer shall submit three (3) sets of detailed plans (minimum 1/8" scale) with hydraulic calculations and manufacture's specification sheets to the Fire Department for approval. The required fees shall be paid at the time of plan submittal. Minimum water supply shall be in accordance with current fire department standards.
133. Roof Certification. A letter from a licensed structural (or truss) engineer shall be submitted with an original wet stamp at time of fire sprinkler plan review, verifying the roof is capable of accepting the point loads imposed on the building by the fire sprinkler system design. [F59A]
134. Residential Addressing. The street address shall be installed on the building with numbers that are a minimum of four (4) inches in height and with a one half (½) inch stroke. The address shall be visible from the street. During the hours of darkness, the numbers shall be internally and electrically illuminated with a low voltage power source. Numbers shall contrast with their background and be legible from the street. Where the building is fifty (50) feet or more from the roadway, additional contrasting four (4) inch numbers shall be displayed at the property access entrances. Standard 901.4.4 [F81]
135. Primary Access Paved. Prior to building permits being issued to any new structure, the primary access road shall be paved or an all-weather surface and shall be installed as specified in the General Requirement conditions (Fire # F-9), including width, vertical clearance and turnouts, if required. [F89]

PUBLIC WORKS - Solid Waste Management (909) 387-8701

136. Construction and Demolition Waste Management Plan (CDWMP) Part 2 – The developer shall complete SWMD's CDWMP Part 2 for construction and demolition.

*Tentative Tract Map 19991*  
**LARRY JACINTO**  
P201600018

This summary shall provide documentation of actual diversion of materials including but not limited to receipts, invoices or letters from diversion facilities or certification of reuse of materials on site. The CDWMP Part 2 shall provide evidence to the satisfaction of SDWMD that demonstrates that the project has diverted from landfill disposal, material for reuse or recycling by a minimum of 50% of total weight or volume of all construction waste.

**END OF CONDITIONS**

**Tom Dodson and  
Associates' Response  
Including the County's  
Mitigated Negative  
Declaration**

**Attachment 4**

**TOM DODSON & ASSOCIATES**  
2150 N. ARROWHEAD AVENUE  
SAN BERNARDINO, CA 92405  
TEL (909) 882-3612 • FAX (909) 882-7015  
E-MAIL tda@tdaenv.com



**RECEIVED**  
2017 DEC 21 PM 1:54  
LOCAL AGENCY  
FORMATION COMMISSION

December 20, 2017

Ms. Kathleen Rollings-McDonald  
Executive Officer  
Local Agency Formation Commission  
1170 West 3<sup>rd</sup> Street, Suite 150  
San Bernardino, CA 92415-0490

Dear Kathy:

LAFCO SC#421 consists of a proposal by the City of Redlands (City) to extend water and sewer service to a site of about 16.88 acres generally located at the northeast corner of Nice Avenue and Sapphire Street (APN 0298-261-46), within the City's eastern sphere of influence. The area proposed to receive water and sewer service through an out-of-area service agreement is being developed with 62 single family residential lots and supporting facilities. The site will be developed in accordance with Tentative Tract Map No. 19991 which was approved on July 7, 2017 by San Bernardino County. The County also adopted a Mitigated Negative Declaration for the project. If the Commission approves LAFCO SC#421, the project site can be developed with the above referenced project.

As indicated, the County of San Bernardino prepared an Environmental Assessment/Initial Study and adopted a Mitigated Negative Declaration (MND) for this project. The extension of water and sewer service by the City is required for the 62 single-family residences being developed within the 16.88-acre site. Water and sewer laterals are being extended from the connections available in adjacent roadways. Based on the surrounding level of development as determined by a site visit, a limited potential exists to induce growth from this lateral extension to the proposed development site.

The County prepared MND Study which concluded that implementation of the proposed project would not result in significant adverse environmental impacts to the environment with implementation of numerous mitigation measures (such as air quality). These mitigation measures must be implemented under the County's jurisdiction. Therefore, I am recommending that the Commission consider the adopted Mitigated Negative Declaration as a CEQA Responsible Agency as the appropriate CEQA environmental determination for LAFCO SC#421.

Based on a review of LAFCO SC#421 and the pertinent sections of CEQA and the State CEQA Guidelines, I believe it is appropriate for the Commission's CEQA environmental determination to cite the County's Mitigated Negative Declaration as adequate environmental documentation in accordance with the Commission's CEQA Responsible Agency status. The CEQA review process was carried out in 2017. Based on a field review and review of the environmental

issues in the County's document, I could not identify any substantial changes in circumstances that may have occurred since its adoption that would require additional environmental documentation. The County's Notice of Determination was filed on July 14, 2017. Under this situation, I recommend that the Commission take the following steps if it chooses to approve LAFCO SC#421, acting as a CEQA Responsible Agency:

1. Indicate that the Commission staff and environmental consultant have independently reviewed the County's Mitigated Negative Declaration/Initial Study and found them adequate for the extension of service decision.
2. The Commission needs to indicate that it has considered the Mitigated Negative Declaration and environmental effects, as outlined in the Initial Study, prior to reaching a decision on the project and finds the information substantiating the Mitigated Negative Declaration adequate for approval of the extension of service decision.
3. The Commission should indicate that it does not intend to adopt alternatives or mitigation measures for this project. Mitigation measures were required for this project and it will remain the responsibility of the County to implement these measures.
4. File a Notice of Determination with the County Clerk of the Board as a CEQA Responsible Agency.

If you have any questions regarding these recommendations, please feel free to give me a call.

Sincerely,

A handwritten signature in black ink that reads "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson

**DATE FILED & POSTED**Posted On: 7/14/17**Notice of Determination**Removed On: 8/26/17

To:

Receipt No:

36-071417-415☒ Office of Planning and Research

U.S. Mail:

Street Address:

P.O. Box 3044

1400 Tenth St., Rm 113

Sacramento, CA 95812-3044

Sacramento, CA 95814

From:

Public Agency: San Bernardino County, LUSDAddress: 385 North Arrowhead Ave. First Floor San Bernardino, CA 92415-0187Contact: Jim MorrisseyPhone: 909-387-4234☒ Clerk of the BoardCounty of: San BernardinoAddress: 385 North Arrowhead Avenue, Second FloorSan Bernardino, CA 92415-0130

Lead Agency (if different from above):

Address:

Contact:

Phone:

**SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.**State Clearinghouse Number (if submitted to State Clearinghouse): 2017031031Project Title: TTM 19991Project Applicant: Larry JacintoProject Location (Include county): Northeast of the intersection of Sapphire Avenue and Nice Avenue, in the Community of Mentone.

Project Description:

Tentative Tract Map No. 19991 to create 62 Single Family residential lots and 2 lettered lots for an infiltration basin and water well on 16.88 acres.

This is to advise that the San Bernardino County has approved the above ☒ Lead Agency or ☐ Responsible Agency)described project on 7/7/2017 and has made the following determinations regarding the above (date) described project.

1. The project [ ☐ will ☒ will not] have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.  
☒ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [ ☒ were ☐ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [ ☐ was ☒ was not] adopted for this project.
5. A statement of Overriding Considerations [ ☐ was ☒ was not] adopted for this project.
6. Findings [ ☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the record of project approval and the Mitigated Negative Declaration are available to the General Public at:

385 N. Arrowhead Ave., San Bernardino, CA 92415

Signature (Public Agency):

Jim Morrissey

Title: PlannerDate: 7-7-2017

Date Received for filing at OPR:

Authority cited: Sections 21083, Public Resources Code.  
Reference Section 21000-21174, Public Resources Code.

Revised 2011



## SAN BERNARDINO COUNTY INITIAL STUDY ENVIRONMENTAL CHECKLIST FORM

This form and the descriptive information in the application package constitute the contents of Initial Study pursuant to County Guidelines under Ordinance 3040 and Section 15063 of the State CEQA Guidelines.

### PROJECT LABEL:

**APN:** 0298-261-46  
**APPLICANT:** Larry Jacinto

**COMMUNITY:** San Bernardino County  
**LOCATION:** Nice Avenue and Sapphire Street,  
Northeast corner

**PROJECT NO:** P201600018

**STAFF:** Jim Morrissey

**REP(S):** Pat Meyer

**PROPOSAL:** Tentative Tract Map No. 19991 to create  
sixty-two (62) single family residential lots  
and two (2) lettered lots for an infiltration  
basin and water well on 16.88 acres.

**USGS Quad:** Redlands

**Lat/Long:** 34° 04'1.59"N 117°06'40.98"W  
**T, R, Section:** T1S R2W Sec. 19

**Community Plan:** N/A

**LUZD:** Single Residential

**Overlays:** FP-2

### PROJECT CONTACT INFORMATION:

**Lead agency:** San Bernardino County  
Land Use Services Department - Current Planning Division  
385 North Arrowhead Avenue, First Floor  
San Bernardino, CA 92415-0182

**Contact person:** Jim Morrissey, Contract Planner

**Phone No:** 909-387-4434

**E-mail:** Jim.Morrissey@lus.sbcounty.gov

**Fax No:** 909-387-3249

**Project Sponsor:** Larry Jacinto  
9555 Wabash Avenue  
Redlands, CA 92359

**Consultant:** Patrick J. Meyer  
Urban Environs  
1345 Fountain Place  
Redlands, CA 92373  
(909) 794-2151

### PROJECT DESCRIPTION:

#### **Summary**

The proposed project consists of a Tentative Tract Map (TTM) No. 19991 to create sixty-two (62) single-family residential lots and two (2) lettered lots on approximately 16.88 acres. The lettered lots are intended to function as an infiltration basin and water well on a residentially zoned undeveloped parcel that currently includes remnants of a citrus orchard and avocado grove located in the Mentone area of San Bernardino County. The project lies south of the City of Redlands in the community of Mentone. Mentone lies in the unincorporated area of San Bernardino County between the cities of Redlands to the west and Yucaipa to the east.

### **Local Setting**

The project site is zoned Single Residential (RS) and is bounded by RS-20 zoned property to the south, Multiple Residential (RM) to the east, RS to the west and RM to the north. The site is generally bounded by Mentone Boulevard to the north, Nice Avenue to the south, and Sapphire Street to the west. The project site is generally surrounded by single family housing, with the exception of a portion of the land to the northwest that includes a utility service yard and citrus grove, and a portion to the east that includes a vacant field.

### **Development Provisions, TTM 19991**

The development standards in the RS Zone require a minimum lot size of 7,200 square feet, a density of 4 units per acre and minimum lot width of 60 feet for parcels less than 1 acre in size. The subdivision contains an average lot size of 8,655 square feet with a housing density of 3.67 lots per acre and 60 foot lot frontage. At the density permitted per the development code, a total of 67 units could be created. The current density represents 92% of the maximum units that could be created.

The development will not be a gated community and the interior streets are designed to meet the County's standard plans. Primary access to the subdivision's internal lots is provided from two neighborhood streets off Nice Avenue, referenced as Florence Drive and Venice Avenue. The subdivision's interior streets end in cul-de-sacs. The Pedestrian sidewalks extend throughout the subdivision and along Nice and Sapphire Avenues. The project includes a 6-foot high block wall separating lots and along the project's perimeter boundary line. The City of Redlands will provide both sewer and water service for the lots and the project is subject to school fees paid to the Redlands Unified School District.

### **ENVIRONMENTAL/EXISTING SITE CONDITIONS:**

The project site contains actively harvested citrus and avocado groves. The areas surrounding the parcels consist of a mix agricultural property and modern housing developments. To the east of the site there is a grassy field in addition to residential developments. The northern, southern, and western boundaries of the project site are completely surrounded by residential housing and orchard. The elevation within the project area ranges between approximately 1,850 and 1,900 feet above mean sea level (msl). Table 1 below lists the land use districts adjacent to the site.

Table 1: Adjacent Land Use Districts

AREA	EXISTING LAND USE	OFFICIAL LAND USE DISTRICT
SITE	Citrus Orchard and Avocado Grove	RS (Single Residential)
North	Residential	RM (Multiple Residential)
South	Residential	RS (Single Residential) and RS-20M (Single Residential, Minimum Parcel Size 20,000 sq. ft.)
East	Multiple Family, Grassy Field	RM (Multiple Residential)
West	Residential	RS (Single Residential)

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Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

Federal: None

State of California: None

County of San Bernardino: Land Use Services- Planning Division, Building & Safety Division, Land Development Division, and Code Enforcement Division; Environmental Health Services; Public Works; Fire, and; LAFCO.

Local: City of Redlands, Redlands Unified School District Development Fees

## **EVALUATION FORMAT**

This initial study is prepared in compliance with the California Environmental Quality Act (CEQA) Guidelines. This format of the study is presented as follows. The project is evaluated based upon its effect on seventeen (17) major categories of environmental factors. Each factor is reviewed by responding to a series of questions regarding the impact of the project on each element of the overall factor. The Initial Study Checklist provides a formatted analysis that provides a determination of the effect of the project on the factor and its elements. The effect of the project is categorized into one of the following four categories of possible determinations:

Potentially Significant Impact	Less than Significant with Mitigation	Less than Significant	No Impact
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Substantiation is then provided to justify each determination. One of the four following conclusions is then provided as a summary of the analysis for each of the major environmental factors.

1. **No Impact.** Therefore, no impacts are identified or anticipated and no mitigation measures are required.
2. **Less Than Significant Impact.** Therefore, no significant adverse impacts are identified or anticipated and no mitigation measures are required.
3. **Less Than Significant Impact with Mitigation.** Possible significant adverse impacts have been identified or anticipated and the following mitigation measures are required as a condition of project approval to reduce these impacts to a level below significant. The required mitigation measures are: (List mitigation measures)
4. **Potentially Significant Impact.** Significant adverse impacts have been identified or anticipated. An Environmental Impact Report (EIR) is required to evaluate these impacts, which are: (List the impacts requiring analysis within the EIR).

At the end of the analysis the required mitigation measures are restated and categorized as being either self- monitoring or as requiring a Mitigation Monitoring and Reporting Program.

## ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

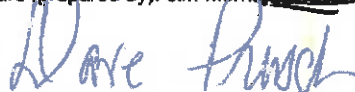
- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Aesthetics               | <input type="checkbox"/> Agriculture & Forestry Resources | <input type="checkbox"/> Air Quality                        |
| <input type="checkbox"/> Biological Resources     | <input type="checkbox"/> Cultural Resources               | <input type="checkbox"/> Geology /Soils                     |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials    | <input type="checkbox"/> Hydrology / Water Quality          |
| <input type="checkbox"/> Land Use/ Planning       | <input type="checkbox"/> Mineral Resources                | <input type="checkbox"/> Noise                              |
| <input type="checkbox"/> Population / Housing     | <input type="checkbox"/> Public Services                  | <input type="checkbox"/> Recreation                         |
| <input type="checkbox"/> Transportation/Traffic   | <input type="checkbox"/> Utilities / Service Systems      | <input type="checkbox"/> Mandatory Findings of Significance |

## DETERMINATION:

On the basis of this initial evaluation, the following finding is made

- ☐ The proposed project COULD NOT have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- ☒ Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- ☐ The proposed project MAY have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- ☐ The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- ☐ Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

  
Signature (prepared by): Jim Morrison, Contract Planner

  
Signature: Dave Prusch, Supervising Planner

3/7/17  
Date

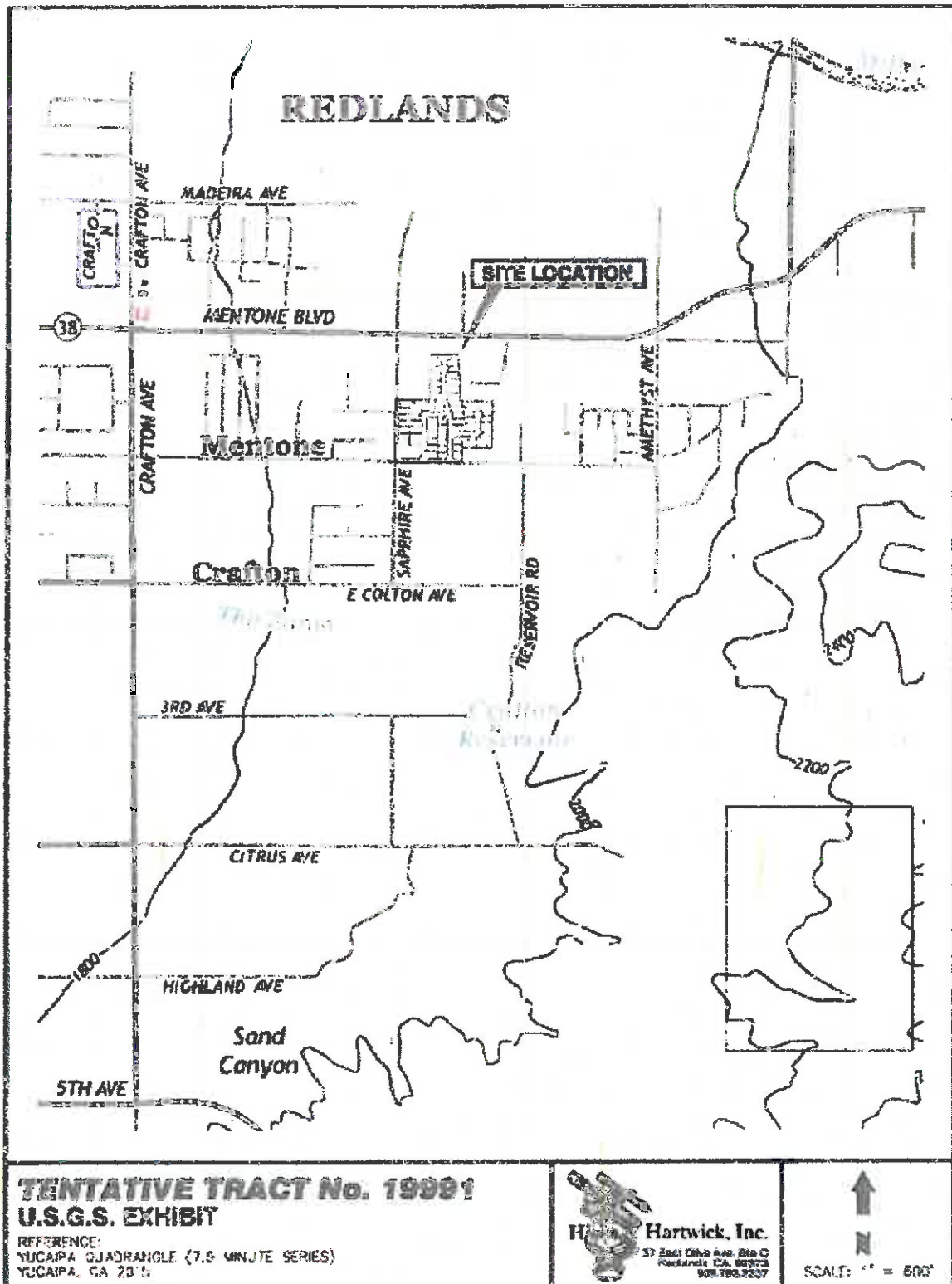
3/7/17  
Date

## APPENDICES

- A. General Biological Resources Study.
- B. Traffic Impact Analysis
- C. Preliminary Geotechnical/Geology Study



Vicinity Map



### Project Site

### Citrus and Avocado Orchard







	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
I. <b>AESTHETICS</b> - Would the project				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**SUBSTANTIATION** (Check ☐ if project is located within the view-shed of any Scenic Route listed in the General Plan):

- I a) **Less Than Significant Impact.** The proposed project is not located within a designated State or local Scenic Corridor and will not have a substantial adverse effect on a scenic vista or other resources. There is little topography in the area or other features which would provide scenic views of the region. The proposed project is located within an area where former orchards have been converted to residential single family use and contains substantial residential single family development.
- I b) **Less Than Significant Impact.** The project is not adjacent to a state scenic highway. In the Mentone area State Highway 38 (Mentone Blvd) is an eligible state scenic highway, but not officially designated. Within the mountains easterly of the project site State Highway 38 is designated a State Scenic Highway. There are no protected, rock outcroppings and historic buildings within the area. The existing citrus and avocado orchard are not listed as protected tree species pursuant to Section 88.01.070 (b) Regulated Trees of the County Development Code. The existing citrus and avocado trees do not fall into the category as "native trees" and consequently a tree removal permit is not required. No impacts are anticipated
- I c) **Less Than Significant Impact:** The proposed project will not substantially degrade the existing visual character or quality of the site and its surroundings. The site is within an urbanized area containing primarily single family residential development, which include overhead electrical and telephone lines. The project would require the removal of an existing citrus and avocado orchard but no structures. Based on the County's Development Code, the citrus and avocado orchard are not regulated trees requiring the developer to obtain a Tree Removal Permit per Section 88.01.070. The project would allow the development of the site with single-family homes and related infrastructure and improvements (e.g., streets, curbs, perimeter walls, fire hydrants, etc.) which would be at a

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similar scale and character as existing uses and improvements within the general area.

- (d) **Less Than Significant Impact.** The project would not create a new source of substantial light or glare which would adversely affect day or nighttime views in the area. The proposed project would provide new exterior lighting similar to other adjoining residential areas, including street lights. Existing street lights are located immediately north of the site along Sapphire Avenue and west along Nice Avenue. Street lighting would be hooded and down-shielded to direct lighting onsite and protect surrounding properties from any light glare.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>II. AGRICULTURE AND FORESTRY RESOURCES -</b>				
In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104 (g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**SUBSTANTIATION** (Check ☐ if project is located in the Important Farmlands Overlay):

- II a) **Less Than Significant Impact.** A review of the California Department of Conservation San Bernardino County Important Farmland 2014, found the project site is identified as Unique Farmland, which is defined as "Unique farmland consists of lesser quality soils used for the production of the state's leading agricultural crops. This land is usually irrigated, but may include non-irrigated orchards or vineyards as found in some climatic zones in California. Land must have been cropped at some time during the four years prior to the mapping date." This designation reflects the site's current character. However, this project site is relatively isolated from other citrus groves in the area. The Important Farmland Map displays primarily "Urban and Built-Up" around the project site, reflecting the residential land use designations, except for land south of Colton Avenue, which is approximately one-quarter mile to the south and generally designated Prime Farmland and reflected as such with the County's RL-5-AP (Rural Living, five acre minimum lot size,

Agricultural Preserve Overlay) designation. Removing the citrus grove from the project site, which has not been recently maintained and is separated from the Prime Farmland area by rural residential development, would not adversely affect crop yields or the viability of other nearby agricultural lands.

- II b) **No Impact.** A review of the Farmland Mapping and Monitoring Program (FMMP), California Department of Conservation San Bernardino County Williamson Act FY 2015/2016, found the project site is located within a Non-Enrolled Williamson Act Land Classification.
- II c) **No Impact.** The site is not zoned as forest land or timberland by San Bernardino County or the State of California Department of Conservation. The area is urbanized land primarily with single family development.
- II d) **No Impact.** The proposed project would not result in the loss of forest land or conversion of forest land to non-forest use. The proposed project site is within the valley region of the county, and is predominately disturbed with existing residential urban development.
- II e) **Less Than Significant Impact:** The proposed project would not result in other changes in the existing environment due to the existing single family residential or urban development surrounding the project site or result in conversion of Farmland to non-agricultural use. The current General Plan land use designation for the project site is RS.

No significant adverse impacts are identified or anticipated and no mitigation measures are required.



	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>III. AIR QUALITY</b> - Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### SUBSTANTIATION

*The following analysis to assess the Air Quality Impacts associated with TT No. 19991 for the development of 62 Single-Family lots is based on analysis for TT No. 18952 to create 131 Single-Family lots. TTM 18952 is located approximately one (1) mile west from TTM 19991. Both sites are located in Mentone. TT 18952 was approved by the Board Of Supervisors on March 1, 2016. The analysis was prepared by LSA Associates dated October 2014. Both the project site, local and regional conditions are similar to both projects. The analysis contains small adjustments to account for TTM 19991 as the subdivision is 47% less dense than TTM 18952.*

- III a) **Less than Significant Impact.** The proposed project would not conflict with or obstruct implementation of the applicable air quality plan. A project is consistent with the regional Air Quality Management Plan (AQMP) if it does not create new violations of clean air standards, exacerbates any existing violations, or delays a timely attainment of such standards.

The two principal criteria for conformance to an AQMP are 1) whether the project would result in an increase in the frequency or severity of existing air quality violations; cause or contribute to new violations, or delay timely attainment of air quality standards; and 2) whether the project would exceed the assumptions in the AQMP. Based on the analyses noted in responses III.b) and III.c), which has been adjusted to account for the lower housing density, the project would not generate short-term and long-term emissions of volatile organic compounds (VOC), oxides of nitrogen (NOx, which are ozone precursors), or PM2.5 that could potentially cause an increase in the frequency or severity of existing air quality violations; cause or contribute to new violations; or delay timely attainment of air quality standards.

Conformity with adopted plans, forecasts, and programs relative to population, housing, employment and land use is the primary measurement by which the significance of planned growth is determined. The change to regional air quality from the proposed action is small due to the size of the project relative to the size of the air quality basin and because the project does not exceed air quality standards. The projected air quality impacts associated with the Air Quality and Greenhouse Gas Emissions Sections of this document reference the materials prepared by LSA, dated October 2014, for Tentative Tract Map (TT) 18952. That analysis demonstrates that the project related emissions are below the significant threshold levels and therefore considered consistent with the region's AQMP, because the proposed project is 47% less dense than TTM 18952. As such, no significant emission impacts are anticipated. Consequently, impacts will be less than significant.

- III b) **Less Than Significant Impact with Mitigation Incorporated.** The proposed project would not violate any air quality standard or contribute substantially to an existing or projected air quality violation. Air quality impacts would include construction exhaust emissions generated from diesel- and gasoline powered equipment, construction equipment, vegetation clearing, grading, construction worker commuting, construction material deliveries, and operational activities upon project completion. Fugitive dust emissions include particulate matter and are a potential concern because the project is in a non-attainment area for PM-10 and PM-2.5, as well as ozone.

#### Construction Phase

Dust is a concern during construction of new homes and infrastructure. Because such emissions are not amenable to collection and discharge through a controlled source, they are called "fugitive emissions." Emission rates vary as a function of many parameters (soil silt, soil moisture, wind speed, area disturbed, number of vehicles, depth of disturbance or excavation, etc.). These parameters are not known with any reasonable certainty prior to project development and may change from day to day. Any assignment of specific parameters to an unknown future date is speculative and conjectural.

As noted above, construction emissions which were previously calculated by using California Emissions Estimator Model (CalEEMod) for TTM 18952, located approximately one-mile to the west, have been referenced for use for the current project. CalEEMod is a computer program accepted by the SCAQMD that can be used to estimate anticipated emissions associated with land development projects in California.

Utilizing the equipment fleet shown in the Table H of the Air Quality and Greenhouse Gas Emissions Analysis for TTM 18952 as reference, the estimated daily construction emissions were calculated.

**Daily Construction Emissions (lbs./day)**

Source	VOC	NOx	CO	SO <sub>2</sub>	PM-10	PM-2.5
Peak Daily Total	74	79	52	0.073	10	5.3
SCAQMD Thresholds	75	100	550	150	150	55

Based on the above analysis, project construction and operations would neither violate any air quality standard nor contribute substantially to an existing or projected air quality violation. Although impacts are less than significant mitigation measures AQ-1 through AQ-3 are recommended to facilitate monitoring and compliance with SCAQMD's Rule 403.

**Operational Phase**

Operational emissions for TTM 18952 are listed below.

**Daily Operational Impacts (lbs./day)**

Source	VOC	NOx	CO	SO <sub>2</sub>	PM-10	PM-2.5
Total	19	15	64	0.15	9.5	2.9
SCAQMD Thresholds	55	55	550	150	150	55

Because the proposed project is less than one-half the size of the project previously evaluated, it is reasonable to assume the project would not cause any operational emissions that exceed the respective SCAQMD CEQA significance thresholds. However, to ensure the project conforms to the GHG reduction performance standards developed by the county to improve energy efficiency, water conservation, vehicle trip reduction potential, and other GHG reducing impacts, (see Section VII **Greenhouse Gas Emissions**) the project will be conditioned to adhere to the "residential" GHG performance standards as enumerated in the County Greenhouse Gas Emissions Reported dated March 2015 and a dust control mitigation measure has been recommended.

- III c) **Less Than Significant Impact.** As discussed in Response to III b), the project would not exceed SCAQMD criteria pollutant emission thresholds. Cumulative emissions are part of the emission inventory included in the AQMP for the project area. Therefore, there would be no cumulatively considerable net increase of the criteria pollutants that are in nonattainment status in the South Coast Air Basin.
- III d) **Less Than Significant Impact.** The proposed project would not expose sensitive receptors to substantial pollutant concentrations (see items III a) through III c) regarding criteria pollutants). A very preliminary CalEEMod evaluation was conducted for the proposed project to evaluate PM 10 and PM 2.5 emissions for Localized Significance Thresholds. Utilizing watering criteria of three (3) times per day and applying reduction values consistent with AQMD mitigation measure examples and comparing those



findings to the AQMD Look-Up Tables for a five (5) acre project size and 25 meter distance to a sensitive receptor (as a conservative approach), the PM-10 and PM-2.5 emissions would be 7.05 lbs./day for PM2.5 and 6.12 lbs./day for PM10, which is below construction threshold levels of 9 lbs./day and 14 lbs./day, respectively. As such, the project's construction and operations would not result in any significant air pollutant emissions, and nearby sensitive receptors (consisting of residences) would not be significantly impacted by such emissions utilizing the dust control mitigation measure listed below.

With regard to potentially hazardous air emissions, small amounts of hazardous air pollutants are contained in the diesel exhaust of the construction equipment to be used to prepare the site and develop the proposed housing units. Diesel exposure risk is calculated based on a 70-year lifetime with the receptor located outdoors permanently. Resident exposure to construction equipment exhaust emissions would only be for several months. The combination of limited exhaust particulate emissions, brief resident exposure and generally high dispersal rates during the daytime renders hazardous emissions impacts as less-than-significant.

For those reason, impacts are less than significant and an assessment of potential human health risks attributable to emissions of hazardous air pollutants is not required.

- III e) **Less than Significant Impact.** The project does not contain land uses typically associated with emitting objectionable odors. Potential odor sources associated with the proposed project may result from construction equipment exhaust and the application of asphalt and architectural coatings during construction activities, and the temporary storage of typical solid waste (refuse) associated with the project's (long-term operational) uses. Standard AQMD construction requirements would minimize odor impacts resulting from construction activity. Any construction odor emissions generated would be temporary, short-term, and intermittent in nature and would cease upon completion of construction activity and is thus be considered less than significant.

Project-generated refuse would be stored in covered containers and removed at regular intervals in compliance with the County's solid waste regulations. The proposed project would be required to comply with SCAQMD Rule 402 to prevent occurrences of public nuisances. Therefore, odors from the project and operations would be less than significant and no mitigation is required.

**SIGNIFICANCE:** Possible significant adverse impacts have been identified or are anticipated and the following mitigation measures are required as conditions of project approval to reduce these impacts to a level considered less than significant:

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**AIR QUALITY MITIGATION MEASURES:**

**AQ-1 AQ/Dust Control Plan.** The developer will prepare, submit, and obtain approval from the San Bernardino County Planning of a Dust Control Plan (DCP) consistent with South Coast Air Quality Management District guidelines and a letter agreeing to include in any construction contracts/subcontracts a requirement that project contractors adhere to the requirements of the DCP. The DCP will include the following elements to reduce dust production:

- a) Exposed soil shall be kept continually moist to reduce fugitive dust during all grading and construction activities, through application of water sprayed a minimum of three times each day.
- b) Any portion of the site to be graded shall be pre-watered to a depth of three feet prior to the onset of grading activities.
- c) During high wind conditions (i.e., wind speeds exceeding 25 mph), areas with disturbed soil shall be watered hourly and activities on unpaved surfaces shall cease until wind speeds no longer exceed 25 mph.
- d) Any area that will remain undeveloped for a period of more than 30 days shall be stabilized using either chemical stabilizers and/or a desert wildflower mix hydroseed on the affected portion of the site.
- e) Storage piles that are to be left in place for more than three working days shall be sprayed with a non-toxic soil binder, covered with plastic or revegetated.
- f) Imported fill and exported excess cut shall be adequately watered prior to transport, covered during transport, and watered prior to unloading on the project site.
- g) Storm water control systems shall be installed to prevent off-site mud deposition.
- h) All trucks hauling dirt away from the site shall be covered.
- i) Construction vehicle tires shall be washed, prior to leaving the project site.
- j) Rumble plates shall be installed at construction exits from dirt driveways.
- k) Paved access driveways and streets shall be washed and swept daily when there are visible signs of dirt track-out.
- l) Street sweeping shall be conducted daily when visible soil accumulations occur along site access roadways to remove dirt dropped or tracked-out by construction vehicles. Site access driveways and adjacent streets shall be washed daily, if there are visible signs of any dirt track-out at the conclusion of any workday and after street sweeping.

**AQ-2 AQ - Construction Mitigation.** The "developer" shall submit for review and obtain approval from County Planning of a signed letter agreeing to include as a condition of all construction contracts/subcontracts requirements to reduce vehicle and equipment emissions and other impacts to air quality by implementing the following measures and submitting documentation of compliance: The developer/construction contractors shall do the following:

- a) Provide documentation prior to beginning construction demonstrating that the Project will comply with all SCAQMD regulations including 402 (nuisance), 403 (fugitive dust), 431.1(sulfur content of gaseous fuels), 431.2 (sulfur content of liquid fuels), 1113 (architectural coatings), and 1403 (asbestos emissions from demolition activities).

- b) Each contractor shall certify to the developer prior to construction-use that all equipment engines are properly maintained and have been tuned-up within last 6 months.
- c) Each contractor shall minimize the use of diesel-powered vehicles and equipment through the use of electric, gasoline or CNG-powered equipment. All diesel engines shall have aqueous diesel filters and diesel particulate filters.
- d) All gasoline-powered equipment shall have catalytic converters.
- e) Provide onsite electrical power to encourage use of electric tools.
- f) Minimize concurrent use of equipment through equipment phasing.
- g) Provide traffic control during construction to reduce wait times.
- h) Provide on-site food service for construction workers to reduce offsite trips.
- i) Implement the County approved Dust Control Plan (DCP)
- j) Suspend use of all construction equipment operations during second stage smog alerts. NOTE: For daily forecast, call (800) 367-4710 (San Bernardino and Riverside counties).

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>IV. BIOLOGICAL RESOURCES - Would the project:</b>				
a) Have substantial adverse effects, either directly or through habitat modifications, on any species identified as a candidate, sensitive or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc...) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**SUBSTANTIATION :**

- IV a) **Less Than Significant with Mitigation Incorporated.** The 16.8 acre project site currently contains harvested citrus and avocado groves and disturbed habitats as shown in the Exhibit 1. Soil in the area consists of Soboba gravelly loam. The areas surrounding the parcels consist of a mix of agricultural property and modern housing developments. The *General Biological Resource Study* prepared by ECORP Consulting, Inc. dated 3/15/16 reported native plant species are absent, with the exception of a few planted California fan palm (*Washingtonia filifera*). Wildlife species detected by the biologist were mostly native species typical of the surrounding suburban environment. The red-shouldered hawk was



observed on site but no additional wildlife species, including sensitive plant life were observed on the property. Although orchards have the potential to support nesting birds, no existing nests or roosts were observed during the biological survey that was conducted on March 1, 2016. The site does not provide habitat for the San Bernardino kangaroo rat. The biological findings concluded that the project site is considered to be unoccupied by sensitive biological resources. To mitigate any potential impacts to the on-site nesting of bird, including sensitive burrowing owls, a mitigation measure is recommended to be included as part of the project's conditions of approval that would reduce impacts to less than significant levels.

Exhibit 1



- IV b) **No Impact.** The site does not contain any riparian habitat. As cited in IV a), the site is dominated by citrus and other orchard tree species, with a mostly non-herbaceous, disturbed and ruderal understory. Native species are absent from the site with the exception of a few planted California fan palms. No identified drainage courses traverse the project site.
- IV c) **No Impact.** No surface water bodies exist on the project site and no wetlands as defined by Section 404 of the Clean Water Act were identified on the project site.
- IV d) **No Impact.** This project would not interfere with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites, because there are no such corridors due to the extensive urban development surrounding the project site.

- IV e) **No Impact.** This project will not conflict with local policies or ordinances protecting native trees. Section 88.01.070 (b) of the San Bernardino Development Code provides that native trees with a six inch or greater stem diameter or 19 inches in circumference measured 4.5 feet above natural grade level can be removed with an approved Tree or Plan Removal Permit. Citrus and avocado trees are not native trees and would not be covered by this regulation.
- IV f) **No Impact.** The proposed project is not located within an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan. There would be no take of critical habitat and, therefore, no land use conflict with existing management plans would occur.

**SIGNIFICANCE: Possible significant adverse impacts have been identified or are anticipated and the following mitigation measures are required as conditions of project approval to reduce these impacts to a level considered less than significant:**

**BIOLOGICAL MITIGATION MEASURES:**

**BIO-1** *Pre-construction Nesting Bird Surveys and Avoidance.* Within 30 days prior to demolition, tree removal, vegetation clearing or ground disturbance associated with grading that would occur during the nesting/breeding season (between February 15 and September 1) the applicant shall retain a qualified biologist, knowledgeable in local birds and their nesting preferences, to conduct a pre-construction survey for nesting bird species. The survey shall be conducted no more than seven (7) days prior to initiation of disturbance work and will be conducted to ensure compliance with the federal Migratory Bird Treaty Act and CFG Code Section 3504.5. If ground disturbance activities are delayed, then additional pre-disturbance surveys shall be conducted such that no more than seven days will have elapsed between the survey and ground disturbance activities.

If active nests are found during the breeding season then no-work buffer zones shall be established around the active nests by a qualified biologist (typically 250 feet radius for a songbird and 500 feet for raptors). A lesser distance may be approved in consultation with the California Department of Fish and Wildlife. Demolition, tree removal, vegetation clearing, and ground disturbance shall be postponed or halted within the buffer zone until a qualified biologist determines that the nest is no longer active. No-work buffers shall be established in the field with highly visible construction fencing or flagging, and construction personnel shall be instructed on the sensitivity of nest areas. A qualified biologist shall serve as a grading and construction monitor during those periods to regularly monitor active nests to ensure that no inadvertent impacts on these nests occur and to determine when the nests become inactive so that buffer restrictions may be removed.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>V. CULTURAL RESOURCES - Would the project</b>				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**SUBSTANTIATION** (Check if the project is located in the Cultural ☐ or Paleontologic ☐ Resources overlays or cite results of cultural resource review):

- V a) **Less than Significant Impact with Mitigation Incorporated.** A *Cultural Resources Investigation* was prepared for the project site by ECORP Consulting in response to a request by the South Central Coastal Information Center that "A Phase I archaeological survey should be done by a professional archaeologist prior to approval of project plans." The *Investigation* included both a records search within one (1) mile of the project site and a field survey of the property. 30 previously recorded cultural resources were identified within one (1) mile of the project site and included refuse scatters, road-alignments or rights-of-way, and multiple historic water conveyances or irrigation features. The results of the project site *Investigation* revealed the property contained a number of smudge-pots and standpipes throughout the property. The *Investigation* identified and evaluated six (6) features of the standpipe irrigation system to determine their eligibility for inclusion in the California Register of Historic Resources. These features were not found to be significant related to either their location, design, setting, materials, workmanship, feeling (historic sense of the time period) or association with an important historical event or person. One large cast-iron wood burning oven was also identified, but noted it as probably relocated to the property. The irrigation-related features were noted as being generally ubiquitous within agricultural/citrus areas and not unique nor significant.

The site is bounded by existing single family residential uses and various undeveloped lots. A review of historical aerial photos from NETR Online for the Year 1938 display the area as a citrus grove. Mapping also provided by NETR Online around the 1900's also identified a rail spur within approximately 1/3 mile to the southwest of the project site indicating early development activity in the area.

Pursuant to the requirements of AB52, the County has received a response from the San Manuel Indian Tribe related to conditioning the project to undertake spot monitoring during



tree removal. A preliminary condition has been prepared that is acceptable to the Tribe.

A *Cultural Resources Assessment* was conducted for a project approximately one mile to the west of the project site. The Assessment noted that no prehistoric sites were documented within ½ mile of that project site. Although the subject property is within the boundary ancestral land area of the tribes, as provided by their requests to be notified pursuant to AB 52, this specific site is not known to be connected with any specific ancestral use of the property. Consequently, the project will have less than significant impacts and inclusion of the recommended condition of approval adequately addresses potential adverse impacts.

- V b) **Less Than Significant Impact.** The field survey referenced in response to section V a) above did not find any prehistoric artifacts or features. Based upon residential development within the general area and contact with the San Manuel Indian Tribe, it is not anticipated that the project will not have any impacts to archaeological resources.
- V c) **Less Than Significant Impact.** The project is not expected to directly or indirectly destroy a unique paleontological resource or site or unique geologic features, since the site has been highly disturbed as a result of on-going agriculture activity.
- V d) **Less Than Significant Impact.** This project is not likely to disturb any human remains including those interred outside of formal cemeteries. No burial grounds are known to exist on the project site given the substantive ground disturbance resulting from citrus agricultural farming. However, should any human remains be discovered during operation of the proposed use, the stipulations set forth in Section 21083.1 of the California Public Resources Code must be met. All construction or excavation shall cease in the immediate area of the find(s) until the County Coroner, by law, has determined if the remains are human and/or archaeological in character. If the remains are human and archaeological, the landowner shall consult with a qualified archaeologist and a representative of the applicable Native American tribe. Impacts will be less than significant with implementation of existing regulations.

**SIGNIFICANCE: Possible significant adverse impacts have been identified or are anticipated and the following mitigation measures are required as conditions of project approval to reduce these impacts to a level considered less than significant:**

**C-1** *Cultural resource monitoring shall occur during any Project-related ground-disturbing activity that includes a qualified archaeological monitor and a Native American monitor to determine if potentially significant resources exist. Prior to initiating ground disturbance activities a letter shall be provided to the Planning Division confirming that arrangements have been made with the Soboba Indians to provide site monitoring.*



	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>VI. GEOLOGY AND SOILS - Would the project:</b>				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map Issued by the State Geologist for the area or based on other substantial evidence of a known fault?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii. Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii. Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv. Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 181-B of the California Building Code (2001) creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**SUBSTANTIATION** (Check ☐ if project is located in the Geologic Hazards Overlay District):

*The following summaries are based in part on the National Resources Conservation Service Soil Survey.*

**VI a) Less Than Significant Impact.** The project will not expose people or structures to

potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, because the project site lies outside of any Alquist-Priolo Special Studies Zone. The Report of Preliminary Geotechnical/Geological Study submitted by the applicant noted that the closest of the six (6) significant regional faults, the San Andreas Fault, San Bernardino Segment, is approximately five (5) miles from the project site. The project site is also not located within a County fault hazard overlay or on any known fault. The site is approximately ¼ mile from a County designated fault site located to the southeast.

**VI b) Less Than Significant Impact.** The project will not expose people or structures to potentially substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking. Although the entirety of the County is subject to strong ground shaking, the proposed development will be reviewed and approved subject to County Building and Safety building code standards with appropriate seismic standards. Adherence to building standards and requirements contained in the building and fire code for the design of the proposed structures will ensure that structures do not collapse during strong ground shaking.

**VI c) Less Than Significant Impact.** The project will not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving seismic-related ground failure, including liquefaction. The County Geologic Hazard Map indicates that the site is highly susceptible to liquefaction. However, the above listed geotechnical report estimated the water depth at approximately 90 feet based upon State Well data for a well approximately ¼ mile to the southwest. Due to the depth to groundwater in the area, the potential for liquefaction is less than significant.

**VI d) No Impact.** The project will not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving landslides, because the project site and surrounding area is relatively flat.

**VI b) Less Than Significant Impact.** The project is not within an existing 100-year flood plain or defined drainage course. The project site is within a designated 500-year flood plain based upon a review of the County's Hazard Overlays Map. Measures to reduce and control the erosion of soil for future construction due to wind through SCAQMD Rule 403 for the control of fugitive dust and stormwater events through the Santa Ana Regional Water Quality Control Board (RWQCB) under administration of the State's General Construction Permit, and the County of San Bernardino Public Works Department as part of its Storm Water Management Program. Implementation of requirements under SCAQMD Rule 403 for control of fugitive dust will reduce or eliminate the potential for soil erosion due to wind. Implementation of Best Management Practices (BMPs) related to the finalized Water Quality Management Plan would minimize impacts during stormwater events.

**VI c) Less Than Significant Impact.** The previously referenced geotechnical study indicated the site contained silty, fine to coarse sand. The report also noted that if loose sandy soils exist on-site they would need to be removed due to their potential to settle during ground shaking events. Lateral spreading was also discussed within the report and identified as not significant.

- VI d) **Less Than Significant Impact.** The project geotechnical report noted the site soils did not have an expansion potential as established by the California Building Code.
- VI e) **No Impact.** The proposed project will connect to an existing sanitary sewer system and not utilize septic tanks or alternative wastewater disposal systems.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp	Less than Significant	No Impact
<b>VII. GREENHOUSE GAS EMISSIONS - Would the project:</b>				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy, or regulation adopted for the purposes of reducing the emissions of greenhouse gases.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**SUBSTANTIATION** *The following summaries are based in part on the project Air Quality and Greenhouse Gas Emissions Analysis for TTM 18952, prepared by LSA Associates, Inc., October 2014*

- VII a) **Less Than Significant Impact.** The County's Greenhouse Gas Emissions Reduction Plan (GHG Plan) was adopted on December 6, 2011 and became effective on January 6, 2012. The GHG Plan establishes a GHG emissions reduction target for the year 2020 that is 15 percent below 2007 emissions. The plan is consistent with AB 32 and sets the County on a path to achieve more substantial long-term reductions in the post-2020 period. Achieving this level of emissions will ensure that the contribution to greenhouse gas emissions from activities covered by the GHG Plan will not be cumulatively considerable.

The primary emissions resulting from the proposed project occur as carbon dioxide (CO<sub>2</sub>) from gasoline and diesel combustion, with more limited vehicle tailpipe emissions of nitrous oxide (NO<sub>x</sub>), Sulfur Dioxide (SO<sub>2</sub>) and Volatile Organic Compounds (VOC's), as well as other GHG emissions related to vehicle cooling systems and Particulate Matter, PM-10 and PM -2.5. As discussed in Section III of this document, the proposed residential subdivision does not significant contribute to air emissions. The air emissions calculated by the CalEEMod Model for the 131 single family lot Tentative Tract Map 18952 located one-mile to the west of the project site, determined that project construction and operations would generate 2,480 metric tons per year. Due to the proposed project's smaller size, it would neither violate any air quality standard nor contribute substantially to an existing or projected air quality violation, because it would not exceed SCAQMD GHG draft thresholds of 3,000 MTCO<sub>2e</sub> per year. As such, the projected GHG emissions for the 62 lot Tentative Tract Map 19991 would be less than significant.

While both air emissions and GHG emissions would not exceed their respective SCAQMD GHG thresholds, the subdivision project is subject to the County's GHG residential performance requirements to ensure their consistent application during development review. See response b) below. With the application of the GHG performance standards, projects exempt from CEQA and small projects that do not exceed 3,000 MTCO<sub>2e</sub> per year will be considered to be consistent with the County's GHG plan and determined to have a less than significant individual and cumulative impact for GHG emissions.

- VII b) **Less Than Significant Impact.** The proposed project would not conflict with any applicable plan, policy or regulation of any agency adopted for the purpose of reducing the emissions of greenhouse gases. In December 2011, the County Board of Supervisors adopted a Greenhouse Gas Emissions Reduction Plan (GHG Reduction Plan). The GHG Reduction Plan states that "with the application of GHG performance standards, projects that are exempt from CEQA and small projects that do not exceed 3,000 MTCO<sub>2</sub>e per year will be considered to be consistent with the Plan and determined to have a less than significant individual and cumulative impact for GHG emissions." As GHG emissions will not exceed the 3,000 MTCO<sub>2</sub>e per year, the project is determined to be consistent with the County's GHG Reduction Plan. Nevertheless, the following GHG conditions shall be included as part of the projects conditions of approval, as required by the County's Greenhouse Gas Emissions criteria. With the addition of the following conditions to the project's conditions of approval indicated below, impacts arising from GHG will be less than significant.

### **RESIDENTIAL**

**G-1 Operational Standards.** The developer shall implement the following as greenhouse gas (GHG) mitigation during the operation of the approved project:

- a) **Waste Stream Reduction.** The "developer" shall provide to all tenants and project employees County-approved informational materials about methods and need to reduce the solid waste stream and listing available recycling services.
- b) **Vehicle Trip Reduction.** The "developer" shall provide to all tenants and homeowners County-approved informational materials about the need to reduce vehicle trips and the program elements this project is implementing. Such elements may include: participation in established ride-sharing programs, creating a new ride-share employee vanpool, and/or providing a web site or message board for coordinating rides.
- c) **Provide Educational Materials.** The developer shall provide to all tenants and employees education materials and about reducing waste and available recycling services. The education materials shall be submitted to County Planning for review and approval.
- d) **Landscape Equipment.** The developer shall require in the landscape maintenance contract and/or onsite procedures that a minimum of 20% of the landscape maintenance equipment shall be electric-powered.

**G-2 Construction Standards.** The developer shall submit for review and obtain approval from County Planning of a signed letter agreeing to include as a condition of all construction contracts/subcontracts requirements to reduce impacts to GHG and submitting documentation of compliance. The developer/construction contractors shall do the following:

- a) Implement both the approved Coating Restriction Plans.
- b) Select construction equipment based on low-emissions factors and high-energy efficiency. All diesel/gasoline-powered construction equipment shall be replaced, where possible, with equivalent electric or CNG equipment.



c) Grading plans shall include the following statements:

- "All construction equipment engines shall be properly tuned and maintained in accordance with the manufactures specifications prior to arriving on site and throughout construction duration."
  - "All construction equipment (including electric generators) shall be shut off by work crews when not in use and shall not idle for more than 5 minutes."
- d) Schedule construction traffic ingress/egress to; not interfere with peak-hour traffic and to minimize traffic obstructions. Queuing of trucks on and off site shall be firmly discouraged and not scheduled. A flag person shall be retained to maintain efficient traffic flow and safety adjacent to existing roadways.
- e) Recycle and reuse construction and demolition waste (e.g. soil, vegetation, concrete, lumber, metal and cardboard) per County Solid Waste procedures.
- f) The construction contractor shall support and encourage ridesharing and transit incentives for the construction crew and educate all construction workers about the required waste reduction and the availability of recycling services.

**G-3 Design Standards.** The developer shall submit for review and obtain approval from County Planning that the following measures have been incorporated into the design of the project. These are to; reduce potential project impacts on greenhouse gases: Proper installation of the approved design features and equipment shall be confirmed by County Building and Safety prior to final inspection of each structure.

- a) Meet Title 24 Energy Efficiency requirements implemented July 1, 2014. The Developer shall document that the design of the proposed structures meets the current Title 24 energy-efficiency requirements. County Planning shall coordinate this review with the County Building and Safety. Any combination of the following design features may be used to fulfill this requirement, provided that the total increase in efficiency meets or exceeds the cumulative goal (100% + of Title 24) for the entire project (Title 24, Part 6 of the California Code of Regulations; Energy Efficiency Standards for Residential and Non Residential Buildings, as amended January 24, 2013; Cool Roof Coating performance standards as amended January 24, 2013):
- Incorporate dual paned or other energy efficient windows,
  - Incorporate energy efficient space heating and cooling equipment,
  - Incorporate energy efficient light fixtures, photocells, and motion detectors,
  - Incorporate energy efficient appliances,
  - Incorporate solar panels into the electrical system,
  - Incorporate cool roofs/light colored roofing,
  - Incorporate other measures that will increase energy efficiency.
  - Incorporate insulation to reduce heat transfer and thermal bridging.
  - Limit air leakage throughout the structure and within the heating and cooling distribution system to minimize energy consumption.
- b) Plumbing. All plumbing shall incorporate the following:
- All showerheads, lavatory faucets, and sink faucets shall comply with the California Energy Conservation flow rate standards.

- Low flush toilets shall be installed where applicable as specified in California State Health and Safety Code Section 17921.3
  - All hot water piping and storage tanks shall be insulated. Energy efficient boilers shall be used.
  - If possible, utilize grey water systems and dual plumbing for recycled water.
- c) Lighting. Lighting design for building interiors shall support the use of:
- Compact fluorescent light bulbs or equivalently efficient lighting.
  - Natural day lighting through site orientation and the use of reflected light.
  - Skylight/roof window systems.
  - Light colored building materials and finishes shall be used to reflect natural and artificial light with greater efficiency and less glare.
  - A multi-zone programmable dimming system shall be used to control lighting to maximize the energy efficiency of lighting requirements at various times of the day.
  - The developer shall ensure that a minimum of 2.5 percent of the project's electricity needs is provided by on-site solar panels.
- b) Building Design. Building design and construction shall incorporate the following elements:
- Orient building locations to best utilize natural cooling/heating with respect to the sun and prevailing winds/natural convection to take advantage of shade, day lighting and natural cooling opportunities.
  - Utilize natural, low maintenance building materials that do not require finishes and regular maintenance.
  - Roofing materials shall have a solar reflectance index of 78 or greater.
  - All supply duct work shall be sealed and leak-tested. Oval or round ducts shall be used for at least 75 percent of the supply duct work, excluding risers.
  - Energy Star or equivalent equipment shall be installed.
  - A building automation system including outdoor temperature/humidity sensors will control public area heating, vent, and air conditioning units.
- c) Landscaping. The developer shall submit for review and obtain approval from County Planning of landscape and irrigation plans that are designed to include drought tolerant and smog tolerant trees, shrubs, and groundcover to ensure the long-term viability and to conserve water and energy. The landscape plans shall include shade trees around main buildings, particularly along southern and western elevations, where practical.
- d) Irrigation. The developer shall submit irrigation plans that are designed, so that all common area irrigation areas shall be capable of being operated by a computerized irrigation system, which includes either an on-site weather station, ET gauge or ET-based controller capable of reading current weather data and making automatic adjustments to independent run times for each irrigation valve based on changes in temperature, solar radiation, relative humidity, rain and wind. In addition, the computerized irrigation system shall be equipped with flow sensing capabilities, thus automatically shutting down the irrigation system in the event of a mainline break or

broke head. These features will assist in conserving water, eliminating the potential of slope failure due to mainline breaks and eliminating over-watering and flooding due to pipe and/or head breaks.

- e) **Recycling.** Exterior storage areas for recyclables and green waste shall be provided. Adequate recycling containers shall be located in public areas. Construction and operation waste shall be collected for reuse and recycling.
- f) **Transportation Demand Management (TDM) Program.** The project shall include adequate bicycle parking near building entrances to promote cyclist safety, security, and convenience. If available, mass transit facilities shall be provided (e.g., bus stop bench/shelter). The developer shall publish ride-sharing information for ride-sharing vehicles and provide a website or message board for coordinating rides. The Program shall ensure that appropriate bus route information is available to tenants and homeowners.

**G-4 Installation/Implementation Standards.** The developer shall submit for review and obtain approval from County Planning of evidence that all applicable GHG performance standards have been installed, implemented properly and that specified performance objectives are being met to the satisfaction of County Planning and County Building and Safety. These installations/procedures include the following:

- a) Design features and/or equipment that cumulatively increases the overall compliance of the project to exceed Title 24 minimum standards by 5 percent.
- b) All interior building lighting shall support the use of fluorescent light bulbs or equivalent energy-efficient lighting.
- c) Installation of both the identified mandatory and optional design features or equipment that have been constructed and incorporated into the facility/structure.



	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>VIII. HAZARDS AND HAZARDOUS MATERIALS</b>				
Would the project:				
a) Create a significant hazard to the public or the Environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site, which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- VIII a) **Less Than Significant Impact.** The proposed project is not expected to result in impacts from hazards and hazardous materials with respect to creating a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. This is because the proposed project would not involve the routine transport, use, or disposal of significant amounts of hazardous materials as defined by the Hazardous Materials Transportation Uniform Safety Act. During construction, the proposed project would involve the transport of general construction materials (i.e., concrete, wood, roofing materials, paints, etc.) as well as the materials necessary to construct the proposed project.

Construction activities would involve the use of some hazardous materials such as fuels and greases for the fueling and servicing of construction equipment. Such substances may be stored in temporary storage tanks/sheds that would be located on the project site. Although these types of materials are not acutely hazardous, they are classified as hazardous materials and create the potential for accidental spillage, which could expose workers. The use, storage, transport and disposal of hazardous materials used in construction of the subdivision would be carried out in accordance with federal, state, and County requirements. No extremely hazardous substances (i.e., governed under Title 40, Part 355 of the Code of Federal Regulations) are anticipated to be produced, used stored, transported, or disposed of as a result of the subdivision's project construction.

The project would be required to comply with federal, state, and county laws, ordinances, and regulations. Therefore, the project would result in a less than significant impact related to the creation of significant hazards through the routine transport, use or disposal of hazardous materials.

- VIII b) **Less than Significant Impact.** The proposed project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. With the exception of construction-related materials such as fuels, lubricants, adhesives, and solvents, the proposed project would not generate or require the use or storage of significant quantities of hazardous substances. Additionally, any proposed use or construction activity that might use hazardous materials is subject to permit and inspection by the Hazardous Materials Division of the County Fire Department. Compliance with regulations and standard protocols during the storage, transportation, and usage of any hazardous materials would ensure no substantial impacts would occur.
- VIII c) **No Impact.** The future occupants of the proposed project would not emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing school because the residential project does not propose the use of hazardous materials. The closest schools to the proposed project site are Mentone Elementary School, approximately 0.6 mile to the northwest, and Redlands East Valley High School, approximately 0.9 mile to the southwest. There would be no impact related to hazardous emissions or the handling of hazardous materials near schools resulting from implementation of the project.

VIII d) **No Impact.** The project site is not located on a known site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. A review of the geographic area utilizing the State of California's EnviroStor program provided by the Department of Toxic Substances Control and the GeoTracker program provided by the California State Waterboard did not find any cleanup sites or leaking underground fuel tank cleanup sites listed around the project area. As such, the proposed project would not create a significant hazard to the public or the environment.

VIII e) **No Impact.** The proposed project area is located in the vicinity of the Redlands Municipal Airport, located approximately 1.8 miles to the northwest. The site is not within the boundaries of the airport compatibility plan, which exist north of Mentone Boulevard, would not impose safety hazards for people residing or working in the project area as a result of the proximity to an airport.

VIII f) **No Impact.** The proposed project area is not located within the vicinity of a private airstrip. Therefore, it would not result in a safety hazard for people residing or working in the project area.

VIII g) **No Impact.** Activities associated with the proposed project would not impede existing emergency response plans for the project site and/or other land uses in the project vicinity. The project would not result in any closures of existing roadways that might have an effect on emergency response or evacuation plans in the vicinity of the project site. In addition, all vehicles and stationary equipment would be staged off public roads and would not block emergency access routes. Accordingly, implementation of the proposed project would not impair implementation of, or physically interfere with, an adopted emergency response plan or emergency evacuation plan.

VIII h) **No Impact.** The project would not expose people or structures to a significant risk of loss, injury or death involving wildland fires, as the project will be located within a developed residential area. The project site is not identified as being within an identified Fire Hazard Severity Zone in the Cal Fire State Responsibility Area or within a Very High Fire Hazard Safety Zone designated for Local Responsibility Areas. The project is in an urbanized area and is not located in a County fire safety overlay district.

**No significant adverse impacts are identified or anticipated and no mitigation measures are required.**

	Impact		Mitigation Incorp.	
<b>IX. HYDROLOGY AND WATER QUALITY - Would the project:</b>				
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level, which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water, which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Place within a 100-year flood hazard area structure that would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



j) Inundation by seiche, tsunami, or mudflow? ☐ ☐ ☐ ☒

### SUBSTANTIATION

- IX a) **Less Than Significant Impact.** The project would not violate any water quality standards or waste discharge requirements, because a final Water Quality Management Plan (WQMP) would be required to be prepared and approved by the Land Development Division as part of the building permit(s) process. As detailed in the Hydrology Study and Preliminary WQMP, the proposed development would include a Retention Basin, cited as Lot "A" on the Tentative Tract Map. Lot A is design to maintain 55,785 cubic feet of flow. The retention basin will be utilized to not only treat the flow from the site from the proposed streets, but retain the increment increase in stormwater runoff, and allow for groundwater replenishment. The retention basin would need to be maintained either by a Homeowners Association or County Special Districts to ensure adequate maintenance of the facility.

The conditions will also require the following as standard conditions of approval:

1. NPDES Permit: An NPDES permit – Notice of Intent (NOI) – is required on all grading of one (1) acre or more prior to issuance of a grading/construction permit. Contact your Regional Water Quality Control Board for specifics. [www.swrcb.ca.gov](http://www.swrcb.ca.gov)
2. Regional Board Permit Letter: CONSTRUCTION projects involving one or more acres must be accompanied by a copy of the Regional Board permit letter with the WDID #. Construction activity includes clearing, grading or excavation that result in the disturbance of at least one (1) acre of land total.

- IX b) **Less Than Significant Impact.** The project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. Groundwater infiltration will still occur as discussed in section IX a) above. Potable water would be provided by the City of Redlands. The City of Redlands currently serves the existing structures located on and around the project site. The City utilizes groundwater, surface, and state water project sources to provide domestic water. Water imported from the state water project is either used or banked in groundwater storage, based upon information in the *Upper Santa Ana River Watershed Integrated Regional Water Management Plan, January 2015* that was developed by 14 agencies, including the Cities of Redlands, Rialto, and Loma Linda, and West Valley Water District. The IRWM states that "During multi-year and single-year droughts, the IRWM Region is more reliant upon groundwater. Based on groundwater modeling of the SBBA, during a dry period, agencies typically increase their groundwater extractions to overcome any deficiency in local surface water and imported water supplies. Computer modeling suggest that groundwater extractions in the SBBA will increase to meet the demands in drought years if imported water is captured and stored when it is available in 'wet years'". (p. 3-19) At this time, the City of Redlands has indicated that sufficient water supplies are available to meet the projected demands of the proposed project.

- IX c) **Less Than Significant Impact.** The project would not substantially alter the existing drainage pattern of the site or area, including the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on-or off-site. The project site is not traversed by an identified drainage course nor is it within a 100-year flood

plain. The proposed development will utilize a retention basin to capture the increased stormwater events to maintain site discharge levels to their pre-development condition for flow and volume. The proposed retention basin, designated Lot A, is designed to contain a cubic capacity of 55,785 cubic feet of water. The project is also required to submit and implement an erosion control plan, and construction would be subject to a Storm Water Pollution Prevention Plan (SWPPP) to prevent erosion or sedimentation during project construction.

- IX d) **Less than Significant Impact.** As described in c) above, the project would not impact any drainage courses, and the project would not otherwise result in any noteworthy change in the drainage pattern of the site or area. As shown on the hydrology plan, the project would not result in a substantial alteration to the drainage pattern of the site or area, nor would it result in any substantial increase in runoff that could cause flooding on-or off-site. The project site is relatively flat with a gradual increase in elevation between four to eight feet. The project would remain flat after construction is completed.
- IX e) **Less than Significant Impact.** Please refer to response IX a) above. The project would not create or contribute runoff water which would exceed the capacity of existing or planned storm, water drainage systems to provide substantial additional sources of polluted runoff, because the County has reviewed the proposed project Hydrology study and determined that the proposed on-site water retention system is adequate to handle the anticipated overflows. All necessary drainage improvements both on and off site would be required as conditions of the construction of the project, and would be subject to the same dust control measures, including Best Management Practices for water quality and other standards and requirements that apply to on-site construction. With the installation of the retention basis, the existing runoff to downstream properties will be reduced. Storm drains are not required for the project as the site is not adjacent to the Comprehensive Storm Drain Plan lines.
- IX f) **Less than Significant Impact.** The proposed project would not otherwise substantially degrade water quality because appropriate measures relating to retention of the incremental increase in stormwater discharge and water quality protection, including erosion control measures, have been required. Please refer to responses IX a) – e) above.
- IX g) **Less than Significant Impact.** The proposed project site is not located within a 100-year flood plain, but is within a 500-year flood plain as mapped on the County's Hazards Map.
- IX h) **Less than Significant Impact.** The project would not place structures within a 100-year flood hazard area which would impede or redirect flood flows, because the site is not located within a 100 year flood hazard area or any area identified as being potentially affected by a 100-year storm. The project is located within Flood Zone X according to FEMA Panel Number 8730, dated 8/28/2008, defined as "Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood."
- IX i) **Less Than Significant Impact.** The project will not expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, because the project site is not within any identified path of a

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potential inundation flow that might result in the event of a dam or levee failure or that might occur from a river, stream, lake or sheet flow situation.

- IX j) **No Impact.** The project site will not be impacted by inundation by seiche, tsunami, or mudflow, because the project is not adjacent to any body of water or within an area subject to the potential of seiche or tsunami. Based on the responses to Sections VI a) and VI b) of this Initial Study, the project site is also not located in an area prone to landslides.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>X. LAND USE AND PLANNING - Would the project:</b>				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### SUBSTANTIATION

- X a) **No Impact.** The proposed project would not physically divide an established community, because the proposed single family residential project is located in a residentially urbanized area that is adjacent to existing single-family residential uses. As such, the project represent a continuation of the existing residential development pattern around the site. The proposed project is designed to enhance and integrate within the established residential community, and is a logical and orderly extension of the residential uses.
- X b) **Less Than Significant Impact.** The project would not conflict with any applicable land use plan, policy or regulation of agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect, because is consistent with the residentially zoned Single Residential (RS) zoned property. It is also not located within an identified 100-year flood plain, geologic fault hazard area or noise hazard area. The project will be developed consistent with the all applicable land use policies and regulations of the County Development Code and General Plan.
- X c) **No Impact.** The proposed project does not conflict with any applicable habitat conservation plans or natural community conservation plans, because no such plan exists in the area.



	Potentially Significant Impact	Less than Significant with Mitigation Incorp	Less than Significant	No Impact
<b>XI. MINERAL RESOURCES - Would the project:</b>				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**SUBSTANTIATION :**

- XI a) **Less Than Significant impact.** The project site is located within an area identified as MRZ-2, defined "where adequate information indicates that significant mineral deposits are present, or where it is judged that a high likelihood for their presence exists", based upon a review of the Mineral Land Classification Map, San Bernardino P-C Region, prepared by the State of California, Department of Conservation. The project site is relatively small for a mining operation and incompatible with the area's existing and planned land uses. No mining operations are currently located on site or in the project vicinity.
- XI b) **No Impact.** The County of San Bernardino General Plan does not identify any locally important mineral resources in the area.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>XII. NOISE - Would the project result in:</b>				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### SUBSTANTIATION

- XII a) **Less Than Significant Impact with Mitigation.** Pursuant to section 83.01.080 of the County Development Code, interior noise levels in all single family residences shall not exceed 45 dBA Day-Night Sound Level (Ldn) emanating from sources outside the residential building. The exterior noise levels in single family residential land use areas should not exceed 60 dBA Ldn for any exterior residential use area. However, an exterior noise level of up to 65 dBA is permitted, provided exterior noise levels have been substantially mitigated through a reasonable application of the best available noise reduction technologies.

Lots along the existing streets of Nice Avenue and Sapphire Avenue would be exposed to noise levels above the standard with windows open because of the traffic on those respective streets. Homes must be designed to ensure interior noise levels will meet County noise standards. As such, a mitigation measure has been recommended to require

the installation of noise attenuation design to maintain interior noise levels at a minimum of 45 dBA. In certain instances this will require the installation of air conditioning units to ensure that windows can remain closed for prolonged periods of time.

- XII b) **Less Than Significant Impact with Mitigation.** Groundbourne vibration and groundbourne noise could originate from earth movement during the construction phase of the proposed project. Construction activities may result in short term impacts to the noise environment including groundbourne vibration and noise. Potential impacts from ground vibration occurring during construction periods, between the hours of 7:00 am and 7:00 pm are exempt from County vibration standards. Motor vehicle use during project operation are also exempt from County vibration standards. Potential impacts due to noise would be short term during construction and would end once the project is operational. At buildout the project is not expected to generate groundbourne vibration or noise that is excessive. Short-term impacts associated with construction would be limited to the greatest extent practicable with the implementation of Mitigation Measure N-1 outlined below. Impacts associated with exposure of person to noise, with the implementation of mitigation measure N-1 would be less than significant.
- XII c) **Less Than Significant Impact.** The project is located in a residentially zoned area permitting single family and multiple family uses. Previous agricultural activity in the area consisting predominately of citrus and avocado orchards has been converted to residential uses. The proposed project is consistent with the surrounding zoning districts and no zone change is proposed. Impacts from noise would arise temporarily due to housing construction. During this period, the project would be subject to the noise standards of the County Development Code. Adherence to the County noise standards during construction will mitigate noise impacts.
- XII d) **Less Than Significant Impact with Mitigation.** Construction of the proposed project would result in a temporary increase to existing ambient noise levels around the project site. The San Bernardino County Development Code Section 83.01(g) exempts construction related noise occurring between 7:00 am and 6:00 pm Monday through Saturday, excluding holidays, to be exempt from adopted noise standards. Short-term impacts associated with construction would be limited to the greatest extent practical with the implementation of Mitigation Measure N-1. The project would also be conditioned to comply with the noise performance standards of the County Development Code, which requires a maximum interior noise level of 45 dBA. Therefore, with implementation of Mitigation Measure N-1, temporary or periodic noise impacts would be less-than-significant.
- XII e) **No Impact.** The project site is not located within the noise contours of any airport nor is it located within the boundary of a County Airport Safety Review Area as designated by the San Bernardino County Land Use Plan Hazard Overlay.
- XII f) **No Impact.** The project is not located within two miles of a private airstrip and therefore will not expose persons to excessive noise levels from aircraft operations from private airstrips.

**SIGNIFICANCE:** Possible significant adverse impacts have been identified or anticipated and the following mitigation measure is required as a condition of project approval to reduce these impacts to a level below significant:

**NOISE MITIGATION MEASURE:**

**N-1 Noise Mitigation.** The developer will submit for review and obtain approval of an agreement letter that stipulates that all construction contracts/subcontracts contain as a requirement that the following noise attenuation measures be implemented:

- a) Noise levels of any project use or activity will be maintained at or below adopted County noise standards (SBCC 83.01.080). The use of noise-producing signals, including horns, whistles, alarms, and bells, will be for safety warning purposes only.
- b) Exterior construction activities will be limited between 7 a.m. and 7 p.m. There will be no exterior construction activities on Sundays or National Holidays.
- c) Construction equipment will be muffled per manufacturer's specifications. Electrically powered equipment will be used instead of pneumatic or internal combustion powered equipment, where feasible.
- d) All stationary construction equipment will be placed in a manner so that emitted noise is directed away from sensitive receptors nearest the project site.
- e) Homes shall incorporate noise attenuation design intended to maintain interior noise levels at a minimum of 45 dBA.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>XIII. POPULATION AND HOUSING - Would the project:</b>				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### SUBSTANTIATION

- XIII a) **Less Than Significant impact.** The proposed project is not expected to induce substantial population growth in the area, either directly or indirectly, because the project only proposes 62 lots.

Growth induced by a project could be considered a significant impact if it directly or indirectly affects the ability of public agencies to provide services. Public services for this project would be provided by a number of public agencies, including the County of San Bernardino and the City of Redlands. No service provider has indicated inability to serve the project. The project site is substantially surrounded by residential development and located within an area that has undergone a continual transition from rural to urban use since at least 1980, based upon a review of historical aerial photos. Therefore, the additional population growth represented by the proposed project is less than significant.

- XIII b) **No Impact.** The proposed project would not displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere, because the project site contains no existing housing that will be removed.
- XIII c) **No Impact.** The proposed project would not displace substantial numbers of people, necessitating the construction of replacement housing elsewhere, because the project site is currently not developed with any homes that will be demolished. Therefore, no adverse impacts are anticipated.



Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
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#### XIV. PUBLIC SERVICES

- a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire Protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Police Protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other Public Facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### SUBSTANTIATION

Due to the project site being located within an urbanized/developed area, a full range of urban public services is available to serve the project site.

- XIV a) **Less Than Significant Impact.** The proposed project would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services, including fire and police protection, schools, parks or other public facilities. Construction of the project would increase property tax revenues and impact fees to provide a source of funding that is sufficient to offset increases in the anticipated demands for public services generated by this project. Examples of development impact fees include the Redlands Unified School District fee of \$3.51 per square foot of assessable space and the San Bernardino County Regional Transportation Development Mitigation Fee Plan Area for the Redlands Subarea in the amount of \$7,063 per dwelling unit.

While the proposed project would likely create a slight increase in the demand for parks or the availability of parks due to the increase in population, project impacts, given the size of the project and available private open space on individual lots, the impact would be less than significant.

Other Public Facilities. The proposed subdivision would generate an increased demand for other public facilities, such as water and sewer pipelines and treatment capacity. However, given the relative size of the subdivision and resulting population increase compared with the

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area, the project's increase would not be substantial, and negating the need to construct new facilities. Therefore, while the proposed project would likely create a slight increase in the demand for other public facilities, its relatively small size and residential use would not result in a significant impact.

**No significant adverse impacts are identified or anticipated and no mitigation measures are required.**

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>XV. RECREATION</b>				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### SUBSTANTIATION

- XV a) **Less Than Significant Impact.** The proposed 62 unit single family residential project is not expected to result in a significant increase in the use of existing neighborhood and regional parks or other recreational facilities, such that substantial physical deterioration of the facility would occur or be accelerated. Community parks are available throughout the area, operated primarily by the City of Redlands. The closest City park is Crafton Park and Wabash Avenue. Existing regional parks are adequate to handle regional park needs of future residents of the project.
- XV b) **No Impact.** This project does not include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.



	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>XVI. TRANSPORTATION/TRAFFIC - Would the project:</b>				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**SUBSTANTIATION** *The following summaries are based in part on the project Traffic Study prepared by Kunzman Associates in January 2015.*

- XVI a) Less Than Significant Impact with Mitigation.** The proposed project includes new interior residential roadways, as displayed on the tentative tract and improvement to adjoining surrounding streets, consistent with current county standards. The future interior roadways would provide a right-of-way (ROW) width of 50 feet containing two lanes (one lane in each direction), 36 feet of curb-to-curb separation, and 7 foot wide sidewalks on both sides of each street. Given that the internal circulation and access have been designed to meet the County's standards (i.e., street ROW, curb-to-curb width, turn radii, etc.), no impacts to circulation or emergency vehicles is anticipated.

This project falls within the Regional Transportation Development Mitigation Fee Plan for the Redlands Subarea. The purpose of the fee is to off-set the potential adverse effects of

increased vehicle trips on area roadways. The Plan fees shall be computed in accordance with the Plan fees in effect as of the date that the building plans are submitted and building permits requested. Therefore, with implementation of Mitigation Measures T-1 and T-2, the potential impacts to area roadways would be reduced to less than significant.

The project site is located just south of State Route 38, Mentone Blvd. Bus service operated by Omnitrans is available in this area, with the easterly end of Route 8 traversing easterly along Mentone Blvd. to Crafton Avenue, where it turns south and transitions to San Canyon Road and ending at Crafton Hills College. The bus line is approximately ½ mile from the project site and also extends westerly to the Redlands Mall and Loma Linda University Medical Center.

No bicycle lanes exist in the area, but sidewalks currently exist along the westerly side of Sapphire Avenue, south of Mentone Boulevard.

Caltrans is continuing to evaluate additional technical materials provided by the applicant's traffic engineer. A number of letters have been issued by Caltrans related to potential issues and improvements. In latest letter responded to by the applicant's engineer, Caltrans comments generally focused on the following issues related to the intersection of Sapphire Avenue and Highway 38:

- Ensuring adequate sight distance. Trees may obscure the clear vision area and need to be removed.

*Applicant's response:* The applicant's traffic engineer provided information indicating an adequate corner sight distance triangle is currently available for north bound Sapphire Avenue traffic based upon a design speed of 45 mph, a corner sight distance of 495 feet utilizing the State Highway Design Manual, and use of field survey photographs. As such, no trees would need to be removed.

- Consideration of intersection lighting at Sapphire Avenue and Highway 38.

*Applicant's response:* A number of criteria must be met for this to be required. 1) A minimum vehicle volume (MVV), an interruption of continuous traffic (ICT) or minimum pedestrian volume (MPV) must be satisfied. Based upon peak evening hour traffic volume forecasts for Year 2040 With Project conditions, the MVV and ICT are not satisfied. It is also highly unlikely that the number of pedestrians would exceed the number of vehicles entering Sapphire Avenue (75 per hour). 2) The collision history for the intersection for January 2015 to December 2016 found one accident. The threshold for intersection lighting is four or more nighttime accidents within a 12-month period or six or more within a consecutive 24-month period. 3) Another evaluation factor is whether the site has an intersection flashing beacon or traffic signal. Neither of these facilities exist. 4) Lastly, the combination of factors such as sight distance that constitute a confusing or unsatisfactory condition that may be improved by intersection lighting. The existing roadway does not have significant horizontal or vertical roadway curvature and both roadways form a relatively standard intersection. As such, intersection lighting was found not be warranted.

- Conducting a left and right turn lane warrant analysis.

*Applicant's response:* The applicant's traffic engineer provided information indicating that right-turn lanes cannot be justified based upon capacity, analysis, and crash experience. On the basis of roadway capacity, right turn lanes are not warranted since traffic is projected to operate a LOS A during peak hours. The installation of right turn lanes would not be necessary to minimize same direction accidents, based upon an evaluation of collision history at the intersection. However, left lane approaches are recommended due to traffic volumes. Left turn lanes would ultimately require roadway widening near the intersection.

- Assessing bicycle and pedestrian safety.

*Applicant's response:* The applicant's traffic engineer provided information documenting the intersection is unsignalized and no connecting sidewalks exist in the County. The applicant's letter indicated better crossing locations exist at Crafton Avenue and are within a convenient walking distance to nearby schools. The letter also noted Class II bicycle lanes are currently planned along Mentone Boulevard. School Districts are also responsible for establishing a process to determine to provide for students in route and from school. Lastly, the letter indicated the County would generally assist the Redlands Unified School District with planning and implementation of school area traffic controls.

- Reduction in LOS E at Sapphire Avenue and Highway 38.

In addition to the items listed above the updated Traffic Study also identified a potential Level of Service (LOS) for the intersection of Sapphire and Highway 38 E. Level of Service E is not an acceptable LOS based upon County criteria. A letter from the applicant's traffic engineer, dated October 25, 2016, indicated that "If the County is resolved to address the perceived impact at Sapphire Avenue/SR-38, the following mitigation measure is recommended for Year 20140 With Project traffic conditions:

*"Install traffic sign R33A (CA) in accordance with the CA MUTCD to restrict the northbound left-turn movement from 4 – 6 PM."*

Although Caltrans has not issued a final letter indicating acceptance of the responses provided by the applicant's engineer, the discussion provided above identifies Caltrans concerns related to potential issues and environmental impacts. Should Caltrans disagree with the engineer's responses and require installation of certain improvements, such as a traffic signal, they would be considered within the range of items discussed within this document and not new mitigation measures, based upon the recommended mitigation measure language provided below. None of the possible improvements would result in adverse impacts due to their construction or operation.

To ensure adequate measures are undertaken to address potential environmental impacts associated with the approval of the proposed Project, the following measure is meant to ensure potential Caltrans concerns referenced in their November 16, 2016, letter to the

County are undertaken and/or installed as necessary:

- *Measures instituted by the County of San Bernardino and/or Caltrans to improve traffic movements and respond to potential environmental impacts, such as lane stripping, traffic sign, tree removal, fee payment, traffic signalization or other right of way and roadway improvements for vehicles or pedestrians, such as sidewalks, are to be undertaken during the appropriate construction phase.*

XVI b) **Less Than Significant Impact.** Mentone Boulevard/Highway 38 is designated as a Congestion Management Program (CMP) roadway in the 2016 Update to the CMP. The Update provides that State Route 38 operates at a Level of Service (LOS) of A for am and pm hours. A traffic study was prepared by Kunzman Associates, dated September 30, 2016. The traffic analysis examined the following scenarios:

- Existing traffic conditions;
- Existing plus project conditions;
- Opening Year (2018) without project conditions;
- Opening year (2018) with project conditions;
- Year 2040 without project conditions, and,
- Year 2040 with project conditions.

The project's study area included the intersections of Crafton Avenue and Nice Avenue, Mentone Boulevard (SR-38) and Sapphire Avenue, Sapphire Avenue and Nice Avenue, the proposed intersection of Florence Avenue and Nice Avenue and proposed intersection of Venice Drive and Nice Avenue. Identification of the study area was based on the forecast contribution of peak hour project-generated trips on the roadway segments near the project site. Based on the Congestion Management Program (CMP) for San Bernardino County a Traffic Impact Analysis is to be prepared when the anticipated project trip contribution equals or exceed 50 two-way trips in the peak hours on arterial roadways. The County of San Bernardino Plan Circulation Element has established Level of Service (LOS) D as the minimum acceptable LOS during peak hours for the County's transportation system in the Valley Region. Roadway facilities operating at LOS E or F are considered deficient.

The Project traffic study concluded that the project's study area intersections currently operate within acceptable Levels of Service (LOS) during the peak hours for existing traffic conditions. The project would generate approximately 590 daily trips, 47 trips which would occur during the morning peak hour and 62 trips occur during the evening peak hour. The table listed below summarizes the traffic scenarios for existing and projected LOS associated with the project.

Level of Service	Result
Existing Plus Project Intersection Delay & LOS	No significant traffic impacts at the study intersections for existing plus project traffic conditions.
Opening Year w/out Intersection Delay & LOS	Study area intersections projected to operate with acceptable LOS during peak hours for opening year w/out project traffic conditions.
Opening year with project Intersection Delay & LOS	Project is forecast to result in no significant traffic impacts at the study intersections for Opening Year w/project traffic conditions, although Sapphire Ave/Mentone Blvd. intersection is projected to be LOS C.



Year 2040 w/out project Intersection delay & LOS	Study area intersections are projected to operate w/in acceptable LOS during peak hours for year 2040 w/out project traffic conditions.
Year 2040 with Project Intersection Delay and LOS	Study area intersections projected to operate w/in acceptable LOS during peak hours for year 2040 with project traffic conditions, with the exception of Sapphire Ave/Mentone Blvd, which will operate at LOS E for peak hour trips, without improvements. The Traffic Study indicated "that a queue of more than one vehicle will occur very infrequently for the northbound approach." Caltrans has recommended the installation of a stop sign, but the traffic study has not identified that as a solution.

With the proposed mitigation measure to provide payment of the regional fee contribution, impacts would be reduced to less than significant.

- XVI c) **No Impact.** The proposed project would not affect air traffic patterns. The project is single family residential and would not result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks, because there is no anticipated effect on air traffic volumes by passengers or freight generated by the proposed use and no new air traffic facilities are proposed. Also see responses to Section VII: Hazards and Hazardous Materials.
- XVI d) **Less Than Significant Impact.** The project would not substantially increase hazards due to a design feature or incompatible uses, because there are no incompatible uses proposed by the project that would adversely affect surrounding land uses. Roadway intersections would meet County requirements for visibility and separation from other intersections. Please refer to responses to Section XVI a) above. As such, the proposed project would not create dangerous intersections.
- XVI e) **No Impact.** The proposed project would not result in inadequate emergency access to the project area. During project construction, public roads would remain open and available for use by emergency vehicles and other traffic. The project site provides alternative site access along existing public streets and interior roadways ensuring available access to emergency vehicles.
- XV f) **Less Than Significant Impact.** The project will not conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks). The project is not located adjacent to or near an existing bike path, nor does the County have adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities that apply to the proposed project site. Bus service operated by Omnitrans would not be affected by the proposed project.

**SIGNIFICANCE:** Possible significant adverse impacts have been identified or anticipated and the following mitigation measure is required as a condition of project approval to reduce these impacts to a level below significant:

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**TRAFFIC MITIGATION MEASURE:**

**T-1) Regional Transportation Fee:** This project falls within the Regional Transportation Development Mitigation Fee Plan for the Redlands Subarea. This fee shall be paid by a cashier's check to the Department of Public Works Business Office. The Plan fees shall be computed in accordance with the Plan fees in effect as of the date that the building plans are submitted and the building permit is applied for. Currently, the fee is \$7,063 for single family dwelling unit. There are 62 single family residential units per the Tentative Tract Map 19991 dated March 9, 2016. Therefore, the estimated Regional Transportation Fees are \$437,906 (62 units x \$7,063 per unit). These fees are subject to change periodically. The current Regional Transportation Development Mitigation Plan can be found at the following website:

[http://www.sbcounty.gov/dpw/transportation/transportation\\_planning.asp](http://www.sbcounty.gov/dpw/transportation/transportation_planning.asp)

**T-2) Improvements:** Measures instituted by the County of San Bernardino and/or Caltrans to improve traffic movements and respond to potential environmental impacts, such as lane stripping, traffic sign, tree removal, fee payment, traffic signalization or other right of way and roadway improvements for vehicles or pedestrians, such as sidewalks, are to be undertaken during the appropriate construction phase.

	Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
<b>XVII. UTILITIES AND SERVICE SYSTEMS - Would the project:</b>				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Be served by a landfill(s) with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### SUBSTANTIATION

XVII a) **Less Than Significant Impact.** Wastewater service for the project would be provided by the City of Redlands. Wastewater would be conveyed in public sewer lines in the public street rights-of-way on and off-site to existing sewer lines. As such, the proposed project would not exceed wastewater treatment requirements of the Regional Water Quality Control Board, Santa Ana Region. The City of Redlands Municipal Utilities and Engineering Web Site states the Redlands Wastewater Treatment Facility "has the ability to process 9.5 million gallons of wastewater per day, and is currently processing about 6 million gallons per day." As such, the City has adequate wastewater treatment capacity to meet the needs of the proposed project.

XVII b) **Less Than Significant Impact.** The proposed project would not require or result in a need for

new water or wastewater treatment facilities or expansion of existing facilities. There is sufficient capacity in the existing systems for the proposed use as noted in the responses provided in other sections of this document. The proposed project would be served by existing City of Redlands sewer and water lines in closest proximity to the project.

- XVII c) **Less Than Significant Impact.** The project proposes an infiltration basin to capture an estimated 55,785 cubic feet of stormwater flows. Sheet flow along the project's interior street will be captured along Venice Avenue and Florence Drive and piped to the basin. The entire subdivision will also contain an interconnected culvert system that stretches along the perimeter of the subdivision to channel water to the basin and the storm drain system at the intersection of Sapphire Avenue/Nice Avenue. Both the basin and culvert system would be designed in accordance with County standards.

A Final WQMP is required prior to issuance of a grading permit, which would ensure that the project design complies with regulations and requirements associated with hydrology and water quality. The project is not expected to significantly alter off-site drainage patterns and no expansion or new storm drain facilities beyond what is already planned for area-wide drainage would be required.

- XVII d) **Less Than Significant Impact.** Sufficient water supplies are available to serve the project from existing entitlements and resources. Due to the relatively small scale project in comparison to the City of Redlands's current service system and previously discussed information contained in Section IX **Hydrology and Water Quality**, the City has adequate capacity to accommodate the project and the impact of the project on water supplies would be less than significant.

- XVII e) **Less Than Significant Impact.** The proposed project would not require or result in the construction of new wastewater treatment facilities or the expansion of existing wastewater treatment facilities based upon information contained on the City's Web Site and detailed in Section a) above. As such, the City of Redlands has adequate capacity to serve the projected wastewater treatment demand for the project.

Connection to the sewer system may be required to go through County of San Bernardino Local Agency Formation Commission (LAFCO), as part of their interagency agreement process. This has been listed as a condition of approval as part of Environmental Health Department approval.

- XVII f) **Less Than Significant Impact.** The project includes 62 residential units. Disposal Rates for single family units with San Bernardino County, based upon Overall Residential Waste Stream by Material Type, provided by the CalRecycle Web Site operated by the State of California, is .41 tons per residence, per year, resulting in an estimated tonnage for the development of approximately 25 tons per year. Additionally the development will require the demolition of the existing structures on site and pavement.



The County of San Bernardino Solid Waste Management Division (SWMD) is responsible for the operation and management of the County of San Bernardino's solid waste disposal system which consists of six landfills and seventeen transfer stations operated by the County. According to the 2012 San Bernardino Countywide Integrated Waste Management Plan, the County of San Bernardino continues to have disposal capacity available for solid waste generated, but not diverted, in excess of 15 years as required under Public Resources Code Section 41701. The system wide characteristics indicate that the County has an estimated site-life capacity of 63 years. Existing landfills serving the project area are the Mid-Valley Landfill in Rialto and San Timoteo Landfill in Redlands. The Mid-Valley Landfill has a maximum permitted daily capacity of 7,500 tons and 67,520,000 of remaining capacity as of September 2009. The San Timoteo Landfill has a maximum permitted daily capacity of 2,000 tons, and 13,605,488 cubic yards of remaining capacity as of approximately 2013. Due to the capacity of area landfills, the solid waste system has sufficient permitted capacity to accommodate the project's solid waste disposal needs.

This project falls within a Uniform Handling Service area. All owners of a dwelling unit within the uniform handling area who are required to have uniform handling service shall, upon notice thereof, be required to accept uniform handling service from the grantee holding a franchise agreement and pay the rate of such services. This service area includes waste and recycling services.

- XVII g) **Less than Significant impact.** The proposed project is required to comply with all federal, state, and local statutes and regulation related to solid waste. The project would consist of short-term construction activities (with short-term waste generation limited to minor quantities of construction debris). Solid waste produced during the construction phase of this project would be disposed of in accordance with all applicable regulations, including the County construction and demolition debris reduction ordinance. Operational disposal would involve the collection of waste from a franchise company and disposed of within a licensed facility.

Potentially Significant Impact	Less than Significant with Mitigation Incorp.	Less than Significant	No Impact
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**XVIII. MANDATORY FINDINGS OF SIGNIFICANCE:**

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?
- c) Does the project have environmental effects, which will cause Substantial adverse effects on human beings, either directly Or indirectly?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>

**SUBSTANTIATION**

- XVIII a) **Less Than Significant With Mitigation Incorporated.** The project does not have the potential to significantly degrade the overall quality of the region's environment, or substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory, based upon the analysis conducted as part of this review. There are no rare or endangered species or other species of plants, animals or habitat identified as being significant and adversely affected by this project. There are no identified historic or prehistoric resources on the project site. Comments have been provided by the San Manuel Indians the project be conditioned to undertake spot monitoring during tree removal. If any archaeological or paleontological resources are identified during project construction, the project is conditioned to stop and identify appropriate authorities, who would properly record and/or remove any such finds for classification.
- XVIII b) **Less Than Significant.** Cumulative impacts are defined as two or more individual effects that, when considered together, are considerable or that compound or increase other environmental impacts. The cumulative impact from several projects is the change in the environment that results from the incremental impact of the development when added to the impacts of other closely related past, present, and reasonably foreseeable or probable

future developments. Cumulative impacts can result from individually minor, but collectively significant, developments taking place over a period.

Identified project impacts would not exceed threshold levels and are consistent with regional plans. The project would not have impacts that are individually limited, but cumulatively considerable. Special studies have been prepared to analyze potential impacts of the project and did not identify significant issues or potential impacts that could not be effectively mitigated. Existing and planned infrastructure in the area is intended to accommodate build out of the area, including the project site with the planned uses.

- XVIII c) **Less Than Significant With Mitigation Incorporated.** The project will not have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly, as there are no such impacts identified by the studies conducted for this project or identified through the review of other sources or by other agencies.

Increases in air quality emissions, noise, and traffic will be created by the implementation of the project. These potential impacts have been thoroughly evaluated and impacts related to air quality, noise, and traffic were determined to be less than significant with adherence to mandatory requirements and incorporation of appropriate mitigation measures, such as the payment of Regional Transportation Development Mitigation Fee Plan for the Redlands Subarea.

Implementation of mitigation measures and adherence to mandatory development requirements and standard conditions will ensure that impacts from the project are neither individually significant nor cumulatively considerable in terms of any adverse effects upon the area or region.

#### **XIX. MITIGATION MEASURES**

(Any mitigation measures, which are not 'self-monitoring', shall have a Mitigation Monitoring and Reporting Program prepared and adopted at time of project approval)

#### **AIR QUALITY MITIGATION MEASURES:**

**AQ-1 AQ/Dust Control Plan.** The developer will prepare, submit, and obtain approval from the San Bernardino County Planning of a Dust Control Plan (DCP) consistent with South Coast Air Quality Management District guidelines and a letter agreeing to include in any construction contracts/subcontracts a requirement that project contractors adhere to the requirements of the DCP. The DCP will include the following elements to reduce dust production:

- m) Exposed soil shall be kept continually moist to reduce fugitive dust during all grading and construction activities, through application of water sprayed a minimum of three times each day.*
- n) Any portion of the site to be graded shall be pre-watered to a depth of three feet prior to the onset of grading activities.*
- o) During high wind conditions (i.e., wind speeds exceeding 25 mph), areas with disturbed soil shall be watered hourly and activities on unpaved surfaces shall cease until wind speeds no longer exceed 25 mph.*

- p) Any area that will remain undeveloped for a period of more than 30 days shall be stabilized using either chemical stabilizers and/or a desert wildflower mix hydroseed on the affected portion of the site.
- q) Storage piles that are to be left in place for more than three working days shall be sprayed with a non-toxic soil binder, covered with plastic or revegetated.
- r) Imported fill and exported excess cut shall be adequately watered prior to transport, covered during transport, and watered prior to unloading on the project site.
- s) Storm water control systems shall be installed to prevent off-site mud deposition.
- t) All trucks hauling dirt away from the site shall be covered.
- u) Construction vehicle tires shall be washed, prior to leaving the project site.
- v) Rumble plates shall be installed at construction exits from dirt driveways.
- w) Paved access driveways and streets shall be washed and swept daily when there are visible signs of dirt track-out.
- x) Street sweeping shall be conducted daily when visible soil accumulations occur along site access roadways to remove dirt dropped or tracked-out by construction vehicles. Site access driveways and adjacent streets shall be washed daily, if there are visible signs of any dirt track-out at the conclusion of any workday and after street sweeping.

**AQ-2** AQ-Installation. The developer will submit for review and obtain approval from County Planning evidence that all air quality mitigation measures have been installed properly and that specified performance objectives

#### **BIOLOGICAL MITIGATION MEASURES:**

**BIO-1** Pre-construction Nesting Bird Surveys and Avoidance. Within 30 days prior to demolition, tree removal, vegetation clearing or ground disturbance associated with grading that would occur during the nesting/breeding season (between February 15 and September 1) the applicant shall retain a qualified biologist, knowledgeable in local birds and their nesting preferences, to conduct a pre-construction survey for nesting bird species. The survey shall be conducted no more than seven (7) days prior to initiation of disturbance work and will be conducted to ensure compliance with the federal Migratory Bird Treaty Act and CFG Code Section 3504.5. If ground disturbance activities are delayed, then additional pre-disturbance surveys shall be conducted such that no more than seven days will have elapsed between the survey and ground disturbance activities.

If active nests are found during the breeding season then no-work buffer zones shall be established around the active nests by a qualified biologist (typically 250 feet radius for a songbird and 500 feet for raptors). A lesser distance may be approved in consultation with the California Department of Fish and Wildlife. Demolition, tree removal, vegetation clearing, and ground disturbance shall be postponed or halted within the buffer zone until a qualified biologist determines that the nest is no longer active. No-work buffers shall be established in the field with highly visible construction fencing or flagging, and construction personnel shall be instructed on the sensitivity of nest areas. A qualified biologist shall serve as a grading and construction monitor during those periods to regularly monitor active nests to ensure that no inadvertent impacts on these nests occur and to determine when the nests become inactive so that buffer restrictions may be removed.



## **NOISE MITIGATION MEASURES:**

**N-1 Noise Mitigation.** The developer will submit for review and obtain approval of an agreement letter that stipulates that all construction contracts/subcontracts contain as a requirement that the following noise attenuation measures be implemented:

- a) Noise levels of any project use or activity will be maintained at or below adopted County noise standards (SBCC 83.01.080). The use of noise-producing signals, including horns, whistles, alarms, and bells, will be for safety warning purposes only.
- b) Exterior construction activities will be limited between 7 a.m. and 7 p.m. There will be no exterior construction activities on Sundays or National Holidays.
- c) Construction equipment will be muffled per manufacturer's specifications. Electrically powered equipment will be used instead of pneumatic or internal combustion powered equipment, where feasible.
- d) All stationary construction equipment will be placed in a manner so that emitted noise is directed away from sensitive receptors nearest the project site.
- e) Homes shall incorporate noise attenuation design intended to maintain interior noise levels at a minimum of 45 dBA.

## **TRAFFIC MITIGATION MEASURES:**

**T-1) Regional Transportation Fee:** This project falls within the Regional Transportation Development Mitigation Fee Plan for the Redlands Subarea. This fee shall be paid by a cashier's check to the Department of Public Works Business Office. The Plan fees shall be computed in accordance with the Plan fees in effect as of the date that the building plans are submitted and the building permit is applied for. Currently, the fee is \$7,063 for single family dwelling unit. There are 62 single family residential units per the Tentative Tract Map 19991 dated March 9, 2016. Therefore, the estimated Regional Transportation Fees are \$437,906 (62 units x \$7,063 per unit). These fees are subject to change periodically. The current Regional Transportation Development Mitigation Plan can be found at the following website:

[http://www.sbcounty.gov/dpw/transportation/transportation\\_planning.asp](http://www.sbcounty.gov/dpw/transportation/transportation_planning.asp)

**T-2) Improvements:** Measures instituted by the County of San Bernardino and/or Caltrans to improve traffic movements and respond to potential environmental impacts, such as lane stripping, traffic sign, tree removal, fee payment, traffic signalization or other right of way and roadway improvements for vehicles or pedestrians, such as sidewalks, are to be undertaken during the appropriate construction phase.

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**GENERAL REFERENCES: (List author or agency, date, title)**

California Department of Conservation. Alquist-Priolo Special Studies Zones Map (Redlands Quadrangle).

California Department of Conservation Farmland Mapping & Monitoring Program. San Bernardino County Important Farmland (Sheet 2 of 2).

California Department of Conservation. Land Conservation (Williamson Act) Maps San Bernardino County (Sheet 2 of 2).

California Department of Conservation. Mineral Land Classification Map, San Bernardino P-C Region.

California Department of Fish & Wildlife. Natural Community Conservation Planning Maps & California Regional Conservation Plans Map. Accessed May 2016.

California Department of Forestry & Fire Protection. Fire Hazard Severity Zone Map. Accessed May 2016.

California Department of Resources Recycling and Recovery (CalRecycle). Disposal Reporting System. Accessed June 2016.

CEQA Guidelines, Statute and Guidelines, Appendix G (Environmental Checklist Form), 2014; Accessed May 2016

County of San Bernardino Development Code, Adopted 2007 and Revised 2013.

County of San Bernardino. County of San Bernardino General Plan. Adopted 2007 and Amended 2013.

County of San Bernardino Land Use Services Planning Department. Zoning & Hazard Overlay Maps. Accessed May 2016.

County of San Bernardino. Land Use Zoning Districts Map. Accessed May 2016.

Greenhouse Gas Emissions, Development Review Process County of San Bernardino, California, ATKINS Report, Updated March 2015; accessed May 2016.

OmniTrans, Route 8 Information. Accessed June 2016.

South Coast Air Quality Management District, CEQA Air Quality Handbook, November 1993

Upper Santa Ana River Watershed Integrated Regional Water Management Plan, January 2015.

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**PROJECT SPECIFIC STUDIES:**

Kunzman Associates. *Traffic Impact Analysis*. September 30, 2016

ECORP Consulting, Environmental Consultants, *General Biological Resource Study*, April 1, 2016

ECORP Consulting, Environmental Consultants, *Cultural Resources Investigation for Tentative Tract Map 19991 (APH: 0298-261-46) in the Community of Mentone, San Bernardino County, California*, July 2016

**SPECIFIC REFERENCES:**

LSA Air Quality and Greenhouse Gas Emissions Analysis, TTM 18952, October 2014

LSA Cultural Resources Assessment, TTM 18952, July 2014

LSA Noise Impact Analysis, TTM 18952, May 2014



# **Draft Resolution #3260**

**Attachment 5**

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
lafco@lafco.sbcounty.gov  
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**PROPOSAL NO.: LAFCO SC#421**

**HEARING DATE: JANUARY 17, 2018**

## **RESOLUTION NO. 3260**

**A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO SC#421 – CITY OF REDLANDS PRE-ANNEXATION AGREEMENT 17-01 FOR WATER AND SEWER SERVICE TO TENTATIVE TRACT 19991 (ASSESSOR PARCEL NUMBER 0298-261-46)**

**On motion of Commissioner \_\_\_\_\_, duly seconded by Commissioner \_\_\_\_\_ and carried, the Local Agency Formation Commission adopts the following resolution:**

**WHEREAS**, Government Code Section 56133 requires the Local Agency Formation Commission to review and approve, approve with conditions, or deny applications for agencies to provide services outside their existing boundaries; and,

**WHEREAS**, an application for the proposed service extension in the County of San Bernardino was filed with the Executive Officer of this Local Agency Formation Commission in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.), and the Executive Officer has examined the application and determined 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 the 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 called for January 17, 2018 at the time and place specified in the notice of public hearing; and,

**WHEREAS**, at the hearing, this Commission heard and received all oral and written support and/or opposition; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the contract, in evidence presented at the hearing;

## RESOLUTION NO. 3260

**NOW, THEREFORE, BE IT RESOLVED**, that the Local Agency Formation Commission for San Bernardino County does hereby determine, find, resolve and order as follows:

### **DETERMINATIONS:**

**SECTION 1.** The following determinations are noted in conformance with Commission policy:

1. The project area, identified as Assessor Parcel Number 0298-261-46, is within the sphere of influence assigned the City of Redlands and is anticipated to become a part of that City sometime in the future. The application requests authorization to receive City of Redlands water and sewer service for Tentative Tract 19991, a proposed 62-lot single-family residential development, the requirement which are conditions of approval as identified by the County. Therefore, approval of the City of Redlands' request for authorization to provide water and sewer service is necessary in order to satisfy the conditions of approval for the project.
2. The City of Redlands' Pre-Annexation Agreement being considered is for the provision of water and sewer service by the City of Redlands to the project site, identified as Assessor Parcel Number 0298-261-46, which is generally located at the northeast corner of Nice Avenue and Sapphire Street, within the City of Redlands' eastern sphere of influence. This contract will remain in force in perpetuity for the proposed residential development or until such time as the area is annexed.
3. The fees charged by the City of Redlands for extension of water and sewer service are identified as totaling \$1,061,798.24 (a breakdown of charges is on file in the LAFCO office). Payment of these fees is required prior to connection to the City's water and sewer facilities. In addition, the property owner shall bear all costs to complete improvements needed to extend both water and sewer service to the proposed residential development.
4. During the period from March 2017 to July 2017, acting as the CEQA lead agency, the County of San Bernardino, as a function of its review of Tentative Tract Map 19991 to create 62 single-family residential lots and two lettered lots for an infiltration basin and water well on approximately 16.88 acres, prepared an environmental assessment and adopted a Mitigated Negative Declaration which indicates that approval of the project will not have a significant adverse impact on the environment through its development under the Conditions of Approval that has been prepared for the proposed project. The County's Initial Study and Mitigated Negative Declaration have been reviewed by the Commission's staff and Environmental Consultant who have found them to be adequate for the service contract decision.

The Commission certifies that it has reviewed and considered the County's Mitigated Negative Declaration and environmental effects as outlined in the Initial Study prior to reaching a decision on the service contract and finds the information substantiating the Mitigated Negative Declaration is adequate for its use in making a decision as a CEQA responsible agency. The Commission further finds that it does not intend to adopt alternatives or additional mitigation measures for this project as all changes, alterations and mitigation measures are within the responsibility and jurisdiction of the County and/or others, and are self-mitigating through implementation of the Conditions of Approval.

The Commission, as a responsible agency, finds that proposal is exempt from Department of Fish and Wildlife fees because the filing fee was the responsibility of the County as the CEQA

**RESOLUTION NO. 3260**

lead agency. The Commission directs its Executive Officer to file a Notice of Determination within five (5) working days with the San Bernardino County Clerk of the Board of Supervisors.

**SECTION 2. CONDITION.** The City of Redlands shall indemnify, defend, and hold harmless the Local Agency Formation Commission for San Bernardino County from any legal expense, legal action, or judgment arising out of the Commission's approval of this service contract, including any reimbursement of legal fees and costs incurred by the Commission.

**SECTION 3.** The Local Agency Formation Commission for San Bernardino County does hereby determine to authorize the service extension contract submitted by the City of Redlands to provide water and sewer service to the project area identified Assessor Parcel Number 0298-261-46.

**SECTION 4.** The Commission instructs the Executive Officer of this Local Agency Formation Commission to notify the affected agencies that the application identified as LAFCO SC#421 – City of Redlands Pre-Annexation Agreement 17-01 for Water and Sewer Service to Tentative Tract 19991 (Assessor Parcel Number 0298-261-46), has been approved.

**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 January 17, 2018.**


**DATED:**

**KATHLEEN ROLLINGS-McDONALD**  
Executive Officer

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
E-MAIL: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

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**DATE:** JANUARY 10, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #8: LAFCO 3222 -- Sphere of Influence Establishment for the Metropolitan Water District of Southern California (San Bernardino County portion)

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**INITIATED BY:**

Local Agency Formation Commission for San Bernardino County

**RECOMMENDATION:**

Staff recommends that the Commission take the following actions related to the sphere of influence establishment for the Metropolitan Water District of Southern California:

1. For environmental review, certify that LAFCO 3222 is statutorily exempt from environmental review, and direct the Executive Officer to file a Notice of Exemption within five (5) days;
2. Approve the sphere of influence establishment for the Metropolitan Water District of Southern California within San Bernardino County as coterminous with that of its member agency, the Inland Empire Utilities Agency, excluding that area defined in this report as being proposed for reorganization between the Inland Empire Utilities Agency and the San Bernardino Valley Municipal Water District; and,
3. Establish the description of the functions and services of the Metropolitan Water District of Southern California (San Bernardino County portion) as

**FUNCTION:** Water

**SERVICE:** Those water services or powers identified in the Metropolitan Water District Act (Water Code Appendix Section 109-130 through 109-136)

to be identified in the *LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview - Authorized Functions and Services*.

4. Adopt LAFCO Resolution No. 3261 reflecting the Commission's determinations and findings for the sphere of influence establishment identified.

## **BACKGROUND:**

### **Initiation and Purpose**

As a part of its Countywide Service Review for Water (LAFCO 3187), the Local Agency Formation Commission for San Bernardino County ("LAFCO") at its July 19, 2017 hearing initiated the establishment of a sphere of influence for the Metropolitan Water District of Southern California (hereafter "Metropolitan" or "District") within San Bernardino County to be coterminous with the sphere of influence of its member agency, Inland Empire Utilities Agency ("IEUA").<sup>1</sup> This area encompasses approximately 292 square miles and includes the watershed of the San Gabriel Mountains, and generally:

- All of the territories and spheres of influence of the cities of Chino, Chino Hills, Montclair, Rancho Cucamonga, Ontario, and Upland;
- The majority of the territory and sphere of the City of Fontana; and
- Portion of the territory and sphere of the City of Rialto.

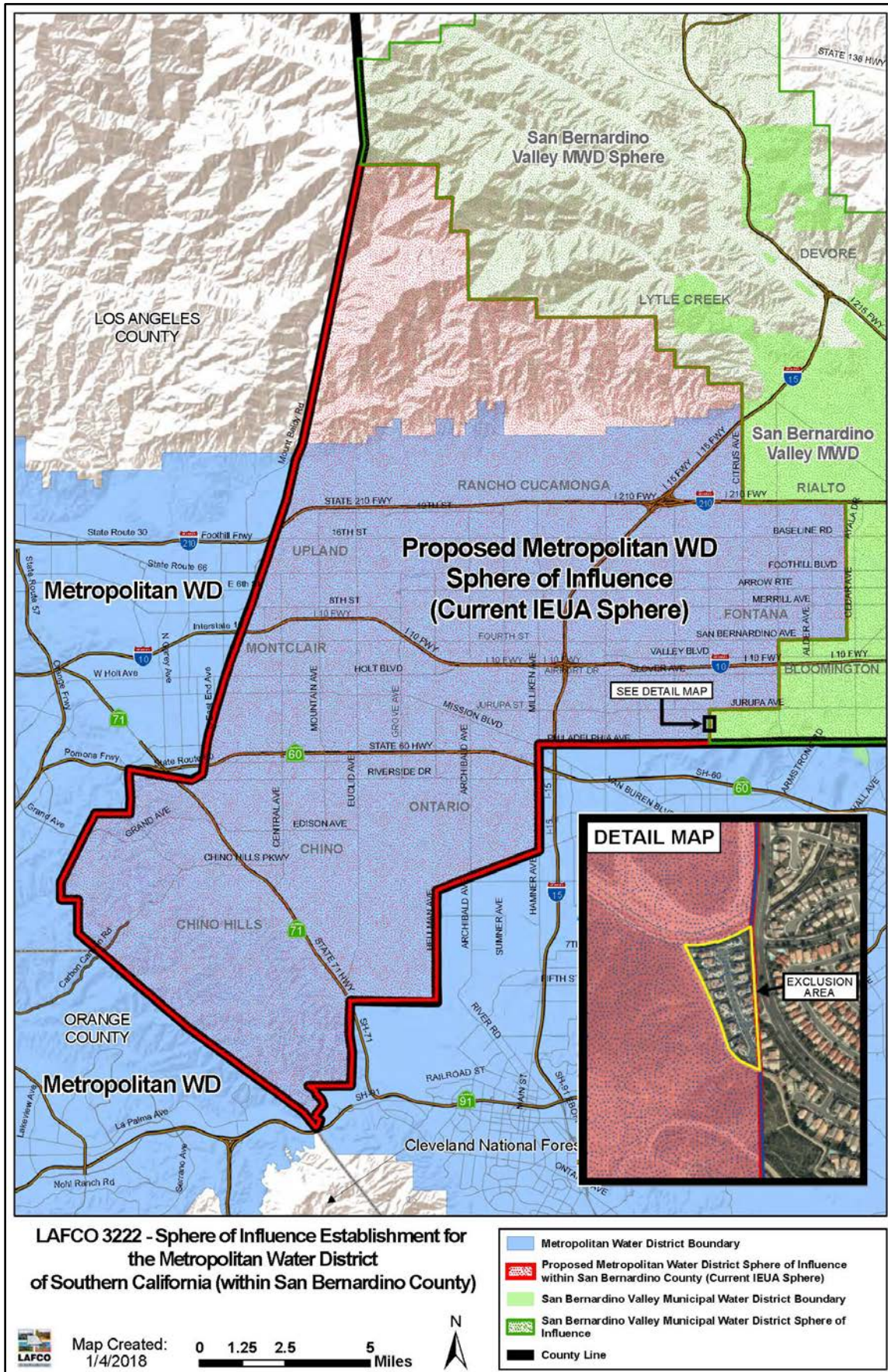
During the service review process, Metropolitan indicated no objection to the recommended sphere establishment.

However, also outlined in the service review was an area requiring reorganization between IEUA and the San Bernardino Valley Municipal Water District in the southeastern portion of the City of Fontana encompassing approximately 4.81 acres. LAFCO staff has modified LAFCO 3222 to exclude the area of this anticipated exchange proposal, as there is no need to include this area in the District's sphere establishment if only to be reduced in a few months. A map of the sphere establishment, as recommended by staff, with a detail of the exclusion area is shown below, which is also included in Attachment #1 to this report.

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<sup>1</sup> Resolution No. 3248 for LAFCO 3187 memorialized the Commission's action.







Metropolitan has never had a sphere of influence within San Bernardino County. As defined by statute, Metropolitan is a special district that is subject to LAFCO purview; therefore, LAFCO is obligated to adopt a sphere of influence for the district. Technically, no changes of organization should be processed for any affected agency overlain by a district lacking a sphere of influence. The sphere establishment would rectify this matter.

Metropolitan has provided a written response of no objection to the sphere of influence establishment within San Bernardino County, which is included as Attachment #3 to this report.

## **Metropolitan Overview**

Metropolitan a state water contractor that delivers wholesale water to 26 member public agencies – 14 cities, 11 municipal water districts, one county water authority – which in turn provides water to 19 million people in Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties. Metropolitan is currently governed by a 38-member board of directors who represent their respective member agencies. Each member agency is represented by one director, and additional directors may be seated based on the assessed property valuation of an agency's jurisdiction. Within San Bernardino County, Metropolitan's sole member agency is IEUA. IEUA provides wholesale imported water to seven retail agencies including: the Cities of Chino, Chino Hills, Ontario, Upland, the Cucamonga Valley Water District (Rancho Cucamonga), the Fontana Water Company (IEUA portion - Fontana), and the Monte Vista Water District (Montclair, portion of City of Chino and its sphere). In total, IEUA serves approximately 856,000 people over 239 square miles in western San Bernardino County.

The following historic summary is taken from the Metropolitan website.

*The Metropolitan Water District of Southern California was established by the California Legislature in 1928 through the Metropolitan Water District Act. The primary purpose of the Act was to construct and operate the 242-mile Colorado River Aqueduct.*

*Concurrent with the enactment of the Metropolitan Act, the U.S. Congress passed the Boulder Canyon Project Act, authorizing construction of Hoover Dam, which provided power to pump water to southern California.*

*Metropolitan was one of the first wholesale water agencies in the United States, and currently is the largest.*

*Metropolitan is a special district, governed by a 38-member board of directors representing Metropolitan's 26 member public agencies.*

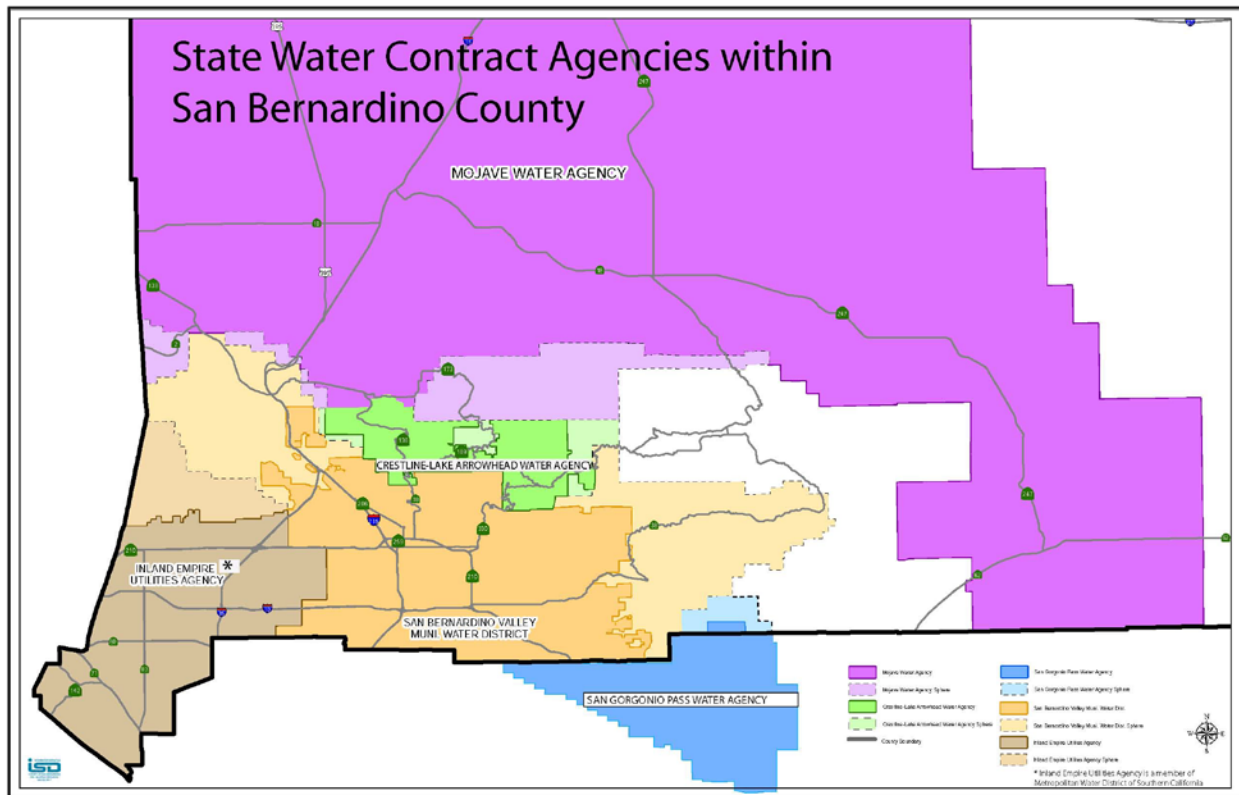
*The Metropolitan Water District Act authorizes Metropolitan to: levy property taxes within its service area; establish water rates; impose charges for water standby and service availability; incur general obligation bonded indebtedness and issue revenue bonds, notes and short-term revenue certificates; execute contracts; and exercise the power of eminent domain for the purpose of acquiring property.*

*The Metropolitan Act details the formation, internal organization, powers and purposes, taxes, bonds, and changes in organization for The Metropolitan Water District of Southern California.*

*Metropolitan was born out of the realization that Southern Californians had to unite to solve their water problems. This same ethic that led to the creation of Metropolitan by the California Legislature in 1928 is still alive today. The mission has evolved over time. At first, the goal was to secure a supply from the Colorado River for the fast-growing region, a proposal that was approved by voters in Los Angeles and Orange counties in 1931. Approximately a generation later, with even greater growth on the horizon, Metropolitan was instrumental in securing a supply from Northern California with the statewide voters approving the construction of the State Water Project in 1960. Today, Metropolitan is advancing local supply development and conservation while investing in its traditional imported supplies. Water planning requires adapting to ever-changing circumstances as well as an understanding of history. To capture this history, Metropolitan publishes annual reports that contain the highlights of politics, trends, policy, and resource decisions.*

IEUA, originally named the Chino Basin Municipal Water District ("CBMWD"), was formed in 1950 by popular vote of its residents to become a member agency of Metropolitan for the purpose of importing water under the Municipal Water District Law (Water Code Section 71000 et seq). IEUA is a wholesale water agency and does not provide any retail sales to other agencies. IEUA's 239 +/- square mile boundary provides imported water deliveries to seven contracting agencies: Cities of Chino, Chino Hills, Ontario and Upland; as well as the Monte Vista Water District, the Cucamonga Valley Water District, and the Fontana Water Company.

In 1973 the Commission established the sphere of influence for CBMWD (encompassing approximately 292 square miles), and no amendments have been considered since. The sphere was established in conjunction with the establishment of the spheres of influence for the other state water contractors: Crestline-Lake Arrowhead Water Agency, San Bernardino Valley Municipal Water District, and Mojave Water Agency. At that time, LAFCO staff requested that the agencies meet to determine their general areas of service and propose sphere boundaries. These agencies, including CBMWD, agreed to the proposed sphere boundaries based on hydrological divides, and the Commission concurred with the establishments. A map of the boundaries and spheres of the state water contractors is shown in the map below. Of note, the map identifies IEUA with a notation that the state water contractor is Metropolitan.



In 1998, CBMWD changed its name to: Inland Empire Utilities Agency, a municipal water district.

### Commission Consideration

A sphere of influence is defined by Government Code Section 56076 as “a plan for the probable physical boundaries and service area of a local agency as determined by the Commission”. This Commission in its policies related to assignment of a sphere of influence has indicated the purpose is “to encourage economical use and extension of facilities by assisting governmental agencies in planning the logical and economical extension of governmental facilities and services, thereby avoiding duplication of services” and “to promote coordination of cooperative planning efforts”.

At this hearing the Commission will:

- Consider a sphere of influence establishment for Metropolitan within San Bernardino County; and,
- Evaluate and make determinations on the factors required by Government Code Section 56425 for LAFCO 3222. These determinations will be guided by the Commission’s mission statement which reads in part, “to ensure the establishment of an appropriate, sustainable and logical municipal level government structure for the distribution of efficient and effective public services”.

## **SPHERE OF INFLUENCE DETERMINATIONS:**

Government Code Section 56425(e) requires that the Commission make a written statement of its determinations on the factors outlined in the statute. The following narrative provides the staff's analysis of these factors which includes information from the service reviews conducted in May 2015 titled "Service Review for Water Conservation in the Valley Region" and in July 2017 titled "Countywide Service Review for Water" which support establishing the Metropolitan sphere coterminous with that of the IEUA sphere.

### **1. The present and planned land uses in the area, including agricultural and open space lands:**

The map below illustrates the land use designations of the city and county jurisdictions within the area proposed to be included within the sphere of influence for Metropolitan (the area of the IEUA sphere of influence) – shown in red outline. As shown, residential, urban mixed, and industrial uses are prevalent in the urbanized areas with commercial interspersed. Parks and Open Space are heavy at the southwestern edge representing Chino Hill State Park and floodways of the Santa Ana Mainstem Project

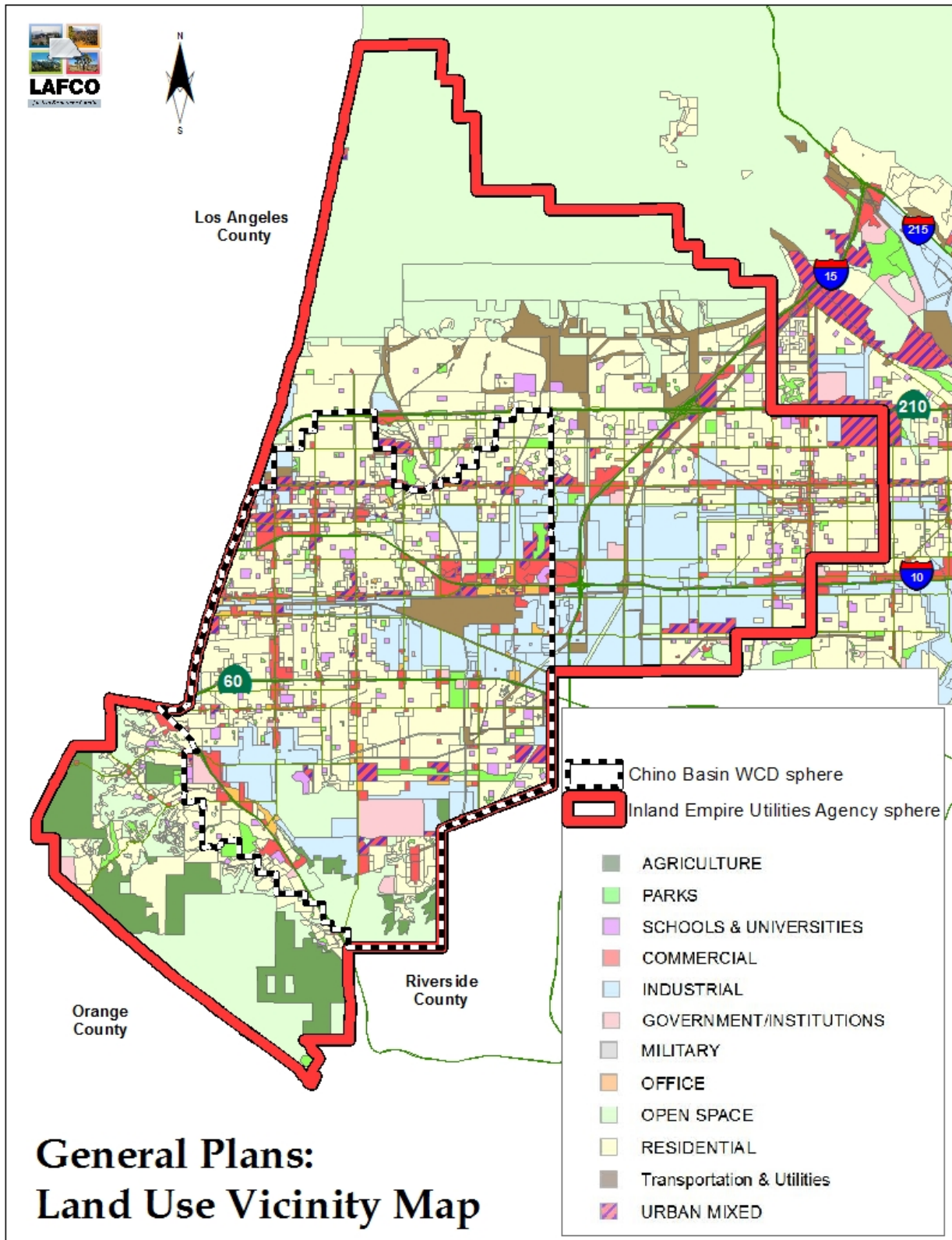
The area contains agricultural lands, Williamson Act contracts, agricultural preserve designations, and areas where special permits are required. Pursuant to Government Code Section 56426.6, the Commission shall not approve a change to the sphere of influence of a local government agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (known as the Williamson Act)<sup>2</sup> if that local government agency provides, or would provide, facilities or services related to ...nonagricultural water ... to the territory. However, the Commission may nevertheless approve a change for that territory if it finds either of the following:

- That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.
- That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date.

A sphere of influence is a planning tool, and the sphere establishment supports the planning efforts necessary to assist in the agricultural operations.

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<sup>2</sup> California Government Code, Title 5, Division 1, Part 1, Chapter 7 (commencing with Section 51200)



## 2. The present and probable need for public facilities and services in the area:

Pursuant to the determinations in the service reviews dated May 2015 and July 2017, the following information is provided for this factor.

### Present Need

The population within the study area increased 23% from 1990 to 2000. Interestingly, the population within the study area grew at a lesser rate of 16% from 2000 to 2010 during the construction boom. The 2015 estimated population was 856,168.

Pop Source	Census			Estimate	Projected		
Year	1990	2000	2010	2015	2020	2030	2040
IEUA sphere	569,490	701,527	814,210	856,168	896,533	1,009,349	1,125,203
Sources: 2015 IEUA Urban Water Management Plan; 2015 San Bernardino Valley Regional Urban Water Management Plan; ESRI estimates for 2015							

There are generally two basins within the study area: Chino and Cucamonga, both of which are adjudicated. The figure below is a summary of the two basins from the Department of Water Resources ("DWR"). As part of the California Statewide Groundwater Elevation Monitoring Program and pursuant to the California Water Code §10933, DWR is required to prioritize California groundwater basins, so as to help identify, evaluate, and determine the need for additional groundwater level monitoring. As identified by the DWR, the Chino Basin has been designated as a High Priority basin (high cumulative ratings as shown in the chart below) and the Cucamonga Basin as a Medium Priority basin for future monitoring. Both share similar population, groundwater reliance factors, and have been impacted from the increasing population.

California Statewide Groundwater Elevation Monitoring Program								
Upper Santa Ana Valley Basin - West Valley								
DWR Rating (1 = low, 5 = high)								
Sub-Basin	Sq. Miles	2010 Pop.	Pop.	Pop. Growth	GW Reliance	Impacts	Basin Priority	Impact Comments
Chino	242	898,653	4	2	4	3	High	High nitrates and dissolved solids.
Cucamonga	15	51,001	4	1	3.5	3	Medium	High nitrates reported in 14 of 24 wells tested.

### Probable Need

It is not until 2025 that the growth rate is projected to increase. LAFCO's analysis in conjunction with Southern California Associated Governments ("SCAG") projections provides a projected population of 1.13 million in 2040 for the study area. The 2040 figure would be roughly twice that of 1990 with an evident corresponding increase in population density.

The population projections identified above do not include the heavy daily business, commercial, education and industrial activities. Further, the transient traffic on Interstates 10 and 15 (two of four interstates that exit Southern California to the east) has significantly increased in volume each decade and is anticipated to continue to do so. All of this signals that the west Valley Region is one of the most densely populated

and traveled parts of the state and that the need for additional water resources will only intensify for the already impacted groundwater basins.

Through 2040 the subject area population is expected to significantly increase. It is paramount that the agencies recognize the need to develop and promote programs that protect existing water resources for the region's sustainability and future growth, as well as the importation of additional water supply.

**3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:**

There will be no service change as a result of the sphere establishment. The area within the boundaries of Metropolitan and IEUA currently receives services from those agencies. The Metropolitan sphere establishment, being a planning tool, would work in concert with the Metropolitan mission<sup>3</sup>, IEUA mission<sup>4</sup>, and Metropolitan and IEUA planning documents:

- IEUA's planning reports to include but limited to: 2015 Regional Urban Water Management Plan, Operating and Capital Program Budget, Groundwater Recharge Report, and Recycled Water Quality Report.
- Metropolitan's planning reports to include but not limited to: Integrated Water Resources Plan, Urban Water Management Plan, Water Surplus and Drought Management Plan, Long-Term Conservation Plan, and Capital Project Reports.

The area outside the boundaries of these agencies (but within the area proposed for inclusion within the Metropolitan sphere) extends north to the hydrological divide that separates the spheres of the neighboring state water contractors (current northerly extent of IEUA sphere); the inclusion within the Metropolitan sphere will allow for Metropolitan to plan for the provision of its water service in the future.

**4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency:**

Metropolitan is the state water contractor that delivers imported water to its member agency within San Bernardino County, IEUA. The delivery of this water is for use as recharge or for use from the IEUA member agencies is a vital resource which supports the social and economic interests of the Cities of Chino, Chino Hills, Fontana (western portion), Montclair, Ontario, Rancho Cucamonga, and Upland; and unincorporated territory.

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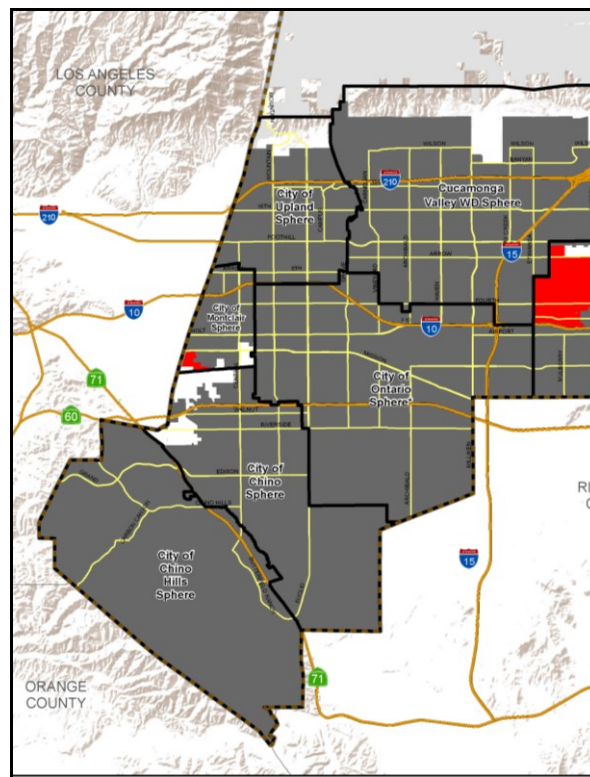
<sup>3</sup> "The mission of the Metropolitan is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way."

<sup>4</sup> The IEUA mission is, "Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development and protecting the environment. Key areas of service: Securing and supplying imported water. Collecting and treating wastewater. Producing high-quality renewable products such as recycled water, compost and energy. Promoting sustainable use of groundwater and development of local water supplies."



**5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to ...municipal and industrial water..., the present and probable need for those public facilities and services of any disadvantaged unincorporated communities ... .**

There are two areas that are identified as disadvantaged unincorporated communities ("DUC") within the study area: South Montclair and a portion of West Fontana. These areas presently receive wholesale water service from IEUA, as a member of Metropolitan - the state water contractor. Wholesale water provides a supplemental source to the impacted water basins. The probable need for wholesale water to these two DUC areas is anticipated to remain as population projections show steady growth through 2040. These areas are identified in red in the map below.



**Services of the Agency:**

When adopting or amending a sphere of influence for a special district, the Commission is required to establish the nature, location, and extent of any functions or classes of services provided by the district (Government Code §56425(i)). LAFCO staff recommends that the Commission establish the description of the functions and services of the Metropolitan Water District of Southern California (San Bernardino County portion) as:

FUNCTION: Water

SERVICE: Any services or powers identified in the Metropolitan Water District Act (Water Code Appendix Section 109-130 through 109-136)

to be identified in the *LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview - Authorized Functions and Services*.

#### **ADDITIONAL DETERMINATIONS:**

1. The Commission is the lead agency for review of the potential environmental consequences of sphere of influence establishments. LAFCO staff has provided the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, with the application materials for review. Mr. Dodson has indicated the proposed sphere adoption is not judged to pose any adverse changes to the physical environment. Therefore, his recommendation is that the sphere of influence adoption is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061(b). A copy of Mr. Dodson's analysis is included as Attachment #4 to this report.
2. Legal notice of the Commission's consideration of the sphere adoption has been provided through publication of a 1/8<sup>th</sup> page legal advertisement in *The Inland Valley Daily Bulletin*, a newspaper of general circulation in the area.
3. Individual notices were provided to all affected and interested agencies, County departments and those individuals and agencies requesting special notice.
4. In November 2011 San Bernardino LAFCO and Los Angeles LAFCO entered into a Memorandum of Understanding for exchange of principal county status for sphere of influence changes that cross county boundaries to the county where the sphere of influence territory is located. In a letter to Los Angeles LAFCO dated October 25, 2017, San Bernardino LAFCO expressed its intention to utilize the provisions of this MOU to address the proposed establishment of the Metropolitan sphere in San Bernardino County.

#### **CONCLUSION:**

As defined by statute, Metropolitan is a special district that is subject to LAFCO purview, therefore LAFCO is obligated to establish a sphere of influence for the District. Technically, no changes of organization should be processed for any affected agency overlain by a district lacking a sphere of influence. Approval of LAFCO 3222 will rectify this matter.

Metropolitan has provided a written response of no objection to the sphere of influence establishment within San Bernardino County, which is included as Attachment #3 to this report.

For all the reasons outlined in this report, LAFCO staff supports the adoption of a sphere of influence designation for Metropolitan (San Bernardino portion) coterminous with that of its member agency, IEUA, excluding the area proposed for reorganization in the southeastern portion of the sphere within the City of Fontana.

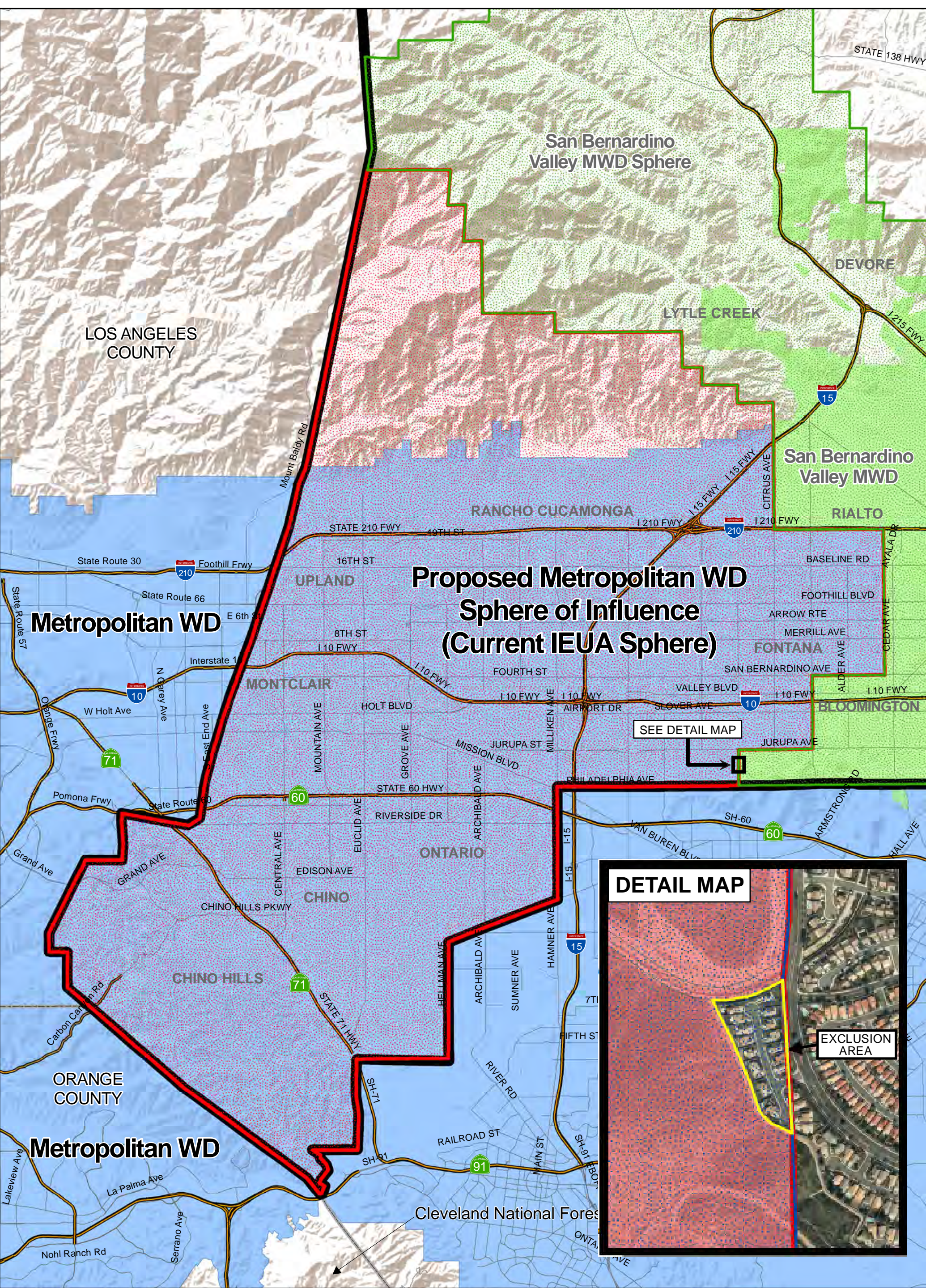
Attachments:

1. Map of Proposed Sphere Adoption
2. Application Materials: LAFCO Application and Sphere Supplement Forms, LAFCO Resolution 3248, and Excerpts from Countywide Service Review for Water
3. Letter from Metropolitan Water District of Southern California dated January 8, 2018
4. Letter from Commission Environmental Consultant Tom Dodson of Tom Dodson and Associates Dated December 20, 2017
5. Draft LAFCO Resolution No. 3261

# **Map of Proposed Sphere Adoption**

**Attachment 1**







**Application Materials:  
LAFCO Application and  
Sphere Supplement Forms,  
LAFCO Resolution 3248, and  
Excerpts from Countywide  
Service Review for Water**

**Attachment 2**

## SAN BERNARDINO LAFCO APPLICATION AND PRELIMINARY ENVIRONMENTAL DESCRIPTION FORM

**INTRODUCTION:** The questions on this form and its supplements are designed to obtain enough data about the application to allow the San Bernardino LAFCO, its staff and others to adequately assess the proposal. By taking the time to fully respond to the questions on the forms, you can reduce the processing time for your proposal. 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: LAFCO 3222 - Sphere of Influence Establishment for  
the Metropolitan Water District of Southern California  
(within San Bernardino County)
  
2. NAME OF APPLICANT: Local Agency Formation Commission for San Bernardino County  
 APPLICANT TYPE: ☐ Landowner ☐ Local Agency  
☐ Registered Voter ☐ Other \_\_\_\_\_  
 MAILING ADDRESS:  
1170 W. Third Street, Unit 150, San Bernardino, CA 92415-0490  
 \_\_\_\_\_  
 PHONE: ( 909 ) 388-0480  
 FAX: ( 909 ) 388-0481  
 E-MAIL ADDRESS: lafco@lafco.sbcounty.gov
  
3. GENERAL LOCATION OF PROPOSAL: \_\_\_\_\_  
Coterminous with the sphere of influence of its member agency, Inland Empire Utilities Agency.  
Generally including the territory and spheres of influence of the Cities of Chino, Chino Hills,  
Montclair, Upland, Rancho Cucamonga, Ontario, and Fontana.
  
4. Does the application possess 100% written consent of each landowner in the subject territory?  
 YES ☐ NO ☐ If YES, provide written authorization for change.
  
5. Indicate the reason(s) that the proposed action has been requested.  
As a part of its Countywide Service Review for Water (LAFCO 3187), LAFCO at its July 19, 2017 hearing  
initiated the establishment of a sphere of influence for Metropolitan within San Bernardino County to be  
coterminous with the sphere of influence of its member agency, Inland Empire Utilities Agency.  
Resolution No. 3248 for LAFCO 3187 memorialized the Commission's action.  
  
Metropolitan has never had an established sphere of influence within San Bernardino County.  
Metropolitan is a special district that is subject to LAFCO purview, therefore LAFCO is obligated to  
establish a sphere of influence for the district. Technically, no changes of organization should be processed  
for any affected agency overlain by a district lacking a sphere of influence. Metropolitan staff has identified  
support for a sphere establishment within San Bernardino County to be coterminous with the sphere of  
influence of its member agency, IEUA.



**LAND USE AND DEVELOPMENT POTENTIAL**

1. Total land area of subject territory (defined in acres):  
239 square miles +/-
2. Current dwelling units within area classified by type (single-family residential, multi-family [duplex, four-plex, 10-unit], apartments)  
N/A
3. Approximate current population within area:  
856,000
4. Indicate the General Plan designation(s) of the affected city (if any) and uses permitted by this designation(s):  
The full range from multi-family residenital to industrial, institutional , and open space.

San Bernardino County General Plan designation(s) and uses permitted by this designation(s):

The full range from multi-family residenital to industrial, institutional , and open space.

5. Describe any special land use concerns expressed in the above plans. In addition, for a City Annexation or Reorganization, provide a discussion of the land use plan's consistency with the regional transportation plan as adopted pursuant to Government Code Section 65080 for the subject territory:

N/A

6. Indicate the existing use of the subject territory.

Existing uses include residential, industrial, open space, recreational, etc...

What is the proposed land use?

N/A

7. 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 ☒ If YES, please explain.

A sphere of influence is a planning tool. There will be no service charge occurring as a result of a sphere expansion. The area within the boundaries of Metropolitan and IEUA currently receives services from those agencies. The area outside the boundaries of these agencies (the current IEUA sphere) extends north to the hydrological divide that separates the spheres of the neighboring state water contractors.

8. On the following list, indicate if any portion of the territory contains the following by placing a checkmark next to the item:

<input checked="" type="checkbox"/> Agricultural Land Uses	<input checked="" type="checkbox"/> Agricultural Preserve Designation
<input checked="" type="checkbox"/> Williamson Act Contract	<input checked="" type="checkbox"/> Area where Special Permits are Required
<input type="checkbox"/> Any other unusual features of the area or permits required: _____	

9. Provide a narrative response to the following factor of consideration as identified in §56668(p):  
*The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services:*

This proposed sphere establishment does not have any environmental justice impact as the area is already within the sphere of IEUA. The area within the boundaries of Metropolitan and IEUA already receives services from those agencies. For the area outside the boundaries of Metropolitan and IEUA (also within the IEUA sphere) such as Mt. Baldy, the inclusion within the Metropolitan sphere will allow for Metropolitan to plan for the provision of future service.

#### **ENVIRONMENTAL INFORMATION**

1. Provide general description of topography. \_\_\_\_\_  
varied

2. Describe any existing improvements on the subject territory as % of total area.

Residential _____%	Agricultural _____%
Commercial _____%	Vacant _____%
Industrial _____%	Other _____%

3. Describe the surrounding land uses:

NORTH	<u>Mountain, National Forest</u>
EAST	<u>Varied, to include residential, industrial, flood control</u>
SOUTH	<u>Varied, Riverside and Orange Counties</u>
WEST	<u>Varied, Los Angeles County</u>

4. Describe site alterations that will be produced by improvement projects associated with this proposed action (installation of water facilities, sewer facilities, grading, flow channelization, etc.).

none

5. Will service extensions accomplished by this proposal induce growth on this site? YES ☐  
NO ☒ Adjacent sites? YES ☐ NO ☒ Unincorporated ☐ Incorporated ☐

A sphere of influence is a planning tool. There will be no service charge occurring as a result of a sphere expansion.

6. Are there any existing out-of-agency service contracts/agreements within the area? YES ☐  
NO ☐ If YES, please identify.

N/A

7. Is this proposal a part of a larger project or series of projects? YES ☐ NO ☒ If YES, please explain.

Metropolitan lacks a sphere of influence in San Bernardino County and is required to have a sphere pursuant to law. This application proposes to establish a sphere for Metropolitan within San Bernardino County.

### **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 Jeffrey Kightlinger, General Manager TELEPHONE NO. (213) 217-6139

ADDRESS:

Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, CA 90054-0153

NAME Ethyl Young, Resource Specialist TELEPHONE NO. 213-217-6000

ADDRESS:

Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, CA 90054-0153

NAME Halla Razak, General Manager TELEPHONE NO. (909) 993-1600

ADDRESS:

Inland Empire Utilities Agency, P.O. Box 9020, Chino Hills, CA 91709

### **CERTIFICATION**

As a part of this application, the City/Town of N/A, or the \_\_\_\_\_  
District/Agency, \_\_\_\_\_ (the applicant) and/or the \_\_\_\_\_ (real party in  
interest - landowner and/or registered voter of the application subject property) agree to defend, indemnify,  
hold harmless, promptly reimburse San Bernardino LAFCO for all reasonable expenses and attorney fees,

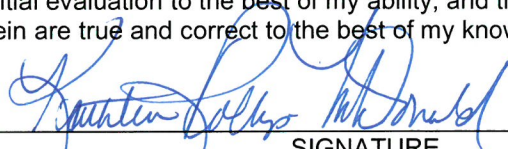
and release San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it.

This indemnification obligation shall include, but not be limited to, damages, penalties, fines and other costs imposed upon or incurred by San Bernardino LAFCO should San Bernardino LAFCO be named as a party in any litigation or administrative proceeding in connection with this application.

As the person signing this application, I will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I understand that if this application is approved, the Commission will impose a condition requiring the applicant and/or the real party in interest to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

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.

DATE October 16, 2017

  
\_\_\_\_\_  
SIGNATURE  
Kathleen Rollings McDonald  
\_\_\_\_\_  
Printed Name of Applicant or Real Property in Interest  
(Landowner/Registered Voter of the Application Subject Property)

LAFCO Executive Officer

\_\_\_\_\_  
Title and Affiliation (if applicable)

PLEASE CHECK SUPPLEMENTAL FORMS ATTACHED:

- ☐ ANNEXATION, DETACHMENT, REORGANIZATION SUPPLEMENT
- ☒ SPHERE OF INFLUENCE CHANGE SUPPLEMENT
- ☐ CITY INCORPORATION SUPPLEMENT
- ☐ FORMATION OF A SPECIAL DISTRICT SUPPLEMENT
- ☐ ACTIVATION OR DIVESTITURE OF FUNCTIONS AND/OR SERVICES FOR SPECIAL DISTRICTS SUPPLEMENT

## SUPPLEMENT SPHERE OF INFLUENCE AMENDMENT

**INTRODUCTION:** The questions on this form are designed to obtain data about the specific sphere of influence amendment application to allow the Commission, staff and others to adequately assess the application. You may also include any additional information that you believe is pertinent. Use additional sheets where necessary, and/or include any relevant documents.

1. Please provide an identification of the agencies involved in the proposed sphere of influence change(s):

SPHERE ~~EXPANSION~~ Establishment  
Metropolitan Water District  
of Southern California

SPHERE REDUCTION

2. Provide a narrative description of the following factors of consideration as outlined in Government Code Section 56425. (If additional room for response is necessary, please attach additional sheets to this form.)

The present and planned land uses in the area, including agricultural and open-space lands.

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017. A copy of LAFCO 3187 is included as a part  
of this application package.

The present and probable need for public facilities and services in the area.

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017.

The present capacity of public facilities and adequacy of public services that the agency to be expanded provides or is authorized to provide.

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017.

The existence of any social or economic communities of interest in the area.

---

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017.

---

The present and probable need for public facilities or services related to sewers, municipal and industrial water, or structural fire protection for any disadvantaged unincorporated community, as defined by Govt. Code Section 56033.5, within the existing sphere of influence.

---

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017.

---

3. If the sphere of influence amendment includes a city sphere of influence change, provide a written statement of whether or not agreement on the sphere change between the city and county was achieved as required by Government Code Section 56425. In addition, provide a written statement of the elements of agreement (such as, development standards, boundaries, zoning agreements, etc.) (See Government Code Section 56425)

N/A

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---



---

4. If the sphere of influence amendment includes a special district sphere of influence change, provide a written statement: (a) specifying the function or classes of service provided by the district(s) and (b) specifying the nature, location and extent of the functions or classes of service provided by the district(s). (See Government Code Section 56425(i))

Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by  
San Bernardino LAFCO on July 19, 2017

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5. For any sphere of influence amendment either initiated by an agency or individual, or updated as mandated by Government Code Section 56425, the following service review information is required to be addressed in a narrative discussion, and attached to this supplemental form (See Government Code Section 56430):

- a. Growth and population projections for the affected area.



- b. Location and characteristics of disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- c. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies, including those associated with a disadvantaged unincorporated community.
- d. Financial ability of agencies to provide services.
- e. Status of, and opportunities for, shared facilities.
- f. Accountability for community service needs, including governmental structure and operational efficiencies.

**Refer to LAFCO 3187 (Countywide Service Review for Water) accepted and filed by San Bernardino LAFCO on July 19, 2017.**

If additional sheet are submitted or a separate document provided to fulfill Item #5, the narrative description shall be signed and certified by an official of the agency(s) involved with the sphere of influence review as to the accuracy of the information provided. If necessary, attach copies of documents supporting statements.

### CERTIFICATION

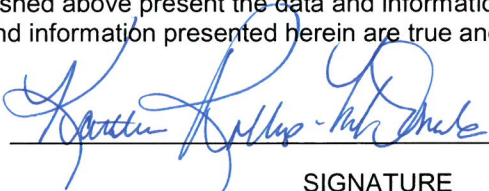
As a part of this application, the City/Town of N/A, or the \_\_\_\_\_ District/Agency, \_\_\_\_\_ (the applicant) and/or the \_\_\_\_\_ (real party in interest - landowner and/or registered voter of the application subject property) agree to defend, indemnify, hold harmless, promptly reimburse San Bernardino LAFCO for all reasonable expenses and attorney fees, and release San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it.

This indemnification obligation shall include, but not be limited to, damages, penalties, fines and other costs, imposed upon or incurred by San Bernardino LAFCO should San Bernardino LAFCO be named as a party in any litigation or administrative proceeding in connection with this application.

As the person signing this application, I will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I understand that if this application is approved, the Commission will impose a condition requiring the applicant and/or the real party in interest to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

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 October 16, 2017

  
SIGNATURE

Printed Name of Applicant or Real Property in Interest  
(Landowner/Registered Voter of the Application Subject Property)  
Kathleen Rollings McDonald, LAFCO Executive Officer

Title and Affiliation (if applicable)

# 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](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

---

PROPOSAL NO.: LAFCO 3187

HEARING DATE: JULY 19, 2017

## RESOLUTION NO. 3248

### A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3187 – COUNTYWIDE SERVICE REVIEW FOR WATER (RETAIL, WHOLESALE, RECYCLED).

**On motion of Commissioner Curatalo, duly seconded by Commissioner Williams, and carried, the Local Agency Formation Commission adopts the following resolution:**

**WHEREAS**, a service review mandated by Government Code 56430 has been conducted by the Local Agency Formation Commission for San Bernardino County (hereinafter referred to as "the Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); 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 the 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**, a public hearing by this Commission was called for July 19, 2017 at the time and place specified in the notice of public hearing and in any order or orders continuing the hearing; and,

**WHEREAS**, at the hearing, this Commission heard and received all oral and written support and opposition; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the service review, in evidence presented at the hearing; and,

**WHEREAS**, at this hearing, this Commission certified that the service review is statutorily exempt from environmental review pursuant to the provisions of the California Environmental Quality Act (CEQA) and such exemption was adopted by this Commission on July 19, 2017. The Commission directed its Executive Officer to file a Notice of Exemption within five working days of its adoption; and,

**WHEREAS**, the determinations required by Government Code Section 56430 and local Commission policy are included in the report prepared and submitted to the Commission dated July



## RESOLUTION NO. 3248

5, 2017 and is recommended for acceptance and filing by the Commission on July 19, 2017, a complete copy the service review is on file in the LAFCO office.

**WHEREAS**, the following additional determinations are made in conformance with the Government Code and local Commission policy:

- A stakeholder group was convened within each region (Valley on May 8, 2017; Mountain on June 15, 2017; North Desert on January 31, 2017; and South Desert on May 15, 2017) to provide a peer review of the service review's purpose, objective, and methodology. The stakeholder groups were composed of a variety of public agencies and at least one private system.
- Following the peer review, each water system identified in this review was provided a draft of the report for review and comment. Comments from the water purveyors are included in Appendix A of the service review.
- As required by State Law, notice of the hearing was provided through publication in newspapers of general circulation within the area, the *Big Bear Grizzly*, *Daily Press*, *Desert Dispatch*, *Hi-Desert Star*, *Inland Valley Daily Bulletin*, *Mountain News*, and *San Bernardino Sun*. Individual notice was not provided as allowed under Government Code Section 56157 as such mailing would include more than 1,000 individual notices. As outlined in Commission Policy, in-lieu of individual notice the notice of hearing publication was provided through an eighth page legal ad.
- As required by State law, individual notification of the hearing was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.
- Due to the size and scope of the report, the service review document was provided in advance of the staff report to allow additional time for review. The service review document was published July 5, 2017 and a copy was provided to affected and interested agencies and County departments, as well as those agencies and individuals requesting mailed notice. The service review document was also made accessible on the LAFCO website.

**NOW, THEREFORE, BE IT RESOLVED** by the Local Agency Formation Commission for San Bernardino County, State of California, that this Commission shall:

1. Accept and file the Countywide Service Review (Retail, Wholesale, Recycled), included as Exhibit A to this resolution, which sets forth the written statements for the six determinations outlined in Government Code Section 56430 as presented and as amended at the hearing.
2. Initiate the establishment of a sphere of influence for Metropolitan Water District of Southern California within San Bernardino County to be coterminous with the sphere of influence of its member agency, Inland Empire Utilities Agency.
3. Direct LAFCO staff to continue to monitor County Service Area 70 Zone CG (Cedar Glen) and provide an update to the Commission by February 2018.

**RESOLUTION NO. 3248**

4. Indicate the Commission's intent to reduce the City of Adelanto's sphere of influence following the completion of the countywide wastewater service review.
5. Indicate the Commission's preference that the Hesperia Water District and County Service Area Zone J implement a mechanism (e.g., joint powers agreement or memorandum of understanding) to provide stability to the water source and boundary challenges within the territory of southwestern Hesperia and Oak Hills communities.
6. Direct LAFCO staff to continue to monitor County Service Area 70 Zone J (Oak Hills) and provide an update to the Commission by February 2018.
7. Reaffirm the Commission's position that the Apple Valley Foothill, Apple Valley Heights, and Mariana Ranchos County Water Districts have a combined sphere of influence signaling the Commission's position that a future consolidation of the agencies is appropriate.
8. Reaffirm the Commission's position that Daggett Community Services District and Yermo Community Services District have a combined sphere of influence signaling the Commission's position that a future consolidation of the agencies is appropriate, and direct LAFCO staff to coordinate with Mojave Water Agency to further assist Daggett Community Services District through its Small Water Assistance Program.

**THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:**

<b>AYES:</b>	<b>COMMISSIONERS: Bagley, Cox, Curatalo, Williams</b>
<b>NOES:</b>	<b>COMMISSIONERS: None</b>
<b>ABSENT:</b>	<b>COMMISSIONERS: Lovingood, McCallon, Ramos</b>

\*\*\*\*\*

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 19, 2017.

DATED: July 24, 2017



**KATHLEEN ROLLINGS-McDONALD**  
Executive Officer

# LAFCO 3187

## Countywide Service Review for Water (Wholesale, Retail, Recycled)



# LAFCO

*for San Bernardino County*

Kathleen Rollings-McDonald, Executive Officer  
Michael Tuerpe, Project Manager

Contributors

Robert Aldrich, Consultant  
Jeffrey Lum, GIS Analyst  
Samuel Martinez, Assistant Executive Officer

**Accepted and Filed July 19, 2017 (as amended)**

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**List of Acronyms and Abbreviations**

AFY	Acre Feet Per Year
APUA	Adelanto Public Utilities Authority
Baker CSD	Baker Community Services District
BAP	Base Annual Production
BBARWA	Big Bear Area Regional Wastewater Agency
BBCCSD	Big Bear City Community Services District
BBMWD	Big Bear Municipal Water District
BDVWA	Bighorn-Desert View Water Agency
BOR	Bureau of Reclamation
Cadiz Project	Cadiz Valley Water Conservation, Recovery and Storage Project
CBA	Colton Basin Area
CGRDA	Cedar Glen Disaster Recovery Redevelopment Project Area
CLAWA	Crestline - Lake Arrowhead Water Agency
Crestline SD	Crestline Sanitation District
CRWA	California Rural Water Association
CSA	County Service Area
CSA 70 W-4	County Service Area 70 Zone W-4
CVWD	Crestline Village Water District
DACs	Disadvantaged Communities
Daggett CSD	Daggett Community Services District
DDW	Division of Drinking Water, State Water Resources Control Board
DUCs	Disadvantaged Unincorporated Communities
DWP	City of Big Bear Lake Department of Water and Power
DWR	Department of Water Resources
EPA	Environmental Protection Agency
ESRI	Environmental Systems Research Institute
Fontana Union	Fontana Union Water Company
FPA	Free Production Allowance
FVWA	Fenner Valley Water Authority
GIS	Geographic Information Systems
GPM	Gallons per Minute
GSAs	Groundwater Sustainability Agencies
GSPs	Groundwater Sustainability Plans
GSWC	Golden State Water Company
GWMP	Groundwater Management Plan
HDWD	Hi-Desert Water District
I-Bank	California Infrastructure Bank
IEUA	Inland Empire Utilities Agency
IWVGA	Indian Wells Valley Groundwater Authority
JBWD	Joshua Basin Water District
JVHI	Johnson Valley Hydrologic Investigation
LACSD	Lake Arrowhead Community Services District
MAF	Million Acre Feet
MCL	Maximum Contaminant Level
MDD	Maximum Daily Demand
Metropolitan	Metropolitan Water District of Southern California

Morongo Area	MWA's Improvement District M
MWA	Mojave Water Agency
PHD	Peak Hourly Demand
PSY	Production Safe Yield
RBA	Riverside Basin Area
RSWD	Running Springs Water District
SAWC	San Antonio Water Company
SAWPA	Santa Ana Watershed Project Authority
SBBA	San Bernardino Basin Area
Searles Water	Searles Domestic Water Company
SGMA	Sustainable Groundwater Management Act of 2014
SGPWA	San Geronio Pass Water Agency
SMWD	Santa Margarita Water District
SWP	State Water Project
TCE	trichloroethene
TPWD	Twentynine Palms Water District
UWMP	Urban Water Management Plan
Valley District	San Bernardino Valley Municipal Water District
Veolia	Veolia Water North America
VVWRA	Victor Valley Wastewater Reclamation Authority
Waterworks #8	County Waterworks District #8
WECAN	Water-Energy Community Action Network
West Valley	West Valley Water District
WIRP	Water Infrastructure Restoration Program
WUE	Water Use Efficiency
WVWD	West Valley Water District
WW8	Waterworks District No. 8



## **Executive Summary**

This service review consists of a countywide service review on water (wholesale, retail and recycled) within San Bernardino County. It fulfills the service review requirements identified in the Cortese-Knox-Hertzberg Local Reorganization Act of 2000 (Government Code §56000 et. seq.). The report is organized geographically by the county's four major regions: Valley, Mountain, North Desert and South Desert. A stakeholder group was formed within each region to provide a peer review of the service review's purpose, objectives and methodology. A draft copy was circulated to all water systems reviewed in this report as well as interested parties for review and comment. The final version of this report includes LAFCO staff's responses to the comments. LAFCO may use this report as a basis to initiate agency sphere of influence updates, where warranted, and to help address identified service deficiencies.

### **Approach**

Legislation adopted since 2012 impacting service reviews or the provision of services has been incorporated into the report's analysis. These laws are detailed in the Introduction portion of this report and address:

- Mutual water companies in service reviews
- Disadvantaged unincorporated communities
- Pilot program for San Bernardino LAFCO regarding services outside an agency sphere of influence
- The Sustainable Groundwater Management Act of 2014, and
- Authorization for the State Water Resources Control Board to consolidate water systems that are serving disadvantaged communities with unreliable and unsafe drinking water with other water systems.

The primary goal of this service review is to provide the Commission with recommendations to: (1) update the determinations from previous service reviews, and (2) initiate sphere of influence updates where appropriate. To arrive at these recommendations, the service review focuses on two areas:

- (1) Identification of "hot spots" – Those areas or agencies within the county which have significant water-related issues including, but not limited to, insufficient water supply, water quality related issues, deficient infrastructure, financial constraints, and/or inadequate oversight and monitoring.
- (2) Service review update – Update of water agencies' determinations since the prior service review.

To identify the County's water "hot spots," staff utilized a multi-pronged approach using prior service reviews, audits, budgets, consumer confidence reports, sanitary survey reports, and GIS data to identify future population growth areas, disadvantaged communities, and small community water systems. This Executive Summary summarizes the hot spots identified in the report and staff recommendations. Additionally, staff has identified opportunities for efficiencies for the community at large to consider – these do not have a recommendation for Commission action.

## **What Did We Learn?**

### **Countywide**

- 80% of the land in the county (roughly 16,200 sq. miles) is primarily vacant and outside the governing control of the County's Board of Supervisors and 24 cities.
- Significant opportunities for economies of scale via consolidation exist in the Mountain, North Desert, and South Desert regions.
- San Bernardino County and the broader Inland Empire region are anticipated to see more population growth in the near term than the coastal regions of Southern California. The high cost of housing in the coastal counties of Los Angeles, Orange and San Diego has made the Inland Empire a destination of choice for many residents willing to commute to those areas.
- The Metropolitan Water District of Southern California has never been assigned a sphere of influence in San Bernardino County.
- LAFCO staff has comprehensively digitally mapped all the water systems identified in this report. The following entities requested access to this data which LAFCO has provided: Department of Water Resources, Division of Drinking Water of the State Water Resources Control Board, California Environmental Health Tracking Program of the Department of Public Health, and the County of San Bernardino as a part of its upcoming general plan update.

### **Legislation/Regulations**

- Senate Bill 88 authorizes the State Water Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This authority provides an opportunity for water system improvements by offering inducements or by ordering consolidation of systems.
- Other State agencies, such as the California EPA, use alternative criteria to identify disadvantaged communities for grant funding purposes. The different criteria at the local and state government levels is confusing and complicates implementation of a consistent approach to address our disadvantaged residents. While staff recognizes the difficulty in developing a one-size-fits-all definition, LAFCO staff's position is that additional work needs to be done state-wide to develop a method for identifying disadvantaged communities that is more consistent yet recognizes the diversity of communities and geographies in California.
- Agencies have adopted resolutions to form Groundwater Sustainability Agencies for areas identified as fringe areas – areas outside a local agency boundary.
- There is a systemic lack of understanding and compliance with the California Land Conservation Act of 1965 (known as the Williamson Act) statutes and implementation by the County and cities. Government Code §51243 states that when annexing properties into a city, "...the city shall succeed to all rights, duties, and powers of the county under the contract." As a whole, the data provided to LAFCO by the County and cities is either incomplete, outdated, and/or not in compliance between Agricultural Preserves and Williamson Act parcels. LAFCO staff will continue work on this matter and present a final product to the Commission as a part of the wastewater service review.

## Water Systems

- Many systems identified in the first round of service reviews as having experienced significant challenges, remain as having significant challenges.
- There are clusters where challenges are difficult to overcome due to groundwater quality and economic status (being defined as a disadvantaged community).
- There are areas where agencies provide, or plan to provide, service outside of its sphere of influence: (1) City of Colton, (2) City of Big Bear Lake via its Department of Water and Power, and (3) Town of Apple Valley (potential condemnation and purchase of the Liberty Utilities system). This is addressed in the context of Gov't. Code §56133.5 - a pilot program, through 2020, for Napa and San Bernardino LAFCOs to authorize a city or district to extend services outside of a sphere for additional purposes beyond responding to threat to public health or safety.
- During the course of the service review, two areas were identified that warrant identification but are not considered a hot spot as remediation efforts are well underway: (1) Rockets, Fireworks, and Flares Site (Rialto area), and (2) County Service Area 70 CG – Cedar Glen.
- During the drought, many local agencies that self-reported water usage data to the state (which meant that a zero state conservation standard was applied) opted to implement a higher conservation standard.
- On average, the 33 water systems that were required to report to the State their water usage during the drought reported in February 2017 a 16.7% cumulative savings as compared to the same month in 2013.

## Successes

The following provides one positive effort for each region:

- *Valley Region* - There is extensive coordination amongst agencies within groundwater basins. Between certain basins conflict is present.
- *Mountain Region* - The County purchased a failing water system in Cedar Glen which is now operated under County Service Area 70 Zone CG. Great progress has been made to improve this once failing system, although challenges remain.
- *North Desert Region* - To assist small water systems within the boundaries of Mojave Water Agency ("MWA"), MWA's Small Water Systems Assistance Program provides resources for disadvantaged and severely disadvantaged small water systems that lack staff, expertise, and funding to meet their individual water reliability, conservation and quality standards. The MWA service area includes 36 small water systems of which 65% meet the criteria of disadvantaged communities.
- *South Desert* – The Twentynine Palms Water District ("TPWD") has become a test district for the EPA's research into an economical method for small, low-income water agencies to remove arsenic. This new method brings the TPWD drinking water into compliance with the new maximum contaminant levels for arsenic and saves the district over \$20,000 annually. Not only does this clean the local water, the results from this test case will support the removal of arsenic in other areas of the country with a lower cost method. Additionally, the District operates a 3MGD Fluoride Removal Plant that removes high levels of naturally occurring fluoride from the Mesquite Lake sub-basin.

### **Staff Recommendations for Commission Action**

The following outlines staff's recommendations for the Commission. The first recommendation concerns the lack of a sphere of influence for the Metropolitan Water District of Southern California within San Bernardino County. The remaining five recommendations stem from the agencies being identified a "hot spot".

#### **Metropolitan Water District of Southern California**

- Issue - Metropolitan Water District of Southern California lacks sphere of influence within San Bernardino County. Metropolitan is a special district subject to LAFCO purview. Therefore, San Bernardino LAFCO is obligated to establish a sphere of influence. This issue is detailed in Section III.
- Staff Recommendation - *Initiate the establishment of a sphere of influence for Metropolitan within San Bernardino County to be coterminous with the sphere of its member agency, Inland Empire Utilities Agency.*

#### **County Service Area 70 Zone CG (Cedar Glen)**

- Issue - County Service Area 70 Zone CG (Cedar Glen) experiences ongoing challenges due to County's purchase of a failing water system as detailed in Section IV.
- Staff Recommendation - *Direct staff to continue to monitor the Zone CG system and provide an update to the Commission by February 2018.*

#### **City of Adelanto**

- Issue - Water operations of the Adelanto Public Utilities Authority, a component of the City, in significant debt to the City; 2014 audit (most recent completed) questions agency's ability to continue given inability to secure financing to address debt payments; City's water system has multiple deficiencies; City under a conservation order from the State Board; City has inadequate water storage facilities to accommodate future growth.
- Hot Spot Identification – The City of Adelanto has been identified in this service review as a hot spot due to the issues identified above and detailed in Section V.
- Staff Recommendation - *Indicate the Commission's intent to initiate a sphere of influence review to reduce the City's sphere of influence following the completion of the wastewater and fire service reviews.*

#### **Apple Valley Foothill County Water District**

#### **Apple Valley Heights County Water District**

#### **Mariana Ranchos County Water District**

- Issue:
  - Apple Valley Foothill County Water District - Lack of audit internal controls; lack of inter-tie with another water system; classified as a disadvantaged community.
  - Apple Valley Heights County Water District - Lack of audit internal controls; lack of inter-tie with another water system. The Sanitary Survey Report identifies that additional source capacity is needed to meet State regulation and for reliability. Additionally, the District is deficient in storage capacity and must develop a plan of action to meet the storage capacity requirements.

Deterioration of its tanks and failure of its existing pipeline resulted in emergency repairs.

- Hot Spot Identification – The Apple Valley Foothill CWD and Apple Valley Heights CWD have been identified in this service review as a hot spots due to the issues identified above and detailed in Section V. Mariana Ranchos CWD is not identified as a hot spot but is contiguous to the other two districts.
- Staff Recommendation - *Reaffirm the Commission's position that Apple Valley Foothill, Apple Valley Heights, and Mariana Ranchos County Water Districts have a combined sphere of influence signaling the Commission's preference that the three districts consolidate.*

### County Service Area 70 Zone J

- Issue - All sources have hexavalent chromium above MCL; Zone J is currently working on a hexavalent chromium compliance plan under Senate Bill 385 to achieve compliance; previous service review determined the need to resolve boundary conflicts between the Hesperia Water District and Zone J in the Maple/Topaz strip which is currently a part of the City of Hesperia.
- Hot Spot Identification – CSA 70 Zone J has been identified in this service review as a hot spot due to the issues identified above and detailed in Section V.
- Staff Recommendation - *Indicate the Commission's preference that the Hesperia Water District and Zone J implement a mechanism (e.g., joint powers agreement or memorandum of understanding) to provide stability to the water source and boundary challenges in the overall Hesperia and Oak Hills communities.*

*Although LAFCO staff is working with the Hesperia Water District and CSA 70 Zone J on a mechanism to resolve the boundary conflicts, staff recommends that the Commission direct staff to continue to monitor the Zone J system and provide an update to the Commission by February 2018.*

### Daggett Community Services District

- Issue - Classified as a disadvantaged community; lacks intertie with an adjacent agency; significant deficiencies identified in sanitary survey report; located within the Mojave Basin Baja subarea which is at 45% ramp down; significant financial challenges identified in audits; prior service review identified concerns with the aging pipes; lack of adequate managerial oversight.
- Hot Spot Identification – Daggett CSD has been identified in this service review as a hot spot due to the issues identified above and detailed in Section V.
- Staff Recommendation - *Reaffirm the Commission's position that Daggett CSD and Yermo CSD have a combined sphere of influence signaling the Commission's position for consolidation.*

### **Systems Identified as Hot Spots – No Staff Recommendations**

The following outlines water systems identified as hot spots but are either not under Commission purview or where no tangible Commission action is recommended. In the Mountain Region, no water systems were identified as hot spots.

In the Valley Region, staff identified one private water purveyor as a “hot spot”:

Hot Spots	Rationale	Summary
San Antonio Canyon Mutual Service Company	Non-compliance with source capacity requirements and interim drought measures.	Not under LAFCO purview. See “Opportunities” below.

In the North Desert, staff identified the following seven public water agencies and three private water purveyors as “hot spots”:

Hot Spots	Rationale	Summary
Baker CSD	Located within a disadvantaged unincorporated community; is an isolated area with no access to another water system; gross alpha and uranium levels exceed the MCL; Well #2 and Well #3 exceed the MCL for hexavalent chromium, Cr (VI), of 10 µg/L; lack of quarterly monitoring of Cr (VI) in violation of state regulations.	System is not eligible for SB 88 grant funds since there are no adjacent systems for potential consolidation.
Bar Len MWC	The sanitary survey report identifies significant deficiencies of the water system; system is under consideration by the State Water Board for potential Water System (SB 88) consolidation with the adjacent Hi Desert Mutual Water Company.	Not under LAFCO purview.
County Service Area 42	Classified as a disadvantaged community; system lacks an inter-tie connection; previous service review determined system did not meet required storage capacity; substantial rate increases have been implemented in order to pay for capital upgrades.	There are no recommendations for the Commission.
Desert Springs MWC	The sanitary survey report identifies issues with system leaks and inadequate storage capacity; 2015 Consumer Confidence Report indicates inadequate water quality testing.	Not under LAFCO purview.
Gordon Acres WC	System not complying with sampling requirements for a community water system; two violations issued by County Public Health in 2017 regarding failure to monitor and test for inorganic chemicals, perchlorate and secondary standards; system is under consideration by the State Water Board for potential Water System (SB 88) consolidation with the adjacent Jubilee Mutual Water Company.	Not under LAFCO purview.

*Countywide Service Review for Water  
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In the South Desert, staff identified the following three public agencies and one private water purveyor as “hot spots”:

<b>Hot Spots</b>	<b>Rationale</b>	<b>Summary</b>
CSA 70 Zone F (Morongo Valley)	2015 Consumer Confidence Report states source water violates gross alpha and uranium MCLs; 2016 Sanitary Survey Report notes water exceeds uranium MCL, and system has aging distribution lines requiring frequent maintenance.	No Commission action because zones do not have spheres of influence. See “Opportunities” below.
CSA 70 Zone W-3 (Hacienda Heights, Morongo Valley)	2015 Consumer Confidence Report notes that source water exceeds uranium MCL; 2016 Sanitary Survey Report reports that distribution lines are old and require frequent maintenance; Well #1 exceeds MCL for gross alpha and uranium; Well #2 is very close to the MCL; system lacks an emergency response plan.	No Commission action because zones do not have spheres of influence. See “Opportunities” below.
CSA 70 Zone W-4 (Pioneertown)	Notice of Violation issued in March 2016 by U.S. EPA indicating water system in violation of Safe Drinking Water Act for exceeding MCL for arsenic, fluoride and uranium; state grant funding provides customers with bottled water supplies every two weeks.	No Commission action because zones do not have spheres of influence. See “Opportunities” below.
Golden State Water Company – Morongo del Norte	2016 Sanitary Survey Report identifies Elm Well exceeding uranium MCL; well will not be placed in service until a uranium treatment system is in place and operational, or district submits a compliance plan; gross alpha and uranium levels are at or near MCL for Bella Vista and Highway Wells.	Not under LAFCO purview.



### **Opportunities for Future Consideration**

The following identifies opportunities for the Commission and the water systems to consider.

#### **Opportunities – Valley Region**

<b>Agency</b>	<b>Issue</b>	<b>Opportunity</b>
San Antonio Canyon Mutual Service Company	Insufficient source capacity.	Consolidation of San Antonio Canyon Mutual Service Company with Mt. Baldy HOA would allow eligibility for SB 88 funding to upgrade facilities.

#### **Opportunities – Mountain Region**

<b>Agencies</b>	<b>Issue</b>	<b>Opportunity</b>
Crest Forest-Crestline Village Water District and Crestline Sanitation District	Overlapping territory	Consolidation of water and wastewater services under a single agency would benefit the community and likely reduce staffing and admin costs.
CSA 70 Zone CG, Lake Arrowhead Community Services District, and Crestline-Lake Arrowhead Water Agency Improvement Districts	Multiple public agencies overlaying the same area providing the same service.	Consolidate or form a community services district to increase service delivery efficiency through a single agency.
Running Springs Water District, Arrowbear Park County Water District, CSA 79 (sewer only)	Adjacent agencies, which work together and share facilities, providing similar services under the same parent act.	Consolidation of water and wastewater services under a single agency would provide for an efficient delivery pattern.

#### **Opportunities – North Desert Region**

<b>Agencies</b>	<b>Issue</b>	<b>Opportunities</b>
Apple Valley Foothill County Water District, Apple Valley Heights County Water District	Lack of financial internal controls; lack of inter-ties with another system; Apple Valley Heights County Water District is deficient in storage capacity and water source capacity.	Districts should consider initiating consolidation and include Mariana Ranchos County Water District – all three share a single sphere of influence; consolidation would open up opportunities for SB 88 grant funding.
Bar Len Mutual Water Company	Sanitary survey report identifies significant deficiencies	Under consideration by State Water Board for potential water system (SB 88) consolidation with Hi-Desert Mutual Water Company.
Gordon Acres Water Company	Non-compliance with water quality monitoring requirements.	Under consideration by State Water Board for potential Water System (SB 88) consolidation with Hi-Desert Mutual Water Company.
Daggett Community Services District and Liberty Utilities Yermo	Significant deficiencies/financial challenges.	Consolidation of Daggett Community Services District and Liberty Utilities Yermo would allow eligibility for SB 88 funding to upgrade facilities.

Opportunities – South Desert Region

Agencies	Issue	Opportunities
CSA 70 Zone F, CSA Zone W-3, Golden State WC Morongo del Norte and Golden State WC Morongo del Sur	High gross alpha, uranium levels; ongoing operation and maintenance issues.	All classified as small water systems; eligible for SB 88 funds if consolidated; all four agencies should consider jointly initiating a consolidation application to the state since additional resources are available when three or more agencies consolidate.
CSA 70 W-4	Water system exceeds MCLs for arsenic, fluoride and uranium.	Classified as a small water system and eligible for SB 88 funds; funding requires consolidation with an adjacent system; CSA 70 W-4 under consideration for potential SB 88 consolidation with Hi-Desert Water District.

## **SECTION I**

### **Introduction**

#### **Purpose of Report**

This report consists of a countywide service review on water (wholesale, retail, and recycled) within San Bernardino County. The service review fulfills the service review requirements as identified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et. seq.) In general, service reviews evaluate how agencies currently provide municipal services within their service area and the impacts on those services that may occur over the long-term due to population growth and other issues. While most reports limit an agency evaluation to its current boundary, LAFCO's service reviews take a broader view and explore, where appropriate, a full range of service provision options that are not limited by existing agency boundaries.

LAFCO may then use this service review as a basis to initiate agency sphere of influence updates, where warranted, to help address identified service deficiencies. "Sphere of influence" means a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission (§56076). Spheres are designed to both proactively guide and respond to the need for the extension of infrastructure and delivery of municipal services to areas of emerging growth and development. The requirement for LAFCOs to conduct service reviews was established as an acknowledgment of the importance of spheres of influence, and recognition that periodic updates of agency spheres should be conducted (§56425(g)) with the benefit of current information available through service reviews (§56430(a)).<sup>1</sup>

Service reviews are considered "receive and file" reports, but they do require LAFCO to prepare written statements of six determinations:

- Growth and population projections for the affected area;
- Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
- Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies related to ...municipal and industrial water... in any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
- Financial ability of agencies to provide service;
- Status of, and opportunities for, shared services; and,
- Accountability for community service needs, including governmental structure and operational efficiencies.

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<sup>1</sup> Five California counties border San Bernardino County – Inyo, Los Angeles, Orange, Riverside and Kern. With the exception of Kern LAFCO, San Bernardino LAFCO has entered into Memorandums of Understanding with its surrounding LAFCOs to transfer sphere of influence jurisdiction for agencies that cross county boundaries to the county where the sphere of influence is located.

### **Report Objective – Staff Recommendations for Sphere Update and Further Study**

A number of water-related reports already exist which address various aspects of water infrastructure and water planning in San Bernardino County. These include, but are not limited to: groundwater plans, adjudicated groundwater basin monitoring reports, integrated regional water management plans, urban water management plans, and other County visioning documents. While the Countywide Water Service Review utilizes and references many of these reports in its analysis, the primary goal of this service review is to provide the Commission with recommendations to: (1) update the determinations from previous service reviews, and (2) initiate sphere of influence updates where appropriate. In our view, such reevaluation through subsequent service reviews is necessary if water production is to be most efficient and its distribution most effective. To arrive at these recommendations, the service review focuses on two areas:

- (1) Identification of “hot spots” – Those areas or agencies within the county which have significant water-related issues including, but not limited to, insufficient water supply, water quality related issues, deficient infrastructure, financial constraints, and/or inadequate oversight and monitoring.
- (2) Service review update - Update of water agencies’ determinations since the prior service review.

This service review approach is unique. Given the countywide nature of this review, and the significant number of water systems within the county, this approach provides value to the Commission, the affected agencies, and the public by focusing on those areas and agencies that face significant water related challenges in the short and long-term. Water agencies that have no significant issues are referenced in the report, but they are not the focus of this service review.

### **Methodology**

San Bernardino LAFCO conducted its initial round of service reviews on a community-by-community basis, consistent with its sphere of influence policies, addressing the full range of public services. In April 2016, in an effort to more efficiently conduct the mandatory service reviews along with the passage of new legislation affecting service reviews (described below), the Commission modified the scope of all of the second round service reviews to address individual services on a countywide basis.

Legislation adopted since 2012 impacting service reviews has been referenced and incorporated into report's analysis. These laws include:

- AB 54 (effective 2012) - authorizes LAFCOs to include mutual water companies in service reviews; requires mutual water companies to submit a map depicting the boundaries of the area served by the company and, upon request, additional information which may be used in LAFCO-initiated service reviews.
- SB 244 (effective 2012) - requires cities, counties, and LAFCOs to plan for disadvantaged unincorporated communities.

- AB 402 (effective 2016) - establishes a pilot program, until January 2021, for Napa and San Bernardino LAFCOs to authorize a city or district to extend services outside of a sphere for additional purposes beyond responding to threat to public health or safety. This process requires that the Commission make a determination that the proposed service extension was addressed in a service review.

Legislation adopted since the first round of reviews not directly related to service reviews but impacting the provision of services and government organization include:

- SB 88 (effective 2016) - authorizes the State Water Resources Control Board to require water systems that are serving disadvantaged communities with unreliable and unsafe drinking water to consolidate with or receive services from public water systems with safe, reliable, and adequate drinking water.
- The Sustainable Groundwater Management Act of 2014 (“SGMA”) enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins that are prioritized as high or medium. The Act provides a framework for sustainable management of groundwater basins by local authorities. The first step is for local agencies to form local groundwater sustainability agencies (GSAs) by June 30, 2017. The second step is the adoption of groundwater sustainability plans (GSPs) by January 31, 2020 for basins determined by the Department of Water Resources to be in critical overdraft, and by January 31, 2022 for those not in critical overdraft. Once the GSPs are in place, local agencies have 20 years to fully implement the plans and to achieve the sustainability goals.

Senate Bill 13 amended SGMA in 2015 to clarify that local agencies can only impose regulatory requirements within their own boundaries (Water Code §10726.8).

The water agencies addressed in this service review include community water systems (serves 15 or more residential connections): 53 cities or districts under direct LAFCO purview, 28 private water companies, and 31 mutual water companies for a total of 112 community water systems. Select transient and non-transient systems are included due to significance to the community. Table 1-1 includes a listing of the water agencies included in this service review, organized by region (Valley, Mountain, North Desert and South Desert). Additionally, a primary tenet of LAFCO is to encourage the preservation of agricultural land. This service review touches upon the impact of agricultural uses in the county on water, notably the Valley and North Desert Regions. Conversely, available water supply for agricultural use impacts quality of life and the economy. Not included in this review are tribal water systems, which are regulated by the Environmental Protection Agency.

To identify the county’s water “hot spots”, staff utilized a multi-pronged approach. Previous service review reports and determinations, audits and budgets, consumer confidence reports, groundwater basin reporting, and sanitary surveys were reviewed as well as state and county water reports. LAFCO’s geographic information system (“GIS”) was also used to identify future population growth areas, disadvantaged unincorporated communities, and

small community water systems (between 15 and 1,000 connections)<sup>2</sup> adjacent to another water system (which addresses SB 88)<sup>3</sup>. GIS data was obtained from the U.S. Census, ESRI, San Bernardino Associated Governments, County of San Bernardino, State Department of Water Resources, State Regional Water Quality Control Board, and the wholesale water agencies.

A stakeholder group was convened within each region to provide a peer review of the service review's purpose, objective, and methodology. The stakeholder groups were composed of a variety of public agencies and at least one private system. Following the peer review, each water system identified in this review was provided a draft of the report for review and comment.

### **Report Organization**

In general, this service review is organized geographically by the county's four major geographic regions: Valley, Mountain, North Desert and South Desert.<sup>4</sup> Each of the four regions is presented separately and includes an overview of the region, a listing of water agencies within the region under review, and an identification of agency/area hot spots. A detailed analysis of each hot spot follows, along with staff recommendations for future agency sphere of influence updates to address the identified service concerns.

Comments from the public and water purveyors are included in Appendix A of this report. Appendices B through E contain service review updates of cities and districts, by region, including an update of staff's recommendations and identified challenges from the prior service review (with additional review where warranted). A detailed listing of community water systems, wholesale entities, and joint powers authorities is included as a part of Appendix F.

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<sup>2</sup> A community water system is defined as a public water system which serves at least 15 year-round service connections or regularly serves at least 25 year-long residents. A small community water system is more than 15 connections (25 people) but less than 1,000 connections (3,300 people).

<sup>3</sup> Senate Bill 88 authorizes the State Water Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water.

<sup>4</sup> These regions reflect the San Bernardino County Fire Protection District's regional service zones. The description is general and does not preclude the review from extending beyond the described boundary.

**Table 1-1:  
Water Agencies Reviewed – Countywide Water Service Review**

Region	Water Agencies
Valley	<p><b>Under LAFCO Purview</b></p> <p><u>STATE WATER CONTRACTORS:</u> Metropolitan Water District of Southern California (via its member Inland Empire Utilities Agency), San Bernardino Valley Municipal Water District, San Geronimo Pass Water Agency (Riverside County based, no wholesale presence in SB County)</p> <p><u>RETAIL AGENCIES (San Bernardino County Based):</u> Cities of Chino, Chino Hills, Colton, Loma Linda, Ontario, Redlands, Rialto, San Bernardino Municipal Water Department, Upland</p> <p>Cucamonga Valley Water District, East Valley Water District, Monte Vista Water District, West Valley Water District, Yucaipa Valley Water District</p> <p><u>RETAIL AGENCIES (Riverside County Based):</u> Beaumont-Cherry Valley Water District</p> <p><b>Not Under LAFCO Purview</b></p> <p><u>RETAIL AGENCIES (San Bernardino County Based):</u> Devore Water Company, Fontana Water Company, Lytle Creek Springs Water Company, Marygold Mutual Water Company, Muscoy Mutual Water Company, Oak Glen Domestic Water, Riverside Highland Water Company, Rocky Comfort Mutual Water Company, San Antonio Canyon Mutual Service Company, San Antonio Water Company, Terrace Water Company, Tres Lagos Mutual Water Company, Western Heights Water Company</p> <p><u>RETAIL AGENCIES (Los Angeles County Based):</u> Golden State Water Company – Claremont System, Mt. Baldy Homeowners' Association</p> <p><u>RETAIL AGENCIES (Riverside County Based):</u> South Mesa Water Company</p> <p><u>OTHER:</u> Aqua Mansa Water Company, Chino Basin Desalter Authority, Fontana Union Water Company, Meeks and Daley Water Company, Reche Canyon Mutual Water Company, Rialto/Colton Basin JPA, Santa Ana Watershed Project Authority, Water Facilities Authority, West End Consolidated Water Company; West End Water Development, Treatment, and Conservation JPA</p> <p><u>INSTITUTIONAL:</u> California Institution for Men – Chino, California Institution for Women - Chino</p>



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Mountain	<p><b><u>Under LAFCO Purview</u></b>  <b><u>STATE WATER CONTRACTOR:</u></b>  Crestline-Lake Arrowhead Water Agency (portion)</p> <p><b><u>RETAIL AGENCIES:</u></b>  City of Big Bear Lake Dept. of Water and Power</p> <p>Arrowbear Park County Water District, Big Bear City Community Services District, County Service Area 70 Zone Cedar Glen, Crestline-Lake Arrowhead Water Agency Improvement Districts A-D, Crestline Village Water District, Lake Arrowhead Community Services District, Running Springs Water District</p> <p><b><u>OTHER:</u></b>  Big Bear Municipal Water District</p> <p><b><u>Not Under LAFCO Purview</u></b>  <b><u>RETAIL:</u></b>  Alpine Water Users Association, Arrowhead Villas Mutual Service Company, Big Pine Tract Improvement, Camp Waterman MWC, Cedarpines Park MWC, Dogwood Blue Jay Canyon Improvement Association Inc., Fallsdale Service Company, Forest Park MWC, Glen Martin MWC, Green Valley MWC, Mill Creek Mutual Service Company, North Shore MWC, Sky Forest MWC, Strawberry Lodge MWC, Valley of Enchantment MWC, Valley View Park MWC</p>
North Desert	<p><b><u>Under LAFCO Purview</u></b>  <b><u>STATE WATER CONTRACTOR:</u></b>  Mojave Water Agency (portion)</p> <p><b><u>RETAIL AGENCIES (San Bernardino County based):</u></b>  City of Adelanto (via its Adelanto Public Utilities Authority)</p> <p>Apple Valley Foothill County Water District, Apple Valley Heights County Water District, Baker Community Services District, County Service Area 42, County Service Area 64, County Service Area 70 Zone J, Daggett Community Services District, Helendale Community Services District, Hesperia Water District, Juniper-Riviera County Water District, Mariana Ranchos County Water District, Phelan Pinon Hills Community Services District, Thunderbird County Water District, Victorville Water District</p> <p><b><u>RETAIL AGENCIES (Kern County Based):</u></b>  Indian Wells Valley Water District, Rand Communities Water District</p> <p><b><u>Not Under LAFCO Purview</u></b>  <b><u>RETAIL:</u></b>  Apple Valley View MWC, Bar H MWC, BarLen MWC, Center Water Company, Chamisal MWC, Desert Dawn MWC, Desert Springs MWC, Golden State Water Company Apple Valley North System, Golden State Water Company Apple Valley South System, Golden State Water Company Barstow System, Golden State Water Company Desert View System, Golden State Water Company Lucerne Valley System, Golden State Water Company Wrightwood System, Gordon Acres Water Company, Hi Desert MWC, Jubilee</p>

*Countywide Service Review for Water*  
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	<p>MWC, Liberty Utilities Apple Valley System, Liberty Utilities Yermo System, Lucerne Valley MWC, Lucerne Vista MWC, Navajo MWC, Rancheritos MWC, Searles Domestic Water Company, Sheep Creek Water Company, Stoddard Valley MWC, West End MWC</p> <p><u>INSTITUTIONAL:</u> U.S. Army National Training Center, Fort Irwin U.S. Marine Corps Logistics Base, Barstow: Nebo Annex and Yermo Annex</p>
South Desert	<p><b>Under LAFCO Purview</b> <u>STATE WATER CONTRACTOR:</u> Mojave Water Agency (Improvement District M)</p> <p><u>RETAIL AGENCIES:</u> City of Needles</p> <p>Bighorn-Desert View Water Agency, County Service Area 70 Zone F, County Service Area 70 Zone W-3, County Service Area 70 Zone W-4, Hi-Desert Water District, Joshua Basin Water District, Twentynine Palms Water District</p> <p><b>Not Under LAFCO Purview</b> <u>RETAIL:</u> Golden State Water Company Morongo Del Norte, Golden State Water Company Morongo Del Sur, Havasu Water Company</p> <p><u>OTHER:</u> Fenner Valley Water Authority [(Cadiz Inc., Fenner Valley Mutual Water Company, Santa Margarita Water District (Orange County))]</p> <p><u>INSTITUTIONAL:</u> U.S. Marine Corps Air Ground Combat Center, Twentynine Palms</p>

## SECTION II

### San Bernardino County Overview

San Bernardino County's diverse geography and extensive natural resources, as well as its proximity to major economic and population centers, provide unique opportunities for varied industry sectors to thrive, including commerce, education, tourism and recreation. The County is the largest in the contiguous United States and covers over 20,000 sq. miles (enough to encompass the states of Connecticut, Delaware, Rhode Island, and Vermont). The County is commonly divided into four distinct areas – the Valley Region, the Mountain Region, the North Desert Region, and the South Desert Region. The Valley Region contains the majority of the County's incorporated areas and is the most populous region. The Mountain Region is primarily comprised of public lands owned and managed by federal and state agencies. The North Desert and South Desert Regions are the largest regions (approximately 94% of the County's land area) and include parts of the Mojave Desert. Table 2-1, below, breaks down the County's population by region.

**Table 2-1:**  
**San Bernardino County Population by Region**

Region	Area (sq. miles)	Population 2016
Valley	665	1,538,716
North Desert	10,778	451,575
South Desert	8,093	77,078
Mountain	571	50,854

Given its vast land area, the County's overall population density is low, estimated at 105 people per square mile which is lower than neighboring Riverside, San Diego, Orange and Los Angeles Counties. Within the Valley Region, however, population density is 2,313 people per square mile which is on par with Los Angeles and Orange Counties. Figure 2-1, below, includes the county regions overlaid by water wholesalers.

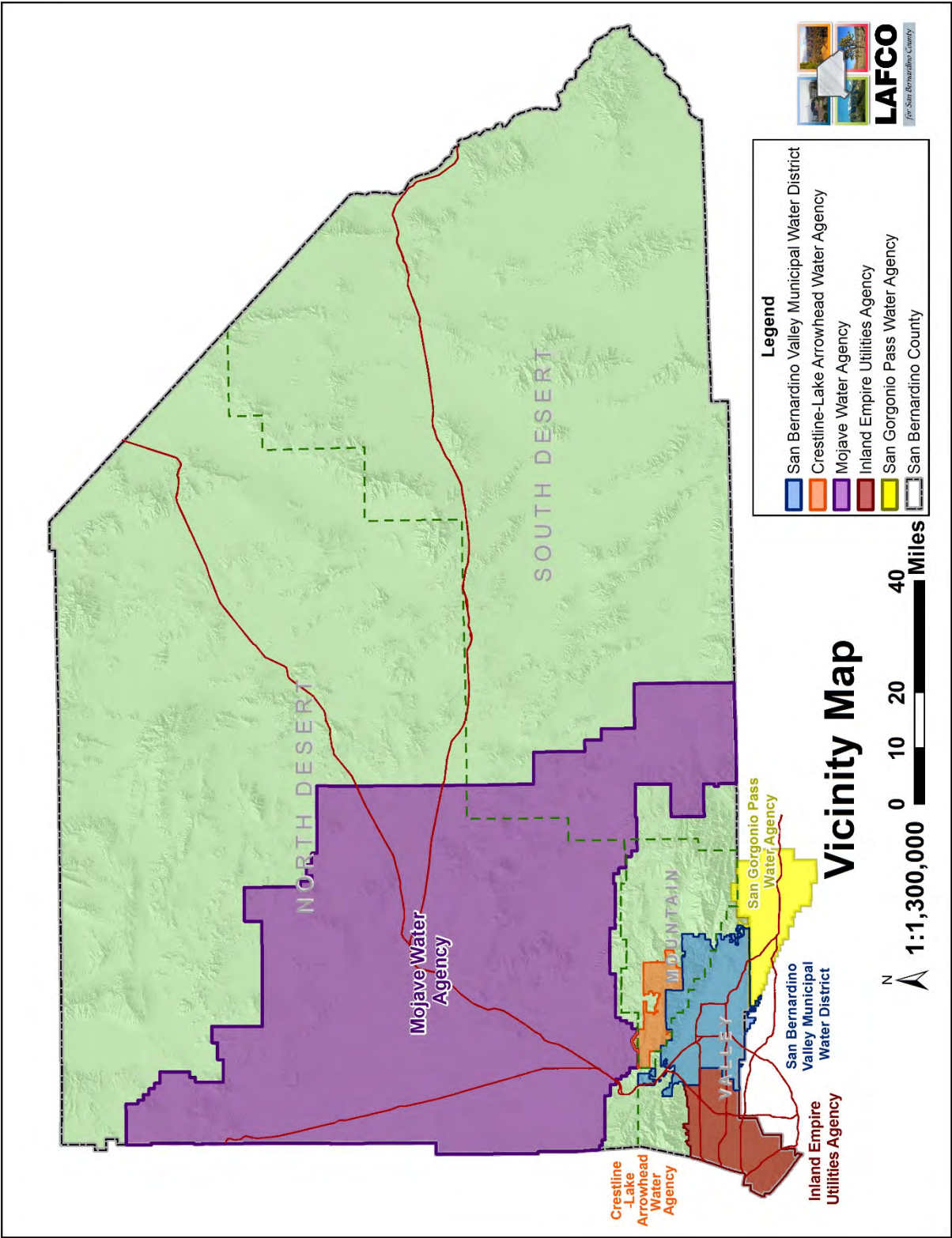
#### Water Sources

San Bernardino County's water sources are supplied through both local and imported water. On average, 85 percent of the domestic water is supplied by local sources with the balance of 15 percent provided through imported purchased water.<sup>1</sup> Imported water is purchased from State Water Project contractors (the California Aqueduct) as a supplemental source to local water supplies. There are four active State Water Project contractors (Mojave Water Agency, San Bernardino Valley Municipal Water District, Metropolitan Water District of Southern California, Crestline-Lake Arrowhead Water Agency) and one sub-contractor (Inland Empire Utilities Agency) in the County.

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<sup>1</sup> County of San Bernardino General Plan, Circulation and Infrastructure Element (2007)

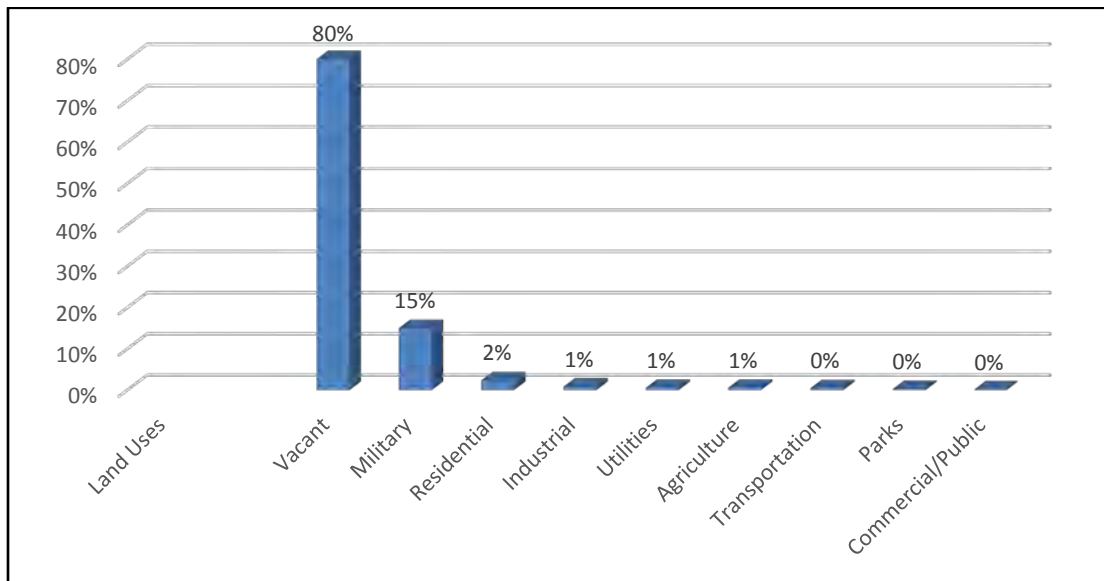
Figure 2-1:  
Vicinity Map - Regions with Wholesale Provider



### County Vacant Land

It is important to note – 80% of the land (roughly 16,200 sq. miles) is primarily vacant (Figure 2-2) and outside the governing control of the County's Board of Supervisors and 24 cities. This land is largely under federal government ownership and includes forests, wilderness areas, military facilities and national parks/preserves/monuments (Table 2-2). Figure 2-3 on the following page depicts land ownership within the County.

**Figure 2-2: Land Uses within San Bernardino County**



Source: San Bernardino County Community Indicators Report 2015

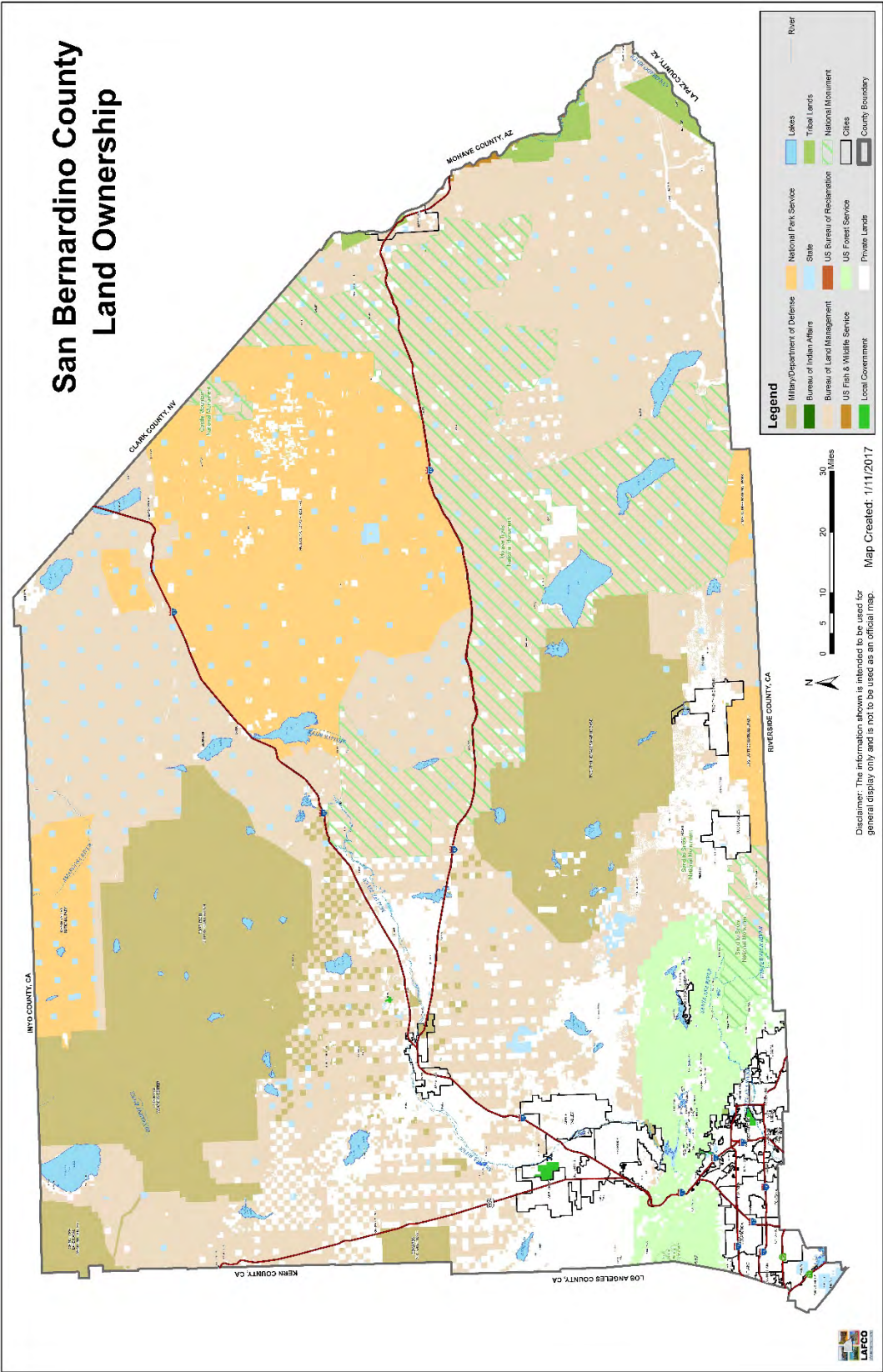
**Table 2-2: Landownership within San Bernardino County**

Land Ownership		
Land Owner	Sq. Miles	Percent
Bureau of Land Management	9,158	45.5%
Dept. of Defense	3,522	17.5%
Private Land	3,309	16.5%
National Park Service	2,849	14.2%
US Forest Service	736	3.7%
State of CA	412	2.0%
Bureau of Indian Affairs	99	0.5%
US Fish & Wildlife Service	10	0.0%
US Bureau of Reclamation	9	0.0%
Local Government	2	0.0%
<b>TOTAL</b>	<b>20,106</b>	<b>100.0%</b>
source: SB County		

*In the past decade, four notable changes in public land ownership have occurred: (1) private lands along the railways from the Los Angeles County line to Barstow and east to Needles have transferred to the Bureau of Land Management, (2) expansion of Department of Defense lands, (3) increase of the National Parks Service Holdings with the expansion of Death Valley and Joshua Tree National Parks and the creation of the Mojave National Preserve, and (4) designation of four new national monuments in 2016.*



Figure 2-3: Land Ownership Map



## SECTION III Valley Region

### Organization

As detailed in the Introduction, the Countywide Water Agencies Service Review is organized by San Bernardino County's four regions (Valley, Mountain, North Desert, and South Desert), with each region and its respective retail agencies reviewed as a distinct geographic area.

This section of the service review provides a review of the Valley Region, including:

- A. Region Overview
- B. Primer on Senate Bill 88
- C. Hot Spot Identification
- D. Hot Spot Substantiation, Analysis, and Staff Recommendations
- E. Rockets, Fireworks, and Flares Site (East Plume)
- F. Remaining Agencies under LAFCO Purview – Staff Recommendations
- G. Inland Empire Utilities Agency and Metropolitan Water District of Southern California
- H. Addressing Extensions of Service outside a Sphere of Influence – City of Colton

### Service Review Updates

In order to fulfill the requirements of Government Code §56430, service review updates are provided for the South Desert Region (Appendix B-1) and each public agency under LAFCO purview as well as the large private retail systems (Appendix B-2). A detailed listing of community water systems<sup>1</sup>, wholesale entities, and joint powers authorities is included as a part of Appendix F.

### **A. VALLEY REGION OVERVIEW**

According to the *County of San Bernardino General Plan* (2012), the Valley covers only 3.3 percent of the total County land but holds approximately 73 percent of the County's population, as shown in Table 3-1, below. Within the Valley Region population density is 2,313 people per square mile which is on par with Los Angeles and Orange Counties.

**Table 3 -1:  
County Population by Region**

Region	Area (sq. miles)	Population 2016
<b>Valley</b>	<b>665</b>	<b>1,538,716</b>
North Desert	10,778	451,575
South Desert	8,093	77,078
Mountain	571	50,854
<b>TOTAL</b>	<b>20,107</b>	<b>2,118,223</b>

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<sup>1</sup> A community water system is defined as a public water system which serves at least 15 year-round service connections or regularly serves at least 25 year-long residents.



The Valley Region is served by two state water contractors and 29 public and private retail water agencies. The state water contractor for the western portion of the Valley Region “West Valley” is the Metropolitan Water District of Southern California (“Metropolitan”). The Inland Empire Utilities Agency (“IEUA”) is a member agency of Metropolitan and supplies supplemental water purchased from Metropolitan to seven retail agencies covering a 242 square mile service area. *One-third of the water distributed by IEUA’s member agencies is imported water from Metropolitan.* [Amended at the July 19, 2017 LAFCO hearing.]

The state water contractor for the eastern portion of the Valley Region “East Valley” is the San Bernardino Valley Municipal Water District (“Valley District”), with a 325 square mile service area. It spans the eastern two-thirds of the San Bernardino Valley, the Crafton Hills, and a portion of the Yucaipa Valley and includes 18 retail providers. Additionally, Valley District provides service to 28 square miles in Riverside County.

A third state water contractor, the San Geronio Pass Water Agency, provides wholesale water to the Beaumont-Cherry Valley Water District, a small portion of which is located in San Bernardino County’s East Valley area and Mountain Region, although there is no wholesale presence in San Bernardino County. Riverside County is the principal county for the San Geronio Pass Water Agency.

### **History**

The past, present and future of the San Bernardino Valley are inextricably linked to the availability and management of water. Agriculture was the initial mainstay of the Valley’s economy. Early settlers nourished their crops by diverting water from the Santa Ana River and its primary tributary, Mill Creek. The Valley’s earliest irrigation ditch, the Mill Creek Zanja, was built in 1820 by local Serrano Indians and ultimately stretched 12 miles from what is now Mentone through Redlands to Loma Linda, providing water for the cultivation of fruit, grape vines, pumpkins, squashes and grains. Mormons arrived in the valley in 1851, making camp at the mouth of a canyon of what is now known as Lytle Creek.

Before California became a state, the Mexican government placed settlers in the San Bernardino Valley with a colonizing effort led by Jose del Carmen Lugo in 1839. The Lugos’ originally focused on raising livestock, but had only limited success and sold their Rancho San Bernardino to a group of Mormon settlers in 1851, a year after California became a state. The Mormons were in the Valley only six years when they were recalled to Salt Lake City. During this period, San Bernardino County was created in 1853 from parts of Los Angeles and San Diego counties, and the City of San Bernardino was incorporated in 1854.

According to Valley District’s 2014 publication, *Delivering the Future: 60 Years of Vision and Innovation*, as more settlers moved into the Valley, conflicts over water and water rights intensified in the Valley and across Southern California even as real estate developers promoted the region’s mild climate and growing citrus industry. Despite these early concerns over water rights, entrepreneurs established citrus, wine grapes

and other crops across the Valley, and by the late 1880s, San Bernardino Valley had become a thriving business and farming community. A twenty year drought along with population increases caused local residents and businesses to question the ongoing availability of local water supplies and whether there would be a need to import water. The search for supplemental water supplies was rampant throughout Southern California as a means to fuel the economy, nurture residents, and sustain quality of life.

In the early 1950s, the formation of two new water districts to serve the Valley Region were approved by voters – the Chino Basin Municipal Water District (now the Inland Empire Utilities Agency) and the Valley District – both of which can import supplemental water into their service areas through participation in the State Water Project. IEUA is a current member agency of the Metropolitan Water District of Southern California.

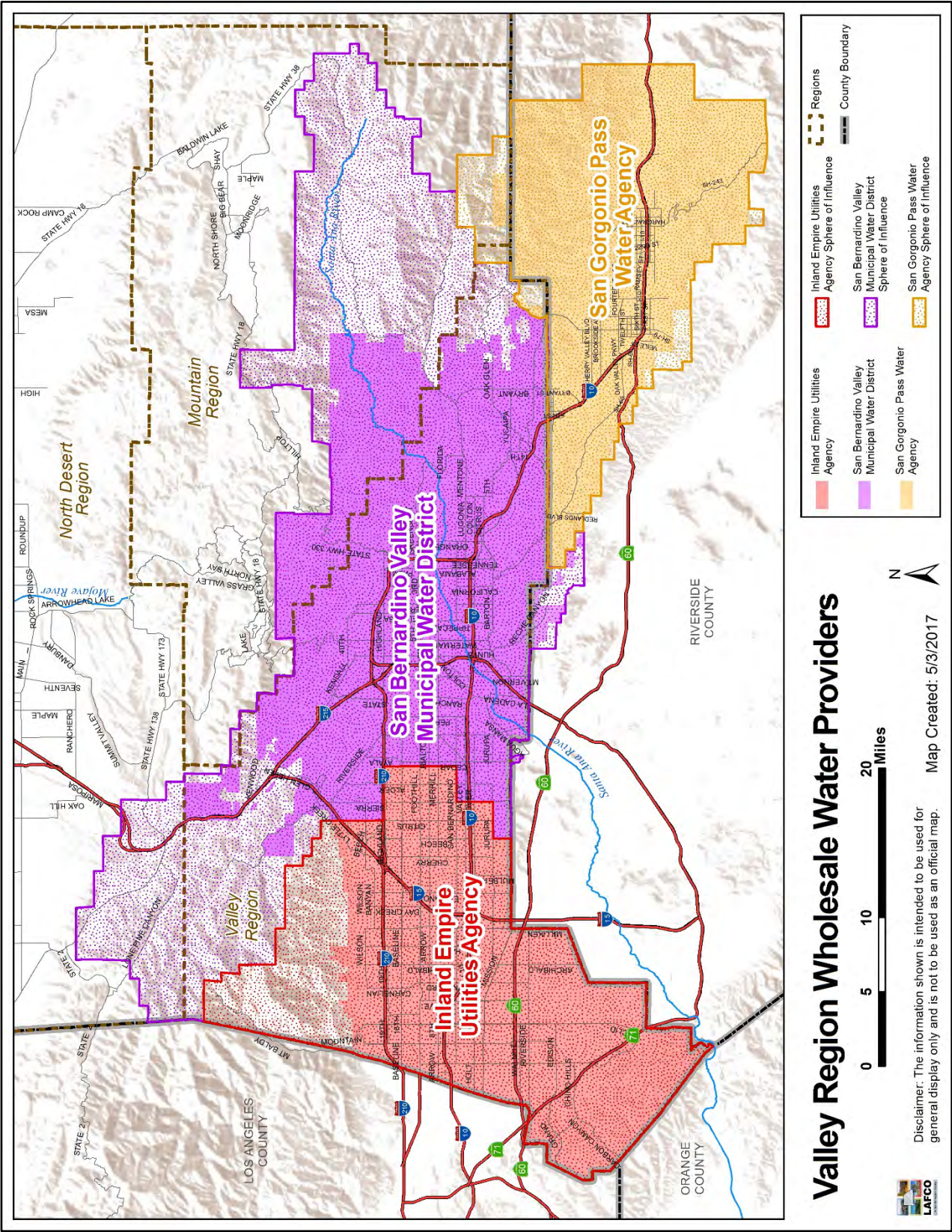
### **Location and Physical Setting**

The Valley Region is generally defined as all the area south and west of the U.S. Forest boundaries. The San Bernardino Range, trending southeast, forms the eastern limit of the Valley, along with the Yucaipa and Crafton Hills. The southern limits of the Valley are marked by alluvial highlands extending south from the San Bernardino and Jurupa Mountains. The Valley Region borders Los Angeles, Orange and Riverside counties. According the *County of San Bernardino General Plan (2012)*, the Valley covers only 2.5 percent of the total County land but holds approximately 73 percent of the County's population. The vast majority of land within the Valley Region consists of incorporated cities. The eastern portion of the Valley includes the Cities of San Bernardino, Colton, Loma Linda, Redlands, Rialto, Highland, Grand Terrace, Yucaipa, and the unincorporated communities of Bloomington, Mentone, Muscoy and Oak Glen. The western portion of the Valley includes the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario, Rancho Cucamonga and Upland, and the unincorporated communities of San Antonio Heights and West Fontana. Figure 3-1 below shows the general Valley Region overlaid by the wholesale providers.

### **Valley Water Purveyors**

In the Valley Region, there are 18 agencies under direct San Bernardino LAFCO purview (two as wholesalers), two districts based in Riverside County which extend into San Bernardino County (one wholesale, one retail), and 15 private water systems. All the retail water agencies supply water to their customers from local groundwater and imported water through IEUA and Valley District. The retail providers are shown in Figure 3-2 below.

Figure 3-1: Valley Region - Wholesale Map







## **B. PRIMER ON SB 88 – CARROT & STICK**

Many small community water systems are disadvantaged and isolated. This can lead to limited access to skilled operators and managers, lack of funding to operate or improve systems, and lack of financial acumen to navigate State funding process.

As the number of failing water systems climbed due in large part to the State's continuing drought conditions, SB 88 authorizes the State Water Board to order consolidation with a receiving water system where a public water system<sup>2</sup>, or a state small water system<sup>3</sup> within a disadvantaged community<sup>4</sup>, consistently fails to provide an adequate supply of safe drinking water. This law expedites permanent solutions for failing water systems and those that have run out of water. Consolidation may involve physical consolidation of the participating water systems, management of the participating water systems, or both. Consolidation and extending service from existing public water systems generally reduces costs and improves reliability by extending development costs to a larger ratepayer pool.

### **The Carrot**

As an inducement for consolidation, SB 88 added §116684 to the Health and Safety Code, limiting the liability of water systems, wholesalers, or any other agencies that deliver water to consolidated water systems. This liability relief is available regardless of whether the consolidation occurs through the mandatory consolidation process or through a voluntary act. To date, a number of systems have voluntarily consolidated, and many of these projects were funded by the Drinking Water State Revolving Fund Program, proceeds from the sale of state bonds (Prop. 1 and 84), and monies made available from the emergency drought relief package for consolidation or extension of service, including infrastructure improvements.

### **The Stick**

As a last resort, if voluntary consolidation cannot be negotiated in a reasonable time period, the State Water Board may direct mandatory consolidation or a mandatory extension of service.

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<sup>2</sup> A public water system is a system that supplies water that has 15 or more service connections or regularly serves 25 individuals daily at least 60 days out of the year.

<sup>3</sup> A state small water system is a system which provides water to the public that serves 5 to 14 service connections and does not serve more than an average of 25 people for more than 60 days of the year.

<sup>4</sup> "Disadvantaged community" means a disadvantaged community, as defined in Section 79505.5 of the Water Code, which is located in an unincorporated area or is served by a mutual water company.

### **C. HOT SPOT IDENTIFICATION**

The primary objective of this service review is to provide the Commission with recommendations to: (1) update the determinations from previous service reviews, and (2) initiate sphere of influence updates where appropriate. The identification of “hot spots” is used to arrive at these recommendations - those areas or agencies within the county which have significant water-related issues including, but not limited to, insufficient water supply, water quality related issues, deficient infrastructure, financial challenges and/or inadequate oversight and monitoring.

To identify the county’s water “hot spots”, staff utilized a multi-pronged approach. Previous service review reports and findings, audits and budgets, consumer confidence reports, and sanitary surveys were reviewed as well as state and county water reports. LAFCO’s geographic information system (“GIS”) was also used to identify future population growth areas, disadvantaged unincorporated communities, and small community water systems (between 15 and 1,000 connections)<sup>5</sup> adjacent to another water system (which addresses SB 88). GIS data was obtained from the U.S. Census, ESRI, San Bernardino County Transportation Authority (formerly San Bernardino Associated Governments), County of San Bernardino, State Department of Water Resources, State Regional Water Quality Control Board, and the wholesale and retail water agencies.

The criteria listed in Table 3-2, below, were used to identify hot spots. Following the table the hotspots are mapped in Figure 3-3.

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<sup>5</sup> A community water system is defined as a public water system which serves at least 15 year-round service connections or regularly serves at least 25 year-long residents. A small community water system is more than 15 connections (25 people) but less than 1,000 connections (3,300 people).

**Table 3-2:  
Hot Spot Summary Identification –Valley Region**

Key Code	<p>● Yes or High</p> <p>◐ Portion</p> <p>○ No or Low</p> <p>? Unknown</p> <p>– N/A</p>	<p>MWC = Mutual Water Company</p> <p>WC = Water Company</p> <p>WD = Water District</p>								
Water Purveyor or Site	Within a Disadvantaged Unincorporated Community	Groundwater Basin Priority	Basin Population Growth	Lack of Intertie	Significant Deficiencies identified in Sanitary Survey Report	Financial Challenges per Audit	Small Community Water System (between 15 and 1,000 connections)	Other Matters Identified by LAFCO	Hot Spot	Reference Page in Report
Beaumont-Cherry Valley WD	○	Med	●	○	–	○	○	○		
City of Chino	○	High	◐	○	○	○	○	○		
City of Chino Hills	○	High	◐	○	○	○	○	○		
City of Colton	◐	High Med	◐	○	○	○	○	○		
City of Loma Linda	○	High Med	◐	○	○	○	○	○		
City of Ontario	○	High	◐	○	○	○	○	○		
City of Redlands	◐	High Med	◐	○	○	○	○	○		
City of Rialto	◐	High Med	◐	○	○	◐	○	●		
City of San Bern. Mun. Water Dep	◐	High	◐	○	○	○	○	○		
City of Upland	○	High	◐	○	○	◐	○	○		
Cucamonga Valley WD	○	High Med	◐	○	○	○	○	○		
Devore WC	○	High	◐	?	○	–	●	○		
East Valley WD	◐	High	◐	○	○	○	○	○		
Fontana WC	●	High	◐	○	○	–	○	○		
Golden State WC – Claremont	○	High	◐	?	○	–	○	○		
Lytle Creek Springs WC	○	High	◐	●	?	–	●	○		

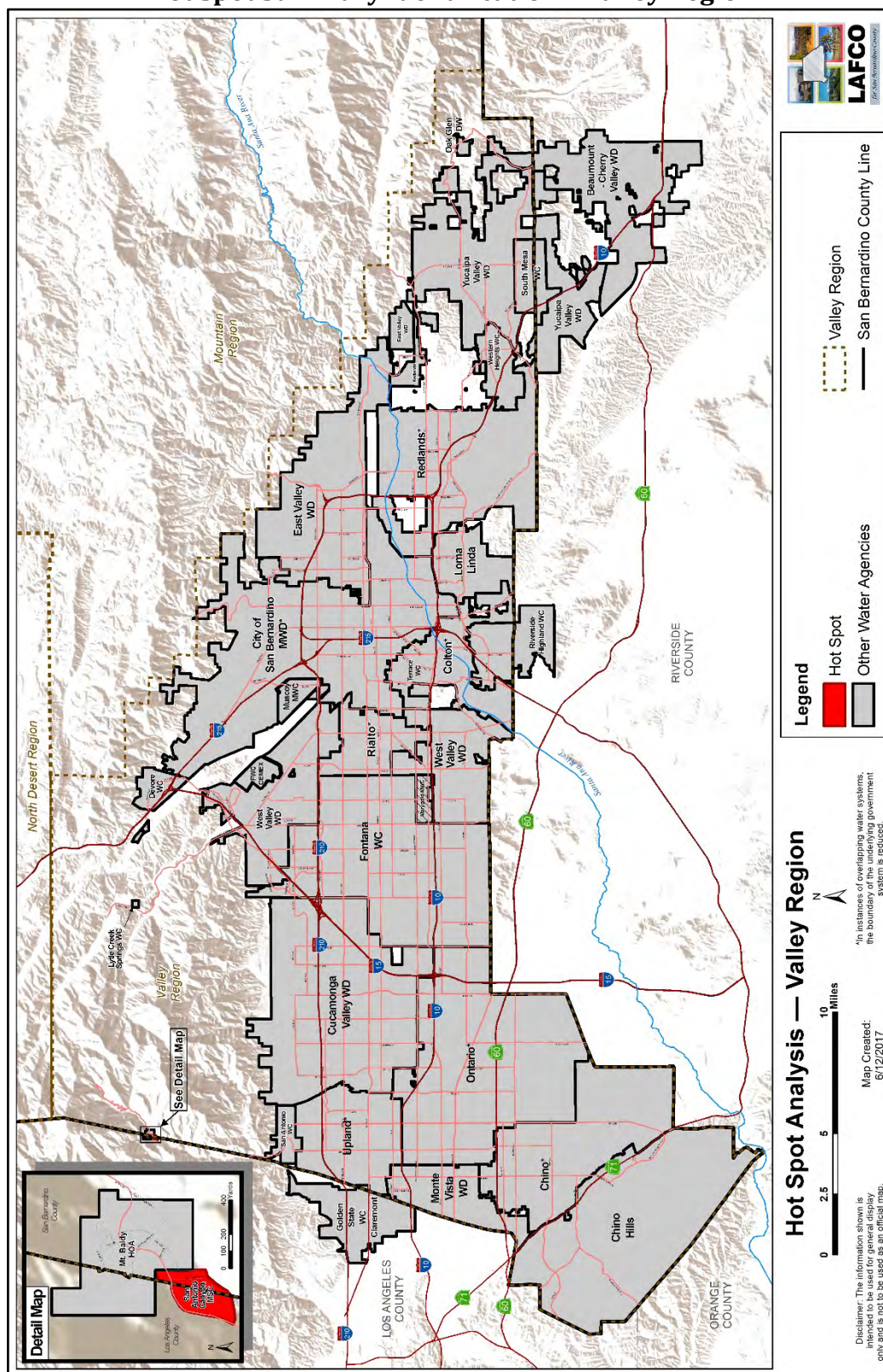


Countywide Service Review for Water  
Section III – Valley Region

Key Code	<p>● Yes or High</p> <p>◐ Portion</p> <p>○ No or Low</p> <p>? Unknown</p> <p>– N/A</p>	<p>MWC = Mutual Water Company</p> <p>WC = Water Company</p> <p>WD = Water District</p>								
Water Purveyor or Site	Within a Disadvantaged Unincorporated Community	Groundwater Basin Priority	Basin Population Growth	Lack of Intertie	Significant Deficiencies identified in Sanitary Survey Report	Financial Challenges per Audit	Small Community Water System (between 15 and 1,000 connections)	Other Matters Identified by LAFCO	Hot Spot	Reference Page in Report
Marygold MWC	●	High	◐	?	○	–	●	○		
Monte Vista WD	◐	High	◐	○	○	○	○	○		
Mt. Baldy HOA	○	--	◐	○	○	–	●	○		
Muscoy MWC	●	High	◐	?	○	–	●	○		
Oak Glen Domestic Water	○	Med	◐	?	○	–	●	○		
Riverside Highland WC	○	High	◐	○	○	–	○	○		
Rockets, Fireworks, Flares Site (East Plume)	◐	High	◐	–	–	–	○	●*		III-13
Rocky Comfort Mutual WC	○	High	◐	○	○	–	●	○		
San Antonio Canyon Mutual Service Comp.	○	--	◐	○	●	–	●	○	●	III-11
San Antonio WC	○	High	◐	?	○	–	○	○		
South Mesa WC	○	Med	◐	?	○	–	●	○		
Terrace WC	◐	Med	◐	?	○	–	●	○		
Tres Lagos MWC	○	High	◐	?	○	–	●	○		
West Valley WD	◐	High Med	◐	○	○	○	○	●		
Western Heights Water Company	○	Med	◐	?	○	–	○	○		
Yucaipa Valley Water District	○	Med	◐	○	○	○	○	○		

\* The Rockets, Fireworks, Flares Site (East Plume) is **not** identified as a Hot Spot. Due to the unique circumstance of the migrating plume, information describing the plume and the remediation efforts is included.

**Figure 3-3:  
Hot Spot Summary Identification – Valley Region**



#### **D. HOT SPOT SUBSTANTIATION, ANALYSIS, AND STAFF RECOMMENDATIONS**

As previously stated, the primary goal of this service review is to provide the Commission with recommendations to: (1) update the determinations from previous service reviews, and (2) initiate sphere of influence updates where appropriate. The remainder of this Section substantiates the hot spots identified in Table 3-1 above and includes staff's recommendations for Commission action.

The following private water retailer is identified by LAFCO as being a hot spot. This system is classified as a small water system, and therefore is subject to SB 88 and its potential funds (carrot) and consolidation mandate (stick).

##### **San Antonio Canyon Mutual Service Company (Mt. Baldy)**

In November 2014, the State Water Board completed a sanitary survey of the San Antonio Canyon Mutual Service Company. The finding of the survey stated that the Company's immediate attention was needed in securing additional source capacity and implementing interim measures to mitigate the loss of capacity from Spring 1.

Further, the Company was in non-compliance with all requirements for source capacity in Title 22, California Code of Regulations (CCR), Section 64554. Spring 1 essentially went dry in October 2014 leaving Miners Spring as the sole source of water supply for the Company. Capacity at Miners Spring has also appeared to be declining and capacity from the emergency intertie with Mt. Baldy Homeowners Association is not assured. The Division finds that the Company is at risk of water outages and corrective action is needed as soon as possible. The State Water Board requested a plan to address source deficiencies by December 31, 2014.

In April 2015, the Company reported they completed a plan to address source deficiencies, but the State Board stated they did not receive one. The Company's plan was to drill a new well. At first they were looking for drought funding but then considered self-financing after one of their springs dried up. The spring then experienced increased flows, and the Company did not finalize the well drilling. In the April 2015 documents, the Company addressed many of the deficiencies identified by the State. Source capacity and drought interim measures are the two major items that have not been confirmed or corrected by the State Water Board.

The Company provided comments in response to the draft service review requesting that the hot spot identification be removed as both water sources are producing at high capacity. LAFCO staff has followed-up with the Division of Drinking Water ("DDW") on this matter. They state that source capacity for springs is determined as the lowest documented capacity per Title 22, California Code of Regulations, Section 64554(k), and per the Code they will need to look at more than one wet year to determine if the Company can meet ongoing demand. Without a hydrogeologic study to determine a spring's true capacity, DDW cannot make any assumptions that the Company will be able to meet demand at this time. At the Company's next sanitary survey this year, DDW will be able to take another look at the Company's system and evaluate if its historical source capacity can reliably meet demand during dry years or drought

conditions, as the requirement for source capacity is to have that capacity available at all times, not just wet periods. Per said Section, for maximum day demand DDW will look at the past ten years at the time of the next survey.

LAFCO staff acknowledges the Company's source capacity increase as identified in its letter. However, lacking a DDW determination if the Company's sources can meet demand at this time, the Company remains as a hot spot. The Company's comment letter is included in Appendix A.

Should the Company and the abutting Mt. Baldy HOA desire to consolidate systems, either functionally or managerially, it would be eligible for state SB 88 funding to upgrade the systems.

***Recommendation***

*This retailer is not under direct LAFCO purview. Even though this system provides a municipal service, as a private entity it does not have a sphere of influence.*

*Based upon the hot spot substantiation above, staff recommends that the Commission receive and file this information, as described above.*

## **E. ROCKETS, FIREWORKS, AND FLARES SITE (EAST PLUME)**

During the course of the service review, an area was identified that warrants identification but is not considered a hot spot as remediation efforts are well underway.

The Rialto-Colton Sub-basin contains a groundwater contaminant plume called the Rockets, Fireworks, and Flares Site<sup>6</sup>, which is an EPA superfund site. Of the five superfund sites within the County, this site is the only one where the groundwater migration is not under control. The EPA identifies that it, “has reviewed all information on known and reasonably expected groundwater contamination, and the migration of contaminated groundwater is not stabilized.”<sup>7</sup> In looking at the plume maps provided by West Valley Water District, the overall site does not have a closed boundary at the southern end, indicating the potential for migration.

All active wells located in the Rialto and North Riverside groundwater basins are being treated for perchlorate (except Rialto Well 5). Rialto has adopted a “zero tolerance” policy for perchlorate, meaning that it will not serve water with any perchlorate even if the water meets all of the public health standards.

The cleanup is focused on pollution from the 160-acre Rockets, Fireworks, and Flares Site where toxic chemicals, including perchlorate and trichloroethene (“TCE”), were disposed over many decades. The contamination area has two plumes: the Western Plume which is being addressed by the County of San Bernardino and the Eastern Plume which is under EPA oversight.

The treatment system was constructed to intercept, contain, and treat the impacted groundwater in accordance with Regional Water Quality Control Board Orders RB-2003-0013 and RB-2004-0072. In September 2016 West Valley began using bio-remediation to remove perchlorate and restore water for potable use. The West Bio-Reactor has capacity to provide water to 16,000 customers. The \$23 million dollar treatment plant was paid for largely with grant funding including:

- \$10 million from the State Water Resources Control Board Division of Drinking Water, Proposition 84 funds
- \$2.7 million from the Santa Ana Regional Water Quality Control Board Cleanup and Abatement Account Fund
- \$2.9 million from the US Department of Defense Environmental Security Technology Certification Program
- \$1 million from the Department of Water Resources in cooperation with the Santa Ana Watershed Project Authority
- \$4 million from West Valley
- \$3 million from the City of Rialto

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<sup>6</sup> Former names used for the site are: B.F. Goodrich, GWK, and Rialto-Colton Plume. Source: EPA.

<sup>7</sup> United States Environmental Protection Agency. Website. “Superfund Site: Rockets, Fireworks, and Flares, Site”. Accessed 15 May 2017. Last update unknown.

<https://cumulis.epa.gov/supercpad/SiteProfiles/index.cfm?fuseaction=second.status&id=0905945>

Construction of a second plant is underway, estimated to deliver water in 2019.

Operational cost for the West Bio-Reactor is estimated to be \$900,000 annually. The cost to remediate the site cleanup is being funded by a number of partners including the U.S. Environmental Protection Agency and the Goodrich Corporation. A judicial consent decree required Goodrich, under the EPA's oversight, to fund clean-up facilities. Goodrich has agreed to pay \$700,000 or more annually for the operations and maintenance costs of the removal system for the life of the project. The operational costs of the second plant will also be paid by Goodrich.<sup>8</sup>

There is no LAFCO solution to this circumstance, therefore further LAFCO review is not necessary.

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<sup>8</sup> Steinberg, Jim. "Settlement to help fund microbe treatment of perchlorate in Rialto-Colton groundwater." San Bernardino County Sun. 13 February 2017.

**F. REMAINING AGENCIES UNDER LAFCO PURVIEW –  
STAFF RECOMMENDATIONS**

The following agencies under LAFCO purview were not identified as a hot spot.

Beaumont-Cherry Valley Water District (San Bernardino County portion)  
City of Chino  
City of Chino Hills  
City of Colton  
City of Loma Linda  
City of Ontario  
City of Redlands  
City of Rialto  
City of San Bernardino Municipal Water Department  
City of Upland  
Cucamonga Valley Water District  
East Valley Water District  
Inland Empire Utilities Agency (wholesale)  
Monte Vista Water District  
San Bernardino Valley Municipal Water District (wholesale)  
West Valley Water District  
Yucaipa Valley Water District

***Recommendation***

*Based upon new information received since the previous service review, staff recommends that the Commission update the previous service review determinations for the agencies listed above to include:*

- a. Population and disadvantaged unincorporated communities as described in Appendix B-1.*
- b. Regional and wholesale information from Appendix B-1.*
- c. Information from the Agency's Profile Sheet in Appendix B-2.*



**G. INLAND EMPIRE UTILITIES AGENCY AND  
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**1. Lack of Metropolitan Sphere of Influence**

Metropolitan has never had an established sphere of influence within San Bernardino County. Metropolitan is a special district that is subject to LAFCO purview, therefore LAFCO is obligated to establish a sphere of influence for the district. Technically, no changes of organization should be processed for any affected agency within a reorganization area lacking a sphere of influence. Metropolitan staff has identified support for a sphere establishment within San Bernardino County to be coterminous with the sphere of influence of its member agency, IEUA.

**Recommendation**

*LAFCO staff recommends that the Commission initiate the establishment of a sphere of influence for Metropolitan within San Bernardino County to be coterminous with the sphere of influence of its member agency, Inland Empire Utilities Agency.*

**2. IEUA Boundary Discrepancies**

There are two areas in which the IEUA and/or Metropolitan boundary are inconsistent with actual service delivery. These areas are shown in Figure 3-4.

- Area A is neither in Metropolitan's or IEUA's boundary. A review of the tax rate area listings do not identify either Metropolitan or IEUA. However, the tax bill for the parcels within the area identify a Metropolitan standby charge but no debt service charge listing for either Metropolitan or IEUA. LAFCO staff understands that Metropolitan and IEUA plan to submit an application to annex the developed area which will include the approximate 17 parcels and roads, and which would be subject to the Metropolitan annexation process.
- Area B has always been in Metropolitan's and IEUA's boundary. A review of the tax rate area listings identify both Metropolitan and IEUA. However, the tax bills for the parcels identify a San Bernardino Valley Municipal Water District ("Valley District") debt service charge with neither Metropolitan nor IEUA identified.

According to Metropolitan staff, a Metropolitan and IEUA detachment & sphere reduction is recommended and is consistent with their boundary & annexation policies. As a part of such a reorganization, an annexation & sphere expansion of the area to Valley District would occur. In essence for Area B, this would be a swap of jurisdiction and spheres.

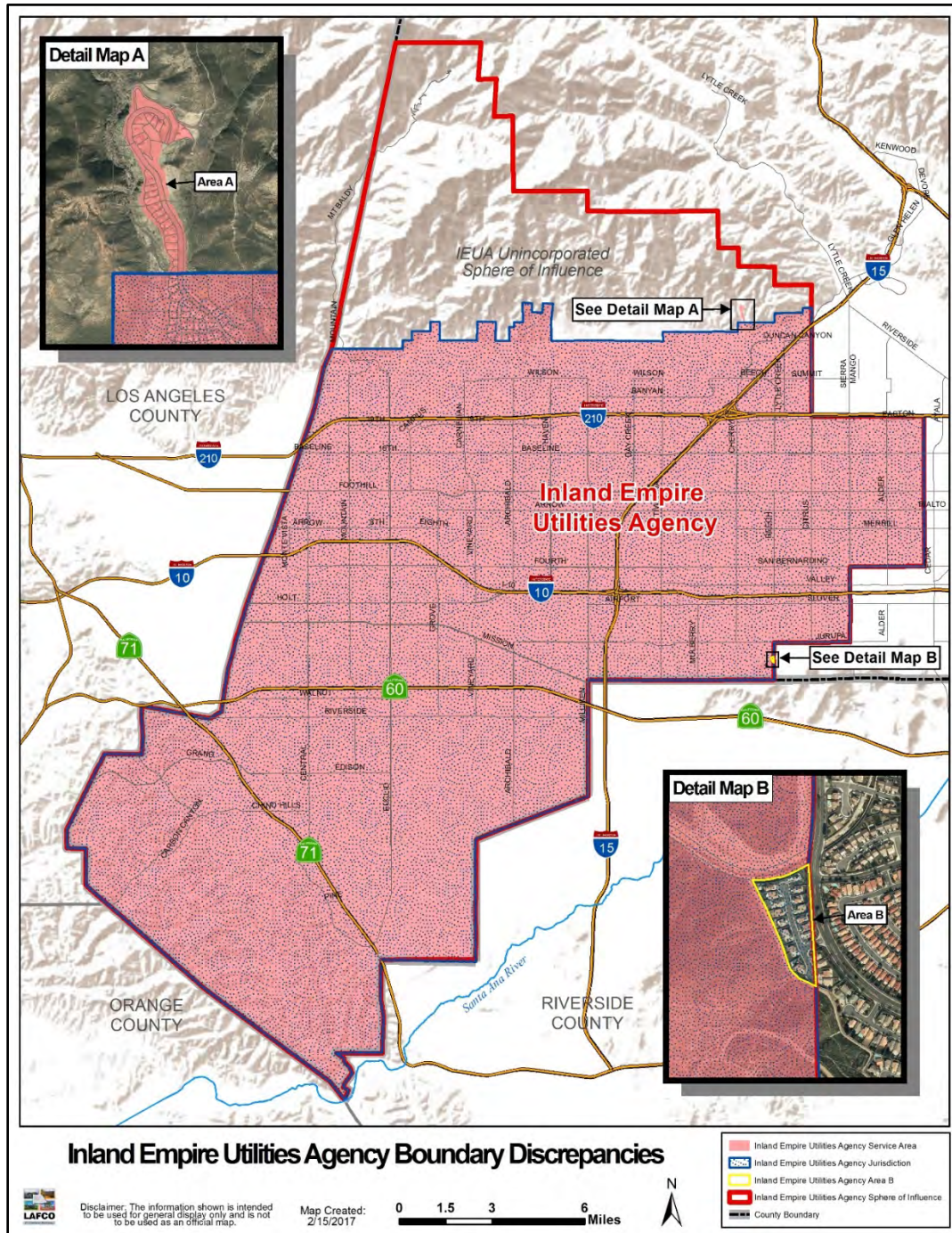
**Recommendation**

*LAFCO has no authority to initiate an annexation or detachment. LAFCO staff recommends:*

*Area A – An application be initiated to annex this area to Metropolitan and IEUA.*

Area B - IEUA or Valley District, or jointly, initiate an application to LAFCO to rectify this circumstance.

**Figure 3-4: Inland Empire Utilities Agency Boundary Discrepancies**



**H. ADDRESSING EXTENSIONS OF SERVICE OUTSIDE A SPHERE OF INFLUENCE:  
CITY OF COLTON**

The City of Colton is in discussion with Riverside Highland Water Company to provide water and sewer service outside of its boundary and sphere (within the Riverside Highland Water Company service area in the City of Grand Terrace). The reason for the potential agreement is that it is more feasible for the City to serve these parcels rather than the Water Company.

Government Code §56133.5 (Assembly Bill 402 effective 2016) establishes a pilot program, through 2020, for Napa and San Bernardino LAFCOs to authorize a city or district to extend services outside of a sphere for additional purposes beyond responding to threat to public health or safety, based upon specific criteria. This process requires that the Commission make the following determinations regarding the area to be served outside the agency's sphere of influence, at a noticed public hearing:

1. That the proposed service extension was identified and evaluated in a service review;
2. That the proposed service extension will not have an adverse impact on open space/agricultural lands and/or is not growth inducing; and,
3. That inclusion of the area to be served into the agency's sphere of influence is not feasible or desirable based on adopted commission policies.

Particular to Item 1 above, this service review identifies the proposed service extension, as outlined above and shown in the map below. To evaluate the proposed service extension, LAFCO staff has reviewed the documentation provided by the City of Colton and the Water Company, on file at the LAFCO office, which identifies that the City is the most logical agency to provide the service. Due to the recently completed Caltrans Bridge/Freeway construction, Riverside Highland Water would like to transfer a water main and five service connections along La Crosse Ave. south of Barton Rd. to the City of Colton. There is already an existing interconnection between Colton and the Water Company. This transfer does not require water main extension since the proposed improvement is to remove the interconnect and cap the end of the water main at Barton road.

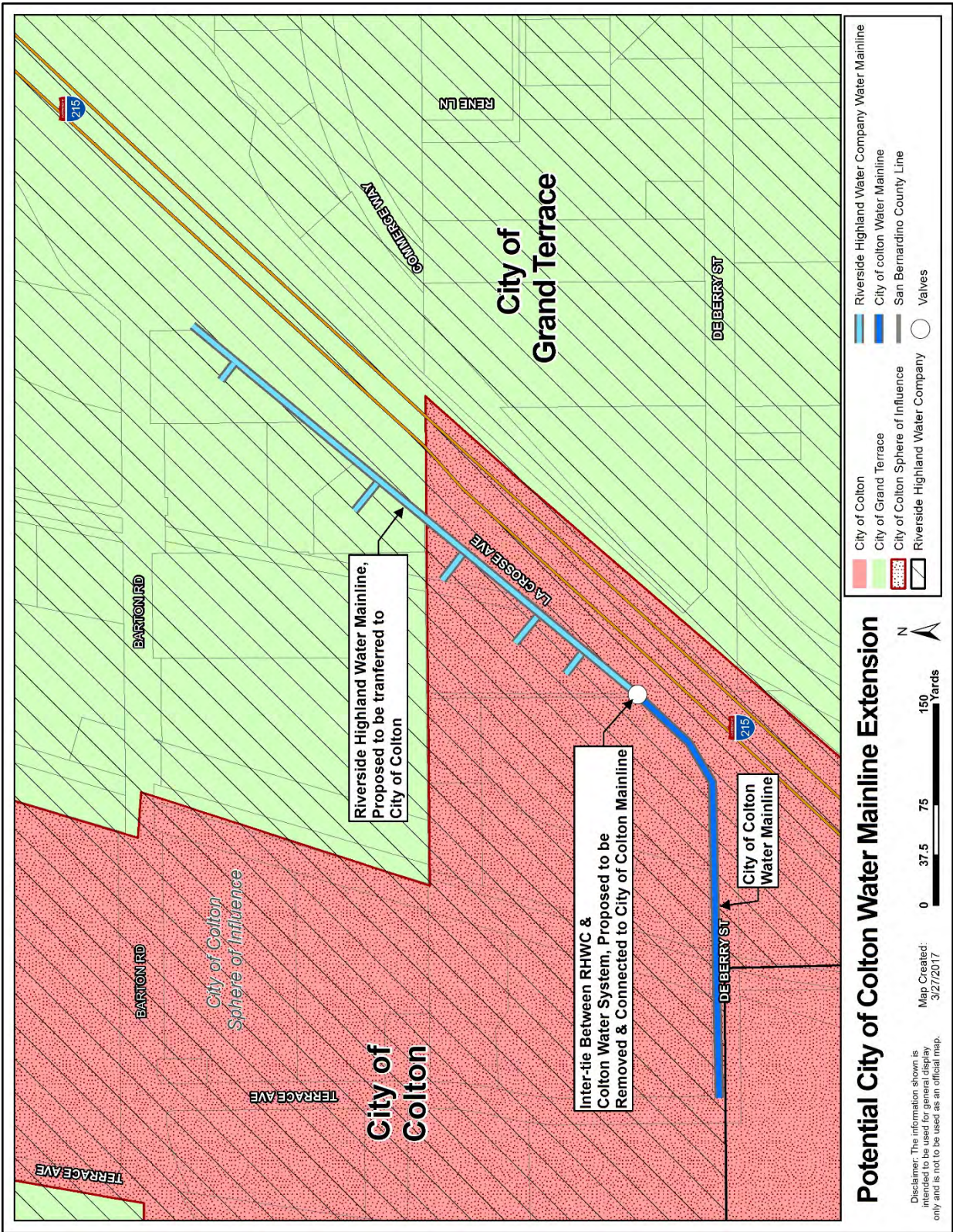
Further, Appendix B-1 provides service review information, on a regional basis, which includes the proposed service extension area.

Should this arrangement be amenable to all parties, then pursuant to LAFCO Policy 3 of Section IV, Chapter 2 of its *Policy and Procedure Manual*:

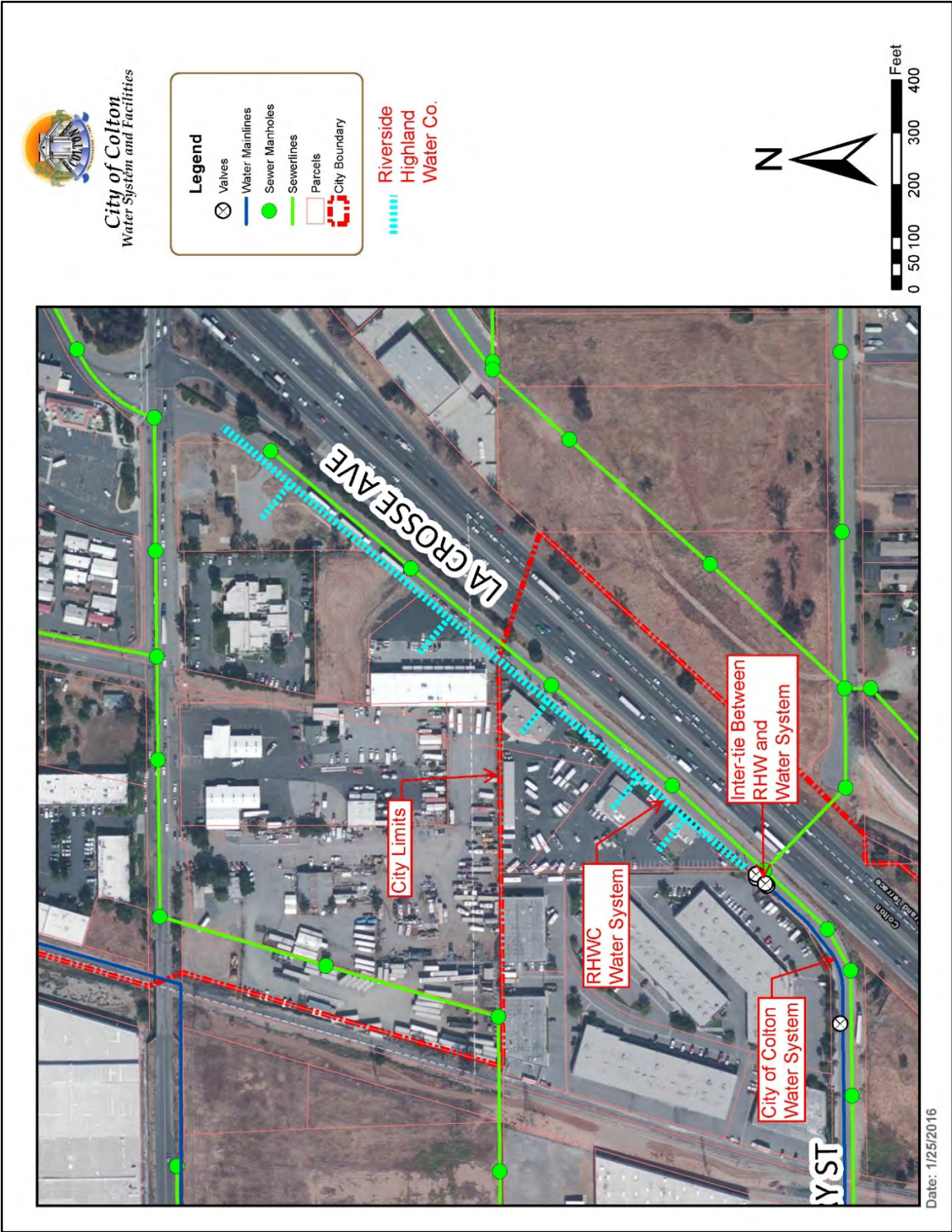
A proposal by a city or district to provide new or extended services outside the agency's boundaries and outside the agency's sphere of influence would come under the provisions of Government Code Section 56133.5, which will require Commission approval at a noticed public hearing **prior** to the signing of an agreement/contract for the provision of the service.



Figure 3-5:  
Colton/Riverside Highland Proposed Service Extension







**APPENDIX B**  
**Valley Service Review Update**

B-1. Regional Update

B-2. City, District and Large Agency Updates

## **APPENDIX B-1**

### **Valley Service Review Update**

#### ***Regional Update***

#### **OVERVIEW**

As stated in the Introduction to this report, the focus and primary goal of this service review is to provide the Commission with recommendations to: (1) update the determinations from previous service reviews, and (2) initiate sphere of influence updates where appropriate. In order to fulfill the service review requirements of Government Code §56430, a review of the items, listed below, are included in this Appendix as they pertain to the Valley Region.

- A. Population
- B. Disadvantaged Communities
  - (1) Primer
  - (2) Identification and Characteristics
- C. Groundwater Basins
  - (1) Basin Prioritization by the State
  - (2) Basin Descriptions & Discussion
  - (3) Sustainable Groundwater Management Act of 2014
- D. Inland Empire Utilities Agency Wholesale Area
  - (1) Supply and Demand
  - (2) Recycled Water
  - (3) Water Infrastructure/Planned Improvements
- E. San Bernardino Valley Municipal Water District Wholesale Area
  - (1) Supply and Demand
  - (2) Recycled Water
  - (3) Water Infrastructure/Planned Improvement

Additional information related to each public agency under LAFCO purview as well as the large private retail systems is included in Appendix B-2. A detailed listing of community water systems<sup>1</sup>, wholesale entities, and joint powers authorities is included as a part of Appendix F.

#### **A. POPULATION**

As previously indicated in this report, the Valley Region is generally divided between two wholesale water agencies – the Inland Empire Utilities Agency (“IEUA”) which generally serves the western portion of the Valley Region, and the San Bernardino Valley Municipal Water District (“Valley District”) which generally serves the eastern portion. Table B-1 below includes population projections for IEUA, Valley District, and the entire Valley Region through 2040.

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<sup>1</sup> A community water system is defined as a public water system which serves at least 15 year-round service connections or regularly serves at least 25 year-long residents.



**Table B-1:  
Current and Projected Population Estimates – Valley Region**

Agency	2015	2020	2025	2030	2035	2040
IEUA wholesale area	856,168	896,533	955,569	1,009,349	1,067,946	1,125,203
MUNI wholesale area	690,758	721,223	757,015	794,584	834,017	875,407
Remaining areas	27,996	29,278	30,994	32,647	34,421	36,207
<b>Valley Region Total</b>	<b>1,518,930</b>	<b>1,564,409</b>	<b>1,743,578</b>	<b>1,836,580</b>	<b>1,936,384</b>	<b>2,036,817</b>

Sources: 2015 IEUA Urban Water Management Plan; 2015 San Bernardino Valley Regional Urban Water Management Plan; ESRI estimates for 2015 and 2020

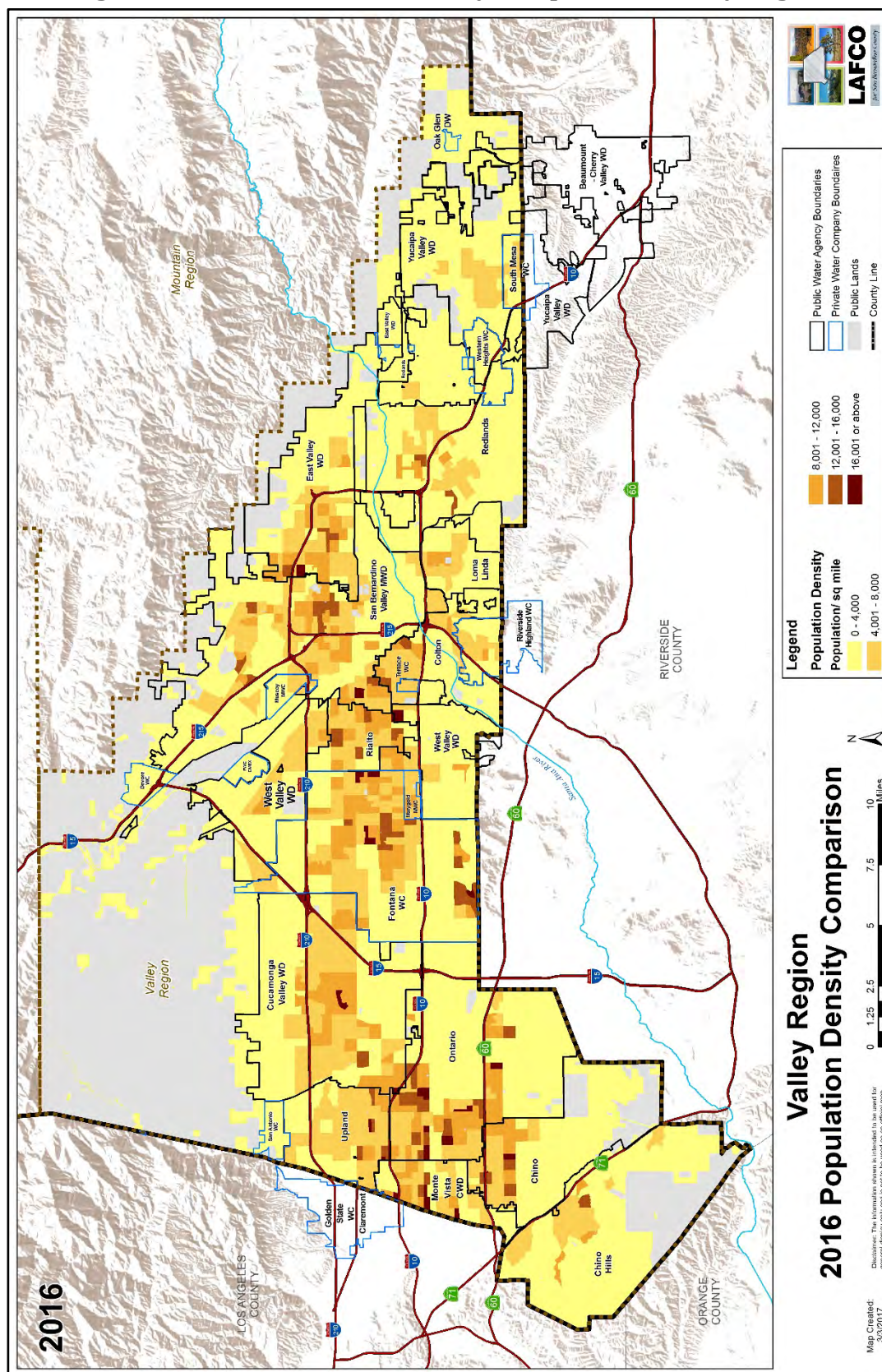
San Bernardino County and the broader Inland Empire region are anticipated to see more population growth in the near term than the coastal regions of Southern California. The high cost of housing in the coastal counties of Los Angeles, Orange and San Diego has made the Inland Empire a destination of choice for many residents willing to commute to those areas. Overall, population for the Valley Region is expected to grow by 34 percent by 2040, which equates to an annual growth rate of 1.2 percent.

Figure B-1, below, compares population density between 2016 and 2040<sup>2</sup>. As the figure illustrates, over the next 24 years, the Valley Region will see pockets of increased population density across the Region. Most notably, sizeable density increases are projected for the areas served by the following retail water agencies: the Cities of Chino, Chino Hills, and Ontario and the Fontana Water Company, Cucamonga Valley Water District, Monte Vista Water District, West Valley Water District, and Yucaipa Valley Water District.

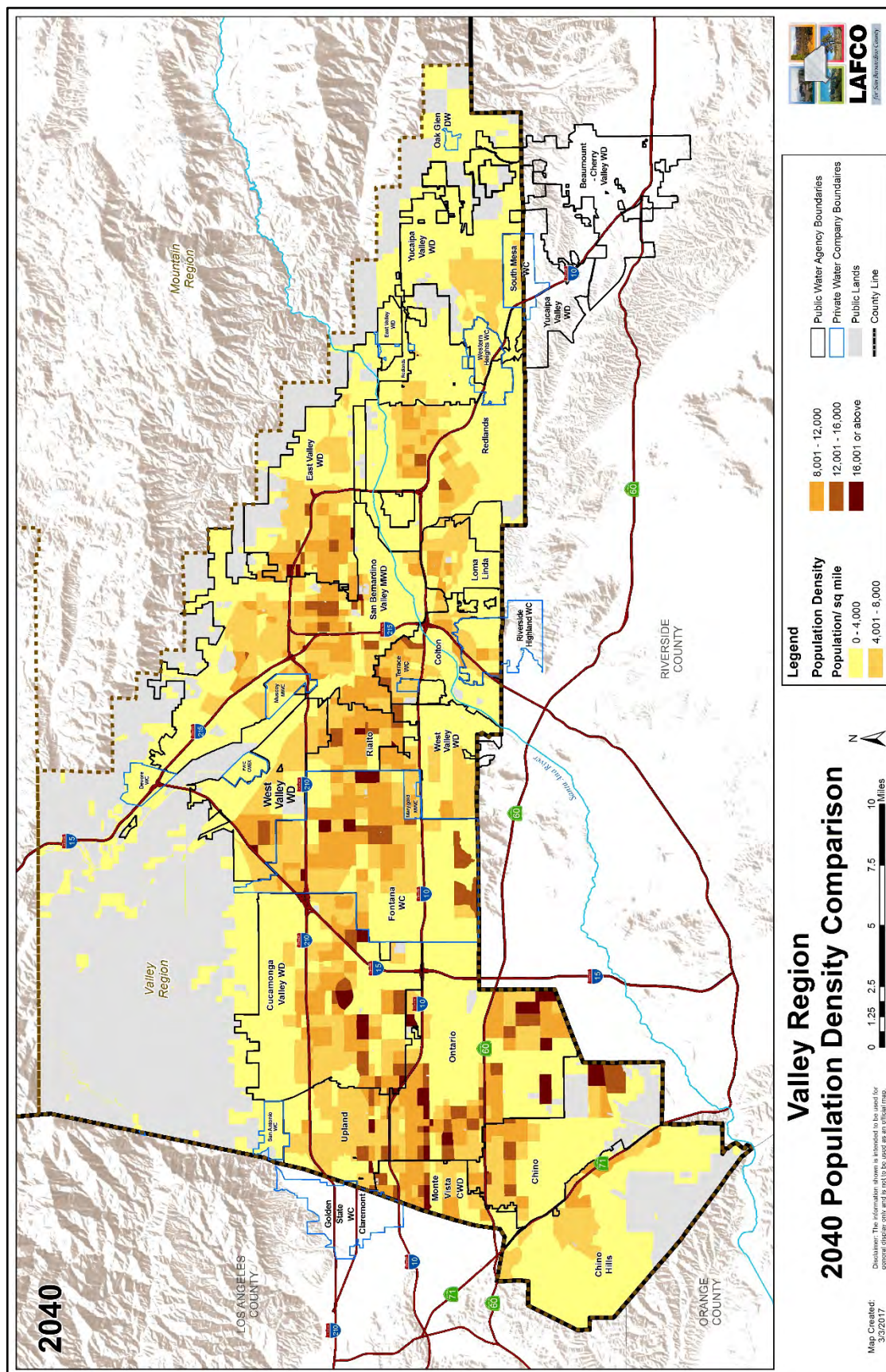
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<sup>2</sup> The data sources are 2010 Census and transportation analysis zones from SCAG's 2040 Regional Transportation Plan. For this map, public lands are in the name of: United States of America, Government Land, State of California, and County of San Bernardino, as identified by the County Assessor.

### Figure B-1: 2016 and 2040 Density Comparison - Valley Region







## **B. DISADVANTAGED COMMUNITIES**

### **Primer on Disadvantaged Communities – DUCs, DACs & More**

#### **Disadvantaged Communities**

The State of California adopted a definition of disadvantaged community (or "DAC") through passage of Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. This measure added §79505.5(a) to the California Water Code and defines a disadvantaged community as a *"community with an annual median household income that is less than 80 percent of the statewide annual median household income."* For 2016, 80% of the statewide median household income is \$50,043.<sup>3</sup> State law requires various entities (i.e. LAFCO, cities and counties, and water agencies) to, in some manner, identify disadvantaged communities which can be located in both incorporated and unincorporated areas.

#### **Disadvantaged Unincorporated Communities**

Particular to LAFCOs, the state mandate is to identify the location and characteristics of disadvantaged unincorporated communities (or "DUCs"). §56375 specifically prohibits an annexation to a city of any territory greater than 10 acres where there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation unless an application to annex the disadvantaged unincorporated community has also been filed.

DUCs are defined as *territory that constitutes all or a portion of a "disadvantaged community," including 12 or more registered voters or some other standard as determined by the Commission, and have a median household income that is less than 80% of the statewide annual income.* The DAC definition, as defined in Water Code §79505.5(a), differs from the definition of a DUC in two important ways: (1) a DUC must be inhabited, and (2) DUCs comprise unincorporated territory only, not territory within cities. For purposes of further defining a DUC, San Bernardino LAFCO policy defines a community as an *inhabited area comprising no less than 10 dwelling units adjacent or in close proximity to one another.*

#### **Need for Consistency**

Other State agencies, such as the California EPA, use alternative criteria to identify disadvantaged communities for grant funding purposes. The different criteria used to identify disadvantaged communities at the local and state government levels is confusing and complicates implementation of a consistent approach to addressing our disadvantaged residents. While staff recognizes the difficulty in developing a one-size-fits-all definition, LAFCO staff's position is that additional work needs to be done State-wide to develop a method for identifying disadvantaged communities that is more consistent yet recognizes the diversity of communities and geographies in California.

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<sup>3</sup> Environmental Systems Research Institute (ESRI)

### Disadvantaged Unincorporated Communities (DUCs)

For LAFCOs, the state requires that service reviews identify and describe the characteristics of disadvantaged communities of *unincorporated* areas only (commonly referred to as “DUCs”). For the purposes of defining a DUC, San Bernardino LAFCO policy defines a community as an inhabited area comprising no less than 10 dwellings adjacent or in close proximity to one another. Uninhabited areas include vacant or government lands. Based upon the criteria identified, Figure D-2 identifies those areas that meet the criteria of a DUC.<sup>4</sup>

The DUCs identified in the mapping show that the major unincorporated areas in the Valley region meet the criteria of a DUC: Fontana Speedway, Bloomington, Muscoy, and San Bernardino. Characteristics of these areas are as follows<sup>5</sup>:

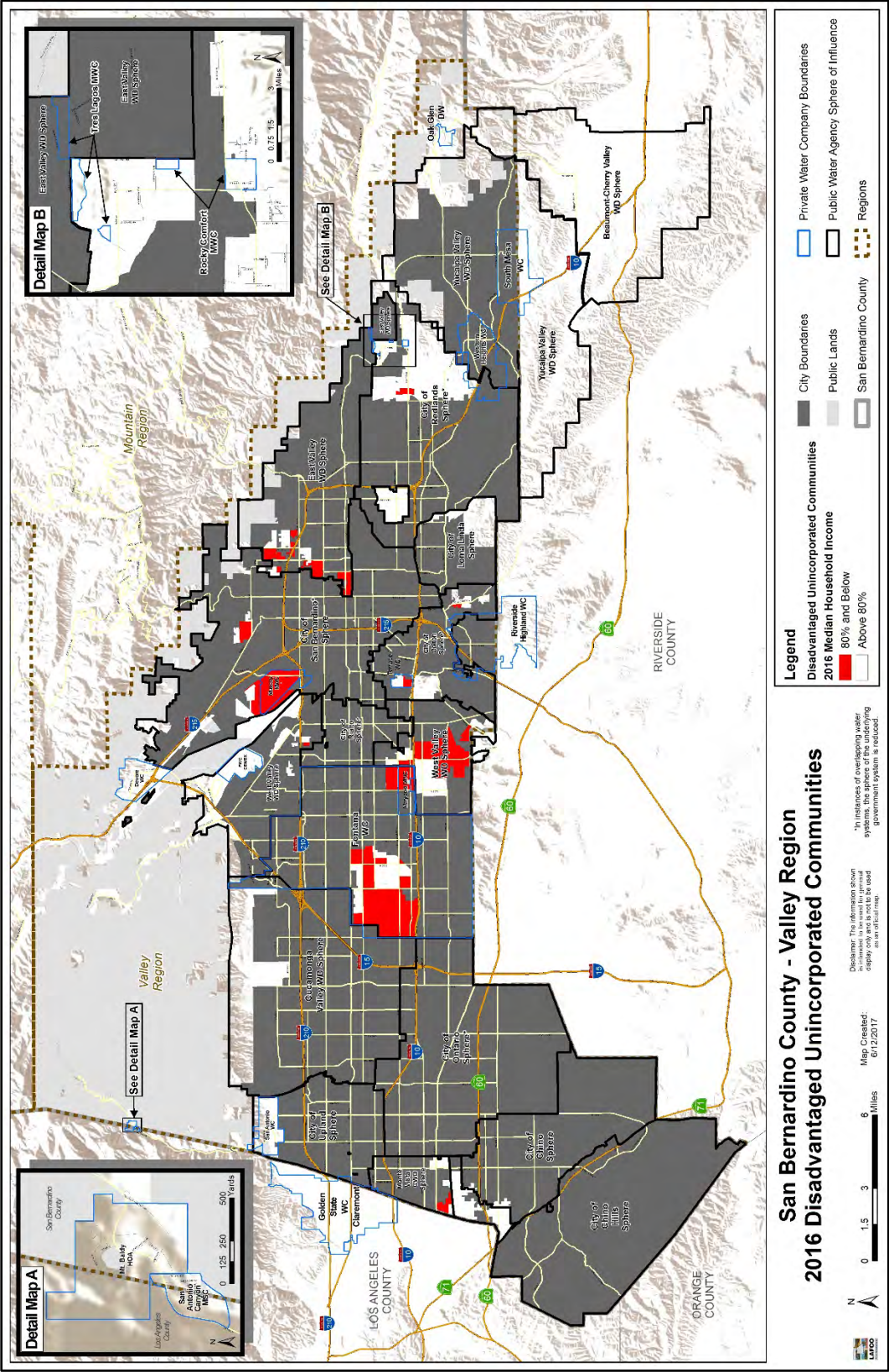
	West Fontana	Bloomington	Muscoy	San Bernardino
<b>Area, sq. miles</b>	5.64	4.07	2.50	1.44
<b>Pop., 2016</b>	7,517	17,649	9,480	12,872
<b>Households, 2016</b>	1,604	3,938	1,933	3,468
<b>Median Household Income</b>	\$41,833	\$43,923	\$39,472	\$31,038
<b>Characteristics</b>	Single family dwellings, area for former County of SB Speedway Redevelopment Area, industrial, includes the Auto Club Speedway	Rural lifestyle, predominance of large lots, limited commercial development and the prevalence of agricultural and animal raising (Bloomington Community Plan)	Single-family dwellings on large lots that can support small-scale agriculture. Commercial buildings are generally small (Muscoy Community Plan)	Single-family dwellings, lack of significant agricultural

<sup>4</sup> For this map, non-developable areas include lands in the name of: United States of America, Government Land, State of California, and County of San Bernardino, as identified by the County Assessor.

<sup>5</sup> ESRI



Figure B-2: Disadvantaged Unincorporated Communities - Valley Region





## **Disadvantaged Communities (DACs)**

Taking the discussion of a DUC a step further, disadvantaged communities (“DACs”) include both unincorporated and incorporated areas. Figure B-3 identifies the disadvantaged communities of the Valley cities and their surrounding areas.

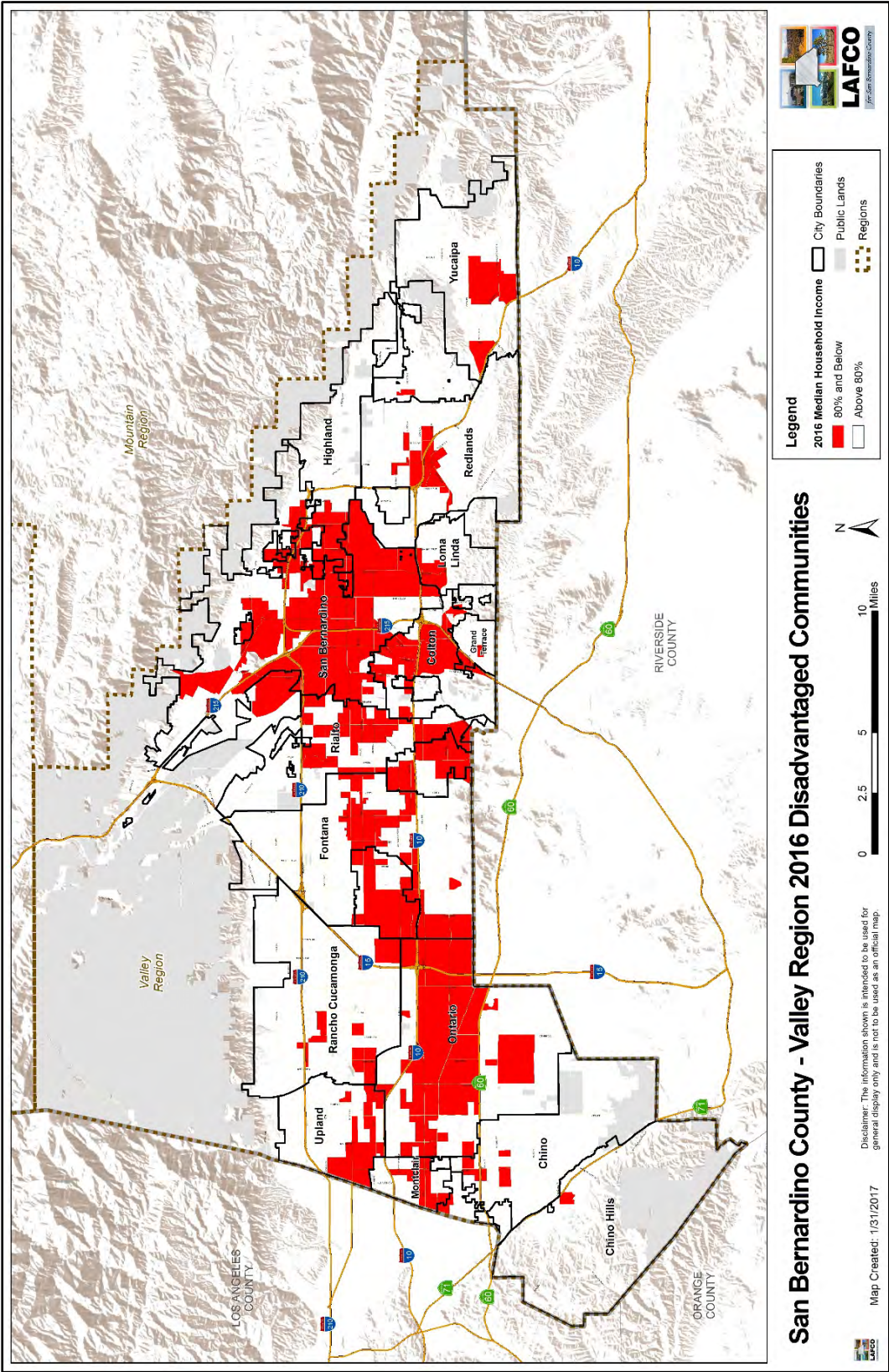
On June 24, 2015, the Department of Water Resources announced the award of the 2014 Water-Energy Grant Program whereby the Santa Ana Watershed Project Authority’s (“SAWPA”) regional project, the Water-Energy Community Action Network (“WECAN”), will receive a total of \$2.3 Million. The funding for this grant is provided by appropriated funds from the Greenhouse Gas Reduction Fund created by AB 32, the Global Warming Solutions Act of 2006. WECAN brings water savings to approximately 260 homes and energy savings to approximately 1,703 homes in DACs in the Santa Ana River Watershed.

In the west valley, cluster areas are identified as well, with a central area for DACs located in the City of Ontario. From this central area, DACs are somewhat scattered outward west (towards Montclair) and east (towards Fontana), especially south of I-10.

In the east valley, a large number of census tracts are classified as DACs. Cluster areas are identified, while a central area for DACs occurs between the east side of the City of San Bernardino and west side of the City of Highland. From this central area, DACs are somewhat scattered outward towards Fontana, Colton, and Bloomington. On the eastern portion, central Redlands and Yucaipa are classified as disadvantaged.

As outlined in the Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), which generally includes Valley District in San Bernardino County, the 2015 Integrated Regional Water Management Plan process included efforts in 2013 to identify and coordinate outreach with disadvantaged communities to identify potential water resource needs. In this area, the vast majority of DACs receive water supplies that meet all state and federal standards for water quality. Areas with the largest concentrations of DAC residents have developed programs to assist the DAC customers in paying their water related bills while still ensuring their water and wastewater service are meeting all applicable state and federal regulations.

Figure B-3: Disadvantaged Communities - Valley Region



## **C. GROUNDWATER BASINS**

### **Basin Prioritization by the State**

The Valley Region is a part of the overall Upper Santa Ana Valley Groundwater Basin, which is composed of numerous sub-basins. There are generally two basins within the West Valley (Chino and Cucamonga) and five basins, or portions thereof, within the East Valley (Bunker Hill, Rialto-Colton, Riverside-Arlington, San Timoteo and Yucaipa). As part of the California Statewide Groundwater Elevation Monitoring Program and pursuant to the California Water Code §10933, Department of Water Resources (“DWR”) is required to prioritize California groundwater basins<sup>6</sup> based on their adverse effects to the local habitats and stream flows and to help identify, evaluate and determine the need for additional groundwater level monitoring.<sup>7</sup> All seven basins are classified as either high (three) or medium (four) priority basins. Figures B-4 and B-5 maps these basins by priority rating, overlaid by adjudicated basins and wholesale agency, respectively. Table B-2 is a summary of key basin characteristics from the DWR. A description of each basin follows.

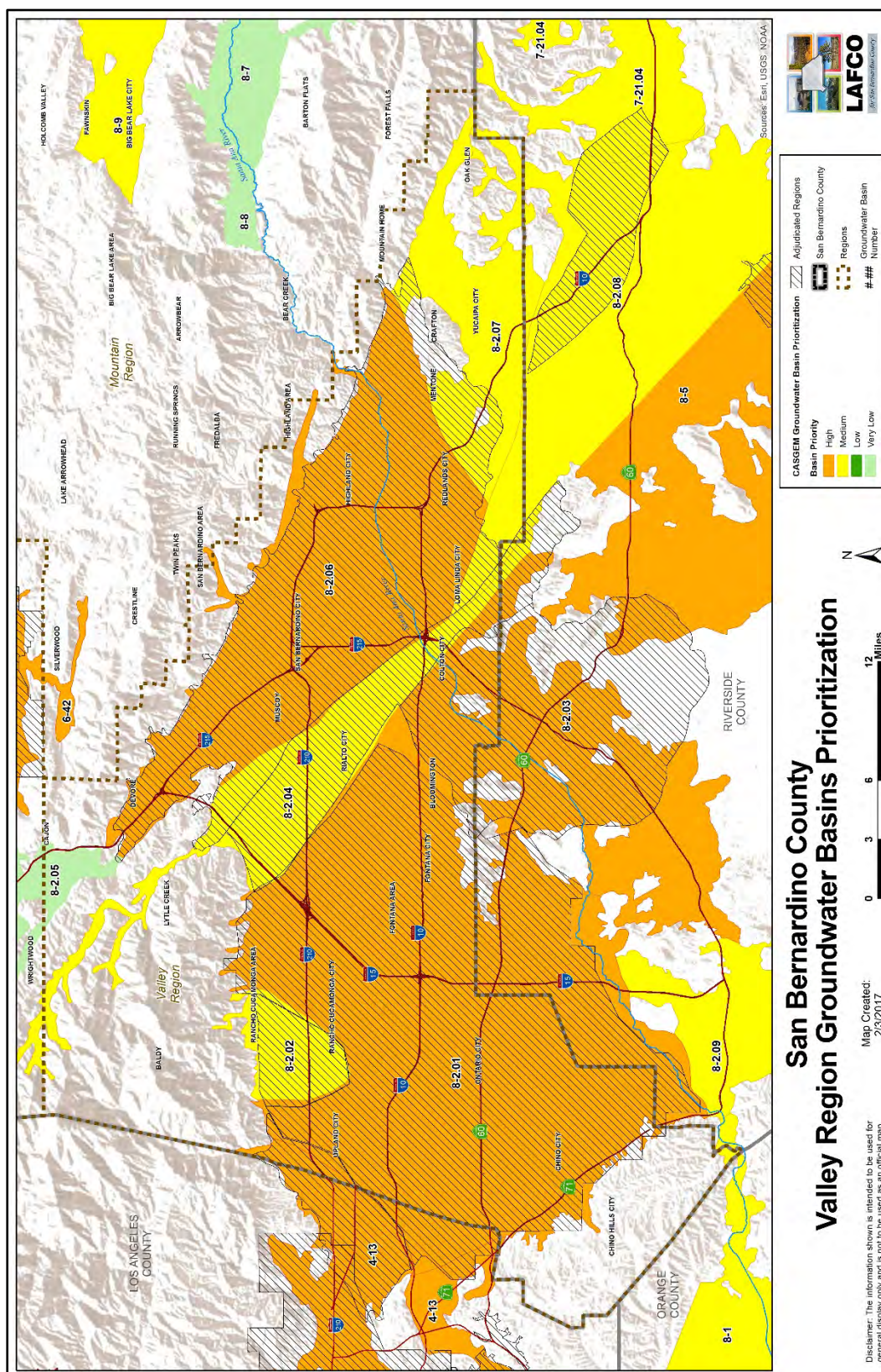
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<sup>6</sup> “Groundwater basins or sub-basins” refers to basins and sub-basins as defined in DWR Bulletin 118. Department of Water Resources, 2003. California’s Groundwater – Bulletin 118 Update 2003.

<sup>7</sup> The DWR will reprioritize the basins in 2017.

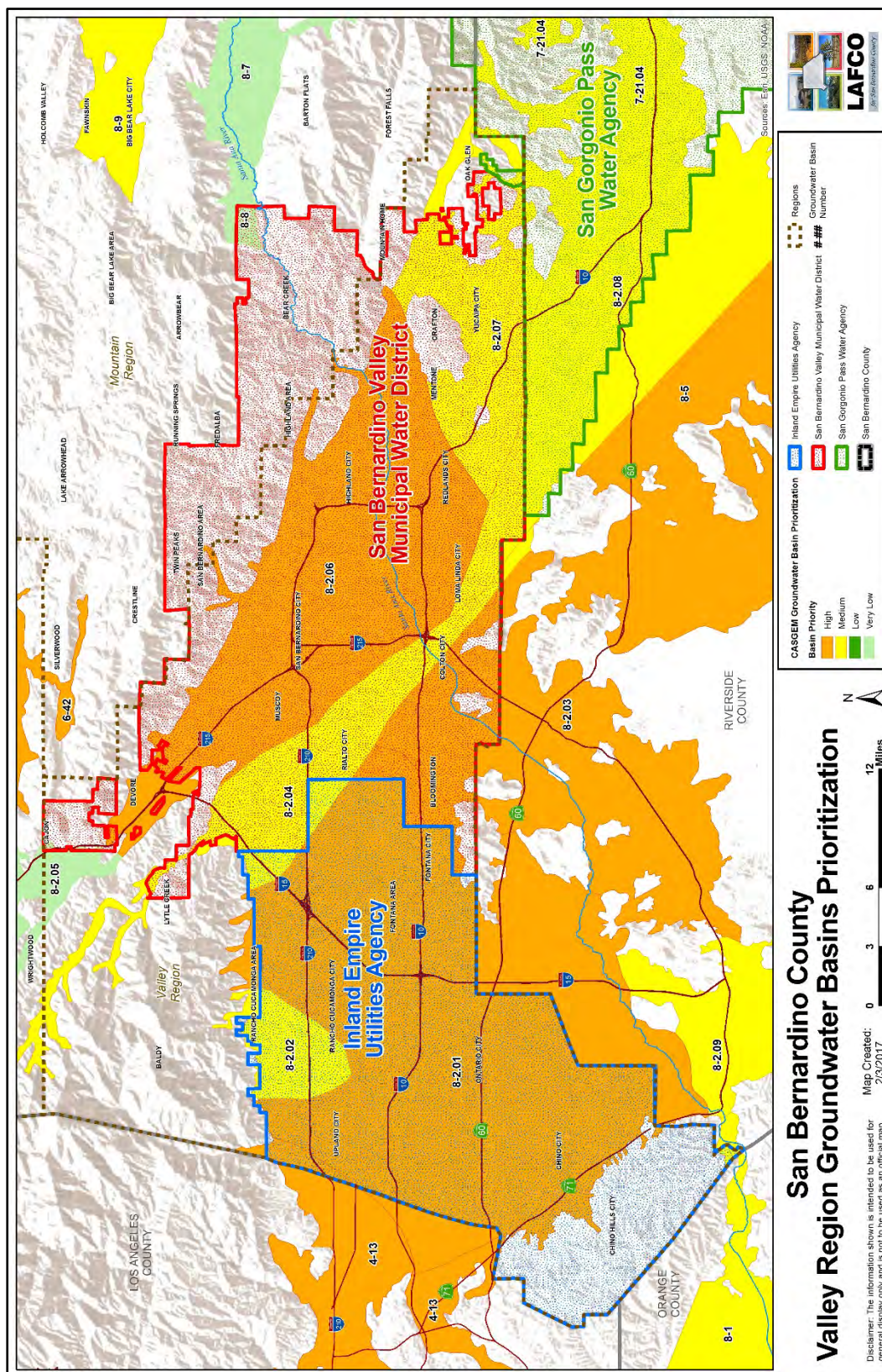


### Figure B-4: Basin Priority with Adjudicated Basin Overlay





**Figure B-5: Basin Priority with Wholesale Agency Overlay**



**Table B-2: Basin Priority**

Basin Number	Basin Name	Sub-Basin Name	Sq. Mile	2010 Population	Data Component Ranking Value							Overall		Impact Comments	Other Information Comments
					Population	Population Growth	Public Supply Wells	Total Wells *	Irrigated Acreage	GW Use **	Impacts	Other Information	Overall Basin Priority		
4-13	SAN GABRIEL VALLEY		198.9	1,275,187	5	1	5	2.25	0	4	3	1	High	Superfund sites are present within the basin and other areas with water quality impacts are known.	Adjudication (aka Six Basins)
7-21.04	COACHELLA VALLEY	SAN GORGONIO PASS	60.7	29,540	2	5	3	0.75	1	4	2	1	Medium	Basin is in overdraft.	Basin is adjudicated.
8-1	COASTAL PLAIN OF ORANGE COUNTY		348.8	2,309,966	5	2	4	3.75	0	5	1	0	Medium	Saline intrusion issues.	
8-2.01	UPPER SANTA ANA VALLEY	CHINO	241.7	898,653	4	2	4	2.25	3	4	3	1	High	Locally high nitrates and TDS. Pub Com. to include subsidence, historic overdraft, ground fissuring, problems mitigated with OBPMP, reduce from 4 to 3.	Basin is adjudicated. Pub Com. program of controlled overdraft of 400,000 AF from the Chino Basin though 2030 to control the outflow of poor-quality rising GW
8-2.02	UPPER SANTA ANA VALLEY	CUCAMONGA	15.0	51,001	4	1	5	0.75	1	3.5	3	0	Medium	High nitrates reported in 14 of 24 wells tested (B-118)	
8-2.03	UPPER SANTA ANA VALLEY	RIVERSIDE-ARLINGTON	92.0	336,884	4	2	4	3	2	4.5	5	0	High	Water quality degradation issues known in several public supply wells.	
8-2.04	UPPER SANTA ANA VALLEY	RIALTO-COLTON	47.2	145,832	4	1	4	2.25	1	3	3	0	Medium	Extensive perchlorate contamination in basin.	
8-2.05	UPPER SANTA ANA VALLEY	CAJON	36.4	520	1	0	1	0.75	1	0.5	0	0	Very Low		
8-2.06	UPPER SANTA ANA VALLEY	BUNKER HILL	126.5	363,394	4	1	5	2.25	2	3	3	1	High	The Bunker Hill sub-basin is impacted with PCE and TCE from the Newmark Superfund site and with perchlorate from the Crafon-Redlands plume.	Adjudication (Western San Bernardino)
8-2.07	UPPER SANTA ANA VALLEY	YUCAIPA	39.7	65,180	3	1	4	2.25	2	3.5	5	0	Medium	Overdraft. Documented impacts of nitrates and sulfates. (B-118)	
8-2.08	UPPER SANTA ANA VALLEY	SAN TIMOTEO	114.9	54,169	2	5	3	1.5	1	2.5	3	1	Medium	Locally high nitrates and salinity (B-118). GAMA reported upper basin water quality issues.	Parts of the subbasin are adjudicated.

NOTE: \* Data component values were reduced by 25% due to data confidence, prior to calculating total GW basin ranking value  
\*\* Sub-fields that are used to determine the overall GW Reliance Total ((GW Use + GW %)/2)  
\*\*\* Overall Basin Ranking Score = Population + Population Growth + P5W + (Total Wells x .75) + Irr Acreage + (GW Use + GW %)/2 + Impacts + Other

NOTE: \* Data component values were reduced by 25% due to data confidence, prior to calculating total GW basin ranking value

\*\* Sub-fields that are used to determine the overall GW Reliance Total ((GW Use + GW %)/2)

\*\*\* Overall Basin Ranking Score = Population + Population Growth + PSW + (Total Wells x .75) + Irr Acreage + (GW Use + GW %)/2 + Impacts + Other



## CHINO BASIN

### Chino Basin Snapshot

(Basin 8-2.01)

Adjudicated	<i>Chino Basin Municipal Water District v. City of Chino et al.</i>
Watermaster	Chino Basin Watermaster
Basin Priority, as identified by the State	High
Area	242 sq. miles
2010 population	898,653
Groundwater reliance	Significant
Water quality impacts	Locally high nitrates and total dissolved solids
Other impacts	Historic overdraft, subsidence, ground fissuring

### Basin Summary, taken in part from:

“An Evaluation of California’s Adjudicated Groundwater Basins” prepared by the Center for Global, International and Regional Studies at the University of California, Santa Cruz for the State Water Resources Control Board. 2016.

Chino Basin is one of the largest groundwater basins in Southern California. It abuts Los Angeles County, Orange County, and Riverside County.<sup>8</sup> Over the past few decades, the basin has experienced rapid growth. The southern area was once notable for containing the heaviest concentration of dairy farms in the United States. While there has been some subsidence, most of it is the result of centralized pumping in one area. Although the basin has conflict from time to time it is often looked to as a statewide model of how adjudication can be turned into a success story. Three different stakeholder groups—overlying agricultural, overlying non-agricultural, and appropriators—negotiated a management plan prior to adjudication, and it was adopted in a 1978 stipulated judgment. Stakeholders agreed on water rights for each group of users. There were multiple additional amendments over the last twenty years [*with the latest*] adopted in a 2012 restated judgment.

### Watermaster

The Chino Basin Watermaster is progressively and actively implementing the Basin's Optimum Basin Management Program which includes extensive monitoring, further developing recharge capabilities, storage and recovery projects, managing salt loads, developing new yield such as reclaimed and storm water recharge and continuing to work with other agencies and entities to enhance this resource. The Watermaster is not under LAFCO purview; however its public members are. It is composed of three stakeholder groups, called Pools:

- Overlying Agricultural Pool Committee, representing dairymen, farmers, and the State of California;
- Overlying Non-Agricultural Pool Committee, representing area industries;

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<sup>8</sup> Approximately five percent of the Chino Basin is located in Los Angeles County, 15 percent in Riverside County, and 80 percent in San Bernardino County.

- Appropriative Pool Committee, representing local cities, public water districts, and private water companies.

## Water Quality

Due to the historical agricultural use, de-salters were installed to address water quality and outflows to the Santa Ana River. The de-salters treat the water it pumps then make it available to retailers without replenishment obligations. The brine is transported from the basin via the “Brine Line”. The City of Ontario provided comments to the draft staff report and states that, “All production by the Desalters is replenished and/or accounted for through basin recharge, replenishment obligations incurred by the parties to the Chino Basin Judgement or court-approved pumping without replacement.” The City’s comments to the draft staff report and LAFCO staff’s response are included as a part of Appendix A.

In Chino Basin, a number of groundwater contaminant plumes have been identified - the result of past industrial operations over many decades. They include: the GE Flatiron Facility, GE Test Cell Facility, Ontario Airport, Kaiser Steel Corporation, Milliken Landfill, California Institute for Men, Upland Landfill and Chino Airport. Most are being treated at on-site remediation facilities.<sup>9</sup> Specifically, the plume in south Ontario was caused by companies cleaning aircraft parts in what is now Ontario Airport. IEUA is taking the lead in a multi-agency and private business effort to clean the plume.<sup>10</sup> Initial costs for the cleanup are \$12.5 million to be paid from federal and state grant money. Additionally, the effort will leverage a planned expansion of an existing effort by the Chino Basin Desalter Authority to install a well for the water’s extraction to carry the well’s output via a proposed pipeline into Chino Basin Desalter Authority’s Desalter No. 2 in Mira Loma.<sup>11</sup>

Main water quality problems in the basin have to do with nitrate contamination from agricultural land use. The City of Ontario provided comments to the draft staff report and states that, “The parties to the Chino Basin Judgement have undertaken extensive basin management efforts over the last decades. Currently, groundwater recharge and storage programs area performed without material physical injury to the basin including water quality related impacts.” The City’s comments to the draft staff report and LAFCO staff’s response are included as a part of Appendix A.

## Timeline of Significant Events, from the Chino Basin FY 2015-16 39<sup>th</sup> Annual Report

1970s	Conflicts over water threaten supply reliability, water quality, and the regional economy.
1973	Established a fund and implemented a pump tax to raise money to pay for studies that aid in implementing recharge programs in the Basin.

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<sup>9</sup> Groundwater Basin Reports – Inland Empire Basins (2007)

<sup>10</sup> The agreement and cleanup order involves the Cities of Ontario and Upland, Aerojet, Rocketdyne, Boeing, General Electric, Lockheed Martin, and the U.S. Department of Defense.

<sup>11</sup> Steiner, Jim. “Official: To Clean Up Ontario’s Toxic Water on the Cheap(er), Agencies Must Pounce”. *San Bernardino County Sun*. 21 December 2016.

*Countywide Service Review for Water  
Appendix B – Valley Region*

1978	Chino Basin is adjudicated and Watermaster is created. Planning and funding are initiated to manage the Basin.
1999	Optimum Basin Management Program provides a detailed blueprint to ensure a reliable water supply and protect and enhance water quality.
2000 & 2007	Peace (I) and Peace II Agreements make effective collaboration possible, resulting in hundreds of millions of dollars in cost-savings and other benefits.
2004	Unique Maximum Benefit Salinity Management Program is adopted. This enabled implementation of a massive Basin-wide recycled water reuse, stormwater and supplemental water recharge program, and expansion of the groundwater desalting program to achieve hydraulic control.
2008-2010	The Recharge Master Plan Update is a critical step to ensure long-term water quality and supply.
2011	Initiated Safe Yield Reset process.
2013-2014	Completed the 2013 Amendment to the 2010 Recharge Master Plan Update, which is the new foundation to cost-effectively recharge stormwater, imported water and recycled water with the goal of improving water quality, and ensuring water supply reliability throughout the Basin into the future.
2015	The Watermaster Board adopted Resolution No. 2015-06, endorsing the 2015 Safe Yield Reset Agreement, and directed Watermaster legal counsel to file the Agreement with the Court.

The City of Ontario provided comments to the draft staff report and identifies, "...the conclusion of the Safe Yield Reset by court order in April 2017." The City's comments to the draft staff report and LAFCO staff's response are included as a part of Appendix A.

## CUCAMONGA BASIN

Cucamonga Basin Snapshot (Basin 8-2.02)	
Adjudicated	<i>San Antonio Water Company v. Foothill Irrigation Company et al.</i>
Watermaster	No watermaster appointed by court. Operates with a management committee: Cucamonga Valley Water District, San Antonio Water Company, and West End Consolidated Water Company
Basin Priority, as identified by the State	Medium
Area	15 sq. miles
2010 population	51,001
Groundwater reliance	Significant
Water quality impacts	High nitrates reported in 14 of 24 wells tested
Other impacts	High number of public supply wells per population

### Basin Summary, taken in whole from:

“An Evaluation of California’s Adjudicated Groundwater Basins” prepared by the Center for Global, International and Regional Studies at the University of California, Santa Cruz for the State Water Resources Control Board. 2016.

The Cucamonga Basin is a small groundwater basin located in San Bernardino County. In the 1950s, approximately 25 parties, mostly small local water companies and several individual water users, filed an action to adjudicate the rights to the basin’s groundwater and certain surface waters tributary to the basin. The subsequent adjudication resulted in a 1958 Decree that contains some provisions for the metering and recording of water production, inspection of records, prohibitions against new water production, and potential reductions in water production. The court did not appoint an official Watermaster for the basin, and annual reports are not required.

Since adjudication, water use in the basin has shifted from primarily agricultural use to primarily municipal use. Today there are three main water producers—Cucamonga Valley Water District, San Antonio Water Company, and West End Consolidated Water Company<sup>12</sup>—that hold nearly all of the adjudicated rights in the basin and jointly manage the basin pursuant to the 1958 Decree. Studies differ regarding the condition of the basin. A 2007 Metropolitan Water District review indicates that water levels in key wells have decreased about 120 feet and that the basin is experiencing long-term decline. Basin managers point to production data that also shows water production in the basin can trend below the total allocated rights production data.

### Judgement

No groundwater banking, storage, or transfers occur within the Cucamonga Basin. Total storage space in the basin is unknown. Currently, the Chino Basin Watermaster provides

<sup>12</sup> West End Consolidated Water Company has two active shareholders: City of Upland (91.43%) and Golden State Water Company (8.56%). West End has water rights in three basins: Six Basins, Chino, and Cucamonga.

reporting to the state for the basin. The basin's legal boundary as stipulated in the Judgment is smaller than the geologic boundary of the basin. As defined in the Judgment, the eastern boundary of the basin is not based on geologic features, thus a portion of the geologically defined basin is within the legal boundary of the Chino Basin.

As part of the Judgment, San Antonio Water Company ("SAWC") is required to recharge a minimum of 2,000 AFY of imported water (mostly runoff) into the basin annually as calculated over a 10-year period. Over this period, 95 percent of any additional water spread may be added to SAWC's adjudicated right. It is the goal of the Cucamonga Valley Water District to finalize a management plan for the Cucamonga Basin and work with the SAWC to develop a conjunctive use and recharge program to minimize the impacts of overproduction in the Cucamonga Basin.

### **Water Rights**

The original water allocations pursuant to the 1958 adjudication were composed entirely of numerous private entities. Today there are three main water producers—Cucamonga Valley Water District, SAWC, and West End Consolidated Water Company—that hold nearly all of the adjudicated rights in the basin. The water rights of West End Consolidated Water Company and some of the water rights of SAWC are currently pumped by the City of Upland. The Decree allocates groundwater rights and the right to divert water from Cucamonga Creek, approximately 22,721 AFY.<sup>13</sup>

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<sup>13</sup> "An Evaluation of California's Adjudicated Groundwater Basins"

## RIVERSIDE-ARLINGTON BASIN

### Riverside-Arlington Basin Snapshot

(Basin 8-2.03)

Adjudicated	<i>Western Municipal Water District of Riverside County v. East San Bernardino County Water District et al.</i> (Western Judgment)
Watermaster	Western-San Bernardino Watermaster: Western Municipal Water District and San Bernardino Valley Municipal Water District
Basin Priority, as identified by the State	High
Area	92 sq. miles
2010 population	336,884
Groundwater reliance	Significant
Water quality impacts	Water quality degradation issues known in several public supply wells
Other impacts	High number of public wells per population

### Basin Summary, taken in part from:

“An Evaluation of California’s Adjudicated Groundwater Basins” prepared by the Center for Global, International and Regional Studies at the University of California, Santa Cruz for the State Water Resources Control Board. 2016.

The Western Judgment resolved how entities that diverted water above Riverside Narrows (Riverside and San Bernardino interests) would ensure that base flows required by the Orange County Judgment would be available for downstream interests. The Western Judgment, includes three areas—the Colton Basin Area (“CBA”), the Riverside Basin Area (“RBA”), and the San Bernardino Basin Area (“SBBA”)—which all have surface and groundwater interconnections that would affect minimum flow requirements at Riverside Narrows. The adjudication of the three areas was also to determine groundwater extraction rights of the responsible parties and provide for the replenishment of the basins above Riverside Narrows, as needed.

Groundwater rights for the downstream CBA and the RBA under this adjudication were determined based upon a review of pumping values up to 1969 that had never resulted in an overdraft condition. Pumping limits are based on the average index water levels in three wells. The two index wells that are located in Riverside Basin Area are experiencing dropping water levels. A Watermaster assigned by the court performs an annual accounting of water use and publishes annual reports that are available online. Riverside County is highly urbanized and is the fourth-most populous county in California and the tenth-most populous in the nation.

### Basin Technical Advisory Committee

The Upper Santa Ana River Watershed Integrated Regional Water Management Plan established the Basin Technical Advisory Committee, which issues a yearly management plan (subject to approval by Valley District and Western Municipal Water District) and



provides technical input. The Committee is composed primarily of retail agencies and the San Bernardino County Flood Control District.

### **Water Quality**

Major groundwater containments in the Riverside basin include plumes of total dissolved solids, nitrate, volatile organic compounds, perchlorate, and dibromochloropropane. Each of the plumes is currently in the process of being remediated<sup>14</sup>, and based upon the results of the San Bernardino Valley Regional UWMP has not resulted in a water supply shortage.

### **Recharge**

The Riverside-Arlington Subbasin is replenished by infiltration from Santa Ana River flow, underflow past the Rialto-Colton fault, intermittent underflow from the Chino Subbasin, return irrigation flow, and deep percolation of precipitation.

The City of Riverside, the San Bernardino Valley Municipal Water District and the Western Municipal Water District are presently developing the Riverside North Aquifer Storage and Recovery project that could recharge the basin area with both stormwater and imported water from the State Aqueduct. The project would install a rubber dam that will traverse the Santa Ana River just south of the 10-215 Freeway interchange. The new infrastructure is expected to provide an additional 6,000 acre-feet of water and will help recharge the area's water basin. The project is anticipated to be completed by 2019.

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<sup>14</sup> "An Evaluation of California's Adjudicated Groundwater Basins"

## RIALTO-COLTON BASIN

### Rialto-Colton Basin Snapshot

(Basin 8-2.04)

Groundwater extractions governed by:	1. Rialto Basin Decree (1961), and 2. <i>Western Municipal Water District of Riverside County v. East San Bernardino County Water District, et al.</i> (1969)
Basin Priority, as identified by the State	Medium
Area	47 sq. miles
2010 population	145,832
Groundwater reliance	Significant
Water quality impacts	Extensive perchlorate contamination in basin.
Other impacts	High number of public supply wells per population

### Basin Summary, taken in part from:

“An Evaluation of California’s Adjudicated Groundwater Basins” prepared by the Center for Global, International and Regional Studies at the University of California, Santa Cruz for the State Water Resources Control Board. 2016.

The Western Judgment resolved how entities that diverted water above Riverside Narrows (Riverside and San Bernardino interests) would ensure that base flows required by the Orange County Judgment would be available for downstream interests. The Western Judgment, includes three areas—the Colton Basin Area (“CBA”), the Riverside Basin Area (“RBA”), and the San Bernardino Basin Area (“SBBA”)—which all have surface and groundwater interconnections that would affect minimum flow requirements at Riverside Narrows. The adjudication of the three areas was also to determine groundwater extraction rights of the responsible parties and provide for the replenishment of the basins above Riverside Narrows, as needed.

Groundwater extractions for the CBA under the Western Judgment were determined based upon a review of pumping values up to 1969 that had never resulted in an overdraft condition. The basin had previously been adjudicated in 1961, resulting in the Rialto Decree, which generally established allowable extractions and a method for reducing pumping if water levels drop below specified levels.

### Water Quality

The Rialto-Colton Sub-basin contains a groundwater contaminant plume called the Rockets, Fireworks, and Flares Site<sup>15</sup>, which is an EPA superfund site. All active wells located in the Rialto and North Riverside basins are being treated for perchlorate (except Rialto Well 5). Rialto has adopted a “zero tolerance” policy for perchlorate, meaning that it will not serve water with any perchlorate even if the water meets all of the public health standards.

The cleanup is focused on pollution from the 160-acre B.F. Goodrich Superfund site where toxic chemicals, including perchlorate and trichloroethene (“TCE”), were disposed over many decades. The treatment system was constructed to intercept, contain, and treat the

<sup>15</sup> Former names used for the site are: B.F. Goodrich, GWK, and Rialto-Colton Plume. Source: EPA.

impacted groundwater in accordance with Regional Water Quality Control Board Orders RB-2003-0013 and RB-2004-0072. In September 2016 West Valley began using bio-remediation to remove perchlorate and restore water for potable use. The plant has capacity to provide water to 16,000 customers. The \$23 million dollar treatment plant was paid for largely with grant funding including:

- \$10 million from the State Water Resources Control Board Division of Drinking Water, Proposition 84 funds
- \$2.7 million from the Santa Ana Regional Water Quality Control Board Cleanup and Abatement Account Fund
- \$2.9 million from the US Department of Defense Environmental Security Technology Certification Program
- \$1 million from the Department of Water Resources in cooperation with the Santa Ana Watershed Project Authority
- \$4 million from West Valley
- \$3 million from the City of Rialto

Operational cost for the West bio-reactor is estimated to be \$900,000 annually. The cost to remediate the site is being funded by a number of partners including the U.S. Environmental Protection Agency and the Goodrich Corporation. A judicial consent decree required Goodrich, under the EPA's oversight, to fund clean-up facilities. Goodrich has agreed to pay \$700,000 or more annually for the operations and maintenance costs of the removal system for the project life. Construction of a second plant is underway, estimated to deliver water in 2019. The operational costs of the second plant will also be paid by Goodrich.<sup>16</sup> Both West Valley WD and the City of Rialto report in the San Bernardino Valley Regional UWMP that irrespective of the cleanup, they have adequate supply to meet demand.

## Dispute

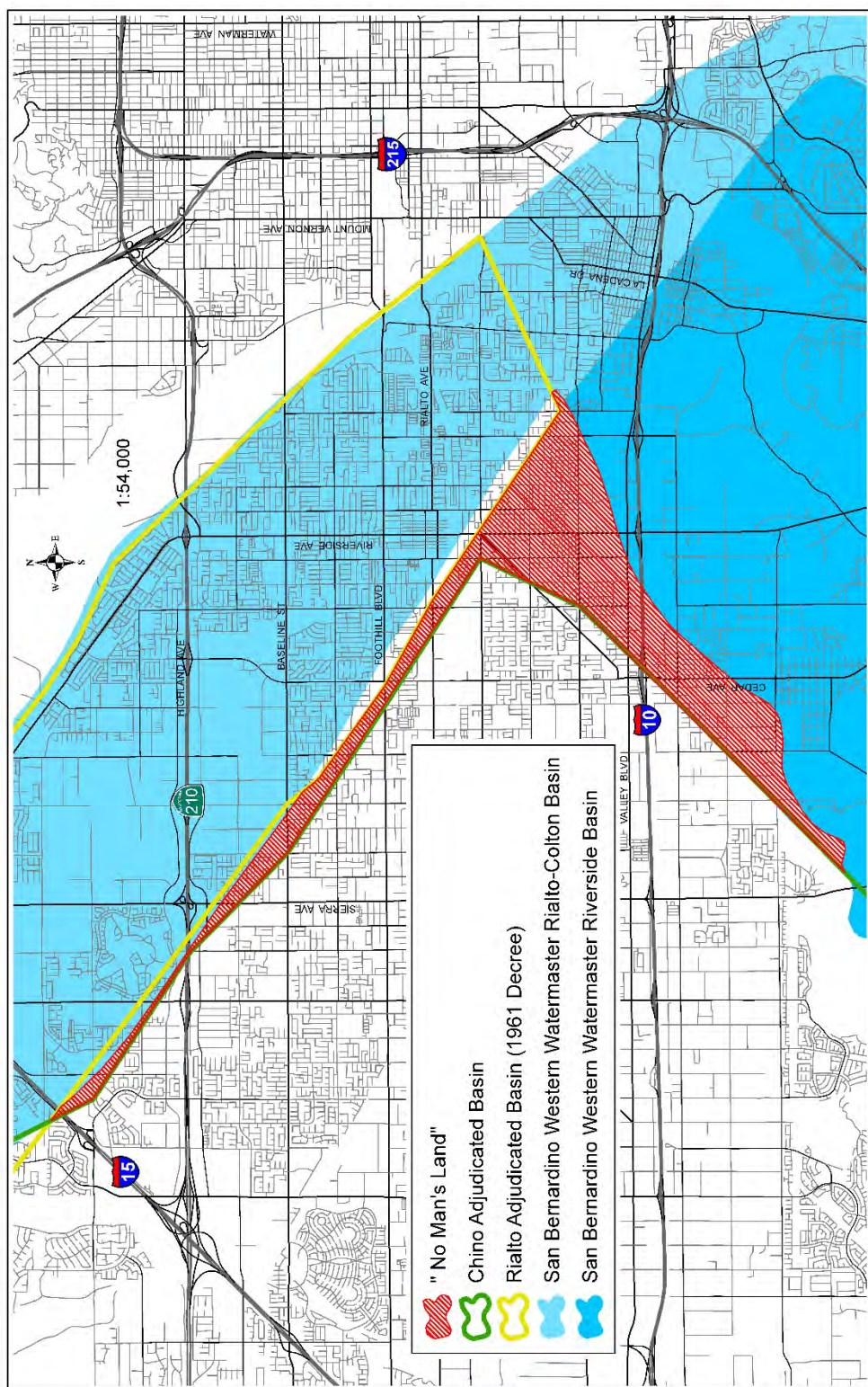
The validity and extent of the following water rights in the basin are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>17</sup> Whether the area referred to as "No Man's Land" is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending (see figure below). The No Man's Land area (red hatch) is between the Chino Adjudicated Basin (green line) and either of the following: Rialto Adjudicated Basin (yellow line), San Bernardino Western Watermaster Rialto-Colton Basin (light blue color), or San Bernardino Western Watermaster Riverside Basin (dark blue color). It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

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<sup>16</sup> Steinberg, Jim. "Settlement to help fund microbe treatment of perchlorate in Rialto-Colton groundwater." San Bernardino County Sun. 13 February 2017.

<sup>17</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.

**Figure B-6: Map of No Man's Land**



Source: Valley District

Retail System	Rialto-Colton Subbasin	Lytle Creek Subbasin	Rialto Basin	Area known as “No Man’s Land”
City of Colton	Dispute	Dispute	Dispute	Dispute
City of Rialto	Dispute	Dispute	Dispute	Dispute
Fontana Water Company <sup>19</sup>	Dispute	Dispute	No	Dispute
West Valley Water District	Dispute	Dispute	Dispute	Dispute

### Safe Yield and Projected Extractions

Safe yield for the Rialto-Colton Subbasin was not defined by the Western Judgment or the Rialto Basin decree. As identified on page 2-11 of the UWMP, the safe yield has been estimated based upon the change in groundwater storage and pumping amounts to be 13,623 AFY with 10,242 AFY for the San Bernardino County agencies.

Projected local supply extractions in the Rialto-Colton Subbasin are shown below.

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<sup>19</sup> Fontana Water Company is a public utility regulated by the California Public Utilities Commission. Fontana Water Company’s service area covers approximately 52 square miles with boundaries including the San Gabriel Mountains to the north and the Riverside County Line to the south. Fontana Water Company serves most of the City of Fontana and parts of Rancho Cucamonga, Ontario, and Rialto. Fontana Water Company serves a population of approximately 225,300 people with over 45,000 active service connections. Fontana Water Company diverts and produces water pursuant to its rights as Fontana Union Water Company’s agent.

Fontana Union Water Company (“Fontana Union”) is a mutual water company and does not directly deliver water to domestic customers. Fontana Union is owned by Cucamonga Valley Water District (58%), San Gabriel Valley Water Company (40%), City of Rialto (1%), and 13 others (total under ½%).



**Figure: B-7:  
Projected Local Supply Extractions in the Rialto-Colton Subbasin**

Water Agencies	2015	2020	2025	2030	2035
Colton, City of	4,515	4,375	4,511	4,778	5,154
Fontana Water Company	7,600	7,600	7,600	7,600	7,600
Rialto, City of	2,000	2,000	2,000	2,000	2,000
Riverside Public Utilities	2,700	2,700	2,700	2,700	2,700
West Valley	4,000	6,000	6,000	6,000	6,000
Reche Canyon Mutual Water Company <sup>2</sup>	72	72	72	72	72
<b>Total</b>	<b>20,887</b>	<b>22,747</b>	<b>22,883</b>	<b>23,150</b>	<b>23,526</b>
<b>Historical Average (1996-2005)</b>	<b>17,300</b>	<b>17,300</b>	<b>17,300</b>	<b>17,300</b>	<b>17,300</b>

<sup>1</sup> Extractions from the area referred to as "No Man's Land" are not included in the table. However, whether the area referred to as "No Man's Land" is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino entitled San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al., Case No. CVDS1311085.

<sup>2</sup> Projected extraction by Reche Canyon Mutual Water Company is assumed to equal the average extraction from 1996-2005.

Source: Upper Santa Ana River Watershed – Integrated Regional Water Management Plan (2015), p3-9

The Fontana Water Company provided comments to the draft staff report and has identified that its extractions are 2,520 for all years in relation to the chart above. The Company's comments to the draft staff report and LAFCO staff's response are included as a part of Appendix A.

### Additional Information

The principal recharge areas are Lytle Creek in the northwestern part of the sub-basin, Reche Canyon in the southeastern part, and the Santa Ana River in the south-central part. The Upper Santa Ana River Watershed Integrated Regional Water Management Plan established the Basin Technical Advisory Committee, which issues a yearly management plan (subject to approval by Valley District and Western Municipal Water District) and provides technical input. The Committee is composed primarily of retail agencies and the San Bernardino County Flood Control District.



## CAJON BASIN

### Cajon Basin Snapshot

(Basin 8-2.05)

Adjudicated	No
Basin Priority, as identified by the State	Very Low
Area	36 sq. miles
2010 population	520
Groundwater reliance	Low
Water quality impacts	None noted
Other impacts	None noted

### Additional Information

The Cajon Basin is anticipated to have very low population growth and has low irrigated acreage.

It is the only basin in the Valley that is not prioritized as high or medium.

## BUNKER HILL BASIN

Bunker Hill Basin Snapshot (Basin 8-2.06)	
Adjudicated	<i>Western Municipal Water District of Riverside County v. East San Bernardino County Water District et al.</i> (Western Judgment)
Watermaster	Western-San Bernardino Watermaster (San Bernardino Basin Area – SBBA) Western Municipal Water District and San Bernardino Valley Municipal Water District
Basin Priority, as identified by the State	High
Area	127 sq. miles
2010 population	363,394
Groundwater reliance	Significant
Water quality impacts	PCE and TCE from the Newmark Superfund site and perchlorate from the Crafton-Redlands plume
Other impacts	High number of public supply wells per population

In the 1960s, the 20-year drought led to lawsuits between water users in the upper and lower watersheds regarding allocations of both surface water and groundwater. The lawsuits culminated in 1969 in the Orange County and Western Judgments. Under the terms of the judgments, Valley District became responsible for providing a portion of the specified Santa Ana River base flow to Orange County and for replenishing the San Bernardino Basin Area under certain conditions. If the conditions of either judgment are not met by the natural water supply, including new conservation, Valley District is required to deliver supplemental water to offset the deficiency. The judgments resolved the major water rights issues that had prevented the development of long-term, region-wide water supply plans and established specific objectives for the management of the groundwater basins.<sup>20</sup> Two Watermasters are given the responsibility for ensuring compliance with the Judgments.

The Bunker Hill Basin and Lytle Creek Basin make up the overall San Bernardino Basin Area (“SBBA”). The Upper Santa Ana River Watershed Integrated Regional Water Management Plan established the Basin Technical Advisory Committee, which issues a yearly management plan (subject to approval by Valley District and Western Municipal Water District) and provides technical input. The Committee is composed primarily of retail agencies and the San Bernardino County Flood Control District.

### Basin Summary, taken in part from:

“An Evaluation of California’s Adjudicated Groundwater Basins” prepared by the Center for Global, International and Regional Studies at the University of California, Santa Cruz for the State Water Resources Control Board. 2016.

The Western Judgment resolved how entities that diverted water above Riverside Narrows (Riverside and San Bernardino interests) would ensure that base flows required by the Orange County Judgment would be available for downstream interests. The Western Judgment, includes three areas—the Colton Basin Area (“CBA”), the Riverside Basin Area (“RBA”), and the San Bernardino Basin Area (“SBBA”)—which all have surface and

<sup>20</sup> Integrated Regional Water Management Plan, Upper Santa Ana River Watershed, 2015, pg. 2-7.

groundwater interconnections that would affect minimum flow requirements at Riverside Narrows. The adjudication of the three areas was also to determine groundwater extraction rights of the responsible parties and provide for the replenishment of the basins above Riverside Narrows, as needed.

The SBBA is the largest of the three basin areas and includes the Lytle Creek Basin and the Bunker Hill Basin. Specific rights in the Lytle Creek Basin were determined by the 1897 McKinley Decree and the 1924 Lytle Creek Judgment, which are still in force and constitute the governing documents for Lytle Creek and Lytle Basin. Groundwater rights for the SBBA under this adjudication were based on the calculated safe yield for the SBBA. The extended drought since 1998 has affected storage levels in the SBBA, which were at the lowest point in recorded history. However, basin management states that the SBBA basin could refill in a relatively short time based on past experience. Imported water is envisioned as a primary source of outside water to replenish the judgment area.

### **Water Quality**

The groundwater basins in the Western Judgment are mostly replenished by mountain runoff, so the water quality is very good. The Newmark Groundwater Contamination site underlies approximately eight square miles of land and covers part of an essential groundwater aquifer for the City of San Bernardino, and the advancing plumes affected more than 25% of the municipal water supply. However, in 2013, the U.S. Environmental Protection Agency (“EPA”) concluded that the cleanup at the Newmark Site is controlled.<sup>21</sup>

Other contaminant plumes in the Bunker Hill Basin include the Crafton-Redlands plume, Norton Air Force Base plume and the Santa Fe plume. The Crafton-Redlands plume impacted water supply wells for the cities of Riverside, Redlands and Loma Linda. The Lockheed Martin Corporation prepared contingency plans to address impacts of the plume on water supply wells which include blending, treatment and/or providing alternative water supply sources. The Norton Air Force plume impaired 10 wells owned by the City of Riverside and the City of San Bernardino. Cleanup efforts by the Air Force, consisting of soil removal, soil gas extraction, and groundwater treatment, have essentially removed this plume. The Santa Fe groundwater plume is currently being monitored.<sup>22</sup> According to the San Bernardino Valley Regional UWMP, local supply remains adequate to meet demand.

### **Drought**

Recharge to the Bunker Hill Sub-basin historically has resulted from infiltration of runoff from the San Gabriel and San Bernardino Mountains. The Santa Ana River, Mill Creek, and Lytle Creek contribute about half of the total recharge to the SBBA. The sub-basin is also replenished by deep percolation from precipitation and resulting runoff, percolation from delivered water, and water spread in streambeds and spreading grounds.

According to Valley District, in 2015 groundwater storage in the SBBA was 650,000 acre-feet lower than it was in the base year, 1934. This new, historic low storage level is about 78,000 AF lower than the previous, historic low storage level recorded in 1965. A review of Valley District’s documents identifies planned projects for water conservation, stormwater capture, conjunctive use, and recycled water projects.<sup>25</sup>

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<sup>21</sup> “An Evaluation of California’s Adjudicated Groundwater Basins”

<sup>22</sup> Upper Santa Ana River Watershed – Integrated Regional Water Management Plan (2015)

<sup>25</sup> LAFCO. Service Review for Water Conservation in the Valley Region. 2015. p 54.

### Lytle Creek Basin – a part of the San Bernardino Basin Area (SBBA)

The 1897 McKinley Decree and the 1924 Lytle Creek Judgment, which are still in effect, determined specific rights in the Lytle Creek Basin – making Lytle Creek the first adjudicated basin in the state. While safe yield was not defined in the adjudication, Lytle Creek Water Conservation Association meets every two months to monitor groundwater levels. Annual reports were not required by the judgment. The Lytle Creek sub-basin is not listed as an official groundwater basin in the DWR Bulletin 118. The Lytle Creek sub-basin is part of the San Bernardino Basin Area, an adjudicated management area created in the 1969 Western Judgment adjudication.<sup>26</sup>

The area is in between the two water conservation districts in the Valley (Chino Basin and San Bernardino), and conservation efforts are covered by the Lytle Creek Water Conservation Association.

The validity and extent of the following water rights in the basin are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>27</sup> It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

Retail System	Rialto-Colton Subbasin	Lytle Creek Subbasin	Rialto Basin	Area known as “No Man’s Land”
City of Colton	Dispute	Dispute	Dispute	Dispute
City of Rialto	Dispute	Dispute	Dispute	Dispute
Fontana Water Company	Dispute	Dispute	No	Dispute
West Valley Water District	Dispute	Dispute	Dispute	Dispute

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<sup>26</sup> An Evaluation of California’s Adjudicated Groundwater Basins”

<sup>27</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.

## YUCAIPA BASIN

Yucaipa Basin Snapshot		(Basin 8-2.07)
Adjudicated	No	
Basin Priority, as identified by the State	Medium	
Area	40 sq. miles	
2010 population	65,180	
Groundwater reliance	Moderate	
Water quality impacts	Overdraft. Documented impacts of nitrates and sulfates	
Other impacts	High number of public supply wells per population	

### Additional Information

The following is an excerpt from *Service Review for Water Conservation in the Valley Region*. LAFCO, 2015.

The Yucaipa Sub-basin underlies the southeast part of San Bernardino Valley and comprises 39 square miles. It is bounded on the north by the San Andreas fault, on the west by the Redlands fault and the Crafton Hills, on the south by the Banning fault, and on the east by the Yucaipa Hills. The average annual precipitation ranges from 12 to 28 inches. This part of the San Bernardino Valley is drained by Oak Glen, Wilson, and Yucaipa Creeks south and west into San Timoteo Wash, a tributary to the Santa Ana River. Dominant recharge to the sub-basin is from percolation of precipitation and infiltration within the channels of overlying streams, particularly Yucaipa and Oak Glen Creeks.

Dominant recharge to the sub-basin is from percolation of precipitation and infiltration within the channels of overlying streams, particularly Yucaipa and Oak Glen Creeks, underflow from the fractures within the surrounding bedrock beneath the sub-basin, and artificial recharge at spreading grounds. Four artificial recharge facilities were noted in 1967 by the Department of Water Resources with a total capacity of about 56,500 af/yr. By increasing the spreading acreage along Oak Glen Creek by 25-50 acres, the capability exists to spread 7,000 to 14,000 af of surface water annually to recharge the Yucaipa Sub-basin.

The safe yield of the subbasin is estimated to be roughly 9,000 AFY.<sup>28</sup> The figure below lists the projected demands on the Yucaipa sub-basin.

**Figure: B-8: Yucaipa Projected Demands**

Water Agencies	2015	2020	2025	2030	2035
Redlands, City of – Municipal Utilities and Engineering Department	256	248	265	281	281
South Mesa Water Company	1,720	1,720	1,927	1,672	1,816
YVWD	5,829	5,829	5,829	5,829	5,829
<b>TOTAL</b>	<b>7,805</b>	<b>7,797</b>	<b>8,021</b>	<b>7,782</b>	<b>7,926</b>

Source: Upper Santa Ana River Watershed – Integrated Regional Water Management Plan (2015) p 3-10

<sup>28</sup> Geoscience, “Determination of the Useable Capacity and Safe Yield for Each Sub-basin within the Yucaipa Basin Area”, Prepared for San Bernardino Valley Municipal Water District, 17 April 2014.

## SAN TIMOTEO BASIN

### San Timoteo Basin Snapshot

(Basin 8-2.08)

Adjudicated	No
Basin Priority, as identified by the State	Medium
Area	115 sq. miles
2010 population	54,169
Groundwater reliance	Moderate
Water quality impacts	Locally high nitrates and salinity. Groundwater Ambient Monitoring and Assessment Program reported upper basin water quality issues
Other impacts	Parts of the subbasin are adjudicated

### Additional Information

The following is an excerpt from *Service Review for Water Conservation in the Valley Region*. LAFCO, 2015.

The San Timoteo Sub-basin underlies Cherry Valley and the City of Beaumont in southwestern San Bernardino and northwestern Riverside Counties and comprises 115 square miles. The sub-basin is bounded to the north and northeast by the Banning fault and impermeable rocks of the San Bernardino Mountains, Crafton Hills, and Yucaipa Hills, on the south by the San Jacinto fault, on the west by the San Jacinto Mountains, and on the east by a topographic drainage divide with the Colorado River Hydrologic Region. The surface is drained by Little San Gorgonio Creek and San Timoteo Canyon to the Santa Ana River.

Groundwater is replenished by subsurface inflow and percolation of precipitation, runoff, and imported water. Runoff and imported water are delivered to streambeds and spreading grounds for percolation.



## **Sustainable Groundwater Management Act of 2014**

The Sustainable Groundwater Management Act of 2014 enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state. The Act provides tools and authority for local agencies to achieve prescribed sustainability goals over a 20-year period. The first step to implement the Act is for local agencies to form local groundwater sustainability agencies (“GSAs”) by June 30, 2017. The second step is adoption of groundwater sustainability plans (“GSPs”) by January 31, 2020 for basins determined by the Department of Water Resources to be in critical overdraft, and by January 31, 2022 for those not in critical overdraft. Once the GSPs are in place, local agencies have 20 years to fully implement their plans and achieve their sustainability goals. There are two exceptions to this requirement:

- Adjudicated basins are exempt from creating a GSA and a GSP, but still requires reporting to the state. In this case, the court-appointed watermaster can fulfill the reporting requirement to the state.
- Local agencies may submit an alternative plan to a GSP for a basin to the state by January 1, 2017, which must be approved by the state and then updated by the local agencies every five years.

### Fringe Areas

Conversely, there are areas outside the boundary of a public water provider that are prioritized as high or medium priority basins. In these fringe areas, there is no readily-identifiable agency that can assume the GSA role as the adjudicated boundary or agency boundary does not match that of the basin. The law defaults the GSA responsibility to the County.

On January 10, 2017 and March 7, 2017 the County adopted resolutions that it will not be the GSA for the following groundwater basins/sub-basins that are wholly or partially in the Valley Region along with an explanation on the status of basin within the County:

*Countywide Service Review for Water  
Appendix B – Valley Region*

Region	Basin #	Basin-Sub-basin	Priority	GSA Exempt?	Status within County
<b>Basins Subject of Prior Board Actions</b>					
ND, SD	6-40	Lower Mojave River Valley	Medium	Adjudicated with Alternative Plan for fringe	Board opted out on 1/10/17 (Item No. 21)
M, ND	6-42	Upper Mojave River Valley	High	Adjudicated with Alternative Plan for fringe	Board opted out on 1/10/17 (Item No. 21)
ND	6-43	El Mirage Valley	Medium	Adjudicated with Alternative Plan for fringe	Board opted out on 1/10/17 (Item No. 21)
ND	6-44	Antelope Valley	High	Adjudicated with Alternative Plan for fringe	Board opted out on 1/10/17 (Item No. 21)
ND	6-54	Indian Wells Valley	Medium and Critically Overdrafted	No	Board approved five- party Joint Powers Authority to be GSA on 7/12/16 (Item No. 24)
SD	7-12	Warren Valley	Medium	Adjudicated with Alternative Plan for fringe	Board opted out on 1/10/17 (Item No. 21)
<b>Basins Subject of March 2017 Action</b>					
V	4-13	San Gabriel Valley	High	Adjudicated with unmanaged fringe areas	No wells on 194 private acres
M, SD	7-21.02	Mission Creek	Medium	No	Primarily Federal jurisdiction/no wells on 591 private acres
V, M	7-21.04	San Geronio Pass	Medium	No	No wells on four private acres
V	8-1	Coastal Plain Of Orange County	Medium	No	Primarily Chino Hills State Park/No wells on 19 private acres
V	8-2.02	Cucamonga	Medium	Adjudicated with unmanaged fringe areas	Adjudication parties are working to comply
V	8-2.03	Riverside-Arlington	High	Adjudicated with unmanaged fringe areas	San Bernardino Valley Municipal Water District (SBVMWD) will manage fringe area as if it was a part of the adjudication
V	8-2.04	Rialto-Colton	Medium	Adjudicated with unmanaged fringe areas	SBVMWD will manage fringe area as if it was a part of the adjudication
V, M	8-2.06	Bunker Hill	High	Adjudicated with unmanaged fringe areas	SBVMWD will manage fringe area as if it was a part of the adjudication
V	8-2.07	Yucaipa	Medium	No	Local agencies moving to be GSA
V	8-2.08	San Timoteo	Medium	No	Local agencies moving to be GSA
M	8-9	Bear Valley	Medium	No	Local agencies moving to be GSA
<b>Basin Under Continuing Review</b>					
V	8-2.01	Chino	High	Adjudicated with unmanaged fringe areas	SB Watermaster requested County by GSA proxy
source: SB County Board Agenda Item 20, 7 March 2017					
LAFCO staff has inserted the region column.					
V = Valley      M = Mountain      ND = North Desert      S = South Desert					

### *Chino Sub-basin*

The vast majority of the Chino Basin is managed under an adjudication that was established in 1978 through a judgment. However, Chino Basin has fringe areas that lie outside of the adjudicated area but within the official basin boundary established by DWR. Within San Bernardino County, these fringe areas are in Chino Hills and north of Rancho Cucamonga.

The Watermaster is not an eligible local agency under SGMA to serve as a GSA. As such, the Watermaster requested that the County, an eligible local agency, consider serving as the GSA for the fringe areas within the county. Under the Agreement, the Watermaster will complete the work necessary to manage the fringe areas under SGMA, reimburse the County for its costs, and indemnify the County against any challenges of the Watermaster's work. As the governing body for the recommended GSA, the County will hold public hearings to adopt a resolution to notify DWR that the County will serve as the GSA for the fringe areas and to adopt a GSP. On May 23, 2017, the County approved the Agreement to serve as the GSA.<sup>29</sup> On June 27, 2017, the County adopted a resolution to be the Chino Basin San Bernardino County Fringe Areas GSA.<sup>30</sup>

#### *Yucaipa Sub-basin*

As identified above, the Yucaipa Sub-basin is not adjudicated and is classified as either a high or medium priority basin. Therefore, it is subject to the formation of a GSA. Overlying agencies of the sub-basin are moving towards forming a GSA. As of May 2017, the proposed memorandum of agreement includes:

- Water Retailers: South Mesa Water Company, South Mountain Water Company, Western Heights Water Company, and Yucaipa Valley Water District.
- Cities whose boundaries cover portions of the basin: Calimesa, Redlands, and Yucaipa.
- Regionals: Valley District and San Geronimo Pass Water Agency.

The draft MOA identifies that the four water purveyors will be responsible for 75% of the costs of administering the GSA. The remaining 25% of the administration costs will be split equally among the 5 remaining parties: the three cities and two regionals.<sup>31</sup>

In support of the new GSA's efforts, on May 23, 2017 the County approved and authorized the submission of a letter of support for this cooperative effort.<sup>32</sup>

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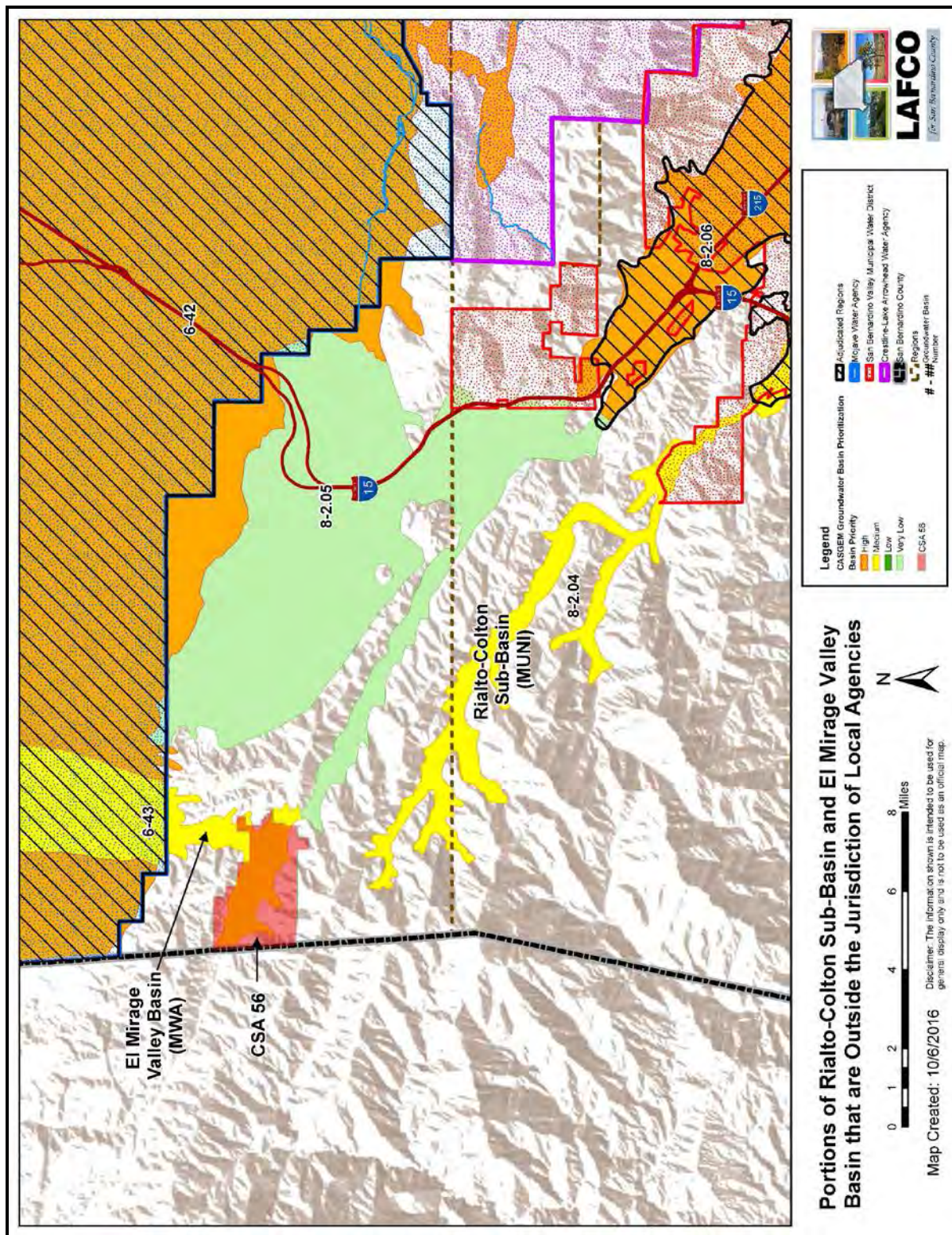
<sup>29</sup> County Board Agenda Item 56. May 23, 2017.

<sup>30</sup> County Board Agenda Item 98. June 27, 2017.

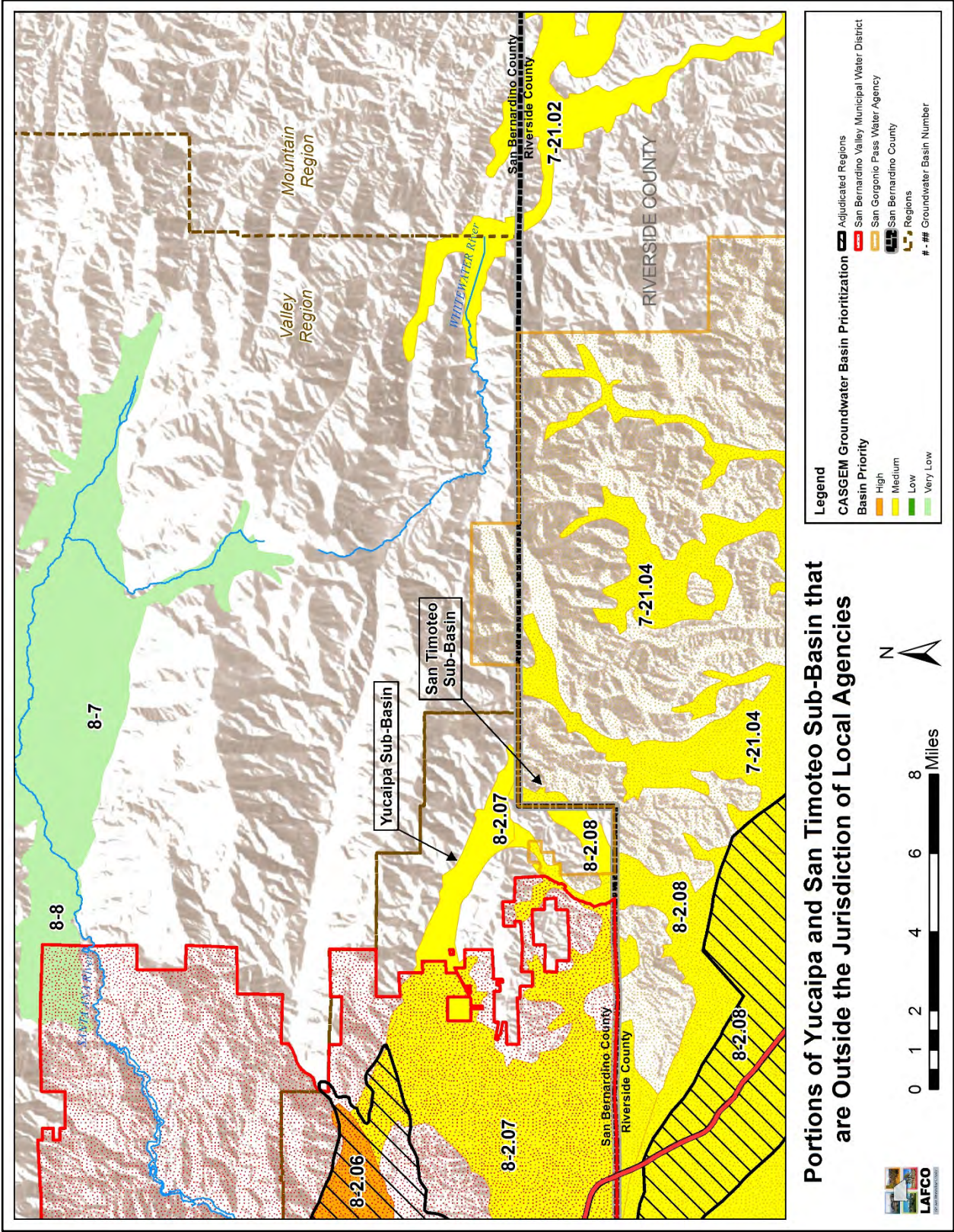
<sup>31</sup> Valley District. Board of Directors Workshop. 9 May 2017. Item 4D.

<sup>32</sup> County Board Agenda Item 55. May 23, 2017.

**Figure B-9:**  
**Priority Basins outside an Agency in the Valley Region**







#### **D. INLAND EMPIRE UTILITIES AGENCY WHOLESALE AREA**

The Inland Empire Utilities Agency (“IEUA”) was originally formed as the Chino Basin Municipal Water District on June 6, 1950 to supply supplemental imported water purchased from the Metropolitan Water District of Southern California (“Metropolitan”) to municipalities in the Chino Groundwater Basin. Its official name is “Inland Empire Utilities Agency, a municipal water district”.

IEUA provides wholesale imported water to seven retail agencies including: the Cities of Chino, Chino Hills, Ontario, Upland, the Cucamonga Valley Water District (Rancho Cucamonga), the Fontana Water Company (IEUA portion - Fontana), and the Monte Vista Water District (Montclair, portion of City of Chino and its sphere). In total, IEUA serves approximately 856,000 people over 239 square miles in western San Bernardino County. Additionally, the Monte Vista Water District provides wholesale water to the City of Chino Hills. More information on this arrangement is outlined in Appendix B-2.

One-third of the water distributed by IEUA’s member agencies is imported water from Metropolitan. Recognizing the limitation on imported water supplies caused by drought conditions and environmental restrictions, a key business goal for IEUA is to “drought proof” the region by developing local supplies and maximizing groundwater recharge. IEUA and its member agencies have been able to increase the local supply of water by 33 percent through the construction of recycling plants and piping, new catch basins, and desalting plants. IEUA operates five regional water recycling plants and produces three key “environmentally sustainable” products: recycled water, renewable energy, and high-quality biosolids compost. Protecting the region’s vital groundwater supplies is a core element of the IEUA’s “drought proof” business goal. The more water recharged into the Chino Groundwater Basin, the more self-reliant and less dependent the region becomes on imported water supplies. It does this through 19 groundwater recharge basins.

As identified IEUA’s 2014-19 Strategic Plan, three major recharge objectives stand out. As a part of this service review, IEUA has provided updates (shown in italics):

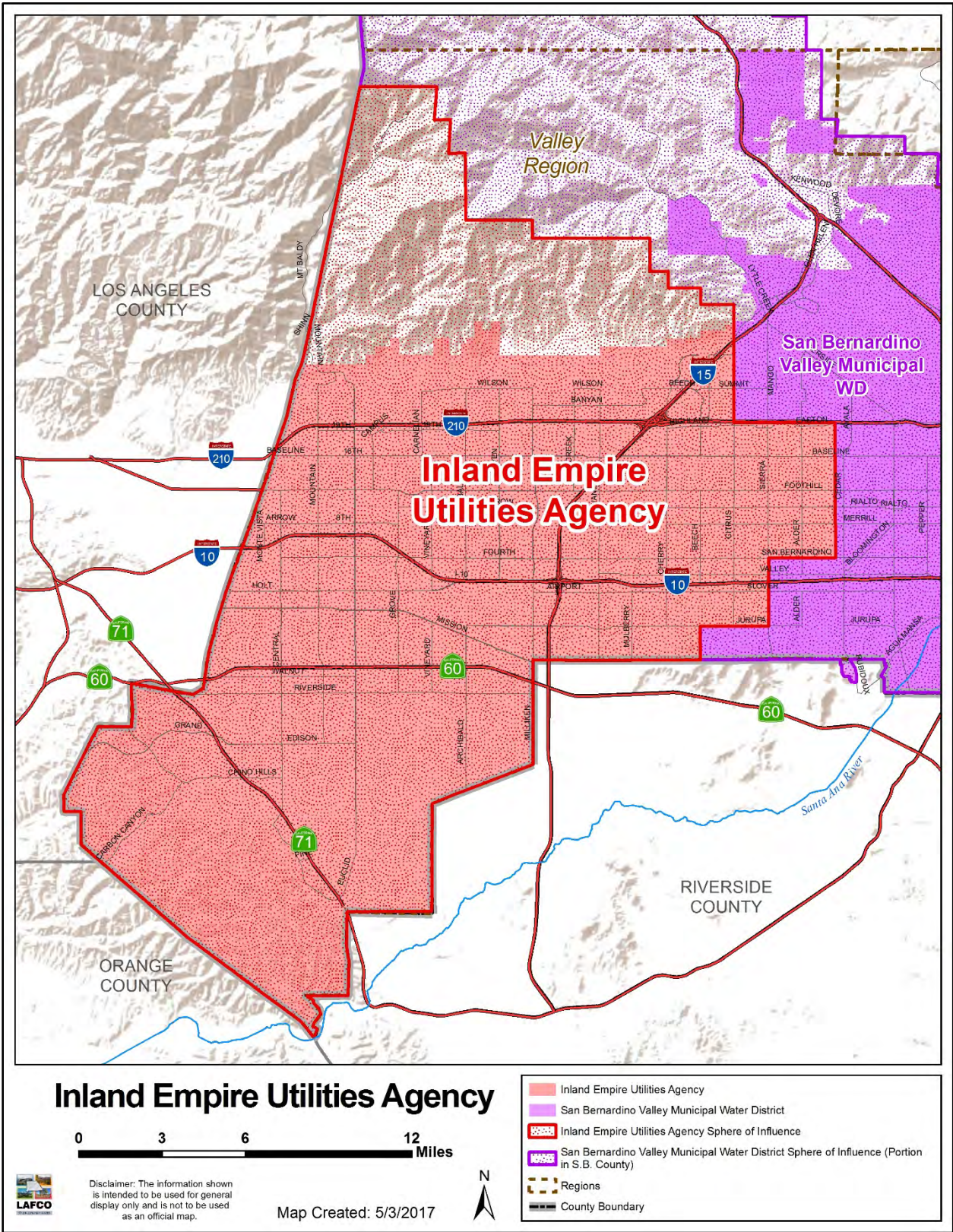
- Identify and protect the best recharge land sites in the service region by June 2016. *This is an ongoing effort for the Agency and is always considered when opportunities arise. Evaluations were completed previously for sites near Declez Basin.*
- Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016. *This is an ongoing effort for the Agency. As regulatory requirements change, IEUA optimizes its treatment facilities or explores projects to improve recharge.*
- Coordinate with the Chino Basin Watermaster on the Recharge Master Plan Update by July 2019. *This is an active project, and is being implemented.*



**Areas outside of IEUA Boundary but within its Sphere**

The IEUA sphere of influence includes a 52.7 square mile area generally located north of the current IEUA boundary and east of the Los Angeles County boundary. The area is part of the headwaters that serves the Chino Basin. Characterized by rugged, mountainous topography, the area has very limited development potential, and no need for an extension of municipal services is anticipated for the foreseeable future. These areas are shown on Figure B-9 below.

**Figure B-10:**  
**Inland Empire Utilities Agency Sphere of Influence**



## Supply

The “Supply” and “Demand” sections of this report, below, partially include summary information from the IEUA 2015 Urban Water Management Plan.

IEUA and its member agencies have four primary sources of water supply: (1) groundwater from the Chino Basin and other basins (Cucamonga, Rialto, Lytle Creek, Colton, and the Six Basins groundwater basins); (2) local surface water; (3) recycled water; and, (4) imported water, primarily from the SWP. Table B-3 provides the current and projected baseline regional water supply from each water source. A description of each for the four primary water supply sources follows the table below.

**Table B-3:  
Current and Projected Regional Water Supply Sources (AFY)**

Water Supply Forecast (AFY)						
Supply Type	2015	2020	2025	2030	2035	2040
Imported Water	65,000	69,752	69,752	69,752	69,752	69,752
Chino Basin Groundwater	90,538	97,666	97,666	97,666	97,666	97,666
Other Groundwater	22,098	22,098	22,098	22,098	22,098	22,098
Surface Water	11,651	11,651	11,651	11,651	11,651	11,651
Recycled Water	16,050	16,050	16,050	16,050	16,050	16,050
Groundwater Replenishment Recycled Water	14,500	16,900	18,700	18,700	18,700	18,700
Chino Basin Desalter	15,000	17,733	17,733	17,733	17,733	17,733
Water Use Efficiency (“WUE”)	1,975	9,788	11,984	17,257	22,570	27,802
<b>Total</b>	<b>236,812</b>	<b>270,524</b>	<b>278,541</b>	<b>283,814</b>	<b>289,127</b>	<b>294,359</b>
NOTES: From IEUA IRP’s baseline supply forecast to 2040 (Appendix E) excluding recycled water for agriculture. Chino Basin Groundwater includes stormwater recharge beginning in 2020. 2015 and 2020 annual WUE from IEUA 2015 WUE Business Plan. 2025-2040 WUE projections based on 10 percent demand reduction by 2040 as per IRP Phase I Goal.						

Source: IEUA Urban Water Management Plan (2015)

- Groundwater

Groundwater from Chino Basin, one of the largest groundwater basins in Southern California, accounts for approximately 40 percent of the total water used in the area served by IEUA. According to IEUA’s 2015 Urban Water Management Plan, the Basin contains approximately 5 million acre feet (“MAF”) of water with an unused storage capacity of approximately 1 MAF for a total potential of 6 MAF.

Approximately five percent of the Chino Basin is located in Los Angeles County, 15 percent in Riverside County, and 80 percent in San Bernardino County. Chino Basin is managed by the parties to the Chino Basin Judgement under the oversight of the Chino Basin Watermaster. IEUA does not provide groundwater directly to its retail agencies.

- Local Surface Water

In the IEUA region, surface water runoff originates from rain and snow in the San Gabriel Mountains and moves down through the Santa Ana watershed. In



undeveloped areas, the soil absorbs much of the runoff and helps retain the water within the groundwater basin. In developed areas, storm water runs off roofs, through streets, and into regional storm drains where these flows are diverted into the region's six major flood control channels: San Sevaine Creek, Day Creek, Cucamonga Creek, West Cucamonga Creek and San Antonio Creek. Located adjacent to the channels are detention basins that maximize the amount of stormwater that can be captured and recharged into the Chino Groundwater Basin. Production from surface supplies varies dramatically depending on climate conditions. However, when available, local surface water is an extremely valuable resource as it is essentially "free," with the only cost to retail agencies being the operation of necessary facilities to capture, treat and distribute this water.

- Imported Water<sup>33</sup>

Metropolitan imports water from the SWP as well as Colorado River. IEUA only receives and allocates SWP water from Metropolitan. IEUA represents 4.1% of Metropolitan's base firm demand (as defined in §4122 of Metropolitan Water District Administrative Code). Hydrology and environmental regulations are major factors that play into the reliability of imported water supplies from Metropolitan. This results in a high variability in the annual amount of water available to the Southern California region. In FY 2013-14, SWP was only able to supply five percent of its contract allocation in the midst of the current drought. The table below projects IEUA imported water through 2040.

**Table B-4:  
IEUA Imported Water Supplies**

Wholesale Imported Water Supplies – Projected (AF)						
Water Supply	2015	2020	2025	2030	2035	2040
	Reasonably Available Volume	Reasonably Available Volume	Reasonably Available Volume	Reasonably Available Volume	Reasonably Available Volume	Reasonably Available Volume
Purchased/Imported Water	58,906	69,752	69,752	69,752	69,752	69,752
<b>Total</b>	<b>58,906</b>	<b>69,752</b>	<b>69,752</b>	<b>69,752</b>	<b>69,752</b>	<b>69,752</b>
NOTES: 2015 imported water volume from Actual FY 2014-15 IEUA Water Use Report/Database.						

Source: IEUA Urban Water Management Plan (2015)

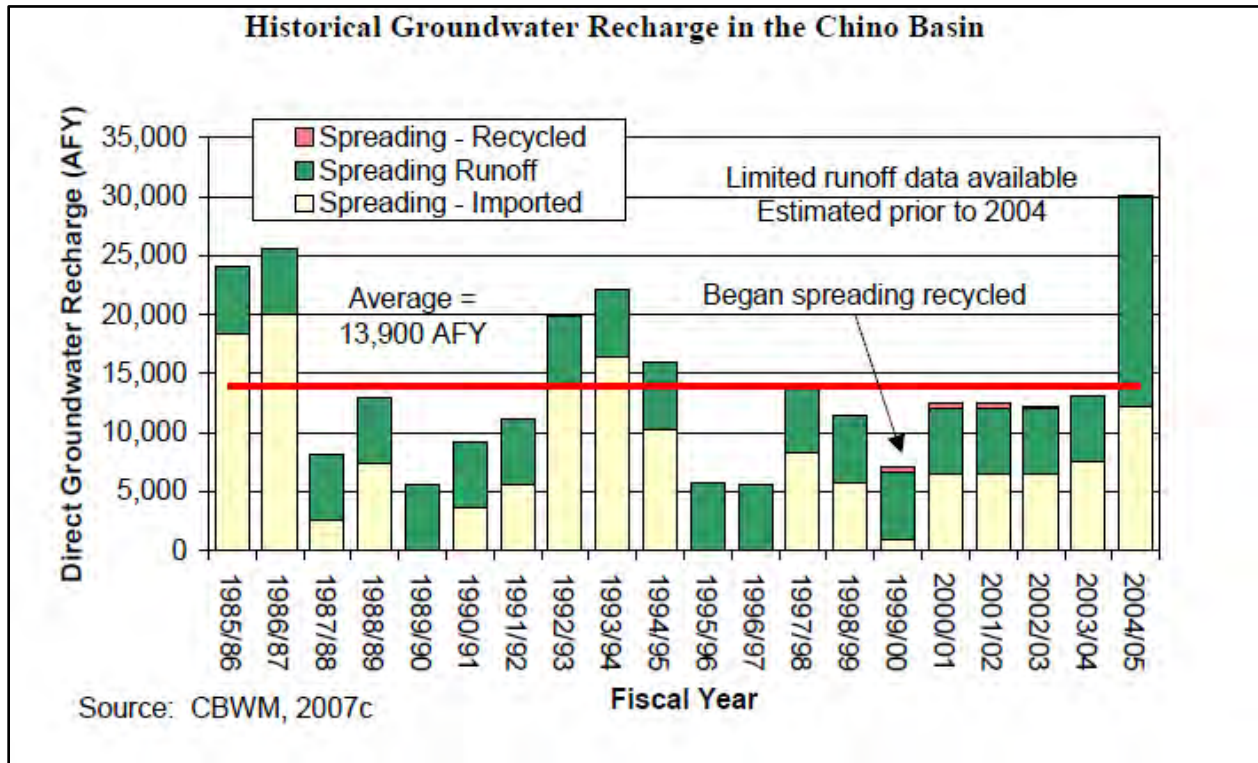
### Spreading in the Chino Basin

Imported water, recycled water and runoff (to include surface water) are currently spread in the Chino Basin. As shown in the figure below, an average of about 13,900 AFY has

<sup>33</sup> The mission of IEUA was originally to distribute water imported from the Colorado River. Soon thereafter, that role expanded to include the distribution of water imported to Southern California through the State Water Project. In April 1984, due to high concentrations of total dissolved solids (TDS), otherwise known as high salt concentration, IEUA significantly reduced the importation of the Colorado River water. The final delivery from the Colorado River was received in April 1994. (IEUA 2015 audit).

been spread between fiscal years 1985-86 and 2004-05.<sup>34</sup> About 7,700 AFY has been recharged with imported water from Metropolitan during this time. Runoff recharge was not measured prior to 2004; however, the Watermaster estimates that the historical runoff spread was approximately 5,600 AFY. In fiscal year 1999-00, recycled water began to be recharged in the Ely Basins and, an average of about 300 AFY of recycled water has been recharged in the Chino Basin through 2004-05.<sup>35</sup>

**Figure B-11:**  
**Historical Groundwater Recharge in the Chino Basin (through 2004-05)**



Source: IEUA Recharge Master Plan

Expanding from the above data, on average 26,619 AFY has been spread from FY 2005-06 through FY 2014-15. Below LAFCO staff has created a figure to illustrate the amount of groundwater recharge from all three sources. As shown, storm water recharge has declined significantly since FY 2010-11 (due to the drought), being less than the storm water recharge average during this timeframe. What was first considered a recharge source to reduce reliance on imported water from Metropolitan Water District, due to the current drought, recycled water has now become a necessity for the basin.

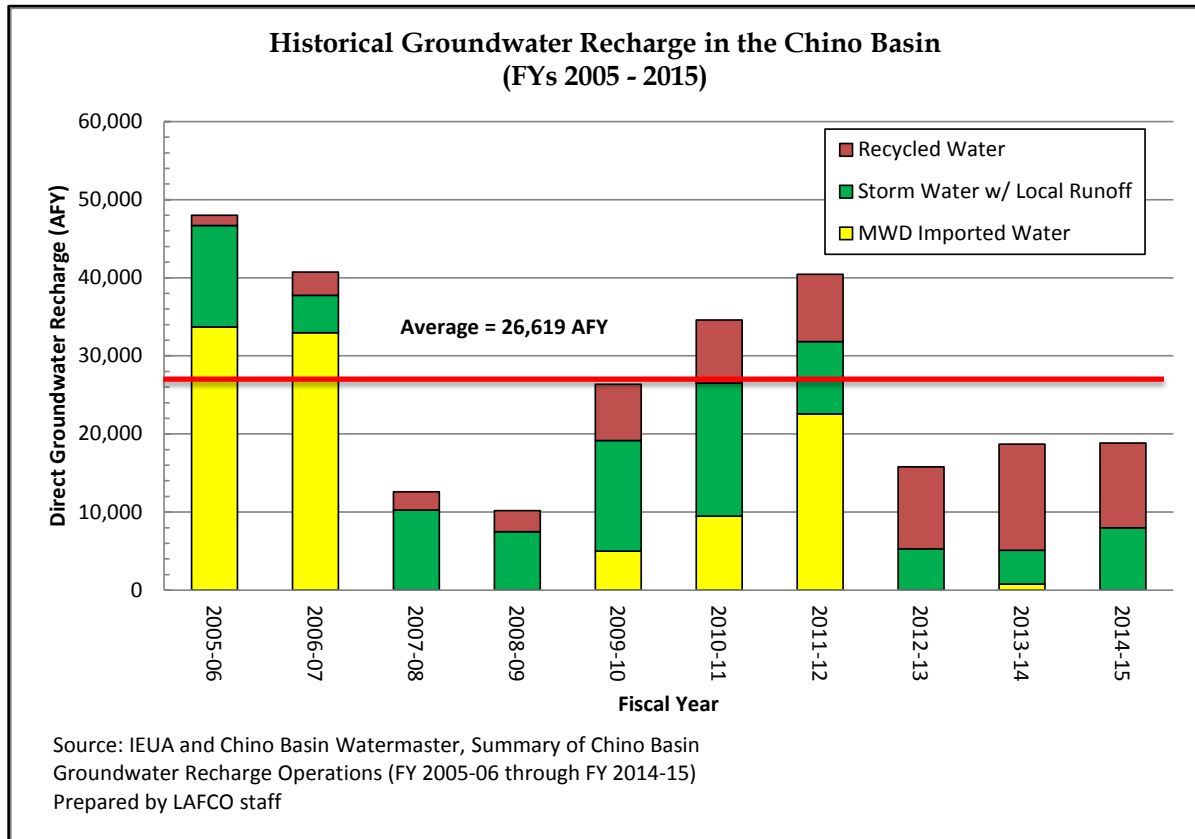
The Monte Vista Water District provided comments to the draft staff report and states that, "This data does not reflect long-term hydrology; however, it does illustrate the

<sup>34</sup> Chino Basin Watermaster, 2007. Recharge data provided 3/28/07. As cited in Metropolitan Water District.

<sup>35</sup> Metropolitan Water District.

importance of recycled water to maintain groundwater basin recharge during times of drought.” The district’s comments to the draft staff report and LAFCO staff’s response are included as a part of Appendix A.

**Figure B-12:**  
**Historical Groundwater Recharge in the Chino Basin (through 2013-14)**



SUMMARY OF CHINO BASIN GROUNDWATER RECHARGE OPERATIONS										
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Recycled Water	1,304	2,989	2,340	2,684	7,210	8,065	8,634	10,479	13,593	10,840
Storm Water w/ Local Runoff	12,999	4,770	10,243	7,498	14,141	17,051	9,266	5,298	4,299	7,995
MWD Imported Water	33,705	32,968	0	0	5,001	9,465	22,560	0	795	0
<b>TOTAL</b>	<b>48,008</b>	<b>40,727</b>	<b>12,583</b>	<b>10,182</b>	<b>26,352</b>	<b>34,581</b>	<b>40,460</b>	<b>15,777</b>	<b>18,687</b>	<b>18,835</b>
units in acre-feet										
source: IEUA and Chino Basin Watermaster, Summary of Chino Basin Groundwater Recharge Operations (FY 2005-06 through FY 2014-15)										
Average = 26,619 acre feet/year										

### City of Ontario

The City of Ontario provided comments to the draft staff report and states that in addition to receiving wholesale water from IEUA, “Ontario holds its own water rights and supply outside of imported water provided by IEUA. These supplies include groundwater, surface water, Desalter water (groundwater), and recycled water, which comes from wastewater generated by Ontario then treated by IEUA under contract and



delivered back to Ontario.” The City’s comments to the draft staff report and LAFCO staff’s response are included as a part of Appendix A.

## **Demand**

Since the 1990s, approximately 90 percent of the IEUA service area water demands have come from residential and industrial users with approximately 10 percent from agricultural users. Overall urban water demand has increased by approximately 20 percent since 1995, despite a regional growth of 30 percent (approximately 200,000 more residents). This reflects improved water use behaviors including more efficient irrigation and indoor fixtures. The effort to reduce water use is also in response to California’s drought (one of the most severe in California’s recorded history), Senate Bill X7-7 requiring most urban retail suppliers<sup>36</sup> to reduce consumption by 20 percent, and Governor Brown’s Emergency Drought Mandate issued in April 2015.<sup>37</sup>

Regional water demands represent the total demand of all agencies within IEUA’s service area over the planning horizon. Total regional demand includes imported water, recycled water, groundwater and local surface water. Table B-5, below, presents the water demands for the IEUA service area for years 2015 through 2040.

**Table B-5:  
IEUA Retail Agency Demands, 2015 – 2040**

<b>IEUA Retail Agency Demands – Projected</b>						
	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
City of Chino	15,744	17,135	18,579	19,951	20,844	23,271
City of Chino Hills	16,592	18,066	19,029	20,171	20,397	22,642
Cucamonga Valley Water District	50,986	54,170	57,150	58,200	59,677	60,930
Fontana Water Company	42,132	42,835	47,590	52,332	57,400	58,512
Monte Vista Water District	10,312	11,085	11,316	11,612	11,904	12,180
City of Ontario	41,796	44,093	48,209	55,402	58,665	73,938
San Antonio Water Company	1,493	1,510	1,597	1,617	1,919	2,267
City of Upland	20,647	21,694	22,453	23,447	23,915	24,277
<b>TOTAL</b>	<b>199,702</b>	<b>210,588</b>	<b>225,923</b>	<b>242,732</b>	<b>254,721</b>	<b>278,017</b>
NOTES: Water demands for 2015 reflect normalized production demands (including system losses), not actual. The simplified normalization methodology used averaged five years of actual demands to smooth annual fluctuations (FY2010-11 to FY2014-15). 2020 to 2040 projections are from land use based model excluding recycled water for agriculture.						

Source: IEUA Urban Water Management Plan (2015)

<sup>36</sup> SB X7-7 requires retail urban water suppliers in California serving more than 3,000 acre-feet per year, or 3,000 service connections, to achieve a 20 percent demand reduction from a historical baseline by 2020.

<sup>37</sup> Governor Brown’s Emergency Drought Mandate established water conservation targets customized for each supplier which go beyond those targets embodied in SB X7-7.

The Fontana Water Company provided comments to the draft staff report and has identified that its demands in relation to the chart above are as follows: 2015 (33,836), 2020 (36,540), 2025 (43,886), 2030 (47,073), 2035 (49,961), and 2040 (52,762). The Company states that these totals are calculated with Valley District's customers removed. The Company's comments to the draft staff report and LAFCO staff's response are included as a part of Appendix A.

According to IEUA's 2015 Urban Water Management Plan, as shown in the Table below, the projected urban water supply within IEUA's area of service will meet projected urban demand for years 2015 through 2040 due to the diversified supply and conservation measures of IEUA and its member agencies.

**Table B-6: IEUA Supply/Demand Comparisons**

IEUA's Service Area: Normal Year Supply and Demand Comparison						
	2015	2020	2025	2030	2035	2040
Regional Baseline Supply Totals	236,812	270,524	278,541	283,814	289,127	294,359
Supplemental Supply Opportunities	-	-	-	-	-	283
Demand Totals	199,702	210,588	225,923	242,732	254,721	278,017
<b>Difference</b>	<b>37,110</b>	<b>59,936</b>	<b>52,618</b>	<b>41,082</b>	<b>34,406</b>	<b>16,622</b>

Source: IEUA Urban Water Management Plan (2015)

## Recycled Water

### Recycled Water

IEUA owns and operates five regional recycled water plants that produce disinfected and filtered tertiary treated recycled water in compliance with California's Title 22 regulations. The five plants produced approximately 60,200 AF of recycled water during FY 2014-15. The Agency's regional recycled water supply forecast is expected to increase to approximately 83,000 AFY by 2040.

IEUA began providing recycled water in 1972 for a few large users including the Whispering Lakes Golf Course and Westwind Park in the City of Ontario, and Prado Park and Golf Course in Chino. After construction of the Carbon Canyon Water Recycling Facility in 1992, recycled water was delivered to the cities of Chino and Chino Hills. In 2000, recycled water was identified as a critical regional water supply, and IEUA embarked on a regional recycled program. By 2014, over \$250 million was invested in the program. IEUA's recycled water and groundwater recharge sales have increased by approximately 30,000 AFY since the early 2000s.

IEUA's recycled water distribution facilities consist of a pipeline network, booster pump stations, pressure regulating stations and reservoirs. According to IEUA's *2015 Annual Report*, the Agency currently has more than 800 connections to their recycled water system. In FY 2014-15, IEUA's recycled water production totaled approximately 33,419

AFY of which 22,579 AF was for non-potable reuse (outdoor irrigation, industrial processes, and agriculture) and 10,840 AF was for groundwater recharge. The remaining 23,365 AF of wastewater not used for recharge or recycling was discharged to the Santa Ana River.

Recycled water holds the greatest potential as a source of reliable supply in the Chino Basin and in Southern California. Recycled water also provides a degree of flexibility and added reliability during drought conditions when imported water supplies are restricted. Recycled water is the most climate resilient water supply available to the region as wastewater flows are generated from indoor use. However, wastewater available in the future may change due to trends toward more efficient indoor water use. Other supply challenges recycled water faces include increasingly strict regulatory and environmental issues for construction and operation of recycled water systems and the high amount of energy consumption required in recycled water treatment.

In December 2007, the IEUA Board of Directors approved an aggressive Three Year Business Plan that calls for 50,000 acre feet of connected demand of recycled water by 2013.<sup>38</sup> According to IEUA staff, the plan was last updated in FY 2010-11. Per the updated plan, the goal was to have 50,000 AFY of connected demand by FY 2011-12, with the projected recycled water deliveries of 50,000 AFY by FY 2012-13. Conditions within the region and IEUA's member agencies have been evolving over the past few years, and with the changes, the period at which IEUA estimates to reach the delivery of 50,000 AFY is FY 2019-20. The long-term goal for ultimate beneficial use in the region varies between 65,000 AFY and 78,000 AFY. These numbers are still being revised per IEUA's current planning initiatives.

### **IEUA Water Infrastructure and Planned Improvements**

IEUA's FY 2016-17 Capital Improvements Plan includes recycled water, stormwater, groundwater, and conservation projects to increase local supplies for the service area. These projects provide supply reliability during drought conditions and reduce dependence on imported water. Future projects consist of groundwater recharge basin improvements, improving treatment and distribution of wastewater and recycled water facilities, and increasing conservation and water use efficiency programs. Recycled water is not directly impacted by drought or climate change; investments in these projects help mitigate the impacts of regional and statewide water supply limitations.

Over the next ten years, IEUA plans to invest over \$550 million in infrastructure upgrades and improvements which focus on to primary goals: (1) repair and rehabilitation of existing facilities; and (2) expansion of system capacity. Table B-7 provides a summary of funding allocated by project area in IEUA's FY 2016-17 CIP.

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<sup>38</sup> Recycled Water Annual Report

**Table B-7: IEUA Planned Capital Improvements**

<b>Description</b>	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 19-25</b>	<b>Total</b>
Administrative Services	\$ 1.5M	\$ 0.2M	\$ 1.4M	\$ 3.1M
Non-Reclaimable Wastewater	\$ 0.7M	\$ 0.2M	-	\$ 0.9M
Regional Capital Improvements	\$ 15.5M	\$19.1M	\$ 325.4M	\$360.0M
Regional Operations and Maintenance	\$ 13.7M	\$22.5M	\$ 18.9M	\$ 55.1M
Recharge Water	\$ 4.6 M	\$12.7M	\$ 35.8M	\$ 53.1M
Recycled Water	\$ 11.2M	\$26.7M	\$ 33.7M	\$ 71.6M
Water Resources	-	-	-	\$ 0M
Organics Management	\$ 4.5 M	\$ 0.2M	\$ 1.7M	\$ 6.4M
<b>TOTAL</b>	<b>\$ 51.7M</b>	<b>\$81.6M</b>	<b>\$ 416.9M</b>	<b>\$ 550.2M</b>

Source: IEUA Ten-Year Capital Improvement Plan, FY 2016/17

**E. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT WHOLESALE AREA**

The San Bernardino Valley Municipal Water District (“Valley District”) was formed in 1954 as a regional agency to plan a long-range water supply for the San Bernardino Valley. Formed under the Municipal Water District Act of 1911 (California Water Code Section 71000 et seq., as amended), its enabling act includes a broad range of powers including provision of water, wastewater, storm water disposal, recreation and fire protection services. Valley District covers approximately 325 square miles and spans the eastern two-thirds of the Valley Region, the Crafton Hills, and a portion of the Yucaipa Valley. The District serves a population of approximately 691,000 and includes the cities and communities of San Bernardino, Colton, Loma Linda, Redlands, Rialto, Bloomington, Highland, East Highland, Mentone, Grand Terrace and Yucaipa.

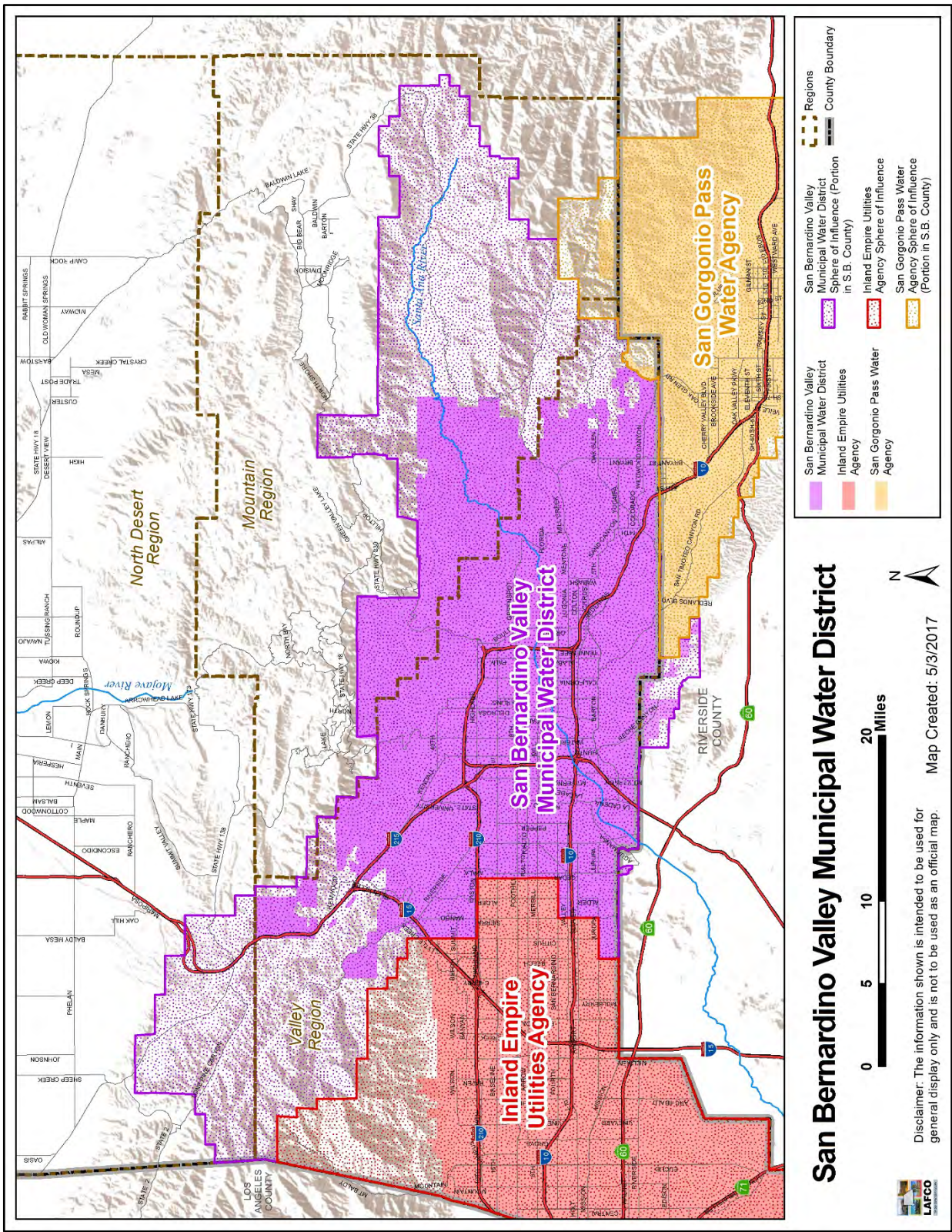
Valley District is responsible for long-range water supply management, including importing supplemental water. The District is also responsible for storage management of most of the groundwater basins within its boundaries and for groundwater extraction over the amount specified in legal judgments. Valley District fulfills its responsibilities in a variety of ways, including importing water through the State Water Project for direct delivery and groundwater recharge and by coordinating water deliveries to retail agencies throughout its area of service. Valley District is also a member of the Santa Ana River Watermaster and the San Bernardino-Western Watermaster.

**Areas outside of Valley District Boundary but within its Sphere**

Vast areas of Valley District’s sphere of influence extend beyond its boundary. The areas include rugged, mountainous topography with limited development potential, and no need for an extension of municipal services is anticipated for the foreseeable future. These areas are shown on Figure B-11 below.



**Figure B-13:**  
**San Bernardino Valley Municipal Water District Sphere of Influence**





## **Supply and Demand**

The “Supply” and “Demand” sections of this report, below, are summarized from the San Bernardino Valley Regional Urban Water Management Plan (2015). The Valley District’s primary sources of water are from local water supplies (surface and groundwater), imported water, and recycled water.

### **Supply**

#### Imported Water Supply

In December 1960, Valley District signed a contract with the State for an imported water supply through the State Water Project (SWP). Valley District received 46,000 acre feet in 1972 which would gradually increase to a total of 98,000 acre feet per year. Later, Valley District acquired an additional 4,600 acre feet per year to establish its annual entitlement to SWP water at 102,600 acre feet. The actual amount of SWP water Valley District receives each year is based upon hydrologic conditions and other factors.

Valley District is the fifth largest of 29 State Water Contractors that receive water from the SWP. Each Contractor pays its proportionate share of the facilities necessary to deliver the water into their service area. This “fixed” cost pays for the infrastructure and is paid annually. In addition to the fixed cost, Valley District also pays “variable” costs (energy and operations) for the actual water delivered each year.

The District takes delivery of SWP water at the Devil Canyon Power Plant Afterbay, which is located just within its northern boundary. The SWP water is conveyed 17 miles east to various spreading grounds and agricultural and wholesale domestic delivery points in the San Bernardino Basin Area. Water is also conveyed westward for direct delivery in the Rialto-Colton Subbasin.

#### Water Diverted from the Santa Ana River

According to Valley District, in 2010 Valley District and Western Municipal Water District received two permits, 21264 and 21265, from the State Water Resources Control Board (“SWRCB”) that allow the diversion of as much as 200,000 AFY. Water is first diverted by Valley District/Western under Permit 21264 up to 100,000 acre-feet. The permits initiated a “development phase” of Valley District and Western’s right to water from the Santa Ana River. Developing this new water right to its full potential will involve the construction of new diversion, transmission and recharge facilities. These new facilities were outlined in the Environmental Impact Report for the water right process and were estimated to cost up to more than \$200 million, if all facilities were deemed necessary. The Enhanced Recharge in Santa Ana River Basins Project (Enhanced Recharge Project) is the first phase of facilities that will capture and put to use additional stormwater diverted from the Santa Ana River under Permits 21264 and 21265.

One of the permit requirements for both Valley District/Western permits is that construction of any new facilities be completed by October 1, 2020. The permits also require that the two districts prove they can put the water to beneficial use by December 31, 2059. Once Valley District and Western have achieved their maximum diversion amount, the SWRCB will issue a license that replaces the permits.

#### Local Water Supply

Local precipitation that runs off as surface water and local precipitation that soaks into the ground, called “groundwater”, meets about 60 percent of the Valley District’s regional demand in an average year. Valley District has developed a “cooperative recharge program” that is being successfully implemented to help replenish groundwater using SWP water.

#### Recycled Water

The recent drought highlighted the advantage of having a drought-proof water supply, such as recycled water, as part of a regional water strategy. This led the Valley District, agencies within its service area, the Western Municipal Water District of Riverside County, and the City of Riverside to prepare a Regional Recycled Water Concept Study to identify recycled water projects to maximize regional benefits to water supply reliability, water quality and habitat sustainability. Additional discussion of Valley District’s efforts in providing recycled water is included later in this Appendix.

The following table summarizes the anticipated regional water supply sources for the Valley District in years 2020 through 2040 (normal year).

**Table B-8: Regional Water Supply – Normal Year (AFY)**

Water Source	2020	2025	2030	2035	2040
<b>Precipitation (Surface Water)</b>					
SBBA Surface Water	33,620	33,620	33,620	33,620	33,620
SBBA New Conservation Allocation	5,507	5,507	5,507	5,507	5,507
Oak Glen	500	500	500	500	500
Riverside North ASR	2,000	2,000	2,000	2,000	2,000
Active Recharge Program	10,000	10,000	10,000	10,000	10,000
Sub-Total Precip. (Surface Water)	51,627	51,627	51,627	51,627	51,627
<b>Precipitation (Groundwater)</b>					
SBBA Groundwater	133,618	133,618	133,618	133,618	133,618
Rialto-Colton	10,242	10,242	10,242	10,242	10,242
Riverside North	30,100	30,100	30,100	30,100	30,100
Yucaipa	9,600	9,600	9,600	9,600	9,600
Beaumont	2,552	2,552	2,552	2,552	2,552
No Man's Land	1,000	1,000	1,000	1,000	1,000
Chino	900	900	900	900	900
Sub-Total Precip. (Groundwater)	188,012	188,012	188,012	188,012	188,012
<b>SWP Water</b>					
Expected SWP Allocation	63,000	63,000	63,000	63,000	63,000
Direct Deliveries	36,607	37,388	37,758	38,502	37,858
SWP into Storage	26,393	25,612	25,242	24,498	25,142
Return Flow Direct Deliveries (36% of Direct Deliveries)	13,179	13,460	13,593	13,861	13,629
Sub-Total SWP Water	76,179	76,460	76,593	76,861	76,629
<b>Recycled Water</b>					
City of Redlands, City of San Bernardino, East Valley Water District, Yucaipa Valley Water District	21,951	29,260	36,320	43,280	50,340
<b>Total All Supplies</b>	<b>337,769</b>	<b>345,359</b>	<b>352,552</b>	<b>359,780</b>	<b>366,608</b>

Notes:

- (a) The San Bernardino Basin is managed whereby total safe yield is a combination of Surface Water and Groundwater totaling 239,743 AFY. Per the Western Judgment, supply available to the Valley District service area is 172,745 AFY. A decrease in available surface water in any given year does not change available yield from the basin.
- (b) Assumes SWP Water is stored in wet years so that it can supplement lower deliveries of SWP water in dry years.
- (c) The Watermaster estimates a 36% return from the direct deliveries of SWP in SBBA.
- (d) Does not include SWP water from San Geronio Pass Water Agency.
- (e) Estimates of Direct Deliveries and Recycled Water from Chapters 7 through 15 of the 2015 San Bernardino Valley Regional Urban Water Management Plan.

Source: San Bernardino Valley Regional Urban Water Management Plan (2015)

In the Lytle Creek area, the area has experienced low water levels during the current drought which began around 1998. In November 2015, County Department of Public Health and Valley District held a community meeting in Lytle Creek and discussed with residents the water supply challenges. The Lytle Creek Springs Water Company functions adequately in the area, according to the most recent Sanitary Survey Report,

but the issue is with private wells. Natural water supply cannot be increased so the only solution was to drill deeper wells. To alleviate the circumstance, the County is granting variances for wells to be drilled but with a deeper seal.

## **Demand**

Two major factors affect water demand: weather and conservation. Historically, when the weather is hot and dry, water usage increases. The increases vary according to the number of consecutive years of hot, dry weather and the conservation activities imposed. During cool-wet years, historical water usage has decreased to reflect less water usage for external landscaping. Past studies have also indicated that water demand increases 6 to 12 percent during dry periods. Table B-9 presents an estimate of total water demands for agencies within the Valley District for 2020 through 2040.

**Table B-9: Total Water Demand by Agency within Valley District (AFY)**

	2020	2025	2030	2035	2040
City of Colton	10,458	11,301	11,978	12,698	13,462
East Valley Water District	31,609	32,879	33,943	35,050	36,203
City of Loma Linda	5,200	5,527	5,875	6,245	6,638
City of Rialto	10,583	11,216	11,887	12,597	13,350
City of Redlands	33,138	34,164	34,940	35,715	35,715
Riverside Highland Water Company	4,107	4,294	4,492	4,702	4,923
City of San Bernardino	45,969	49,094	53,339	57,623	59,449
West Valley Water District	20,799	22,256	23,802	25,492	27,311
Yucaipa Valley Water District	12,891	13,751	14,730	15,815	17,009
Fontana Water Company	44,613	45,700	45,700	45,700	45,700
Marygold Mutual Water Company	1,500	1,500	1,500	1,500	1,500
Muscoy Mutual Water Company	2,100	2,100	2,100	2,100	2,100
Terrace Water Company	900	900	900	900	900
Crestline Lake Arrowhead Water Co.	60	60	60	60	60
Big Bear Municipal Water District <sup>39</sup>	6,500	6,500	6,500	6,500	6,500
Other/Private	19,600	19,300	19,000	19,000	19,000
<b>Total</b>	<b>250,027</b>	<b>260,542</b>	<b>270,747</b>	<b>281,697</b>	<b>289,821</b>
10% Reliability Margin	25,003	26,054	27,075	28,170	28,982
<b>Total Including Reliability Margin</b>	<b>275,030</b>	<b>286,596</b>	<b>297,821</b>	<b>309,867</b>	<b>318,803</b>

Source: San Bernardino Valley Regional Urban Water Management Plan (2015)

<sup>39</sup> In 1996, Big Bear Municipal Water District entered into a water purchase agreement with Valley District. For an annual payment to Valley District, this agreement provides that when Big Bear Lake is at specified levels, no water will be released from the Lake to meet the downstream water needs. Instead, Valley District provides Bear Valley Mutual with in-lieu water from the SWP or any other available sources authorized under the Judgment. This historic agreement helped Big Bear Municipal achieve its mission of Lake stabilization while providing Bear Valley Mutual Water Company with the water it needs for its customers. Under the terms of the Agreement, Bear Valley Mutual may request any amount of delivery for a given year, provided that the total of all their requested deliveries do not exceed 65,000 AF in any ten-year period. Bear Valley Mutual's typical request each year has been the ten-year average, or 6,500 AFY.

The Fontana Water Company provided comments to the draft staff report and has identified that its demands in relation to the table above are as follows: 2020 (3,600), 2025 (3,650), 2030 (3,700), 2035 (3,750), and 2040 (3,800). The Company states that these totals are calculated as Company customer demands within the Valley District service area. The Company's comments to the draft staff report and LAFCO staff's response are included as a part of Appendix A.

According to the San Bernardino Valley Regional Urban Water Management Plan (2015), as shown in the Table below, the projected water supply within Valley District's area of service will meet projected urban demand for years 2020 through 2040 under normal/average conditions.

**Table B-10:  
Normal Year Supply and Demand Comparison (AFY)**

<b>Totals</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Supply Totals	337,769	345,359	352,552	359,780	366,608
Demand Totals	250,027	260,542	270,747	281,697	289,821
<b>Difference</b>	<b>87,741</b>	<b>84,817</b>	<b>81,805</b>	<b>78,082</b>	<b>76,787</b>

Source: San Bernardino Valley Regional Urban Water Management Plan (2015)

## **Recycled Water**

Increasing the supply of recycled water within the region is a strategy included in the Upper Santa Ana River Watershed Integrated Regional Water Management Plan (2015) which includes the Valley Region. Although costly, recycled water is also a highly reliable source of water because flows to wastewater plants are generally consistent whether the weather is wet or dry.

The Valley District, other agencies within its area of service, Western Municipal Water District of Riverside County and the City of Riverside have jointly prepared a Regional Recycled Water Concept Study to identify potential recycled water projects. The stakeholders' goal is to develop between 10,000 and 12,000 AFY of new recycled water supply in the near term, with that volume possibly expanding commensurate with population growth. Table B-11, below, summarizes the anticipated future demand for recycled water by agencies within the Valley District area of service.

**Table B-11:  
Estimated Demands for Recycled Water (AFY)**

Agency	2020	2025	2030	2035	2040
City of Redlands	5,152	5,402	5,402	5,402	5,402
City of Rialto	20	20	20	20	20
City of San Bernardino	5,600	7,800	10,300	12,800	12,800
East Valley Water District <sup>40</sup>	6,700	6,700	6,700	6,700	6,700
Yucaipa Valley Water District	1,651	2,177	2,792	3,490	4,282
<b>Total Recycled Water</b>	<b>19,123</b>	<b>22,099</b>	<b>25,214</b>	<b>28,412</b>	<b>29,204</b>

Source: San Bernardino Valley Regional Urban Water Management Plan (2015), page 3-6.

### Valley District Water Infrastructure and Planned Improvements

The Valley District has an extensive future capital improvement plan consisting of many projects including Enhanced Santa Ana River Spreading, Santa Ana River Tributary/Storm Water Capture, Recycled Water Systems and Conjunctive Use Projects. According to the Valley District's current Capital Improvement Program, \$67.6 million in capital improvements is budgeted for FY 15-16, and over \$82.1 million is budgeted for capital projects in FY 16-17.

Key Valley District capital improvement projects currently underway are described below:

- East Branch Extension Phase II (EBX Phase II) – Valley District is currently in planning, design and environmental documentation for the construction of the East Branch Extension II which consists of approximately three miles of large diameter pipeline to convey SWP water from its Foothill pipeline near Cone Camp Road in the City of Highland to a proposed reservoir located south of the Santa Ana River Wash in the Mentone Area. When complete, the Phase II project will allow for Valley District's delivery of additional SWP water to the Yucaipa Valley area. The total cost of the EBX Phase II project is estimated to be \$125 million.
- City Creek Turnout – Modifications to the City Creek Turnout will provide additional facilities to allow the Valley District to deliver up to 12 cubic feet/second of SWP water to East Valley Water District's Water Treatment Plant 134. Converted to a membrane-filtration process for water treatment, Plant 134 currently has a capacity of 8 million gallons per day.

<sup>40</sup> The San Bernardino Valley UWMP (2015) page 7-12 states that, "The future beneficial use has been estimated using planning documents prepared for the Sterling Natural Resource Center." Pages 7-12 through 7-14 identify Sterling as a new wastewater reclamation plant, joint project with Valley District, tertiary level treatment for groundwater recharge, with a planned implementation year of 2020.



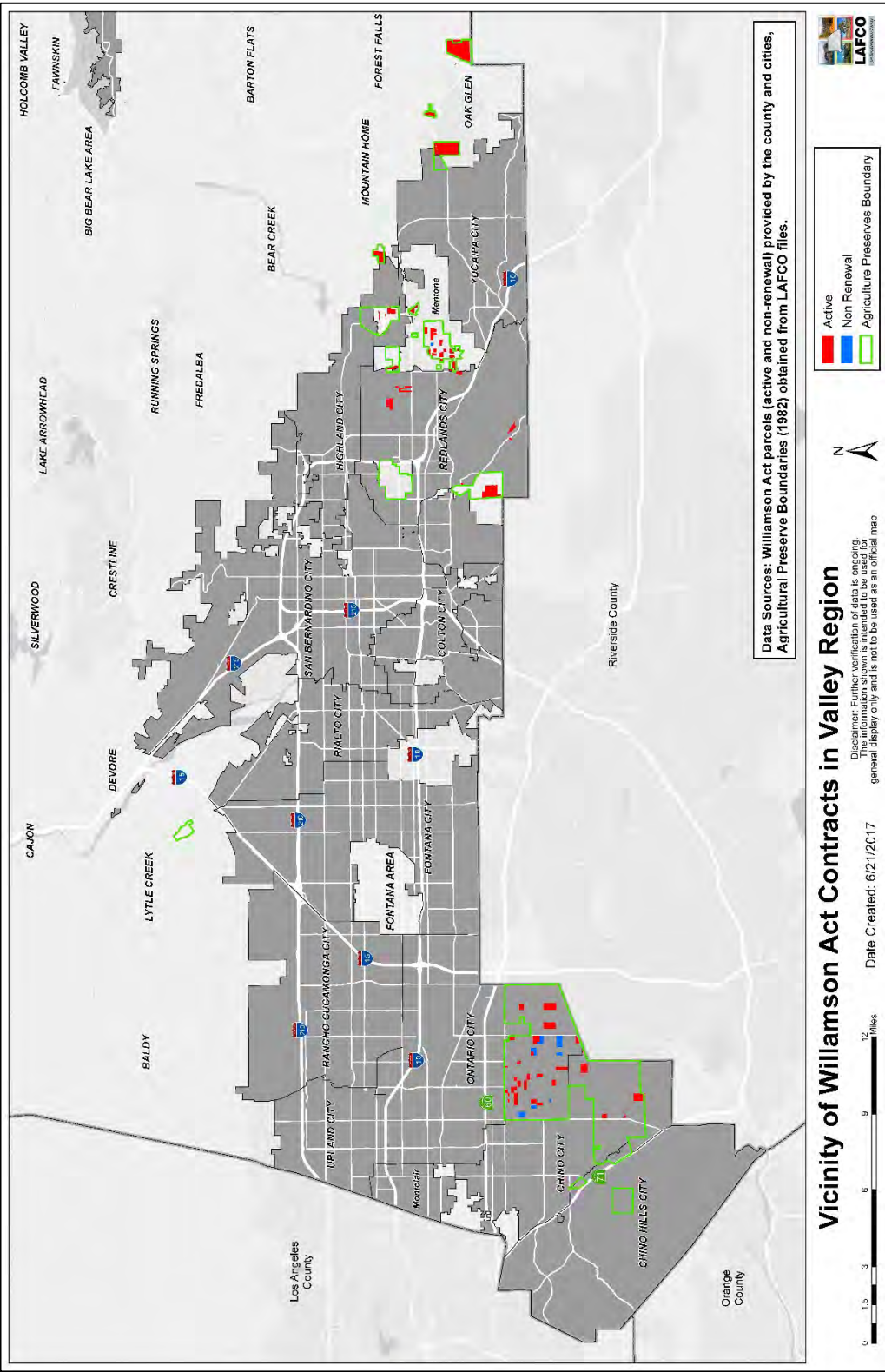
### Agricultural

A primary tenet of LAFCO is to encourage the preservation of agricultural land and open spaces, and this service review touches upon the impact of agricultural uses. The figure below identifies Williamson Act contracts as of 2015/16. The California Land Conservation Act of 1965--commonly referred to as the Williamson Act--enables local governments to establish an Agricultural or Open Space Preserve. Once the preserve was established, property owners could contract with the county or city for the purpose of restricting specific parcels of land to agricultural or related open space use. In return, landowners receive property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value. Government Code Section 51243 states that when annexing properties into a city, "...the city shall succeed to all rights, duties, and powers of the county under the contract."

The Government Code specifically states that the Commission shall not approve a sphere of influence change (§56426.6) or annexation (§56856.5) that is subject to a contract entered into pursuant to the Williamson Act if that local government agency provides, or would provide, facilities or services related to sewers, nonagricultural water, or streets and roads to the territory, unless these facilities or services benefit land uses that are allowed under the contract. Additionally, for sphere changes, the landowner consent is required.

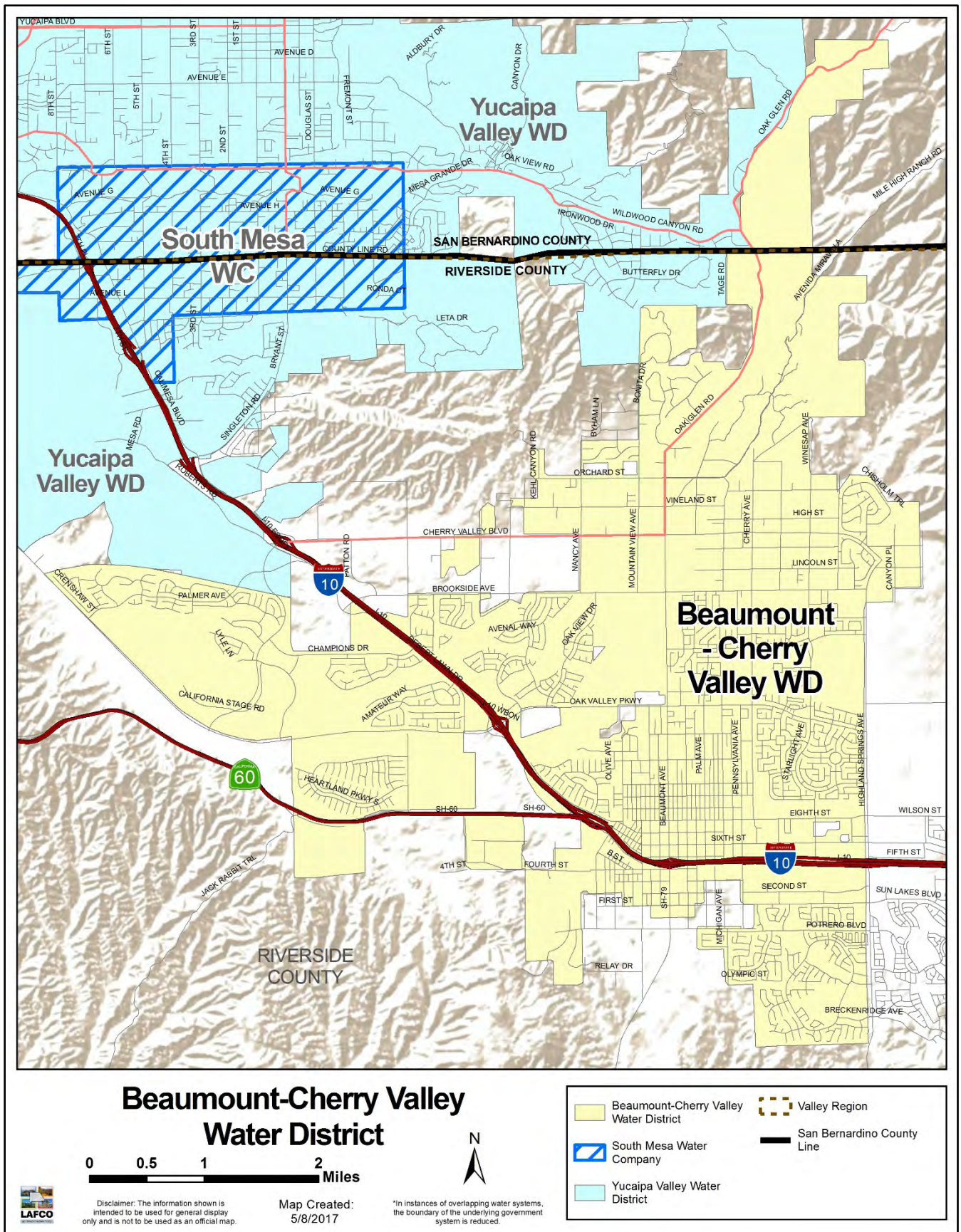
The areas identified in red are "Williamson Act-Active". The areas identified in blue are "Williamson Act-Non Renewal" which is defined as enrolled lands for which non-renewal has been filed pursuant to Government Code Section 51245. Upon the filing of non-renewal, the existing contract remains in effect for the balance of the period remaining on the contract. During the non-renewal process, the annual tax assessment gradually increases. At the end of the nine year non-renewal period, the contract expires and the land is no longer enforceably restricted.

Figure B-14:  
Williamson Act Contracts – Valley



**APPENDIX B-2**  
**Valley Service Review Update**  
***City and District Updates***





## Beaumont-Cherry Valley Water District

## Principal County - Riverside

Agency Information			
Principal Act	Irrigation District Law Water Code Division 11: §20500 et seq	Year Formed	1919 <sup>1</sup>
Governance	5-member Board of Directors, elected by division	Square Miles	28
Website	<a href="http://www.bcvwd.org">www.bcvwd.org</a>	2015 Population	46,314 (est.)

LAFCO Authority	
Authorized Functions	Water, Riverside as principal county
Previous Service Review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure	
Supply	24 wells, 11 pressure zones
Storage	14 reservoirs with 22 MG total storage capacity
Distribution	25 miles of pipeline
Connections	0 in San Bernardino County, except its own residences – 16,985 in Riverside County

Supply & Demand, AFY	2010	2015	2020	2025	2030	2035	2040
Supply	--	--	18,112	20,881	24,021	26,843	28,960
Demand	11,023	9,792	17,659	20,450	23,605	26,386	28,432

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
170.7 AF	79.2 AF	15.1%	12,804 AF	24,063 AF	0% <sup>2</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 January 2015			
Meter Charge	Consumption Charge	Surcharge	Total
\$27.02	\$14.40	--	\$41.42

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$1,089,187	\$1,784,541	\$1,127,931	\$6,471,610	\$10,261,724
Cash & Equivalents, End of Year	\$6,776,214	\$8,560,755	\$9,688,686	\$16,160,296	\$26,422,020

Sources: Beaumont-Cherry Valley Water District website, Beaumont-Cherry Valley Water District Urban Water Management Plan 2015; State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> Originally formed as the Beaumont Irrigation District in 1919 under the Wright Act of 1897, the district was renamed the Beaumont-Cherry Valley Water District in 1973.

<sup>2</sup> "BCVWD will continue to enforce water waste prohibitions and impose penalties for repeat offenses in accordance with BCVWD Regulations."

## **Beaumont-Cherry Valley Water District Additional Information**

Beaumont-Cherry Valley Water District was formed in 1919 under the Wright Act of 1897 (Water Code Section 20000, et seq.), and serves approximately eight square miles located in Riverside and San Bernardino Counties. Beaumont-Cherry Valley Water District owns approximately 2,800 acres along Little San Gorgonio and Noble Creeks and holds pre-1914 water rights to both streams, which amounts to 3,000 miner's inches of water (approximately 45,000 AF of water). The District has 20 wells in the Beaumont and Edgar Canyon Basins and currently serves about 30,000 consumers through 9,000 metered connections.

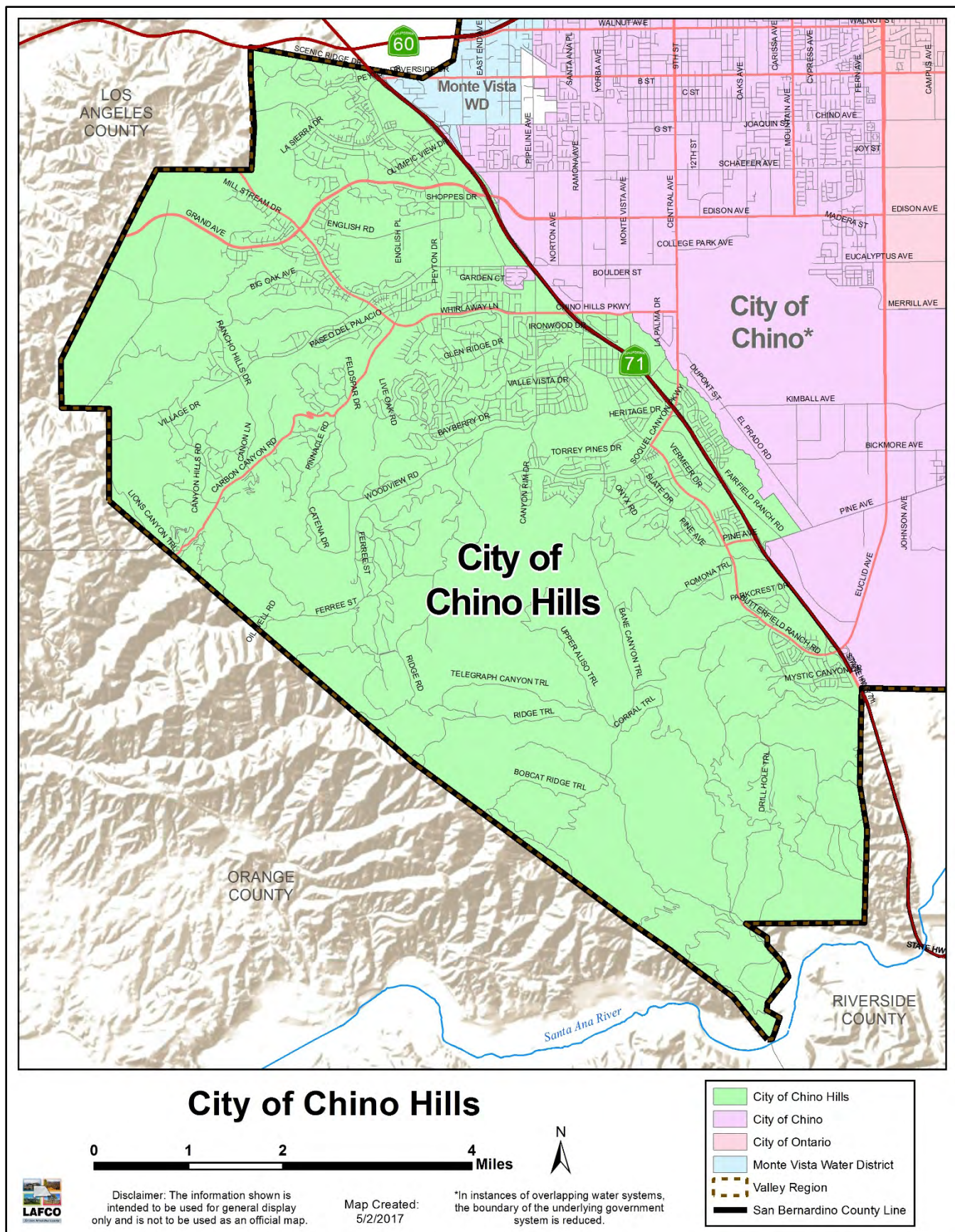
The following are excerpts from the Beaumont-Cherry Valley Water District 2015 Urban Water Management Plan as it pertains to San Bernardino County:

The District owns 1,524 acres of watershed land in Edgar Canyon in San Bernardino County located just north of the Riverside-San Bernardino County line where the District operates a number of wells and several reservoirs.

The District's 24 wells are located in four areas:

- Upper Edgar Canyon (San Bernardino County) - Note that "Edgar Canyon" is synonymous with "Little San Gorgonio Creek".
- Middle Edgar Canyon (San Bernardino County)
- Lower Edgar Canyon (Riverside County)
- Beaumont Storage Unit (Beaumont Basin) (Riverside County)





## City of Chino Hills

## Chino Hills

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1991
Governance	Chino Hills City Council	Square Miles	46
Website	<a href="http://www.chinohills.org">http://www.chinohills.org</a>	2015 Population	77,596

LAFCO Authority	
Authorized Functions	Contracted police, lighting and landscaping, public improvements, water, sewer, planning and zoning, general administrative services, contracted animal control, building and safety, community services and street and highway maintenance.
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (6 active wells with total capacity of 5,666 gpm), purchased State Water Project (via Water Facilities Authority), purchased wholesale (Monte Vista Water District), purchased desalinated ground water (Chino Basin Desalter Authority), purchased recycled water (Inland Empire Utilities Agency). Chino Hills is a member agency of IEUA, and receives imported water supplies from the Water Facilities Authority through a common conveyance system with MVWD.			
Storage	21 tanks with total storage of 33.83 MG			
Distribution	3 transmission mains, 4 pressure zones; 9 booster stations, 20 pressure regulating valves			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	21,302	189	-	21,491

Supply & Demand, AFY	2010	2015	2020	2025	2030	2035
Supply	--	16,070	33,107	33,107	33,107	33,107
Demand	17,483	15,507	20,770	23,505	23,930	24,807

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary <sup>1</sup>		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
106.5 AF	60.1 AF	20.3%	15,861 AF	16,033 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2015			
Meter Charge	Consumption Charge	Surcharge	Total
\$35.16	\$32.47	--	\$67.63 <sup>2</sup>

<sup>1</sup> The Cities of Chino, Chino Hills, Ontario, Upland; and the Monte Vista Water District (collectively, "Member Agencies") are member agencies and joint owners of the Water Facilities Authority. The Water Facility Authority and the Member Agencies have jointly agreed to coordinate to collect relevant data and documentation for submittal of the aggregated conservation standard certification.

<sup>2</sup> Assumes single family home, located in "Low Zone"

<b>Cash Flows</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Increase (Decrease) in Cash & Equivalents	\$754,940	\$2,724,457	\$7,600,930	\$5,593,272	\$6,330,049
Cash & Equivalents, End of Year	\$21,064,968	\$23,789,425	\$31,390,355	\$36,983,627	\$43,313,676

Sources: City of Chino Hills Urban Water Management Plan (2015); State Water Board Stress Test and Water Conservation Targets, financial statements

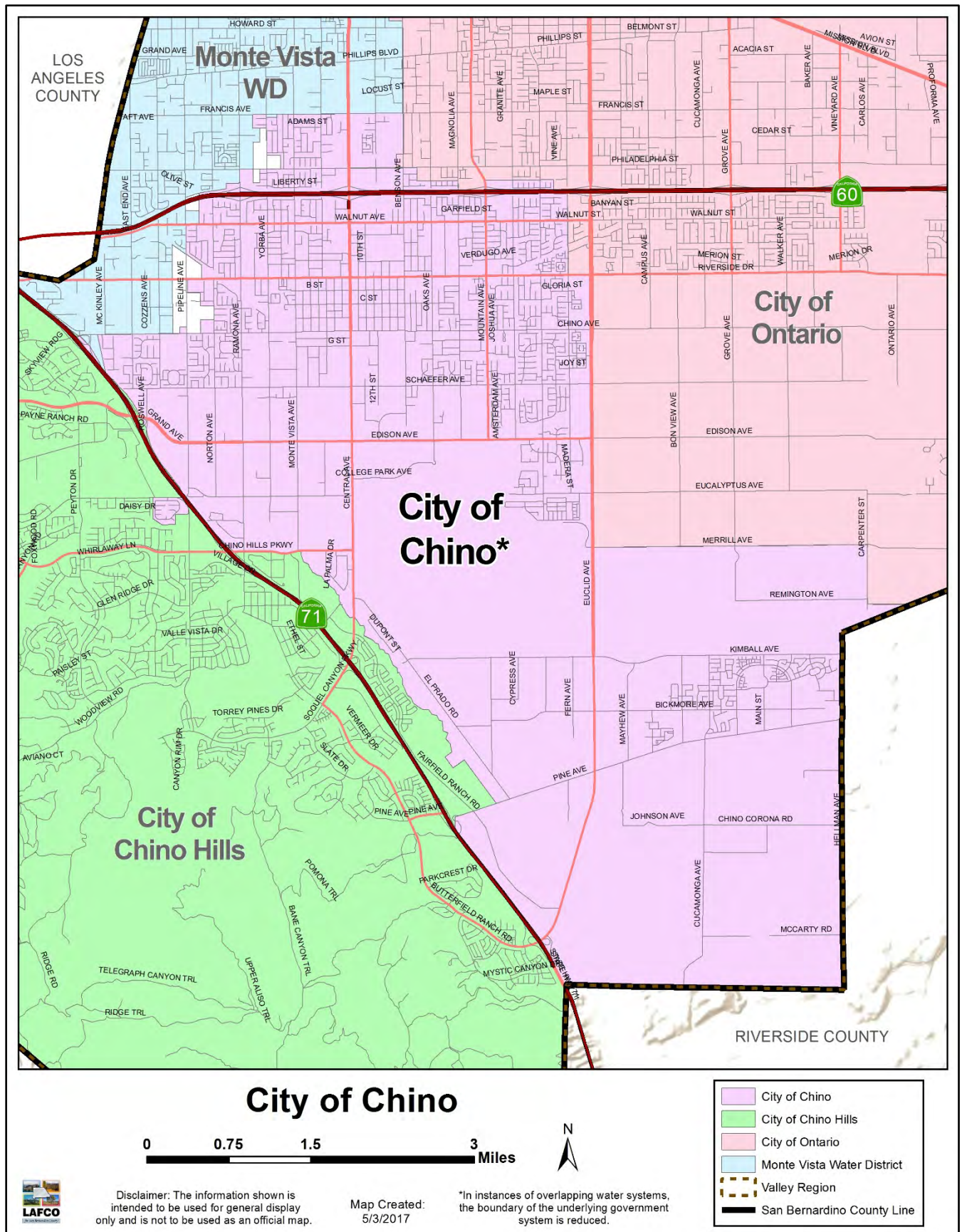
## **City of Chino Hills Additional Information**

As a condition of the City of Chino Hills' incorporation in 1991 (LAFCO 2650), the City of Chino Hills assumed service responsibility for the entirety of County Waterworks District #8 ("Waterworks #8"). The boundaries of Waterworks #8 were coterminous with the incorporation area, with the exception of several parcels located northeast of the incorporation area. Waterworks #8 was a Board of Supervisors governed special district that was under the administrative direction of the Chino Hills Manager's Office. The circumstance as to the City's assuming responsibility for this area at its time of incorporation remains today – the City of Chino's water lines are not adjacent to this area. Therefore, the City of Chino Hills remains as the most logical water provider – not in a governmental structure sense, rather in a service delivery sense.

Additionally, the City of Chino Hills has confirmed that there is a sliver of Chino Hills that the City of Pomona provides water service and a small area of Pomona that Chino Hills provides sewer service.

The Monte Vista Water District provides wholesale water supply to the City of Chino Hills. Under the provisions of a long-term agreement executed in July 1998, the District is contracted to deliver to Chino Hills up to 20.22 mgd. Since initiation of full deliveries in 1999, the District has delivered between 7,500 and 14,000 AFY of water to the City under the terms of the agreement. The agreement between the two agencies contains provisions regarding water delivery limitations during emergency situations such as natural or other disasters.





## City of Chino

## Chino

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1910
Governance	Separately elected mayor and 4 city council members	Square Miles	30.9
Website	<a href="http://www.cityofchino.org/">http://www.cityofchino.org/</a>	2015 Population	84,465

LAFCO Authority	
Authorized Functions	Police, water, sewer, solid waste, community development, parks and community services, and general administrative services
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (9 active wells with total capacity of 9,590 gpm), purchased State Water Project (Water Facilities Authority), purchased desalted water (Chino Basin Desalter Authority)			
Storage	5 tanks with total storage of 18.5 MG			
Distribution	16" and 24" transmission lines; 3 pressure zones; 3 booster stations			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	19,029	19	--	19,048

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary <sup>1</sup>		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
86.0 AF	59.8 AF	15.5%	15,733 AF	23,931 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$23.43	\$39.60	--	\$63.03

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(\$370,873)	\$223,579	(\$1,935,155)	\$991,363	\$8,013,928
Cash & Equivalents, End of Year	\$4,165,562	\$4,389,141	\$2,453,986	\$3,445,349	\$11,459,277

Sources: City of Chino website, City of Chino Hills Urban Water Management Plan (2015); State Water Board Stress Test and Water Conservation Targets, financial statements

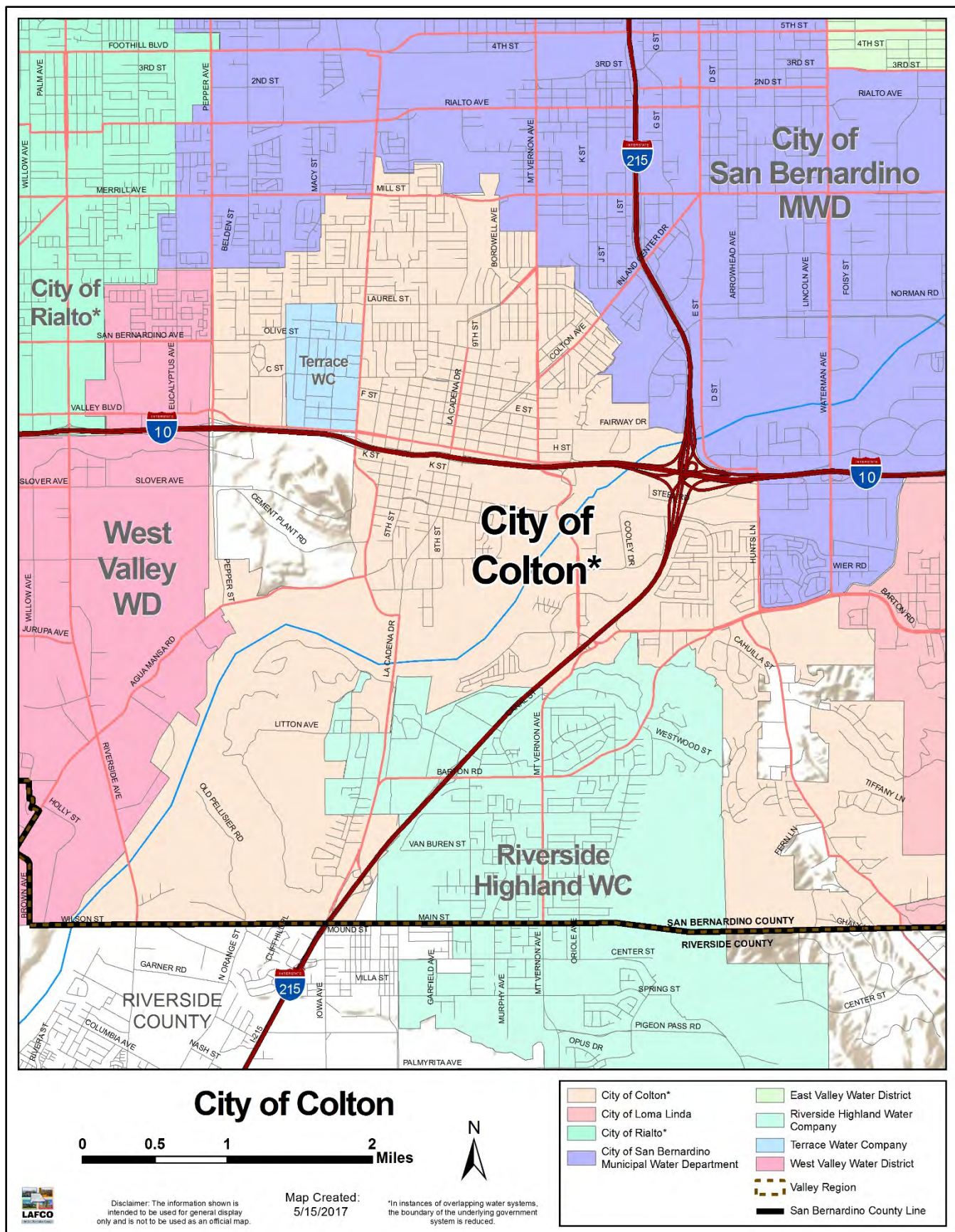
<sup>1</sup> The Cities of Chino, Chino Hills, Ontario, Upland; and the Monte Vista Water District (collectively, "Member Agencies") are member agencies and joint owners of the Water Facilities Authority. The Water Facility Authority and the Member Agencies have jointly agreed to coordinate to collect relevant data and documentation for submittal of the aggregated conservation standard certification.

## **City of Chino Additional Information**

In 1983 Waterworks District No. 8 ("WW8") took over several private water companies in the Chino Hills and West Chino areas. The question of service providers was decided by the Commission in 1986 when it determined the sphere of influence for the Monte Vista Water District in this area. This decision set in place agreements reached between the City of Chino, Monte Vista WD and WW8.

In 1989 WW8 desired to detach from those areas east of Highway 71 in order to concentrate its efforts to the west of Highway 71. LAFCO 2500 transferred service from one agency to another (WW8 to Monte Vista WD), and since there was no new development or change in local service requirements the Commission overrode its community-by-community approach to these considerations which normally would have included the consideration of annexation to the City of Chino. However, significant portions remained within the City of Chino service area where it continues to provide to service.





## City of Colton

## Colton

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1887
Governance	7-member city council; 6 elected by district; 1 city-wide	Square Miles	14
Website	<a href="http://www.ci.colton.ca.us/">http://www.ci.colton.ca.us/</a>	2015 Population	45,496

LAFCO Authority	
Authorized Functions	Police and fire protection, electricity, water, sanitation, public works, parks, recreation and certain social services and general administration services
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (15 wells with total capacity of 12,855 gpm from the Riverside North, Rialto-Colton, and Bunker Hill Subbasins)			
Storage	9 water storage reservoirs			
Distribution	120 miles of water distribution pipelines, 5 booster pumping plants, 2 pressure reducing facilities			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	10,290	11	-	10,301

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	12,608	12,608	13,000	13,770	14,853	14,853
Demand	9,008	10,458	11,301	11,978	12,698	13,462

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
86.0 AF	Did not file	10.3%	10,287 AF	9,133 AF	11%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$22.78	\$1.47 x 15 = \$22.05	-	\$44.83

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$(2,878)	\$137	\$(1,813,718)	\$1,557,954	\$3,451,201
Cash & Equivalents, End of Year	\$3,597,456	\$3,597,593	\$1,783,875	\$3,358,076	\$6,809,277

Sources: 2015 San Bernardino Valley Regional Urban Water Management Plan; City of Colton website, State Water Board Stress Test and Water Conservation Targets, financial statements

## City of Colton Additional Information

### Dispute

The validity and extent of the City's water rights are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>1</sup> Whether the area referred to as "No Man's Land" is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending. It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

Retail System	Rialto-Colton Subbasin	Lytle Creek Subbasin	Rialto Basin	Area known as "No Man's Land"
City of Colton	Dispute	Dispute	Dispute	Dispute
City of Rialto	Dispute	Dispute	Dispute	Dispute
Fontana Water Company	Dispute	Dispute	No	Dispute
West Valley Water District	Dispute	Dispute	Dispute	Dispute

### Out of Agency Service Contracts

On two occasions LAFCO has authorized the City of Colton to provide water service outside of its boundary (but within its sphere of influence) within the service area of Terrace Water Company, a mutual water company that serves the areas. The purpose of the City's requests were to alleviate a potential health and safety concern associated with insufficient fire flow provided by the Terrace Water Company. On both occasions, Terrace Water Company consented to the City providing the service due to insufficient water capacity and difficulty providing fire flow.

First, in 2008, LAFCO authorized the City to provide water service and future sewer service to roughly  $\frac{3}{4}$  acre located on the north side of Valley Blvd. between Cyprus and Grand Avenues (LAFCO Service Contract #337). In 2016 the Commission approved Service Contract #406 authorizing the City to provide water and sewer services to roughly six acres for a proposed affordable housing project generally located at the northeast corner of Valley Blvd. and Cyprus Avenue.

### City of Colton Service in Loma Linda

In 1992, LAFCO 2706 and 2707 (1) transferred 1.8 acres of unincorporated land from the City of Colton sphere of influence to the City of Loma Linda sphere of influence; and (2) annexed the area to the City of Loma Linda. What is unique about this proposal was that the City of Colton agreed to provide water and sewer service to the entire tract on an interim basis (area generally known as

<sup>1</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.

South Hills), under an agreement reached with the City of Loma Linda. This service agreement recognizes that the City of Loma Linda cannot economically extend its water and sewer services to the area until other areas, adjacent to the site and within Loma Linda boundaries, begin to develop. Once that additional development occurs, the City of Loma Linda is supposed to acquire full service responsibility for the entire area. However because as the adjacent areas have not developed – what was once agreed to as an interim arrangement has become permanent.





## City of Loma Linda

## Loma Linda

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1970
Governance	5-member city council, elected at large	Square Miles	10.6
Website	<a href="http://lomalinda-ca.gov/">http://lomalinda-ca.gov/</a>	2015 Population	23,298

LAFCO Authority	
Authorized Functions	Park and recreation, fire protection and emergency medical response, water, streetlights, and wastewater collection services
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (6 wells with 12,700 gpm capacity from the Bunker Hill sub-basin)			
Storage	6 reservoirs with 14 million gallon capacity			
Distribution	5 pressure zones, 6 booster zones, 6 pressure reducing stations			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	5,391	11	--	5,402

Supply & Demand, AFY	2020	2025	2030	2035	2040
Supply	6,418	6,814	7,236	7,683	7,683
Demand	5,200	5,527	5,875	6,245	6,638

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
113.4 AF	72.2 AF	16.3%	5,556 AF	4,965 AF	11%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$13.86	\$10.95	--	\$24.61

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$(28,703)	\$164,202	\$(146,664)	\$(210,832)	\$(428,132)
Cash & Equivalents, End of Year	\$1,533,335	\$1,697,537	\$1,550,873	\$1,340,041	\$911,909

Sources: 2015 San Bernardino Valley Regional Urban Water Management Plan; City of Loma Linda website, State Water Board Stress Test and Water Conservation Targets, financial statements



## **City of Loma Linda Additional Information**

### **Measure V, Growth Management**

In 2006, the voters of the City of Loma Linda passed Ballot Measure V, stating that:

“The purpose and intent of this initiative measure is to amend the Loma Linda General Plan by the addition of a new growth management element designed to establish principles of managed growth that will preserve, enhance, and maintain the special quality of life valued by this community, including the protection of hillside areas, preservation of open space, and maintenance of safe, quiet residential areas so that future development within the City will occur in a way that promotes the social and economic well-being of the entire community.”

Measure V added Chapter 2A, Growth Management, to the General Plan. As noted in Measure V, “it must be constantly remembered that all of the elements of the General Plan are intricately woven together and a significant change in one could affect them all.” Thus, maintaining the internal consistency of the General Plan as required by State law requires each of the elements of the General Plan to be consistent with the provisions of Measure V as approved. According to Chapter 2A, several provisions of Measure V have the potential to affect the production of housing for all economic segments of the community, including:

- Lowering the maximum allowable density of the “High Density Residential” land use designation from 20 dwelling units per acre to 13 units per acre.
- Lowering the maximum allowable density of the “Low Density Residential” land use designation from 5 dwelling units per acre to 4 units per acre.
- Modifying all land use designations to have a minimum density of zero units per acre.
- Eliminating the potential for small lot single family by establishing a 7,200 square foot minimum lot size for all detached residential development throughout the City.
- Reducing the potential buildout within hillside areas.
- Establishing stringent traffic mitigation standards that could restrict the density of new development or delay start of construction.

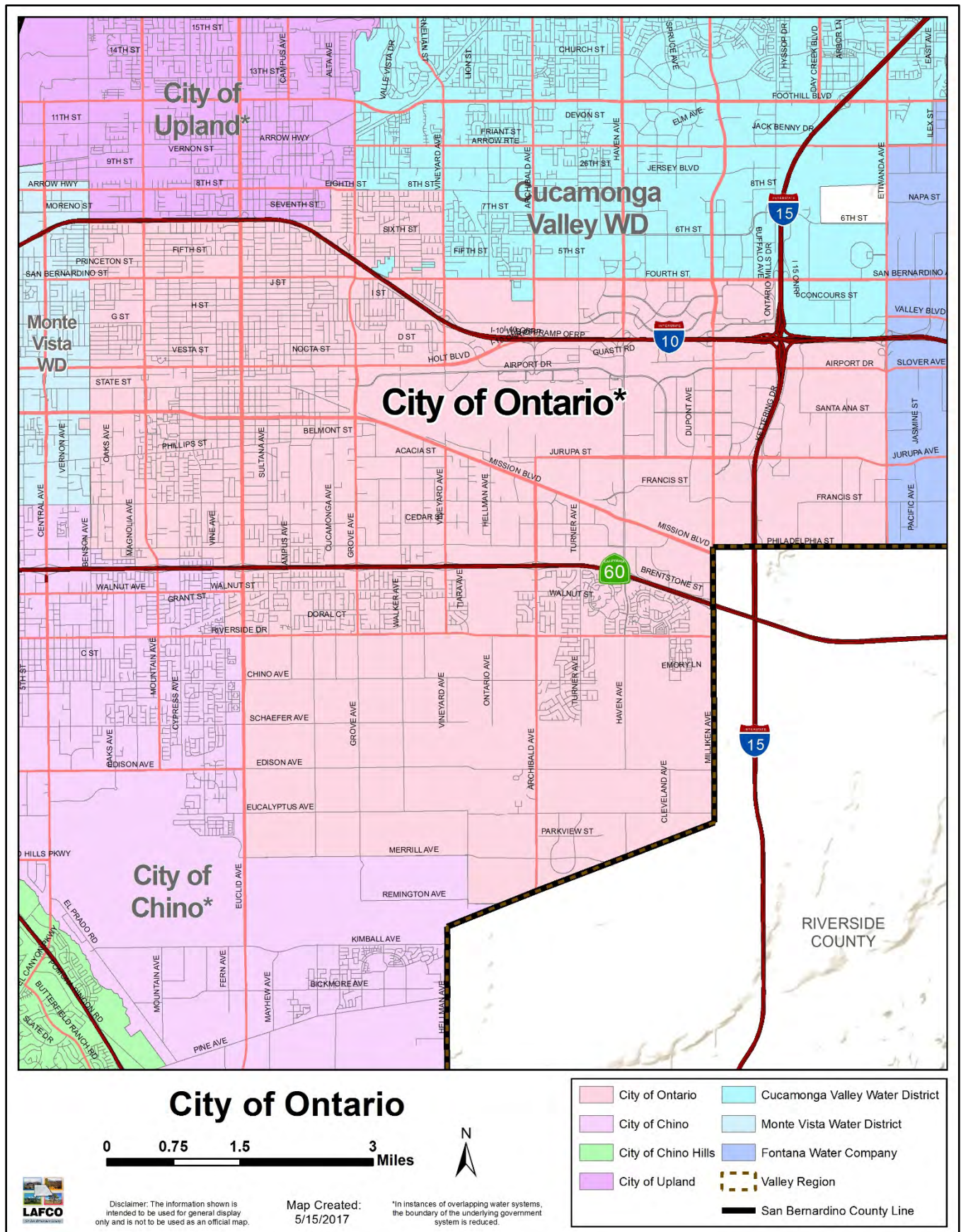
Reducing the intensity of potential development within Loma Linda’s hillside areas was one of Measure V’s major objectives. Because of the “environmental constraints” that any hillside development would have to address, the overall density of potential development within the South Hills area would have been low, even prior to Measure V. According to Chapter 2A, it is estimated that Measure V will result in a 200-500 dwelling unit decrease in the buildout of the South Hills Area, after considering the density transfers and bonuses available both prior to and after the adoption of Measure V, affecting the production of housing for above moderate income households.

Measure V was intended to recognize the substantial limitations present within the City’s hillside. Given the City’s language, this area is not intended to develop with needs for municipal level services. Government Code Section 56076 defines a sphere of influence as “a plan for the probable physical boundaries and service area of a local agency, as

determined by the commission.” Therefore, if substantial limitations restrict the extension of services to the South Hills, LAFCO staff questions if this area should remain within the City’s sphere of influence. While staff is not recommending a sphere reduction in this service review, the subsequent service reviews for wastewater and fire protection may show compounding reasons for such a recommendation.

### **City of Colton Service in Loma Linda**

In 1992, LAFCO 2706 and 2707 (1) transferred 1.8 acres of unincorporated land from the City of Colton sphere of influence to the City of Loma Linda sphere of influence; and (2) annexed the area to the City of Loma Linda. What is unique about this proposal was that the City of Colton agreed to provide water and sewer service to the entire tract on an interim basis (area generally known as South Hills), under an agreement reached with the City of Loma Linda. This service agreement recognizes that the City of Loma Linda cannot economically extend its water and sewer services to the area until other areas, adjacent to the site and within Loma Linda boundaries, begin to develop. Once that additional development occurs, the City of Loma Linda is supposed to acquire full service responsibility for the entire area. However, as the adjacent areas have not developed – what was once agreed to as an interim arrangement has become permanent and cannot develop due to Measure V.



# City of Ontario

# Ontario

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1890
Governance	5-member city council, elected at large	Square Miles	50
Website	<a href="http://www.ontarioca.gov/">http://www.ontarioca.gov/</a>	2015 Population	168,777

LAFCO Authority	
Authorized Functions	Parks and recreation, sewer, solid waste, water, fire protection and emergency response and police services
Previous service review	<a href="http://www.sbclaifo.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclaifo.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (20 active wells, 47900 gpm capacity) <sup>1</sup> , purchased desalted water (Chino Basin Desalter Authority), purchased State Water Project & surface water (Water Facilities Authority); surface water (through shares in the San Antonio Water Company); recycled water			
Storage	12 reservoirs with total storage of 75 MG			
Distribution	5 pressure zones; 8 booster stations			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	34,308	--	--	34,308

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	36,153	39,369	43,710	50,966	61,470	73,640
Demand	36,153	39,369	43,710	50,966	61,470	73,640

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary <sup>2</sup>		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
81.5 AF	60.2 AF	16.7%	35,809 AF	55,993 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$31.45	\$35.85	--	\$67.30

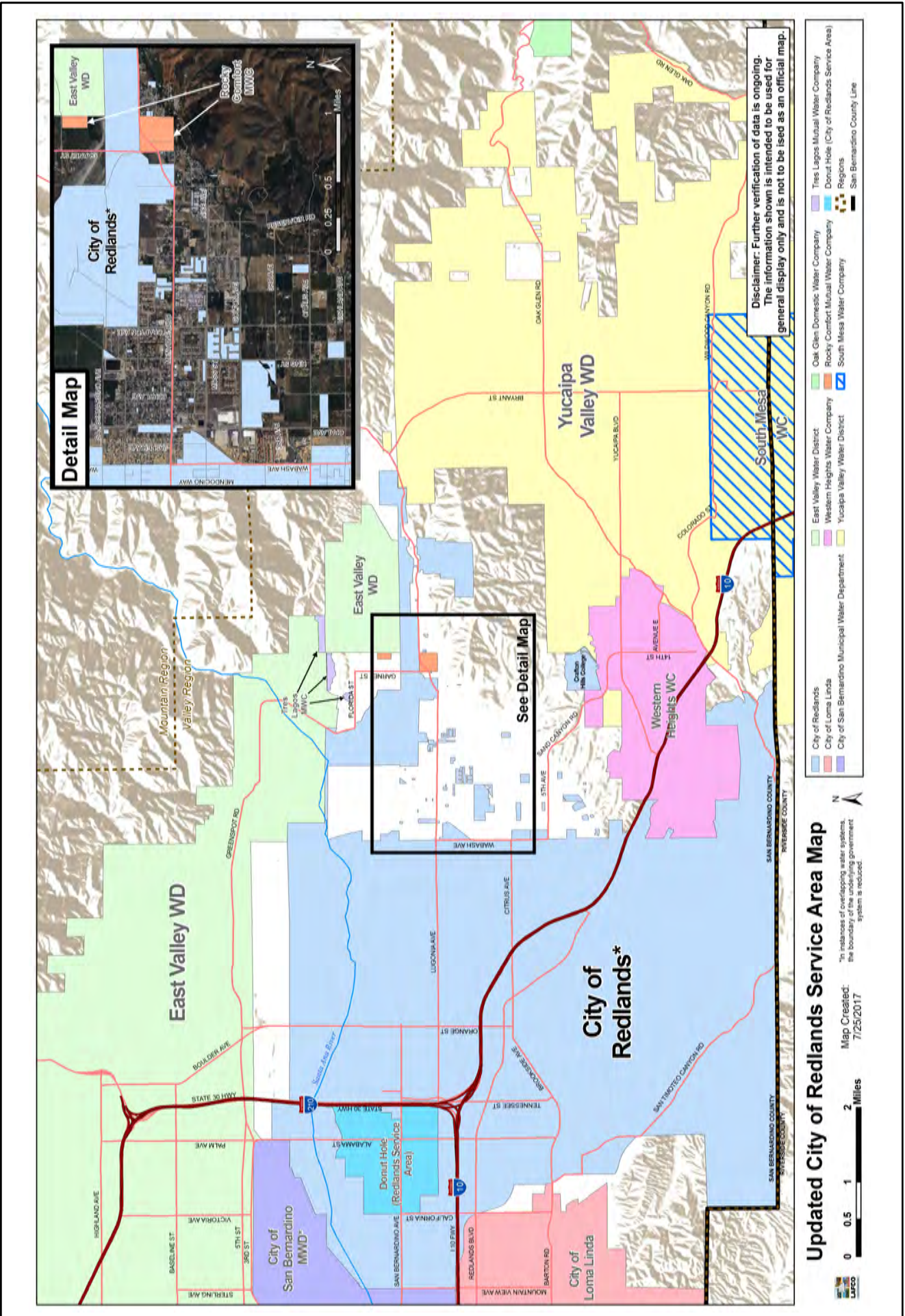
Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$12,701,797	\$11,930,065	\$6,834,590	\$20,774,240	\$2,689,352
Cash & Equivalents, End of Year	\$73,693,119	\$85,623,184	\$92,457,774	\$113,232,014	\$115,921,366

Sources: City of Ontario website, City of Ontario Urban Water Management Plan (2015); State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> Has shares in San Antonio Water Company

<sup>2</sup> The Cities of Chino, Chino Hills, Ontario, Upland; and the Monte Vista Water District (collectively, "Member Agencies") are member agencies and joint owners of the Water Facilities Authority. The Water Facility Authority and the Member Agencies have jointly agreed to coordinate to collect relevant data and documentation for submittal of the aggregated conservation standard certification.





## City of Redlands

Redlands, unincorporated San Bernardino County, and small portion of the City of San Bernardino

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1888
Governance	5-member city council, elected at large	Square Miles	36 <sup>1</sup>
Website	<a href="http://www.cityofredlands.org/">http://www.cityofredlands.org/</a>	2015 Population	85,276

LAFCO Authority	
Authorized Functions	Fire protection and emergency medical, water, sewer, police, parks and recreation, library, airport and cemetery services
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (20 wells with capacity of 30,458 gpm), surface water, State Water Project (SB Valley Municipal Water District)			
Storage	18 reservoirs, 54.5 million gallon storage capacity			
Distribution	400 miles of distribution pipeline, 7 pressure zones, 37 booster pumps			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	19,504	2,754	0	22,258

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	25,936	62,148	63,966	63,534	64,098	64,098
Demand	24,322	33,138	34,164	34,940	35,715	35,715

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
139.3 AF	69.6 AF	22.4%	27,201 AF	47,645 AF	0% <sup>2</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$17.68	\$8.85	--	\$26.53

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(\$1,681,625)	\$6,438,046	\$(8,455,856)	\$(5,955,697)	\$1,823,675
Cash & Equivalents, End of Year	\$26,841,319	\$33,279,365	\$24,823,509	\$18,867,812	\$20,691,487

Sources: City of Redlands website, San Bernardino Valley Regional Urban Water Management Plan (2015), State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> Does not include 5,000 residents served outside the City boundary but within the City's sphere of influence.

<sup>2</sup> "The City plans to achieve at least a 15 percent potable water use reduction, as compared to 2013. This amount was established based on the safe yield in the basin, anticipated conservation from other basin users, and imported State Water Project water. If a 15 percent reduction is achieved it is anticipated there will be little to no impact to the basin."



## **City of Redlands Additional Information**

The City shares/co-owns a reservoir with San Bernardino Valley Municipal Water District (Valley District) to meet the needs of both utilities. The collaboration has allowed both agencies to meet customer demands and at the same time reduce costs.

The City also has identified that it owns shares of the following water entities:

Bear Valley Mutual: 90,572  
Crafton Water Co.: 408.75  
Lugonia Water Co.: 837.5  
Redlands Heights Water Co.: 982.5  
Redlands Water Co.: 1,234.83  
South Mountain Water Co.: 911  
West Redlands Water Co.: 464.5

### **Measure U**

A growth management initiative referred to as Measure U was passed by the City voters in 1997, as enacted within the Redlands General Plan and Municipal Code. The principles of managed development established by the measure assure that future development within the City occurs in a way that promotes the social and economic well-being of the entire community. Section J of the Measure states that it is "...consonant with and furthers the purpose and intent of Proposition R, approved by the voters in 1978, and Measure N, approved by the voters in 1987 with regard to the preservation of agricultural land." Specifically, development within the planning area and sphere of influence of the City of Redlands shall conform to development standards within the City. Further, the City has a total of 550 residential units available for development each calendar (150 units within the sphere of influence and 400 units within the City). If the proposed service connection is adjacent to the City limits, then annexation is the sole method of obtaining service.

For utility connections for residential development outside of the City limits, the City adopted Ordinance 2080 in July 2015 setting forth requirements:

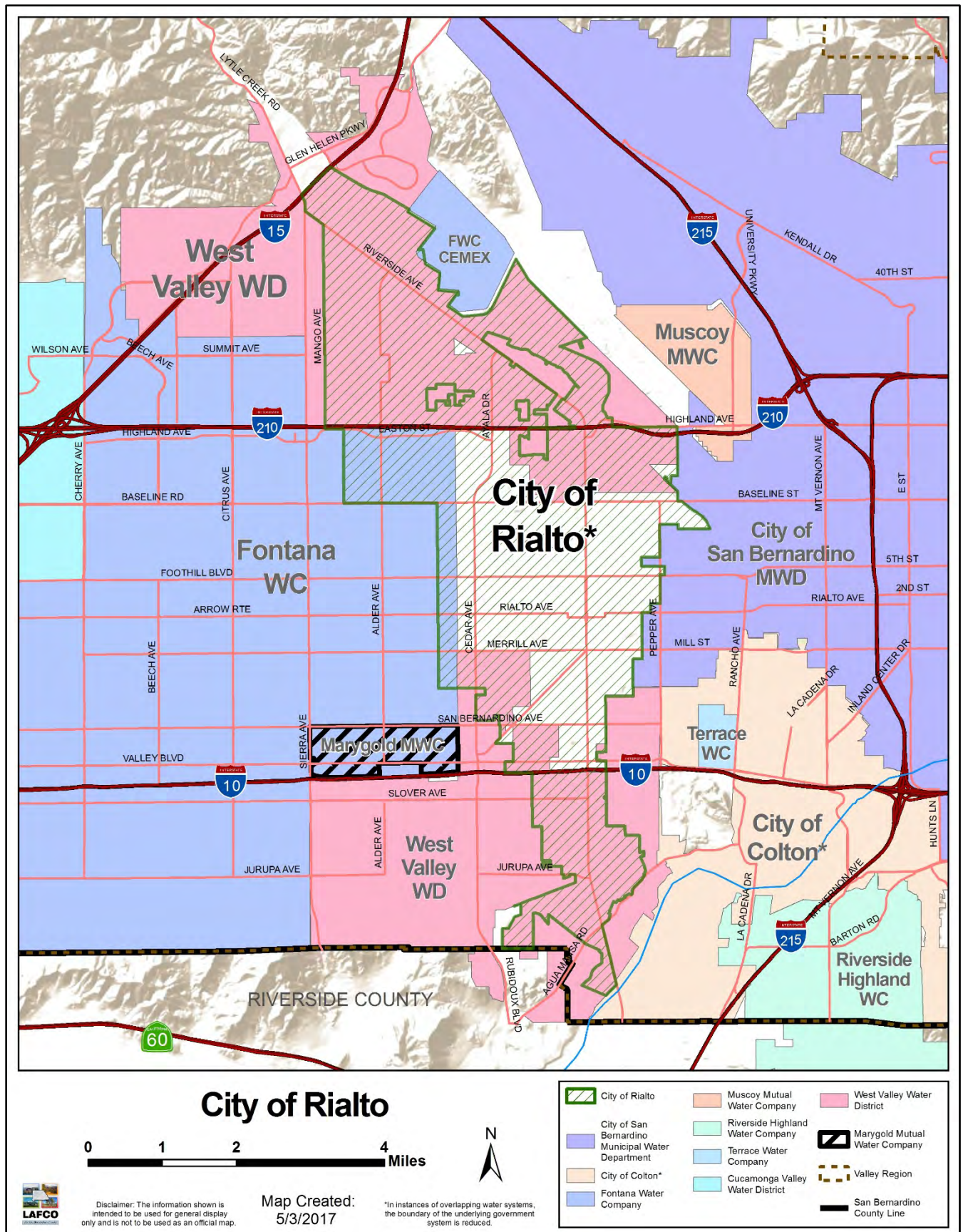
- The owner of the property to be served enters into a preannexation agreement with the city, which requires the owner to irrevocably consent to annexation proceedings
- Payment to the City of an amount equivalent to all capital improvement and other development fees which would be applicable to the property if it were within city limits.
- The preannexation agreement shall provide, among other things, that in the event the property is not annexed to the city in accordance with the terms of the agreement, the owner of the property shall pay each year to the city, as liquidated damages, a sum equal to the property taxes and any sales taxes the city would have received had the property been annexed.
- The preannexation agreement shall further provide that the failure to make such liquidated damages payments shall be cause for the city to cease water and/or sewer service to the project.

The City is currently working with community members on an updated general plan anticipated to be brought to Council late-2017 that will provide a vision of development through 2035.

### **Service in Yucaipa**

Crafton Hills College currently receives its water and sewer services through the City of Redlands. This arrangement took place in the early 1970s when the College was developed. The availability of the level of service required could not be provided by the Western Heights Mutual Water Company for water service, and sewer service was not available within the community. The area, at that time, was a part of the City of Redlands sphere of influence.

LAFCO 2803 in 1996 (Yucaipa Valley sphere expansion) recognized an interim water supply agreement with the City of Redlands to provide a temporary water service to the residential subdivision identified as Tract 12222 within the City of Yucaipa and service area of the Yucaipa Valley Water District. This agreement was entered into prior to the implementation of Govt. Code Section 56133 (which requires Commission approval of such contracts) and continues to this day.



# City of Rialto

Rialto

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1911
Governance	5-member city council (mayor elected separately)	Square Miles	89
Website	<a href="http://yourrialto.com/">http://yourrialto.com/</a>	2015 Population	54,453

LAFCO Authority	
Authorized Functions	Police, fire protection and emergency medical, roads, parks and recreation, public improvements, planning and zoning, and general administrative services
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (8 wells from Rialto-Colton Subbasin, Lytle Creek Subbasin, San Bernardino Basin Area, and the “Chino wells”, the latter of which are not located within the adjudicated boundaries of Chino Basin.), treated surface water (West Valley Water District), treated groundwater (SB Valley Municipal Water District), recycled			
Storage	6 reservoirs with a total of 28.0 MG			
Distribution	162 miles of distribution mains; 3 pressure zones; 3 sub-pressure zones			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	11,950	6	-	11,956

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	8,795	11,596	12,096	12,596	13,096	13,596
Demand	8,795	10,583	11,216	11,886	12,597	13,350

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
85.4 AF	63.7 AF	20.4%	10,277 AF	11,400 AF	0% <sup>1</sup>

Typical Monthly Residential Water Bill (3/4” meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$30.25	\$22.25	--	\$52.50

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$417,917	(\$3,367,392)	\$5,863,660	(\$4,527,407)	(\$2,117,851)
Cash & Equivalents, End of Year	\$13,432,267	\$12,667,935	\$18,531,595	\$14,004,188	\$11,886,337

Sources: San Bernardino Valley Regional Urban Water Management Plan (2015); State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> “The City is reviewing options for reduction percentage higher than 0%.”

## **City of Rialto Additional Information**

The City is a community water system that supplies water for domestic purposes to approximately one-half of the population of the City of Rialto, or an estimated population of 49,000. The City's service area is essentially the incorporated area between I-10 and 210. This service area is the central portion of the City of Rialto. The remaining City areas are served by the West Valley Water District ("WVWD") and Fontana Water Company.

### **Contract with Veolia**

Since 2002, the City contracted with Veolia Water North America ("Veolia") for the water system's operations. However, due to contamination, Rialto had to purchase water at a high premium from other municipal operators, and main breaks became commonplace. Additionally, according to the Brookings Institution, Rialto's "historically underfunded system also struggled to meet pension liabilities, which were starting to weigh on the utility's ability to affordably raise capital in the tax-exempt market."<sup>2</sup>

As a result, in January 2013, the City deepened its contract relationship with Veolia for a 30-year contract to manage the City's water and wastewater systems. All construction, operations, and customer service are performed by Veolia. Under the agreement the City retains full ownership of water and wastewater system assets, water rights and supply, and authority over all rate-setting. Additionally, the City contracted with WVWD to provide operation and maintenance services to the City's treatment plants. Veolia is obligated to upgrade the system and has committed to \$41 million in capital improvements. The deal effectively shifted all the operational and financial risks inherent in running the utility to RWS, while easing the City's budgetary challenges. The Contract Agreement between the City and WVWD was dated July 9, 2013 and the Second Amendment to the Contract Agreement was dated August 12, 2014.

Of caution, these agreements can hinder future budgetary flexibility and may end up costing users or taxpayers more over the long term. The obligated payments are a liability against the City that are paid by the customers through rates.

### **Water Quality**

The Rialto-Colton Sub-basin contains a groundwater contaminant plume called the Rockets, Fireworks, and Flares Site, which is in the process of being removed. The cleanup is focused on pollution from the 160-acre formerly named B.F. Goodrich Superfund site where toxic chemicals, including perchlorate and trichloroethene ("TCE"), were disposed over many decades. The cost of to remediate the site cleanup is being funded by a number of partners including the U.S. Environmental Protection Agency and the Goodrich Corporation.

All active wells located in the Rialto and North Riverside groundwater basins suffer from perchlorate contamination (except Rialto Well 5) and perchlorate treatment is provided to

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<sup>2</sup> Brookings Institution. "Private Capital, Public Good. Drivers of Successful Infrastructure Public-Private Partnerships". December 2014.



these contaminated wells. The treatment system was constructed to intercept, contain, and treat the impacted groundwater in accordance with Regional Water Quality Control Board Orders RB-2003-0013 and RB-2004-0072. Rialto has adopted a “zero tolerance” policy for perchlorate, meaning that it will not serve water with any perchlorate even if the water meets all of the public health standards. In 2003, the City declared a water shortage emergency in accordance with California Water Code §350-359.

Rialto operates wastewater service within the city and has recently initiated deliveries of recycled water to the California Department of Transportation. Surface water treatment of Lytle Creek water is provided by the Oliver P. Roemer Water Filtration Plant owned and operated by West Valley. Rialto owns a portion of the capacity of that plant.

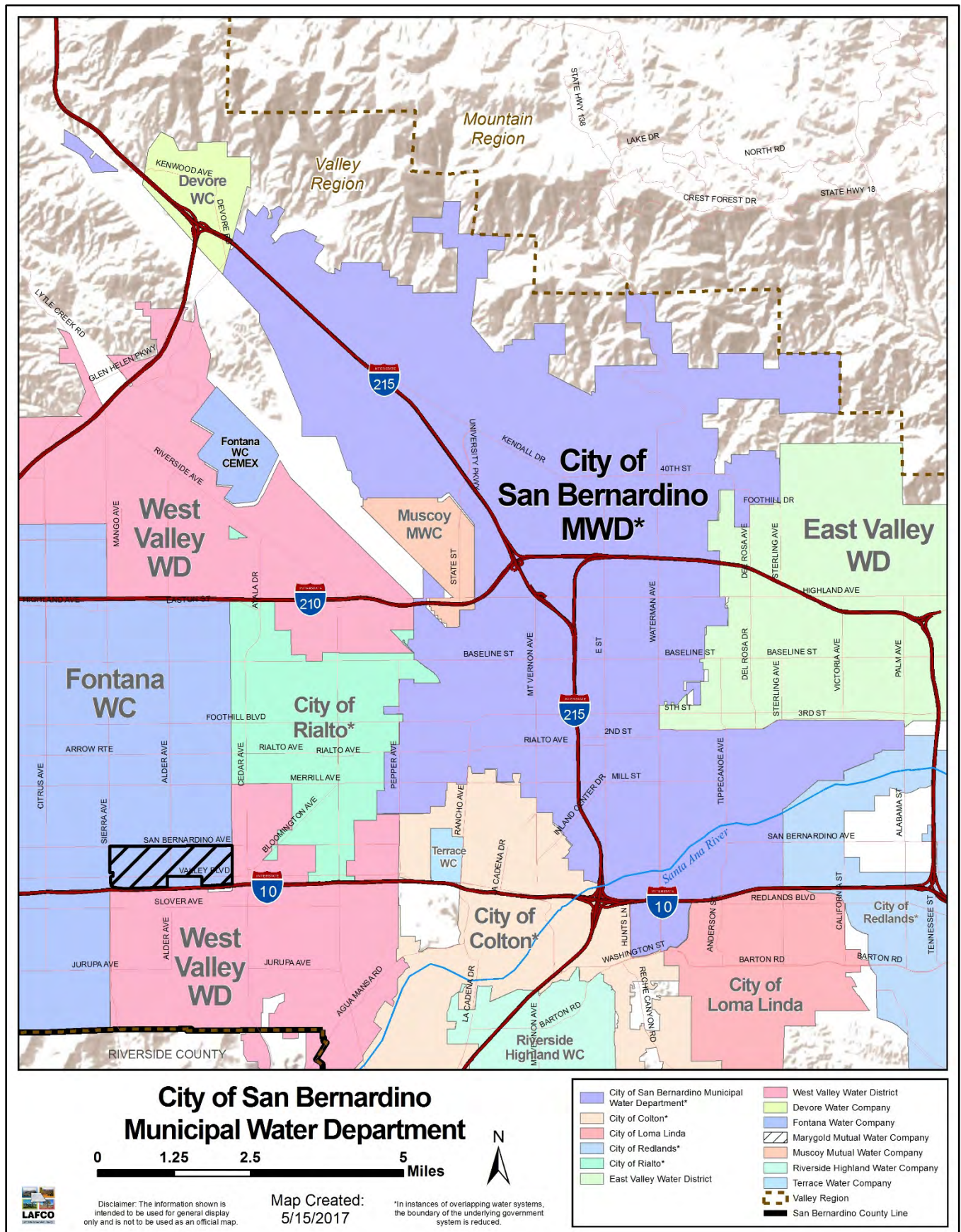
A portion of the City in the west is within the certificated service area of the Fontana Water Company, which produces water from within the boundary of another state water contractor, the Inland Empire Utilities Agency.

## Dispute

The validity and extent of the City’s water rights are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>3</sup> Whether the area referred to as “No Man’s Land” is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending. It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

<b>Retail System</b>	<b>Rialto-Colton Subbasin</b>	<b>Lytle Creek Subbasin</b>	<b>Rialto Basin</b>	<b>Area known as “No Man’s Land”</b>
City of Colton	Dispute	Dispute	Dispute	Dispute
<b>City of Rialto</b>	<b>Dispute</b>	<b>Dispute</b>	<b>Dispute</b>	<b>Dispute</b>
Fontana Water Company	Dispute	Dispute	No	Dispute
West Valley Water District	Dispute	Dispute	Dispute	Dispute

<sup>3</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.



# City of San Bernardino - Municipal Water Department

San Bernardino

Agency Information			
Principal Act	<i>City Charter, Adopted 11-8-16. [Amended at 7-19-17 LAFCO hearing]</i>	Year Formed	1905
Governance	Board of Water Commissioners (appointed by Mayor and subject to confirmation by Common Council)	Square Miles	81
Website	<a href="http://www.ci.san-bernardino.ca.us/water">http://www.ci.san-bernardino.ca.us/water</a>	2015 Population	199,657

LAFCO Authority	
Authorized Functions	Water, sewer (collection, treatment) <i>[Amended at 7-19-17 LAFCO hearing]</i>
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (55 wells with a capacity of 64,563 gpm)			
Storage	44 storage reservoirs with 112 MG total storage capacity			
Distribution	700 miles of pipeline; 13,800 valves; 19 pressure zones; 4,000 fire hydrants			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	?	?	?	42,000

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	36,035	58,271	66,830	75,466	84,082	90,582
Demand	36,035	45,969	49,094	53,339	57,623	59,449

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
94.6 AF	69.6 AF	19.7%	44,098 AF	44,641 AF	0% <sup>1</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$20.15	\$17.25	\$3.30 (assumes elevation zone 1)	\$40.70

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$13,792,066	(\$8,213,042)	(\$9,484,423)	\$2,614,383	\$6,304,318
Cash & Equivalents, End of Year	\$42,706,673	\$34,493,631 <sup>2</sup>	\$5,373,390	\$7,987,773	\$14,292,091

Sources: San Bernardino Municipal Water District website, San Bernardino Valley Regional Urban Water Management Plan (2015); City of San Bernardino Water Facilities Master Plan (2015), State Water Board Stress Test and Water Conservation Targets, financial statements

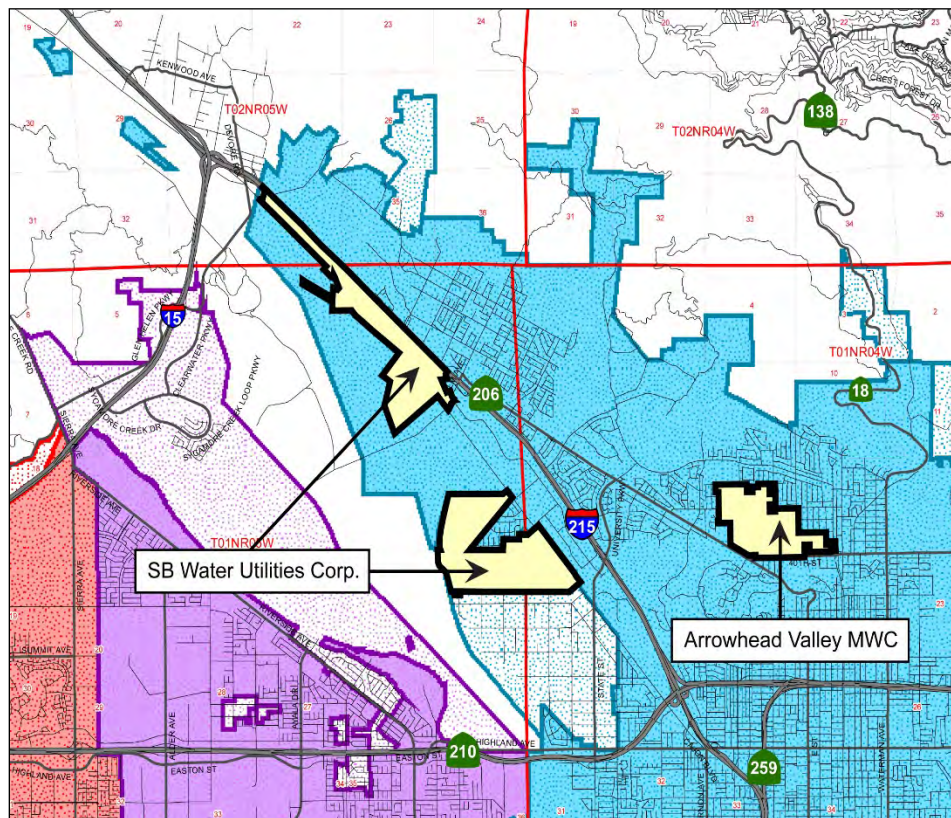
<sup>1</sup> "The City of San Bernardino Municipal Water Department (SBMWD) understands the severity of the drought and feels it is prudent that aggressive conservation measures, including a conservation standard, be maintained. Adopting the calculated conservation standard of 0% does not support this approach. .... SBMWD will implement a 15% conservation standard as a result of this conservative approach. This will also maintain uniformity with neighboring San Bernardino Basin Area suppliers, as it is SBMWD's understanding that most are adopting a conservation standard of at least 10%."

<sup>2</sup> 2012 ending cash balance restated in 2013 audit to be \$14,587,813. \$19,635,819 was determined to be an Investment rather than "Cash and cash equivalents". Therefore, the beginning balance for 2013 was restated to exclude this amount.



## City of San Bernardino - Municipal Water Department Additional Information

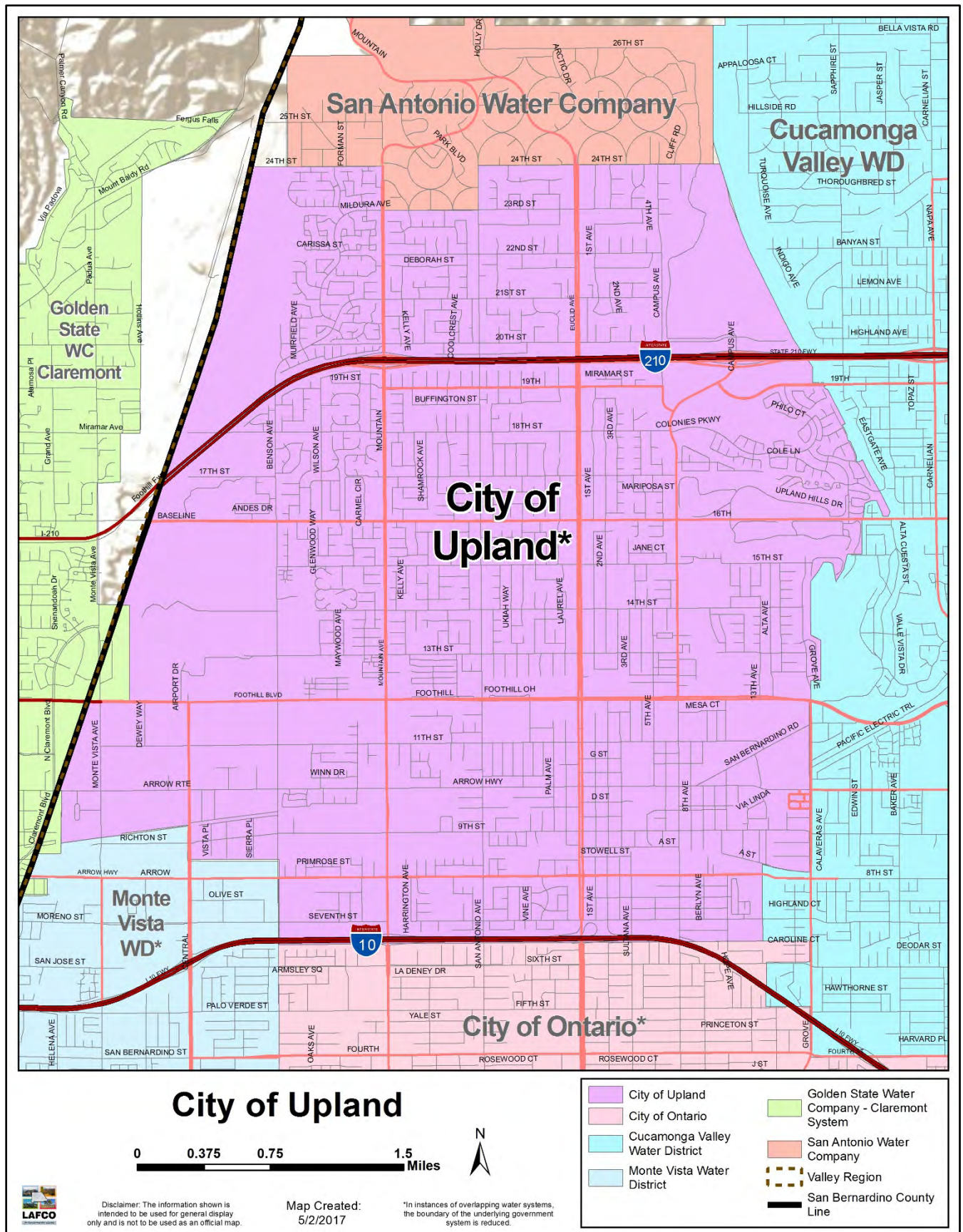
The City has purchased the following water systems: Victoria Farms, San Bernardino Water Utility Corporation and Arrowhead Valley Mutual Water Company. For the latter two systems, in 2010 the Commission determined that the provision of water service within the service areas identified for the Water Utility Corporation and the Mutual Water Company are exempt from the provisions of Government Code Section 56133 (Service Contract #352). The figure below illustrates the former service areas for the two systems.



The Commission's policy related to out-of-agency service contracts addresses the obligations assumed by public agencies when acquiring private/mutual water companies is as follows:

*"In the case where a city or district has acquired the system of a private or mutual water company prior to the enactment of this legislation, those agencies shall be authorized to continue such service and provide additional connections within the certificated service area of the private or mutual water company defined by the Public Utilities Commission or other appropriate agency, at the time of acquisition without LAFCO review or approval as outlined in Govt. Code Section 56133..."*







## City of Upland

## Upland

Agency Information			
Principal Act	Government Code Title 4 - §34000	Year Formed	1906
Governance	5-member City Council (mayor elected separately)	Square Miles	16 (approx.)
Website	<a href="http://ci.upland.ca.us">ci.upland.ca.us</a>	2015 Population	75,787

LAFCO Authority	
Authorized Functions	Animal services, library, parks and recreation, water, storm drains, roads and refuse
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (19 wells with a capacity of 17,467 gpm), treated surface water (total capacity of 4,167 gpm), purchased treated groundwater (San Antonio Water Company), treated surface water (Water Facilities Authority)			
Storage	17 reservoirs with total capacity of 49.8 MG			
Distribution	10 transmission lines, 5 pressure zones, 340 miles of mains			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	18,813	--	--	18,813

Supply & Demand, AFY	2015	2020	2025	2030	2035
Supply	20,627	24,911	24,961	25,051	25,051
Demand	19,850	22,325	23,148	22,241	24,725

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary <sup>1</sup>		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
128.5 AF	75.3 AF	22.2%	21,324 AF	20,294 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$19.35	\$10.73	--	\$30.08

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$5,356,600	(\$8,363,748)	(\$2,057,861)	\$1,385,881	\$1,973,260
Cash & Equivalents, End of Year	\$12,828,270	\$4,464,522	\$2,406,661	\$3,792,542	\$5,765,802

Sources: City of Upland website, City of Upland Urban Water Management Plan (2015), State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> The Cities of Chino, Chino Hills, Ontario, Upland; and the Monte Vista Water District (collectively, "Member Agencies") are member agencies and joint owners of the Water Facilities Authority. The Water Facility Authority and the Member Agencies have jointly agreed to coordinate to collect relevant data and documentation for submittal of the aggregated conservation standard certification.

## City of Upland Additional Information

The City of Upland has an ownership in the San Antonio and West End water companies based upon the number of stock shares owned. To protect the water rights for the citizens of Upland, the City's water utility has followed the practice of purchasing shares of stock in the water companies as they become available. The City's primary motivation for owning shares in the water companies is to secure rights to well water pumped by the two companies. Two Upland City Council members are also on the Board of San Antonio Water Company. As development takes place within the City, the City requires developers to contribute 1.5 shares for each acre developed.

The following schedule summarizes the City's investment in joint ventures at June 30, 2015 and the gain (loss) on the investment for the year:

<u>Water Company</u>	<u>Percentage Ownership</u>	<u>Total Joint Venture Equity</u>	<u>City's Equity Interest</u>	<u>City's Share of Joint Venture Net Income (Loss)</u>
San Antonio Water Company	68%	\$ 25,824,984	\$ 17,527,417	\$ 228,694
West End Water Company	91%	2,343,431	2,136,740	(93,166)
Water Facilities Authority	20%	25,602,184	5,120,437	(176,218)
Total			<u>\$24,784,594</u>	<u>\$ (40,690)</u>

Source: 2014-15 audit

In 2015, LAFCO requested that the City provide brief responses to the following questions regarding its Statement of Cash Flows. Below are the questions and the City's responses.

1. Explain "Cash transfers out" in 2011-12 for \$5,235,720. What department or fund received the majority of the transfers and for what purpose?

*The \$5,235,720 "cash transfer out" balance relates to \$72,388 in cash going to the Solid Waste Utility Fund during FY 2010/11 as a result of short-term cash borrowing to cover deficit cash balance. During FY 2011 /12, \$4,666,462 in cash went to the following funds as a result of short-term cash borrowing to cover deficit cash balances:*

- a. HOME Program Fund \$144,852
- b. Housing Fund \$67,818
- c. Community Development Block Grant Fund \$145,693
- d. SB 509 Public Safety Sales Tax Fund \$52,168
- e. Self-Funded Insurance Liability Fund \$4,255,931

*During FY 2011 /12 the Water Fund also transferred \$641,646 to the General Fund due to midyear budget savings that would benefit the General Fund. The change in cash due to/from between FY 2010/11 and FY 2011 /12 (\$4,666,462 - \$72,388) is \$4,594,074, plus the transfer (\$641,646) equals the \$5,235, 720 in "cash transfer out".*

2. Explain "Cash transfers in" in 2013-14 for \$1,826,205. What department or fund received transferred the majority of the cash and for what purpose?

*The \$1,826,205 "cash transfer in" balance relates to \$3, 752,306 in cash going to various funds as a result of short-term cash borrowing to cover deficit cash balance during FY 2012/13. During FY 2013/14, \$1,948,590 in cash went to the following funds also as a result of short-term cash borrowing to cover deficit cash balances:*

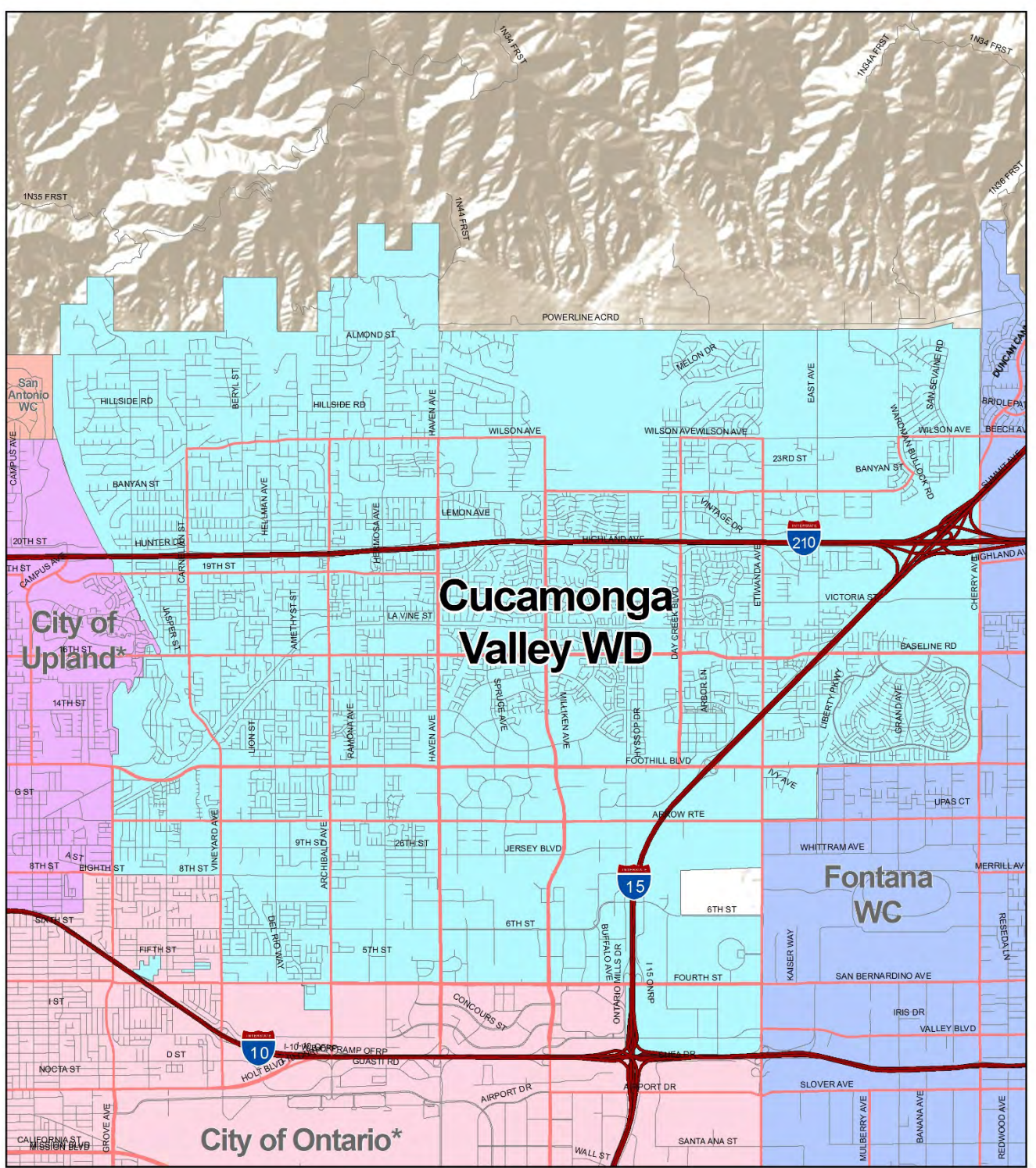
- a. General Fund \$26,487*
- b. CalHOME Fund \$56,575*
- c. Community Development Block Grant Fund \$143,332*
- d. SB 509 Public Safety Sales Tax Fund \$39,214*
- e. Homeland Security Grants - PD Fund \$12,507*
- f. Solid Waste Utility Fund \$853,530*
- g. Animal Services Fund \$816,945*

*During FY 2013/14 the Water Fund also transferred \$22,290 to the Solid Waste Utility Fund, the Sewer Utility Fund, and the Animal Services Fund in equal amounts to reimburse for personnel and administrative cost. The change in due to/from between FY 2010/11 and FY 2011 /12 (\$1,948,590 - \$3, 752,306) is \$1,803,716, plus the transfer (\$22,490) equals the \$1,826,205 in "cash transfer in".*

3. Explain the net decrease in cash for 2011-12 and 2012-13.

*The net decrease in cash for FY 2011 /12 is due to a decrease in cash of \$7.8M due to \$4.7M going to various funds due to short-term cash borrowing to cover deficit cash and \$641 K going to the General Fund (as noted in Number 1 above). Also, there was a decrease in operating revenue, specifically in charges for services, for \$4.5M while there was an increase in operating expenses of \$1.8M. The net decrease in cash for FY 2012/13 is due to the overall decrease and cash and investments of \$2M. Also, during the year the Water Utility Fund loaned the Self-Insurance Liability Fund \$923,000 to cover costs associated with legal bills.*





## Cucamonga Valley Water District

0 0.75 1.5 3 Miles



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.

Map Created:  
5/8/2017

\*In instances of overlapping water systems, the boundary of the underlying government system is reduced.

Cucamonga Valley Water District	Fontana Water Company
City of Ontario	San Antonio Water Company
City of Upland	Valley Region
	San Bernardino County Line

## Cucamonga Valley Water District

Rancho Cucamonga; portions of Upland, Fontana, and Ontario

Agency Information			
Principal Act	County Water District Law Water Code Division 12 - §30000 et seq.	Year Formed	1955
Governance	5 member Board of Directors, elected at large	Square Miles	47
Website	<a href="http://www.cvwdwater.com/">http://www.cvwdwater.com/</a>	2015 Population	200,466

LAFCO Authority	
Authorized Functions	Water and sewer
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (21 active wells with capacity of 37,400 gpm); surface water (capacity of 74.8 MGD)			
Storage	35 reservoirs with capacity of 94.9 MG			
Distribution	707 miles of pipeline ranging from 4" to 42" in diameter			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	50,531	--	--	50,531

Supply & Demand, AFY	2015	2020	2025	2030	2035
Supply	42,678	60,500	63,100	65,700	65,700
Demand	42,663	60,500	63,100	65,700	65,700

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
114.8 AF	72.2 AF	23%	52,737 AF	55,239 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$17.82	\$13.33	--	\$31.15

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(\$1,592,830)	\$10,490,010	\$38,400,929	(\$28,617,922)	(\$13,065,048)
Cash & Equivalents, End of Year	\$19,668,474	\$30,158,484	\$68,559,413	\$39,941,491	\$26,876,443

Sources: Cucamonga Valley Water District Urban Water Management Plan (2015); Cucamonga Valley Water District website, Cucamonga Valley Water District Water Supply Master Plan (2013); State Water Board Stress Test and Water Conservation Targets, financial statements



The District owns a majority stake in the Fontana Union Water Company (58%). Other shareholders are: San Gabriel Valley Water Company (40%), City of Rialto (1%), and 13 others (each under ½%).

In response to the draft service review, the district provide the following descriptions regarding the changes in its cash flows:

The Cash Flows table includes both Unrestricted and Restricted Cash & Cash Equivalents balances in the calculation of the amount of Increase (Decrease) in Cash & Cash Equivalents. CVWD's Restricted Cash & Cash Equivalents include unspent bond proceeds, obligatory Reserves for future Bond payments and the Intergovernmental payable to IEUA. These funds are not available for the District to spend at will. The explanation for the large changes through years 2013-2015 are listed below:

- 2013 - Increase of \$38,400,929 - The District issued the 2012 revenue Bonds. Total unspent proceeds at Year End were \$41,500,000.
- 2014 - Decrease of \$28,617,922 - 2012 Revenue Bond proceeds spent on Capital Projects amounted to \$26,339,545.
- 2015 - Decrease of \$13,065,048 - 2012 Revenue Bond proceeds spent on Capital Projects amounted to \$13,505,192.



# East Valley Water District<sup>1</sup>

Highland

Agency Information			
Principal Act	County Water District Law Water Code Division 12 - §30000 et seq.	Year Formed	1954
Governance	5-member Board of Directors, elected at large	Square Miles	30.1
Website	<a href="http://www.eastvalley.org">http://www.eastvalley.org</a>	2015 Population	104,457

LAFCO Authority	
Authorized Functions	Water, sewer, park and recreation (not actively provided)
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (22 wells with capacity of 38.8 MGD), surface water (Santa Ana River, State Water Project with SB Valley Municipal Water District with capacity of 8.0 MGD)			
Storage	29 reservoirs with capacity of 29.82 MGD			
Distribution	295 miles of pipeline; 24 booster pumping stations; 10 pressure reducing stations			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	21,461	1	--	21,462

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	16,942	43,972	47,810	51,702	55,652	55,652
Demand	16,942	31,609	32,879	33,943	35,050	36,203

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
104.3 AF	72.4 AF	21.2%	20,666 AF	22,295 AF <sup>2</sup>	0% <sup>3</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$29.27	Variable due to rate structure	-	Variable

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	\$13,108,535	\$2,321,996	\$13,768,777	(\$17,028,086)	\$42,783
Cash & Equivalents, End of Year	\$18,423,063	\$20,866,208	\$34,634,985	\$17,606,899	\$17,649,682

Sources: Water System Master Plan (2014); East Valley Water District Urban Water Management Plan (2015); East Valley Water District website, State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> Originally formed in 1954 as East San Bernardino County Water District; name changed to East Valley Water District in 1982.

<sup>2</sup> "Supplies include groundwater production from the Bunker Hill Basin, State Project Water, and surface water from the Santa Ana River."

<sup>3</sup> "East Valley Water District will be implementing a 15% water conservation standard in effort to maintain and improve water supply levels in the San Bernardino Basin Area. The District along with other water agencies in the region are using the operating safe yield of the basin as the guideline to reduce water demands."



## **East Valley Water District Additional Information**

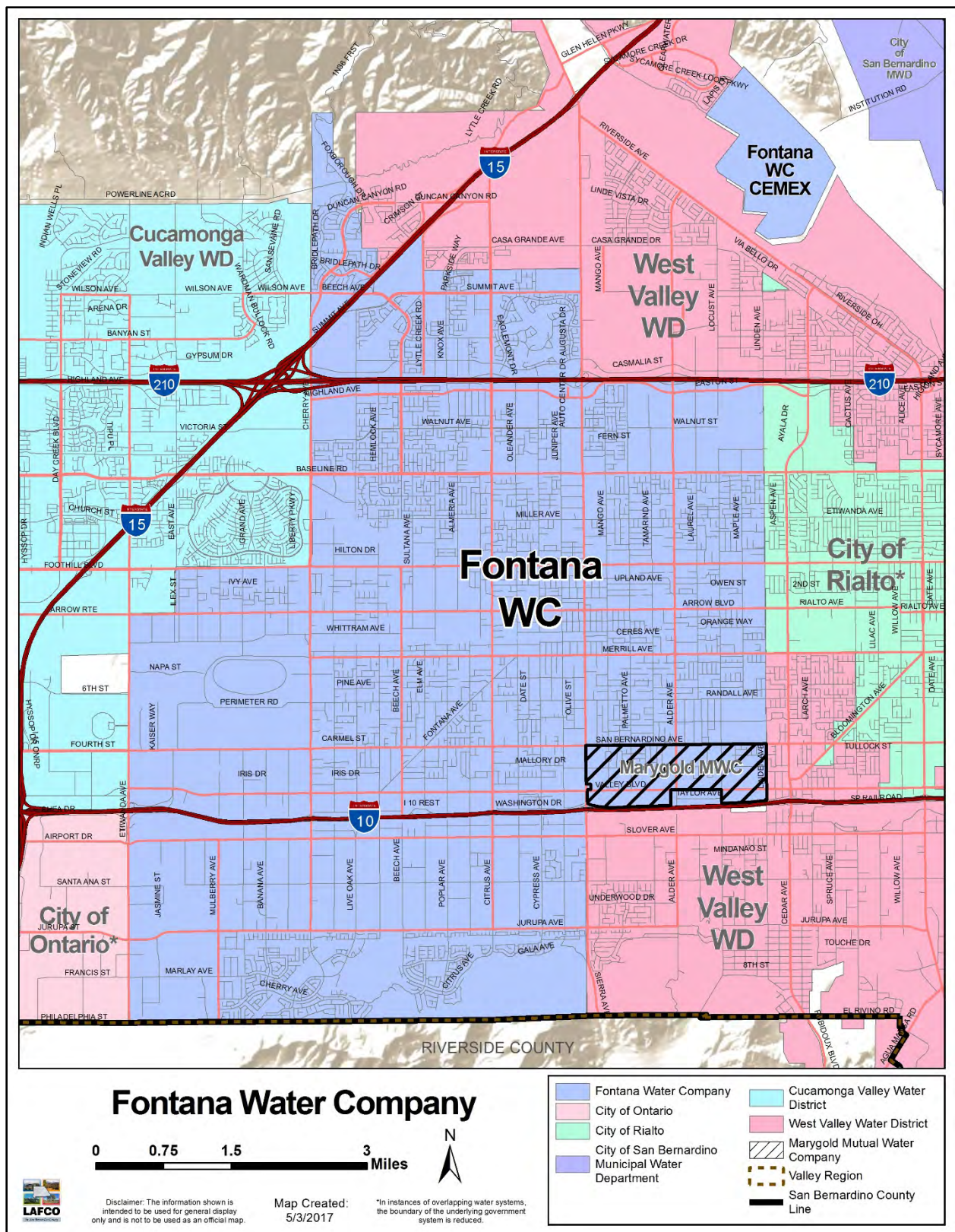
In April 2004, the City of San Bernardino Municipal Water Department authorized the East Valley Water District (formerly named East San Bernardino County Water District) to provide service to a parcel of land (Wyle Laboratories) within the Water Department's service area as set forth in the "Joint Powers Agreement of 1965 between the City of San Bernardino and the East San Bernardino County Water District".<sup>4</sup> The reason for the change in service responsibility was due to the closure of Norton Air Force Base and the transfer of water and sewer lines along Third Street.

To formalize this arrangement via the LAFCO process, the District submitted an application to LAFCO to annex the area (LAFCO 2972), which also had an interim request to provide service outside its boundary. The area was defined as a lease-hold assigned to Wyle Laboratories by the Inland Valley Development Agency and did not conform to an entire parcel. However, LAFCO is required to annex whole parcels. Additionally, the landowner at the time was listed United States Government and obtaining a signature representing the United States Government was not feasible. Therefore, LAFCO was unable to process the application and refunded the filing fees allowing for resubmission.

The District continues to provide service to the laboratory; however, the two reasons identified above no longer remain. In 2005, the parcel was reconfigured which isolated the laboratory as well the ownership name changing to Inland Valley Development Agency. Therefore, the District's service outside of its boundary can be memorialized and conform to the LAFCO process outlined in the Government Code.

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<sup>4</sup> Letter dated 15 April 2004 from City of San Bernardino Municipal Water Department to East Valley Water District.





## Fontana Water Company

Fontana, Rialto, Rancho Cucamonga, Ontario, and unincorporated areas of San Bernardino County

Agency Information			
Regulated by	California Public Utilities Commission	Year Formed	1924
Parent Co.	San Gabriel Valley Water Company	Square Miles	52
Website	<a href="http://fontanawater.com/index.php">http://fontanawater.com/index.php</a>	2016 Population	225,300
Ownership in	In 1992, Fontana Water Company acquired all of the principal water production, storage, and distribution facilities of Fontana Union Water Company.		

Infrastructure			
Supply	Groundwater (35 wells with capacity of 49,775 gpm), surface water (Lytle Creek 20,139 gpm), State Water Project (SB Valley Municipal Water District and Inland Empire Utilities Agency)		
Storage	23 reservoirs, 29.96 million gallon storage capacity		
Distribution	692 miles of distribution pipeline		
Connections	Within Boundary	Outside Boundary	Total
	46,626	--	46,626

Supply & Demand, AFY	2020	2025	2030	2035	2040
Supply	40,140	47,536	50,773	53,711	56,562
Demand	40,140	47,536	50,773	53,711	56,562

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
89.9 AF	57.9 AF	22.0%	43,706 AF	43,706 AF	0% <sup>1</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 7-1-16 [Amended 7-19-17 at LAFCO hearing]			
Meter Charge	Consumption Charge	Surcharge	Total
\$21.80	\$50.17	\$1.21	\$73.18

Sources: Fontana Water Company, Fontana Water Company website, Urban Water Management Plan (2015), State Water Board Stress Test and Water Conservation Targets, Sanitary Survey Report

<sup>1</sup> "The Company will retain the previous conservation target of 26% called for by the SWRCB but on a voluntary basis and without surcharges and penalties. Non-essential and prohibitive water use restrictions will remain in effect pursuant to the Company's CPUC-authorized Rule No. 14.1 Water Shortage Contingency Plan, Stage 1 Water Alert condition."

## Fontana Water Company Additional Information

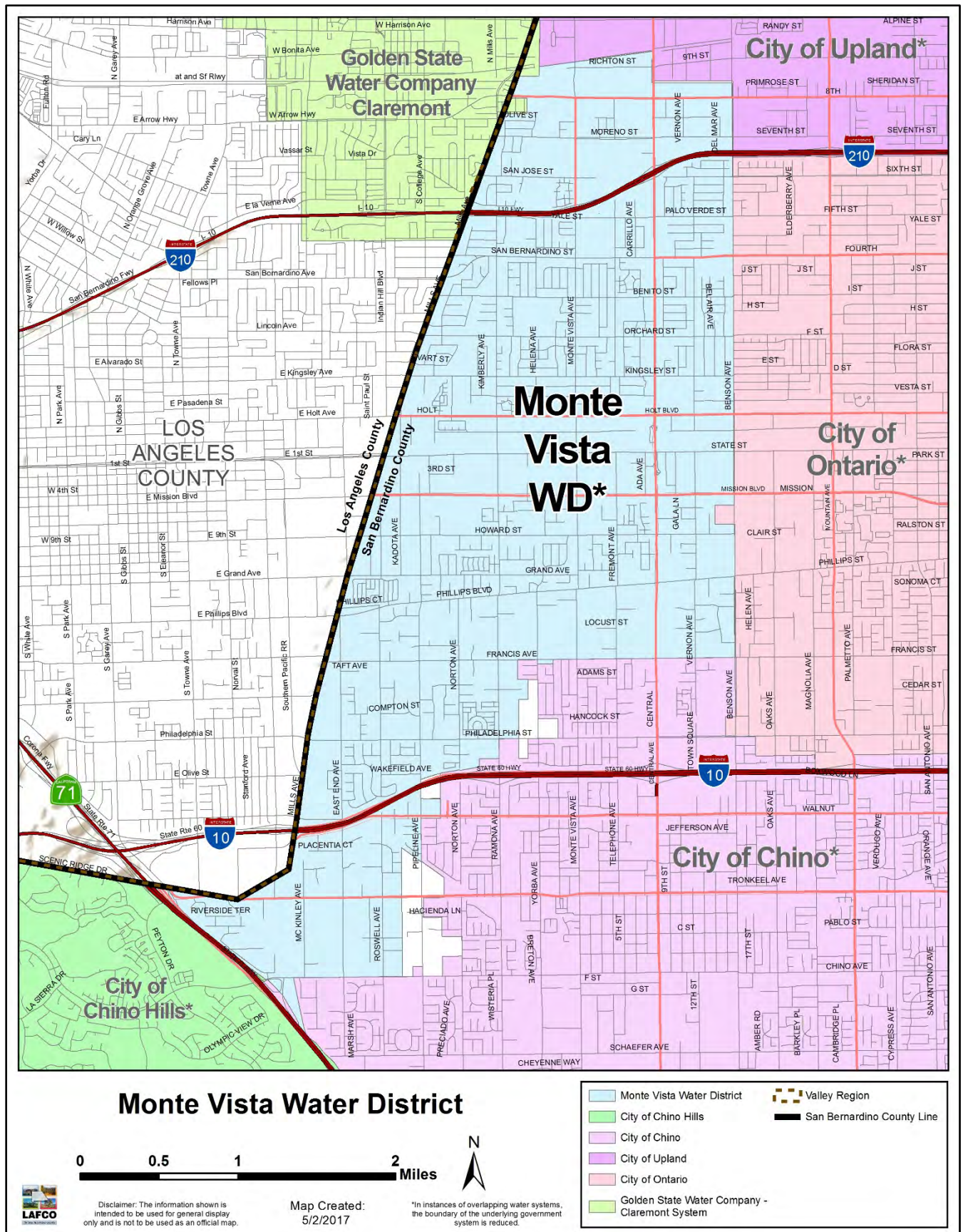
### Dispute

The validity and extent of the Company's water rights are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>2</sup> Whether the area referred to as "No Man's Land" is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending. It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

<b>Retail System</b>	<b>Rialto-Colton Subbasin</b>	<b>Lytle Creek Subbasin</b>	<b>Rialto Basin</b>	<b>Area known as "No Man's Land"</b>
City of Colton	Dispute	Dispute	Dispute	Dispute
City of Rialto	Dispute	Dispute	Dispute	Dispute
<b>Fontana Water Company</b>	<b>Dispute</b>	<b>Dispute</b>	<b>No</b>	<b>Dispute</b>
West Valley Water District	Dispute	Dispute	Dispute	Dispute

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<sup>2</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.



## Monte Vista Water District

Montclair, Chino Hills, portions of Chino, and unincorporated territory

Agency Information			
Principal Act	County Water District Law Water Code Division 12 - §30000 et seq.	Year Formed	1927
Governance	5-member Board of Directors	Square Miles	30
Website	<a href="http://www.mvwd.org">http://www.mvwd.org</a>	2015 Population	134,861

LAFCO Authority	
Authorized Functions	Water (retail and wholesale) and park and recreation (not actively provided)
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (12 wells with a capacity of 20050 gpm), state water project water from IEUA, recycled water from IEUA; treated surface water (Water Facilities Authority with a capacity of 13500 gpm)			
Storage	6 storage reservoirs, 13 million gallon total storage capacity			
Distribution	203 miles of distribution pipeline; 4 pressure zones; 4 booster stations			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	?	?	--	12,041

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	16,833	51,790	51,749	51,778	51,828	51,828
Demand	16,834	35,200	35,396	35,730	36,081	36,364

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
75.7 AF	55.2 AF	21.1%	10,143 AF	14,236 AF	0%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$19.01	\$29.25	--	\$48.26

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(\$3,357,444)	\$2,751,455	\$655,723	(\$126,959)	\$480,331
Cash & Equivalents, End of Year	\$7,721,777	\$10,473,232	\$11,128,955	\$11,001,996	\$11,485,980

Sources: Monte Vista Water District Urban Water Management Plan (2015); Monte Vista Water District website, State Water Board Stress Test and Water Conservation Targets, financial statements



## **Monte Vista Water District Additional Information**

### **Source of Supply**

The District currently receives its water supply from four sources:

- Groundwater produced from the Chino Groundwater Basin, an adjudicated basin managed through the Chino Basin Watermaster process;
- Imported State Water Project surface water from northern California received from the Metropolitan Water District of Southern California through the Inland Empire Utilities Agency and the Water Facilities Authority;
- Entitlement water deliveries from the San Antonio Water Company, including groundwater produced from local adjudicated groundwater basins and surface water produced from the San Antonio Creek Watershed; and,
- Recycled water from Inland Empire Utilities Agency.

Since 2002, the District has purchased the City of Montclair's portion of the regional recycled water recharge into the Chino Groundwater Basin.

### **Transfer of Service from Waterworks #8 to Monte Vista Water District**

In 1983 Waterworks District No. 8 ("WW8") took over several private water companies in the Chino Hills and West Chino areas. The question of service providers was decided by the Commission in 1986 when it determined the sphere of influence for the Monte Vista Water District in this area. This decision set in place agreements reached between the City of Chino, Monte Vista WD and WW8.

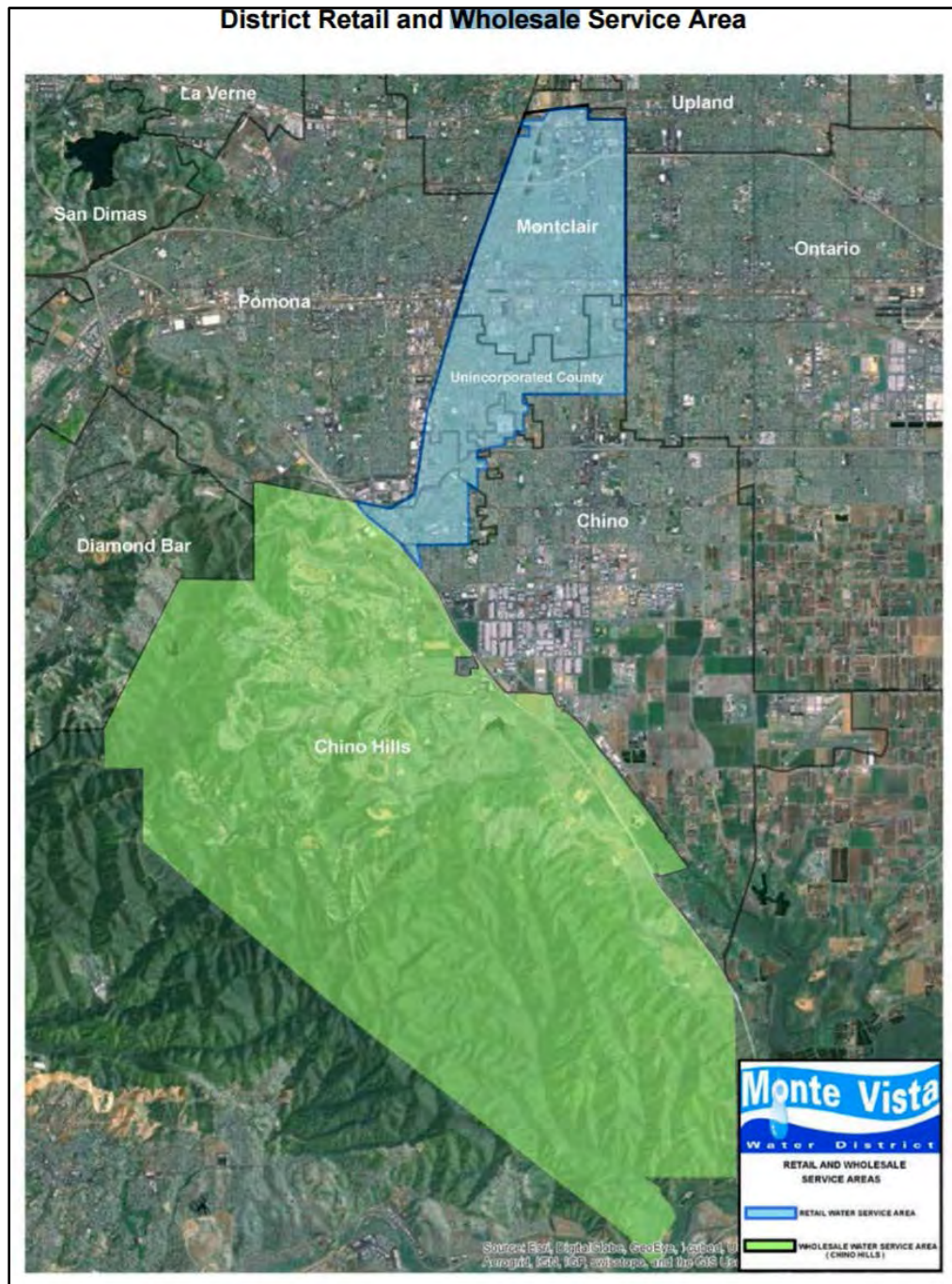
In 1989 WW8 desired to detach from those areas east of Highway 71 in order to concentrate its efforts to the west of Highway 71. LAFCO 2500 transferred service from one agency to another (WW8 to Monte Vista WD), and since there was no new development or change in local service requirements the Commission overrode its community-by-community approach to these considerations which normally would have included the consideration of annexation to the City of Chino. However, significant portions remained within the City of Chino service area where it continues to provide service.

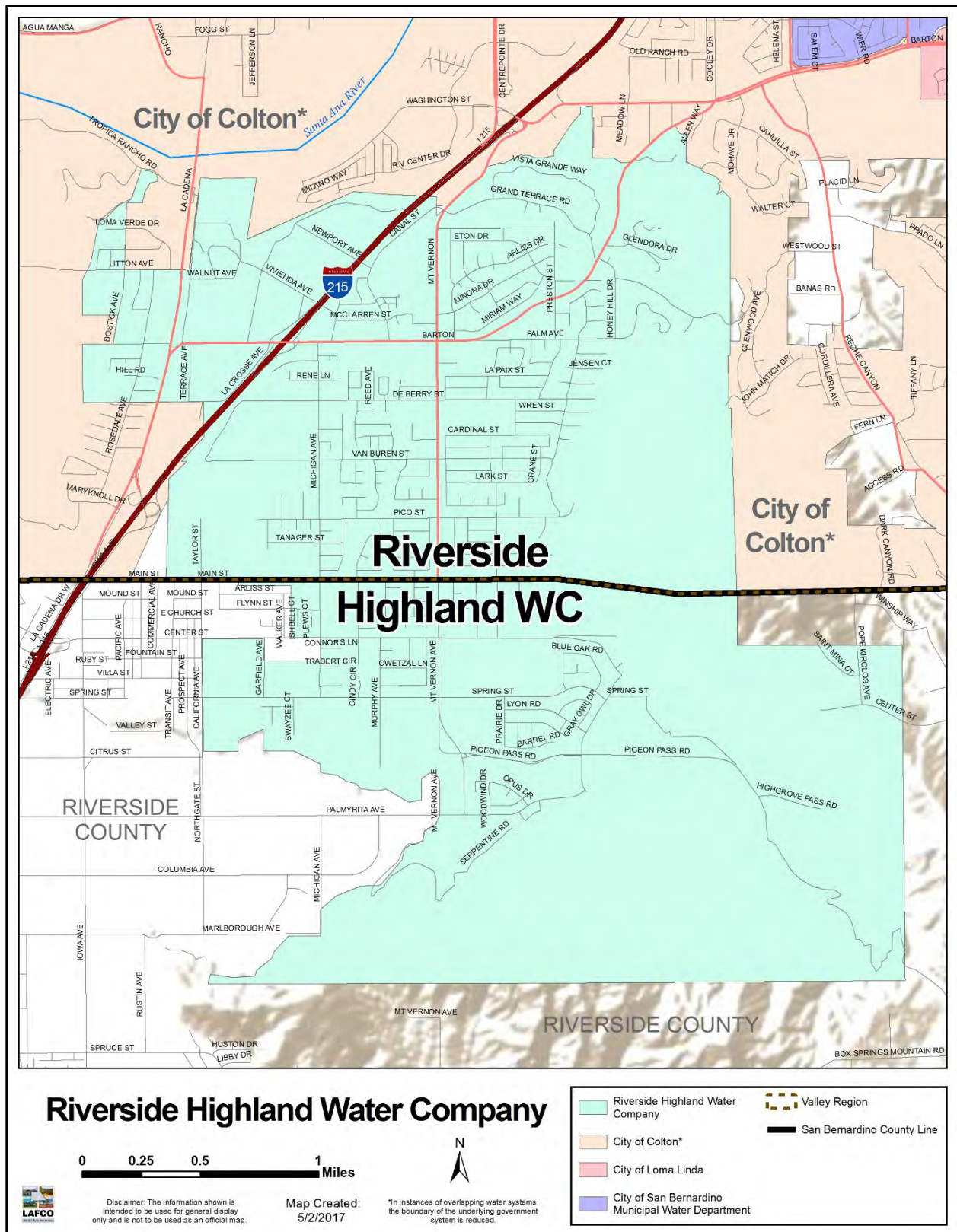
### **Wholesale to City of Chino Hills**

In addition to its retail customers, the District provides wholesale water supply to the City of Chino Hills. The water deliveries to Chino Hills include both imported supplies from the Water Facilities Authority located in the City of Upland and from groundwater and other local supplies available to the District. Under the provisions of a long-term agreement executed in July 1998, the District is contracted to deliver to Chino Hills up to 20.22 mgd. Since initiation of full deliveries in 1999, the District has delivered between 7,500 and 14,000 AFY of water to the City under the terms of the agreement. The agreement between



the two agencies contains provisions regarding water delivery limitations during emergency situations such as natural or other disasters. The District's retail and wholesale service areas are shown in the figure below.







## **Riverside Highland Water Company**

**Grand Terrace, portions of Colton, portions of unincorporated San Bernardino and Riverside Counties**

<b>Agency Information</b>			
Regulated by	California Corporation Commission	Year Formed	1998
Website	<a href="http://rhwco.com/">http://rhwco.com/</a>	Square Miles	8.35
Parent Co.	none	2015 Population	16,007
Ownership in	none		

<b>Infrastructure</b>			
Supply	Groundwater (6 wells with capacity of 8,642 gpm)		
Storage	8 reservoirs, 8.01 million gallon storage capacity		
Distribution	Asbestos concrete, PVC, cement coated steel pipes; 3 pressure zones; 3 boosters; 3 distribution zones ranging from 6" to 24" pipes		
Connections	Within Boundary	Outside Boundary	Total
	45,045	--	3,964

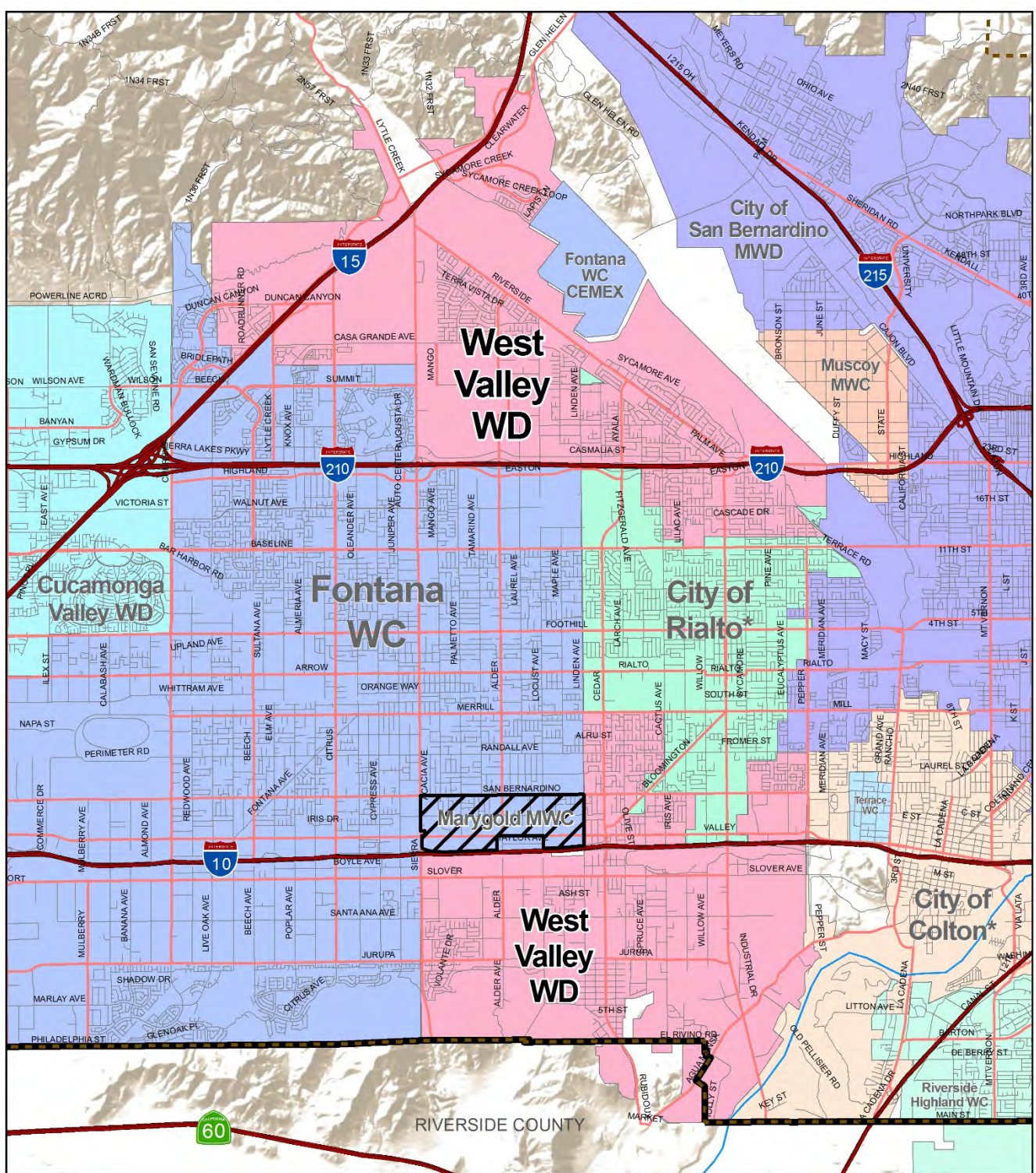
<b>Supply &amp; Demand, AFY</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Supply	8,435	8,435	8,435	8,435	8,435
Demand	4,107	4,294	4,492	4,702	4,923

<b>Per Capita Water Use &amp; Conservation</b>					
<b>Gallons/Capita/Day Residential</b>		<b>Cumulative Savings (compared to 2013)</b>	<b>State Stress Test Summary</b>		
<b>Nov 16</b>	<b>Feb 17</b>		<b>Est. Annual Potable Demand</b>	<b>Est. Annual Total Supply for WY 2019</b>	<b>Current State Cons. Standard</b>
161.1 AF	74.6 AF	21.1%	3,847 AF	8,187 AF	0% <sup>1</sup>

<b>Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016</b>			
<b>Meter Charge</b>	<b>Consumption Charge</b>	<b>Surcharge</b>	<b>Total</b>
\$36.90	\$13.20	--	\$50.10

Sources: Company website, San Bernardino Valley Regional Urban Water Management Plan (2015), State Water Board Stress Test and Water Conservation Targets, Sanitary Survey Reports

<sup>1</sup> "Riverside Highland Water Company will continue to stress conservation. We raised the rates by 8.5% and compressed our conservation tiers by 20% at the beginning of June 2016. We will also continue to monitor excessive use through our automated meters and physically monitoring water habits."



## West Valley Water District

0 0.75 1.5 3 Miles



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.

Map Created:  
5/3/2017

\*In instances of overlapping water systems, the boundary of the underlying government system is reduced.

West Valley Water District	Fontana Water Company
City of Colton	Muscoy Mutual Water Company
City of Rialto	Riverside Highland Water Company
City of San Bernardino Municipal Water Department	Terrace Water Company
Cucamonga Valley Water District	Valley Region
	San Bernardino County Line



## West Valley Water District<sup>1</sup>

Rialto, Fontana, Colton and unincorporated of San Bernardino and Riverside Counties

Agency Information			
Principal Act	County Water District Law Water Code Division 12 - §30000 et seq.	Year Formed	1952
Governance	5 Board of Directors, elected at large	Square Miles	31
Website	<a href="http://www.wvwd.org">http://www.wvwd.org</a>	2015 Population	80,161

LAFCO Authority	
Authorized Functions	Water, sewer (not active)
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/WestValleyRegion.aspx</a>

Infrastructure				
Supply	23 wells from five groundwater basins and treats surface water from Lytle Creek and State Water Project water at its 14.4 mgd Oliver P. Roemer Water Filtration Facility			
Storage	25 reservoirs with a capacity of 72.61 million gallons			
Distribution	360 miles of distribution pipeline			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	?	?	--	18,305

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	17,131	36,400	41,900	45,400	48,400	48,400
Demand	17,131	20,799	22,256	23,802	25,492	27,312

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
99.6 AF	75.9 AF	23.1%	20,382 AF	22,099 AF	0% <sup>2</sup>

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$22.21	\$32.80	--	\$55.01

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(\$4,956,786)	(\$2,122,226)	\$1,376,141	\$3,105,869	\$2,341,063
Cash & Equivalents, End of Year	\$13,580,601	\$11,458,375	\$12,834,516	\$15,940,385	\$18,281,448

Sources: West San Bernardino County Water District website, 2015 San Bernardino Valley Regional Urban Water Management Plan, State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> Formerly West San Bernardino County Water District; changed name to West Valley Water District in 2003

<sup>2</sup> "The Governors Executive Order called for conservation as a way of life for California and as the overall water levels decline in the Districts source basins, West Valley Water District is mindful to ensure that our water supplies remain healthy for future use. With that in mind, the West Valley Water District has self-certified to the State that our projected supplies are sufficient to meet the estimated demand over the next three years. However, in order to protect our water supplies for the future, the District, along with other neighboring water districts have submitted a self-imposed conservation standard of 15%. This conservation standard allows for what is called a safe yield to be drawn from the groundwater basins...."



## West Valley Water District Additional Information

### Dispute

The validity and extent of the District's water rights are disputed, and are the subject of a lawsuit currently pending in the Superior Court for the County of San Bernardino. The suit is entitled *San Bernardino Valley Municipal Water District et al. v. San Gabriel Valley Water Co. et al.*, Case No. CVDS1311085.<sup>3</sup> Whether the area referred to as "No Man's Land" is part of the Rialto-Colton Subbasin is disputed and is the subject of a lawsuit currently pending. It should be noted that the parties have been working to reach a resolution for some time now and the case is close to reaching an amenable end.

Retail System	Rialto-Colton Subbasin	Lytle Creek Subbasin	Rialto Basin	Area known as "No Man's Land"
City of Colton	Dispute	Dispute	Dispute	Dispute
City of Rialto	Dispute	Dispute	Dispute	Dispute
Fontana Water Company	Dispute	Dispute	No	Dispute
West Valley Water District	Dispute	Dispute	Dispute	Dispute

### Water Quality

The Rialto-Colton Sub-basin contains a groundwater contaminant plume called the Rockets, Fireworks, and Flares Site, which is in the process of being removed. The cleanup is focused on pollution from the 160-acre B.F. Goodrich Superfund site where toxic chemicals, including perchlorate and trichloroethene ("TCE"), were disposed over many decades. The cost of to remediate the site cleanup is being funded by a number of partners including the U.S. Environmental Protection Agency and the Goodrich Corporation.

All active wells located in the Rialto and North Riverside groundwater basins suffer from perchlorate contamination (except Rialto Well 5) and perchlorate treatment is provided to these contaminated wells. The treatment system was constructed to intercept, contain, and treat the impacted groundwater in accordance with Regional Water Quality Control Board Orders RB-2003-0013 and RB-2004-0072. In September 2016 West Valley began using bio-remediation to remove perchlorate and restore water for potable use. The plan has capacity to provide water to 16,000 customers. Construction of a second plant is underway, estimated to deliver water in 2019.

The cost of to remediate the site cleanup is being funded by a number of partners including the U.S. Environmental Protection Agency and the Goodrich Corporation. A judicial

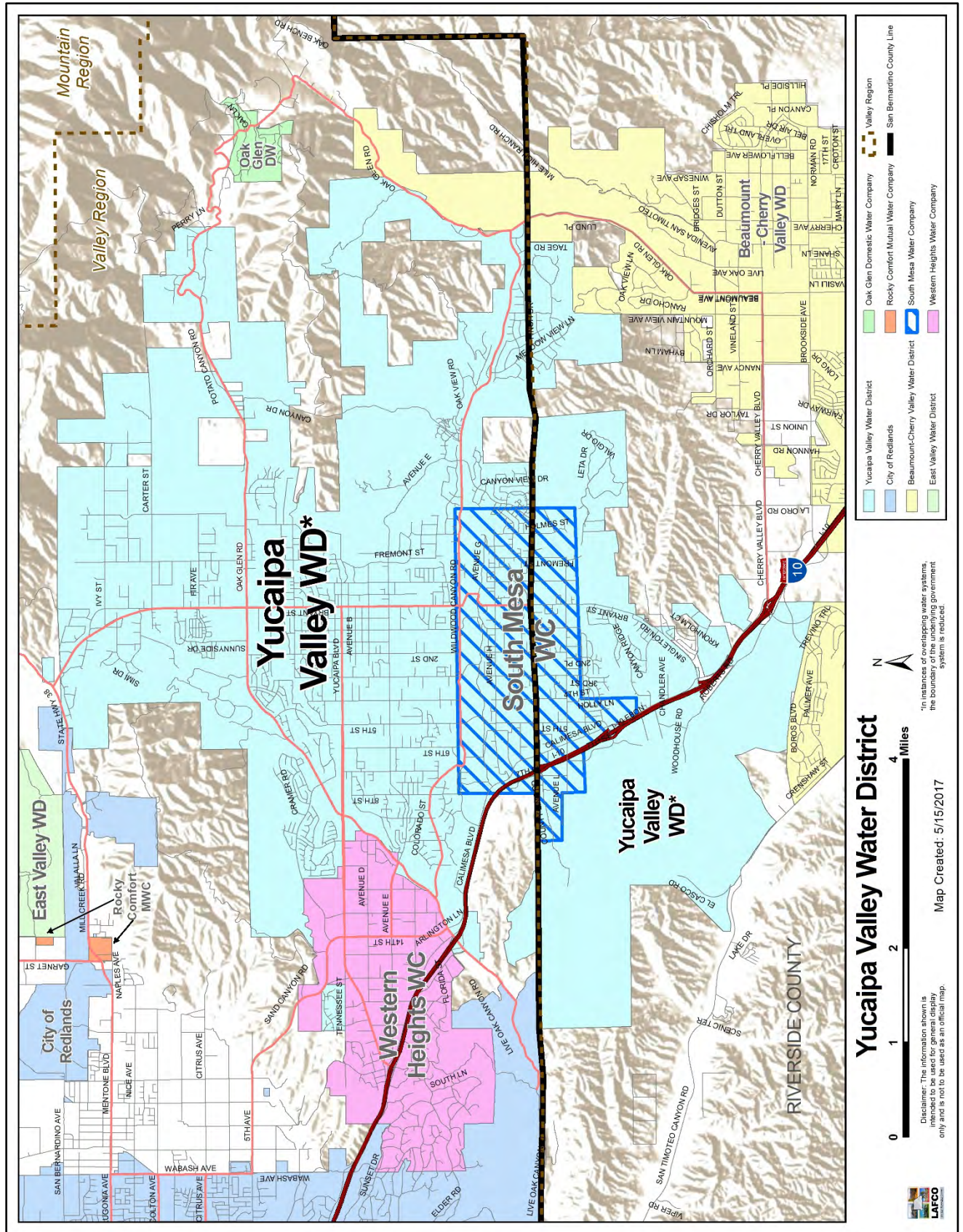
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<sup>3</sup> Upper Santa Ana River Watershed Integrated Regional Water Management Plan (January 2015), Sec. 2.3.

consent decree required Goodrich, under the EPA's oversight, to fund clean-up facilities. Goodrich has agreed to pay \$700,000 or more annually for the operations and maintenance costs of the removal system for the life of the project. The operational costs of the second plant will also be paid by Goodrich.<sup>4</sup>

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<sup>4</sup> Steinberg, Jim. "Settlement to help fund microbe treatment of perchlorate in Rialto-Colton groundwater." San Bernardino County Sun. 13 February 2017.





## Yucaipa Valley Water District

Yucaipa, Calimesa

Agency Information			
Principal Act	County Water District Law Water Code Division 12 - §30000 et seq.	Year Formed	1971
Governance	5 Board of Directors, elected by division	Square Miles	40
Website	<a href="http://www.yvwd.dst.ca.us/">http://www.yvwd.dst.ca.us/</a>	2015 Population	44,745

LAFCO Authority	
Authorized Functions	Water and sewer
Previous service review	<a href="http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx">http://www.sbclafco.org/Proposals/ServiceReviews/ValleyRegion/EastValleyRegion.aspx</a>

Infrastructure				
Supply	Groundwater (25 wells), surface water (Oak Glen Water Filtration Plant)			
Storage	27 reservoirs with 34 MG total capacity			
Distribution	215 miles of potable water distribution lines; 18 pressure zones			
Connections	Within Boundary	Outside Boundary/Within Sphere	Outside Sphere	Total
	?	?	--	12,434

Supply & Demand, AFY	2015	2020	2025	2030	2035	2040
Supply	14,500	28,879	30,413	31,598	33,358	32,608
Demand	10,808	12,891	13,751	14,730	15,815	17,007

Per Capita Water Use & Conservation					
Gallons/Capita/Day Residential		Cumulative Savings (compared to 2013)	State Stress Test Summary		
Nov 16	Feb 17		Est. Annual Potable Demand	Est. Annual Total Supply for WY 2019	Current State Cons. Standard
155.4 AF	85.6 AF	10.6%	12,026 AF	9,581 AF <sup>1</sup>	20%

Typical Monthly Residential Water Bill (3/4" meter, 15 ccf), as of 1 July 2016			
Meter Charge	Consumption Charge	Surcharge	Total
\$14.00	\$21.44	--	\$35.44

Cash Flows	2011	2012	2013	2014	2015
Increase (Decrease) in Cash & Equivalents	(129,171)	(997,012)	(432,786)	2,766,157	4,530,528
Cash & Equivalents, End of Year	8,528,353	7,531,341	7,098,555	9,864,712	14,395,240

Sources: Yucaipa Valley Water District website, San Bernardino Valley Regional Urban Water Management Plan (2015); phone conversation with office staff (10/18/16), State Water Board Stress Test and Water Conservation Targets, financial statements

<sup>1</sup> "The Yucaipa Valley Water District took a very conservative approach in the development of the available water supplies in order to proactively secure and conserve water supplies for possible future severe/extreme drought conditions."

## **Yucaipa Valley Water District Additional Information**

### **Water Tracking**

The previous service review for the Yucaipa Valley Water District ("District") from 2004 (LAFCO 2932) identified that the District serves within two state water contractors: San Bernardino Valley Municipal Water District ("Valley District") and the San Geronio Pass Water Agency ("SGPWA"). As identified in the staff report, the question of delivery of water between state contractors can have serious consequences as it is prohibited by the terms of the state contracts. Staff recommended that the agencies review the possibility of addressing the exchange of water through the same type of agreement signed by West Valley Water District, Valley District, Inland Empire Utilities Agency, and Metropolitan Water District of Southern California in 2002.

As a part of this service review update, LAFCO staff has inquired with the District on this circumstance. The District has notified LAFCO that since 2007 it has implemented a mechanism to calculate the imported water the District receives from Valley District and SGPWA and the District's distribution of the imported waters. A review of the mechanism reveals a tracking of supplemental water for Valley District and SGPWA from the District broken down by potable water and recycled water with amounts paid to SGPWA.

### **Service by City of Redlands into Yucaipa**

Crafton Hills College currently receives its water and sewer services through the City of Redlands. This arrangement took place in the early 1970s when the College was developed. The availability of the level of service required could not be provided by the Western Heights Mutual Water Company for water service, and sewer service was not available within the community. The area, at that time, was a part of the City of Redlands sphere of influence.

LAFCO 2803 in 1996 (Yucaipa Valley sphere expansion) recognized an interim water supply agreement with the City of Redlands to provide a temporary water service to the residential subdivision identified as Tract 12222 within the City of Yucaipa and service area of the Yucaipa Valley Water District. This agreement was entered into prior to the implementation of Govt. Code Section 56133 (which requires Commission approval of such contracts).

In 2004, LAFCO 2932 (service review and sphere update for the Yucaipa Valley Water District) included a sphere reduction and expansion for the District. The District's sphere was reduced within the Crafton Hills area to correspond to the City of Yucaipa sphere of influence, excluding areas within the City of Redlands sphere. The sphere was expanded to include three areas, generally including the area east and west of Sand Canyon Road, which includes the area of Tract 12222 and the Crafton Hills College; the area within the City of Yucaipa sphere of influence along Crafton Hills Ridge Trail; and the area within the City of Yucaipa boundary generally east of Mill Creek Road, south and west of the National Forest boundary.



## **APPENDIX F**

**Listing of:**  
**Community Water Systems,**  
**Wholesalers, and**  
**Joint Power Authorities**

## **VALLEY REGION**

<b>Community Water System, Wholesaler, or JPA</b>	<b>Function</b>	<b>Location in SB County</b>	<b>Approx. Pop.</b>	<b>Retail Connections</b>	<b>Area (sq. miles)</b>	<b>Address</b>
Aqua Mansa Water Company c/o Elsinore Valley Municipal Water District	Wholesale water rights	Near Colton	--	--	--	31315 Chaney St Lake Elsinore, CA 92531
<a href="#">Beaumont Cherry Valley Water District</a>	Retail	Yucaipa	46,314	0 in SB County	28	560 Magnolia Avenue Beaumont, CA 92223-2258
<a href="#">California Institute for Men – Chino</a>	Retail	Chino	10,667	1,912	< 1.00	14901 S. Central Ave. Chino, CA 91710
<a href="#">California Institute for Women – Chino</a>	Retail	Chino	2,000	1,124	< 1.00	16756 Chino-Corona Road Corona, CA 92880
<a href="#">Chino Basin Desalter Authority</a> (JPA)	Purify & distribute	West Valley	1.3 million	--	300+	2151 S Haven Ave #202 Ontario, CA 91761
<a href="#">City of Chino</a>	Retail	Chino	84,465	19,048	31	13220 Central Avenue Chino, CA 91710
<a href="#">City of Chino Hills</a>	Retail	Chino Hills	77,596	21,491	46	14000 City Center Drive Chino Hills, CA 91709
<a href="#">City of Colton</a>	Retail	Colton	45,496	10,301	14	650 N. La Cadena Drive Colton, CA 92324
<a href="#">City of Loma Linda</a>	Retail	Loma Linda	23,298	5,402	10.6	25541 Barton Road Loma Linda, CA 92354
<a href="#">City of Ontario</a>	Retail	Ontario	168,777	34,308	50	303 East "B" Street Ontario, CA 91764
<a href="#">City of Redlands</a>	Retail	Redlands	85,276	24,864	36	35 Cajon Street Redlands, CA 92373
<a href="#">City of Rialto</a>	Retail	Rialto	54,453	11,956	89	150 S. Palm Avenue Rialto, CA 92376
<a href="#">City of San Bernardino Municipal Water Department</a>	Retail	San Bernardino, Muscoy	199,657	42,000	81	P.O. Box 710 San Bernardino, CA 92402
<a href="#">City of Upland</a>	Retail	Upland, San Antonio Heights	75,787	18,813	16	460 N. Euclid Avenue Upland, CA 91786
<a href="#">Cucamonga Valley Water District</a>	Retail	Rancho Cucamonga	200,466	50,531	47	10440 Ashford St. Rancho Cucamonga, CA 91730

*Countywide Service Review for Water  
Appendix F - Listing*

<b>Community Water System, Wholesaler, or JPA</b>	<b>Function</b>	<b>Location in SB County</b>	<b>Approx. Pop.</b>	<b>Retail Connections</b>	<b>Area (sq. miles)</b>	<b>Address</b>
<a href="#">Devore Water Company</a>	Retail	Devore	1,600	493	2.35	18185 Kenwood Avenue Devore, CA 92407
<a href="#">East Valley Water District</a>	Retail	Highland	104,457	21,462	30.1	31111 Greenspot Road Highland, CA 92346
Fontana Union Water Company c/o Fontana Water Company	Wholesale water rights	Fontana	200,000	--	40+	15966 Arrow Route Fontana, CA 92335
<a href="#">Fontana Water Company</a>	Retail	Fontana	225,300	46,426	52	15966 Arrow Route Fontana, CA 92335
<a href="#">Golden State Water Company – Claremont</a>	Retail	Upland/Montclair	347 (SB County)	103 (SB County)	8.96	915 W Foothill Blvd, Suite E Claremont, CA 91711
<a href="#">Inland Empire Utilities Agency</a>	Wholesale	West Valley	856,000	--	239	6075 Kimball Avenue Chino, CA 91708
Lytle Springs Water Company	Retail	Lytle Creek	475	95	0.07	3546 N Riverside Ave Rialto, CA 92376
Marygold Mutual Water Company	Retail	Bloomington	3,449	934	1.23	9725 Alder Ave Bloomington, CA 92316
Meeks and Daley Water Company c/o Elsinore Valley Municipal Water District	Wholesale water rights	Near Redlands	--	--	--	31315 Chaney St Lake Elsinore, CA 92531
<a href="#">Metropolitan Water District of Southern California</a>	Wholesale	Area of Inland Empire Utilities Agency	856,000 (SB County)	--	239 (SB County)	700 North Alameda Street Los Angeles, CA 90012
<a href="#">Monte Vista Water District</a>	Wholesale, retail	Montclair, Chino, Chino Hills	134,861	12,041	30	10575 Central Avenue Montclair, CA 91763
Mt. Baldy Homeowners' Association	Retail	Mt. Baldy	350	112	0.13	P.O. BOX 611 Mt. Baldy, CA 91759
Muscoy Mutual Water Company	Retail	Muscoy	7,500	1,562	2.03	2167 Darby St San Bernardino, CA 92407
Oak Glen Domestic Water Company	Retail	Oak Glen	200	35	0.38	11550 Raspberry Lane Oak Glen, CA 92399
Reche Canyon Mutual Water Company	Water rights	Colton	--	--	--	2651 Reche Canyon Rd. Colton, CA 92324
Rialto/Colton Basin Joint Powers Authority	Funding for remediation	Rialto, Fontana	260,000	--	135	P.O. Box 920 Rialto, CA 92377
<a href="#">Riverside Highland Water Company</a>	Retail	Grand Terrace	16,007	3,964	8.35	12374 Michigan Street Grand Terrace, CA 92313

*Countywide Service Review for Water  
Appendix F - Listing*

<b>Community Water System, Wholesaler, or JPA</b>	<b>Function</b>	<b>Location in SB County</b>	<b>Approx. Pop.</b>	<b>Retail Connections</b>	<b>Area (sq. miles)</b>	<b>Address</b>
Rocky Comfort Mutual Water Company	Retail	Mentone	100	32	0.08	1350 Orange Lane Mentone, CA 92359
San Antonio Canyon Mutual Service Company	Retail	Mt. Baldy Village	120	64	0.03	P.O. Box 631 Mt. Baldy, CA 91759-0631
<a href="#">San Antonio Water Company</a>	Retail	Upland/San Antonio Heights	3,264	1,209	2.14	139 N. Euclid Avenue Upland, CA 91786-6036
<a href="#">San Bernardino Valley Municipal Water District</a>	Wholesale	East Valley	691,000	--	325	380 East Vanderbilt Way San Bernardino, CA 92408
<a href="#">San Gorgonio Pass Water Agency</a>	Wholesale	Yucaipa (no wholesale activity in County)	2,000	--	5	1210 Beaumont Avenue Beaumont, CA 92223
<a href="#">Santa Ana Watershed Project Authority</a>	Watershed Quality	Valley Region	1,547,000 (SB County)	--	564 (SB County)	11615 Sterling Avenue Riverside, CA 92503
<a href="#">South Mesa Water Company</a>	Retail	Yucaipa	7,573	2,935	4.27	391 West Avenue L Calimesa, CA 92320
Terrace Water Company	Retail	Colton	2,200	592	0.43	P.O. Box 640 Colton, CA 92324
Tres Lagos Mutual Water Company c/o San Bernardino County Flood Control District	Retail	Mentone	80	20	0.10	825 East Third Street San Bernardino, CA 92415
Water Facilities Authority (JPA)	Treatment	West Valley	500,000	--	135	1775 N Benson Ave Upland, CA 91784
West End Consolidated Water Company	Wholesale	Upland	78,787	--	15	1370 N. Benson Ave. Upland, CA 92867
West End Water Development Treatment & Conservation JPA	Treatment & conservation	San Bernardino, Rialto	254,110	--	170	P.O. Box 920 Rialto, CA 92377
<a href="#">West Valley Water District</a>	Retail	Rialto, Fontana, Colton	80,161	18,305	31	P.O. Box 920 Rialto, CA 92377
<a href="#">Western Heights Water Company</a>	Retail	Yucaipa/Redlands	6,000	2,281	4.58	32352 Avenue D Yucaipa, CA 92399
<a href="#">Yucaipa Valley Water District</a>	Retail	Yucaipa	44,745	12,434	40	12770 Second Street Yucaipa, CA 92399

Sources: San Bernardino County Public Health Permit Update Reports; agency websites; Urban Water Management Plans; CA Dept. of Public Health Annual Inspection Reports

**Letter from Metropolitan  
Water District of Southern  
California dated  
January 8, 2018**

**Attachment 3**





THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

Office of the General Manager

RECEIVED

2018 JAN -9 AM 9:14

LOCAL AGENCY  
FORMATION COMMISSION

January 8, 2018

Kathleen Rollings-McDonald  
Executive Officer  
Local Agency Formation Commission  
for San Bernardino County  
11170 West 3rd Street, Unit 150  
San Bernardino, CA 92415-0490

LAFCO 3222 – Sphere of Influence Establishment for The Metropolitan Water District of Southern California (San Bernardino County portion)

Dear Ms. Rollings-McDonald:

Pursuant to your request and in response to your December 18, 2017 letter, we are writing to confirm that The Metropolitan Water District of Southern California (Metropolitan) has no issue with the Local Agency Formation Commission for San Bernardino County's (SBLAFCO) above-referenced proposal to deem Metropolitan's sphere of influence in the county coterminous with that of its member agency in that county, Inland Empire Utilities Agency.

Please feel free to contact us if you have any further inquiries.

Sincerely,

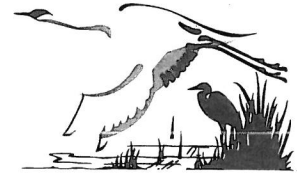
  
Jeffrey Kightlinger  
General Manager

cc: Shane Chapman, Assistant General Manager/Chief Administrative Officer  
Ethel Young, Resource Specialist/Annexations

**Letter from Commission  
Environmental Consultant  
Tom Dodson of Tom Dodson  
and Associates Dated  
December 20, 2017**

**Attachment 4**

**TOM DODSON & ASSOCIATES**  
2150 N. ARROWHEAD AVENUE  
SAN BERNARDINO, CA 92405  
TEL (909) 882-3612 • FAX (909) 882-7015  
E-MAIL tda@tdaenv.com



December 20, 2017

Ms. Kathleen Rollings-McDonald  
Local Agency Formation Commission  
1170 W. 3<sup>rd</sup> Street, Unit 150  
San Bernardino, CA 92415-0490

RECEIVED  
2017 DEC 21 PM 1:24  
LOCAL AGENCY  
FORMATION COMMISSION

Dear Kathy:

LAFCO 3222 consists of the establishment of a Sphere of Influence in San Bernardino County for the Metropolitan Water District (MWD) of Southern California. LAFCO 3222 proposes to establish a Sphere of Influence that will be coterminous with the Sphere of influence for its member agency, Inland Empire Utilities Agency, which includes the watershed of the San Gabriel Mountain, generally including:

- All of the territories and Spheres of Influence of the cities of Chino, Chino Hills, Montclair, Rancho Cucamonga, Ontario, and Upland
- The majority of the territory of the City of Fontana; and
- Portion of the territory and Sphere of the City of Rialto.

In this instance the proposed Sphere establishment does not involve any physical changes in the environment. This is because approval of the Sphere establishment will not result in any physical changes to the environment. LAFCO 3222 establishes a planning boundary for MWD with no proposed annexations or other actions before the Commission at this time.

Therefore, I recommend that the Commission find that a Statutory Exemption (as defined in the California Environmental Quality Act, CEQA) applies to LAFCO 3222 under Section 15061 (b) (3) of the State CEQA Guidelines. This General Rule exemption 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 this circumstance applies to LAFCO 3222.

In this case, adopting the proposed Sphere expansion establishes a future planning area in San Bernardino County should MWD require further actions in the future. Thus, no physical changes in the environmental can result from approving LAFCO 3222. Based on this review of LAFCO 3222 and the pertinent sections of

CEQA and the State CEQA Guidelines, I conclude that LAFCO 3222 does not constitute a project under CEQA and adoption of the Statutory Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with CEQA for this action. The Commission can approve this review and finding for this action and I recommend that you notice LAFCO 3222 as statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline section cited above. The Commission needs to file a Notice of Exemption (NOE) with the County Clerk of the Board for this action once it is completed.

A copy of this memorandum and the NOE should be retained in the LAFCO project file to serve as verification of this evaluation and as the CEQA environmental determination record for LAFCO 3222. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Tom Dodson".

Tom Dodson

**Draft LAFCO  
Resolution No. 3261**

**Attachment 5**



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
E-MAIL: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

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PROPOSAL NO.: LAFCO 3222

HEARING DATE: January 17, 2018

RESOLUTION NO. 3261

**A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3222 AND ADOPTING THE SPHERE OF INFLUENCE DESIGNATION FOR THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, SAN BERNARDINO COUNTY PORTION (sphere adoption to be coterminous with that of its member agency, Inland Empire Utilities Agency, excluding an area of 4.81 acres, encompassing approximately 292 square miles).**

**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 sphere of influence establishment in San Bernardino County was initiated by the Local Agency Formation Commission (hereinafter referred to as "the Commission") for the Metropolitan Water District of Southern California (San Bernardino County portion) and was filed by the Executive Officer of the Commission in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); 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 the 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 called for January 17, 2018 at the time and place specified in the notice of public hearing; and,

**WHEREAS**, at the hearing, this Commission heard and received all oral and written support and opposition; the Commission considered all objections and evidence which were made, presented, or filed; 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,

## RESOLUTION NO. 3261

**WHEREAS**, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that the sphere of influence establishment is statutorily exempt from CEQA and such exemption was adopted by this Commission on January 17, 2018. The Commission directed its Executive Officer to file a Notice of Exemption within five working days with the San Bernardino County Clerk of the Board of Supervisors; and,

**WHEREAS**, based on presently existing evidence, facts, and circumstances presented to and considered by this Commission, it is determined that the sphere of influence for the Metropolitan Water District of Southern California (San Bernardino County portion) should be determined to be coterminous with that of its member agency, the Inland Empire Utilities Agency, excluding an area of 4.81 acres, as more specifically described on the attached Exhibits "A" and "A-1" to this resolution; and,

**WHEREAS**, the Commission conducted service reviews in May 2015 titled "Service Review for Water Conservation in the Valley Region" and in July 2017 titled "Countywide Service Review for Water".

**WHEREAS**, the following determinations are made in conformance with Government Code Section 56425 and local Commission policy:

**1. The present and planned land uses in the area, including agricultural and open space lands:**

The map below illustrates the land use designations of the city and county jurisdictions within the area proposed to be included within the sphere of influence for Metropolitan (the area of the IEUA sphere of influence) – shown in red outline. As shown, residential, urban mixed, and industrial uses are prevalent in the urbanized areas with commercial interspersed. Parks and Open Space are heavy at the southwestern edge representing Chino Hill State Park and floodways of the Santa Ana Mainstem Project

The area contains agricultural lands, Williamson Act contracts, agricultural preserve designations, and areas where special permits are required. Pursuant to Government Code Section 56426.6, the Commission shall not approve a change to the sphere of influence of a local government agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (known as the Williamson Act)<sup>1</sup> if that local government agency provides, or would provide, facilities or services related to ...nonagricultural water ... to the territory. However, the Commission may nevertheless approve a change for that territory if it finds either of the following:

- That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.

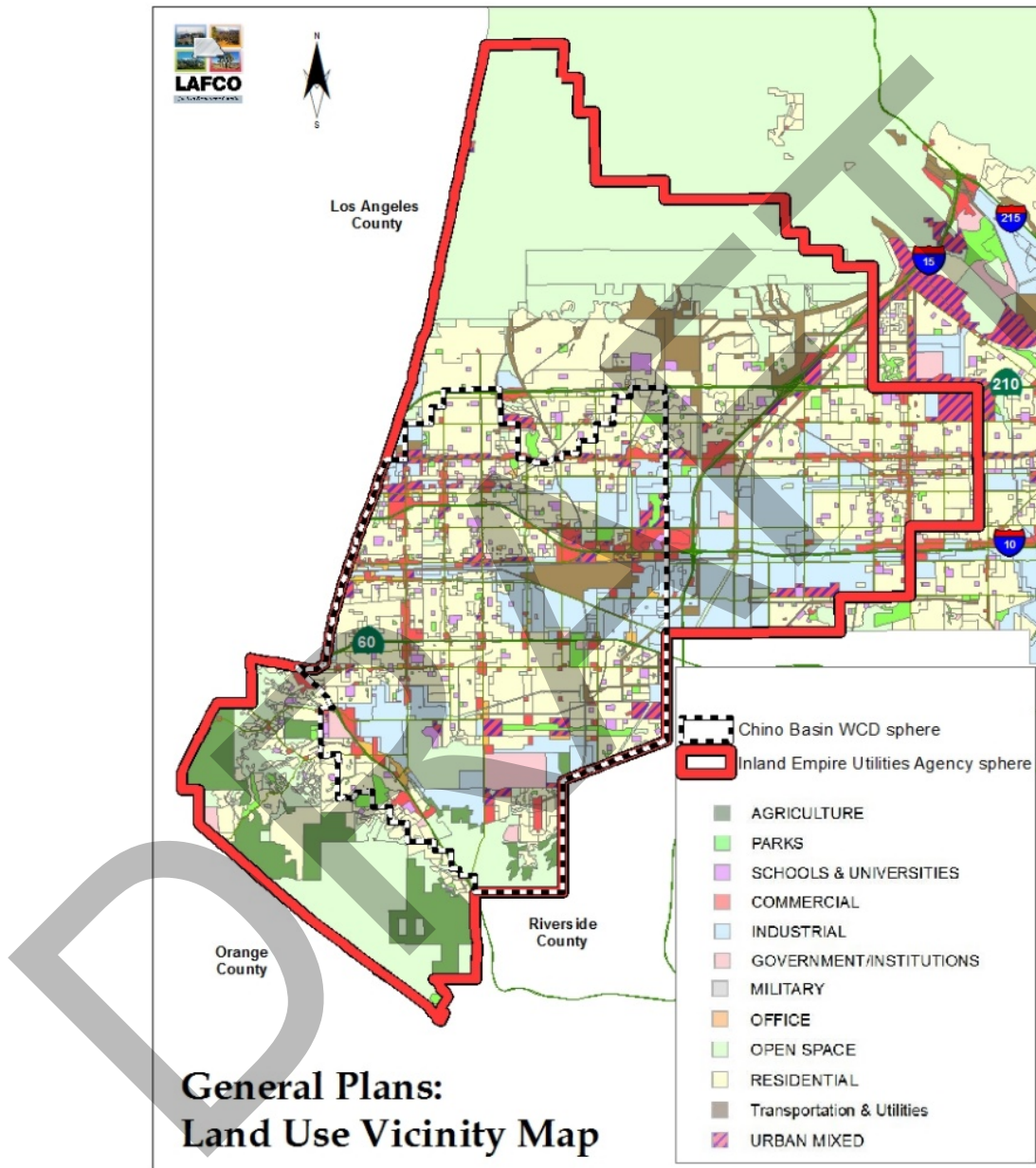
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<sup>1</sup> California Government Code, Title 5, Division 1, Part 1, Chapter 7 (commencing with Section 51200)

## RESOLUTION NO. 3261

- That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date.

A sphere of influence is a planning tool, and the sphere establishment supports the planning efforts necessary to assist in the agricultural operations.



## 2. The present and probable need for public facilities and services in the area:

Pursuant to the determinations in the service reviews dated May 2015 and July 2017, the following information is provided for this factor.

## RESOLUTION NO. 3261

### Present Need

The population within the study area increased 23% from 1990 to 2000. Interestingly, the population within the study area grew at a lesser rate of 16% from 2000 to 2010 during the construction boom. The 2015 estimated population was 856,168.

Pop Source	Census			Estimate	Projected		
Year	1990	2000	2010	2015	2020	2030	2040
IEUA sphere	569,490	701,527	814,210	856,168	896,533	1,009,349	1,125,203
Sources: 2015 IEUA Urban Water Management Plan; 2015 San Bernardino Valley Regional Urban Water Management Plan; ESRI estimates for 2015							

There are generally two basins within the study area: Chino and Cucamonga, both of which are adjudicated. The figure below is a summary of the two basins from the Department of Water Resources ("DWR"). As part of the California Statewide Groundwater Elevation Monitoring Program and pursuant to the California Water Code §10933, DWR is required to prioritize California groundwater basins, so as to help identify, evaluate, and determine the need for additional groundwater level monitoring. As identified by the DWR, the Chino Basin has been designated as a High Priority basin (high cumulative ratings as shown in the chart below) and the Cucamonga Basin as a Medium Priority basin for future monitoring. Both share similar population, groundwater reliance factors, and have been impacted from the increasing population.

California Statewide Groundwater Elevation Monitoring Program								
Upper Santa Ana Valley Basin - West Valley								
DWR Rating (1 = low, 5 = high)								
Sub-Basin	Sq. Miles	2010 Pop.	Pop.	Pop. Growth	GW Reliance	Impacts	Basin Priority	Impact Comments
Chino	242	898,653	4	2	4	3	High	High nitrates and dissolved solids.
Cucamonga	15	51,001	4	1	3.5	3	Medium	High nitrates reported in 14 of 24 wells tested.

### Probable Need

It is not until 2025 that the growth rate is projected to increase. LAFCO's analysis in conjunction with Southern California Associated Governments ("SCAG") projections provides a projected population of 1.13 million in 2040 for the study area. The 2040 figure would be roughly twice that of 1990 with an evident corresponding increase in population density.

The population projections identified above do not include the heavy daily business, commercial, education and industrial activities. Further, the transient traffic on Interstates 10 and 15 (two of four interstates that exit Southern California to the east) has significantly increased in volume each decade and is anticipated to continue to do so. All of this signals that the west Valley Region is one of the most densely populated and traveled parts of the state and that the need for additional water resources will only intensify for the already impacted groundwater basins.

Through 2040 the subject area population is expected to significantly increase. It is paramount that the agencies recognize the need to develop and promote programs that

## RESOLUTION NO. 3261

protect existing water resources for the region's sustainability and future growth, as well as the importation of additional water supply.

### **3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:**

There will be no service change as a result of the sphere establishment. The area within the boundaries of Metropolitan and IEUA currently receives services from those agencies. The Metropolitan sphere establishment, being a planning tool, would work in concert with the Metropolitan mission<sup>2</sup>, IEUA mission<sup>3</sup>, and Metropolitan and IEUA planning documents:

- IEUA's planning reports to include but limited to: 2015 Regional Urban Water Management Plan, Operating and Capital Program Budget, Groundwater Recharge Report, and Recycled Water Quality Report.
- Metropolitan's planning reports to include but not limited to: Integrated Water Resources Plan, Urban Water Management Plan, Water Surplus and Drought Management Plan, Long-Term Conservation Plan, and Capital Project Reports.

The area outside the boundaries of these agencies (but within the area proposed for inclusion within the Metropolitan sphere) extends north to the hydrological divide that separates the spheres of the neighboring state water contractors (current northerly extent of IEUA sphere); the inclusion within the Metropolitan sphere will allow for Metropolitan to plan for the provision of its water service in the future.

### **4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency:**

Metropolitan is the state water contractor that delivers imported water to its member agency within San Bernardino County, IEUA. The delivery of this water is for use as recharge or for use from the IEUA member agencies is a vital resource which supports the social and economic interests of the Cities of Chino, Chino Hills, Fontana (western portion), Montclair, Ontario, Rancho Cucamonga, Upland, and a portion of the City of Rialto; and unincorporated territory.

### **5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to ...municipal and industrial water..., the present and probable need for those public facilities and services of any disadvantaged unincorporated communities ...:**

There are two areas that are identified as disadvantaged unincorporated communities ("DUC") within the study area: South Montclair and a portion of West Fontana. These areas

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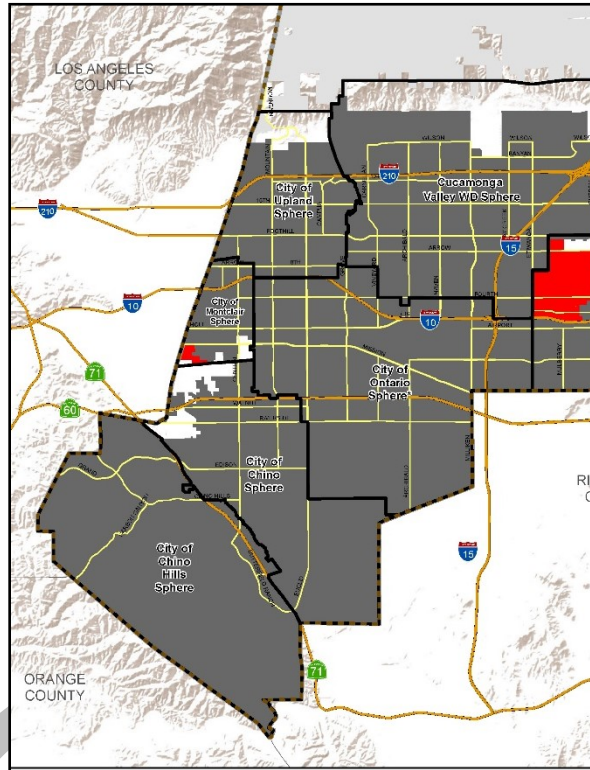
<sup>2</sup> "The mission of the Metropolitan is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way."

<sup>3</sup> The IEUA mission is, "Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development and protecting the environment. Key areas of service: Securing and supplying imported water. Collecting and treating wastewater. Producing high-quality renewable products such as recycled water, compost and energy. Promoting sustainable use of groundwater and development of local water supplies."



## RESOLUTION NO. 3261

presently receive wholesale water service from IEUA, as a member of Metropolitan - the state water contractor. Wholesale water provides a supplemental source to the impacted water basins. The probable need for wholesale water to these two DUC areas is anticipated to remain as population projections show steady growth through 2040. These areas are identified in red in the map below.



### 6. Additional Determinations

- Legal notice of the Commission's consideration of the sphere establishment has been provided through publication of a 1/8<sup>th</sup> page legal advertisement in *The Inland Valley Daily Bulletin*, a newspaper of general circulation in the area.
- Individual notices were provided to all affected and interested agencies, County departments and those individuals and agencies requesting special notice.
- In November 2011 San Bernardino LAFCO and Los Angeles LAFCO entered into a Memorandum of Understanding for exchange of principal county status for sphere of influence changes that cross county boundaries to the county where the sphere of influence territory is located. In a letter to Los Angeles LAFCO dated October 25, 2017, San Bernardino LAFCO expressed its intention to utilize the provisions of this MOU to address the Metropolitan Water District sphere in San Bernardino County.

## RESOLUTION NO. 3261

**WHEREAS**, pursuant to the provisions of Government Code Section 56425(i), the range of services provided by the Metropolitan Water District of Southern California (San Bernardino County portion) shall be limited to the following:

## FUNCTIONS

## Water

## SERVICES

Any services or powers identified in the Metropolitan Water District Act (Water Code Appendix Section 109-130 through 109-136)

**WHEREAS**, having reviewed and considered the determinations as outlined above, the Commission determines to establish the sphere of influence for the Metropolitan Water District of Southern California (San Bernardino County portion) as being coterminous with the sphere of influence of the Inland Empire Utilities Agency, a Municipal Water District, excluding an area of 4.81 acres, encompassing approximately 292 square miles.

**NOW, THEREFORE, BE IT RESOLVED** by the Local Agency Formation Commission for San Bernardino County, State of California, that this Commission shall consider the territory described in Exhibits “A” and “A-1” as being within the sphere of influence of the Metropolitan Water District of Southern California (San Bernardino County portion), it being fully understood that the adoption of such sphere of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

**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 January 17, 2018.**


**DATED: January 17, 2018**

**KATHLEEN ROLLINGS-MCDONALD**  
Executive Officer

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490  
(909) 388-0480 • Fax (909) 388-0481  
lafco@lafco.sbcounty.gov  
www.sbclafco.org

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**DATE:** JANUARY 10, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** Agenda Item #9: Review and Accept Audit Report for Fiscal Year Ended June 30, 2017

---

## **RECOMMENDATION:**

Staff recommends that the Commission receive and file the materials submitted by Davis Farr LLP related to the Commission's audit for Fiscal Year 2016-17.

## **BACKGROUND:**

The public accounting firm of Davis Farr LLP has conducted the Commission's annual audit for the period July 1, 2016 through June 30, 2017 (copy attached to this staff report). The auditor has independently verified the financial statements prepared by LAFCO staff, outlined its professional responsibilities and findings, and disclosed its compliance with current *Government Auditing Standards*. As outlined in its letter, during the audit process, the auditor did not identify any deficiencies in internal controls.

## **Meeting with Audit/Budget Committee**

On January 8 and 10 the LAFCO Administrative Committee (composed of Chair Cox, Vice-Chair Ramos, and Commissioner Curatalo), LAFCO management, and the auditors discussed the draft audit via phone meetings. The auditor identified that it performed tests on internal controls of LAFCO and the County, which resulted in no material weaknesses or significant deficiencies being identified.

## **2016-17 Financial Statements**

The basic financial statements provide both short-term and long-term information about the Commission's overall financial status, include additional budgetary information, and include notes that explain some of the information presented.

## Net Position

The following information on Net Position is taken from page 4 of the financial statements. Additionally, staff has included descriptive information in italics regarding pension-related accounting measures that do not affect fund balance.

The financial statements show a Total Net Position of \$106,310 with a negative change of \$136,486. At first glance, Total Assets of \$858,047 are less than Total Liabilities of \$1,018,419. However, new audit standards take into account three pension-related items that do not affect the fund balance: deferred outflows (similar to an asset), net pension liability (an actual liability), and deferred inflows (similar to a liability). Nonetheless, the Total Net Position decrease is mainly accounted for by the following breakdown:

- Decrease in Total Assets by (\$99,731). This is mainly due to the payment of the \$100,000 deposit for tenant improvements for the renovation of the Santa Fe Train Depot for use as the new LAFCO Office. The statements on page 4 shows this as a part of the decrease in Cash and Investments of \$194,616 with an offset of the \$100,000 deposit as a Prepaid Item.
- Increase in Deferred Outflow from Pension Plan by \$119,376 (similar to an asset for this audit year), which is an accounting measure and does not affect fund balance.

*This is defined as pension activities that apply to future periods and so will not be recognized as an expense until later. For this audit year, Deferred Outflows include: employer contributions after the measurement date of June 30, 2016, and changes in actuarial assumptions such as mortality rate, and differences in the projected and actual earnings on investments. More information on this can be found in Note 9 on page 27.*

- Increase in Total Liabilities by (\$126,104). This is mainly due to an increase in Net Pension Liability of \$87,726 which is an accounting measure and does not affect fund balance, and Accounts Payable of \$35,887 which affected fund balance.

*The San Bernardino County Employees' Retirement Association's ("SBCERA") actuary has estimated the Commission's proportionate share of the net pension liability as of the June 30, 2016 measurement date to be \$769,173 an increase of \$87,726. This information can be found in Note 9 on page 27.*

- Increase in Inflow from Pension Plan of (\$30,027) (similar to a liability for this audit year) which is an accounting measure does not affect cash.

*This is defined as pension activities that apply to future periods and so will not be recognized as revenue until later. For the audit year, Deferred Outflows include the difference between the actual and expected proportion of LAFCO's share of the Total SBCERA Net Pension Liability. More information on this can be found in Note 9 on page 27.*

### Fund Balance

The financial statements show a Fund Balance of \$701,190 with a negative change of \$130,476 (page 12) – similar to the decrease to Net Position. It is important to note that FY 2016-17 experienced significant Commission approved activities (renovation and move to the Santa Fe Depot) and unanticipated legal expenditures. Even with these activities, FY 2016-17 ending fund balance is the second highest in recent history for the Commission. The Fund Balance for the past five fiscal years, as shown in the respective audits, is as follows:

- 2012-13 \$587,221
- 2013-14 \$643,797
- 2014-15 \$677,410
- 2015-16 \$831,666
- 2016-17 \$701,190

The significant reasons for the changes in the revenues and expenses of the Commission's governmental activities are outlined as follows:

- Payment of \$100,000 deposit for tenant improvements for the renovation of the Santa Fe Train Depot for use as the new LAFCO Office. This is shown as a Prepaid Item in the Statement of Net Position (p. 8) and Balance Sheet (p. 10).
- Legal counsel charges related to:
  - Matters affecting the East Valley Water District (questions related to authorized services and powers, public records act request, declaration) total \$18,193 for the fiscal year. These charges are not recoverable; and,
  - Questions on the budget and contracting for the position of Executive Officer of \$16,304 were incurred. These charges are not recoverable.

### **Conclusion**

The Administrative Committee and LAFCO management staff have discussed the draft audit with the independent auditors. Neither have issues or concerns with the financial statements or audit letters provided by the auditors. Therefore, an auditor representative was not requested to be present at the hearing. Staff recommends that the Commission receive and file the materials submitted by Davis Farr LLP related to the Commission's audit for Fiscal Year 2016-17. Once accepted the audit will be posted on the LAFCO website under the "Accountability Portal", "Financial Statements".

Should you have any questions, LAFCO staff would be glad to answer them prior to or at the hearing.

KRM/MT

Attachment



To the Board of Commissioners  
Local Agency Formation Commission for San Bernardino County

We have audited the financial statements of the governmental activities, and each major fund of the Local Agency Formation Commission for San Bernardino County (“Commission”) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 18, 2017. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Commission are described in Note 1 to the financial statements. We noted no transactions entered into by Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Commission’s financial statements was allocations of the net pension liability and related amounts. These amounts were calculated by an actuary and audited by another firm.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was Footnote 9: Pension Plan.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the

financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 27, 2017.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

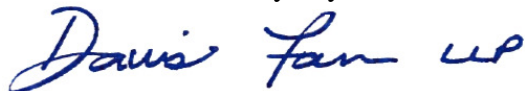
*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the *Management's Discussion and Analysis, the Schedule of the Plan's Proportionate Share of the Net Pension Liability, the Schedule of Pension Plan Contributions, and the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual* which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This information is intended solely for the use of Board of Commissioners and management of the San Bernardino County Local Agency Formation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California  
December 27, 2017

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

The Commission Members  
Local Agency Formation Commission for San Bernardino County  
San Bernardino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Local Agency Formation Commission for San Bernardino County (the Commission), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 27, 2017.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California  
December 27, 2017

LOCAL AGENCY FORMATION COMMISSION  
FOR SAN BERNARDINO COUNTY

Financial Statements

For the Fiscal Year Ended June 30, 2017



LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Financial Statements

For the Fiscal Year Ended June 30, 2017

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Board of Commissioners  
San Bernardino Local Agency Formation Commission  
San Bernardino, California

## **INDEPENDENT AUDITORS' REPORT**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities and Governmental Fund of the Local Agency Formation Commission for San Bernardino County (the Commission) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the Governmental Fund of the Commission, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information, schedule of the plan's proportionate share of the net pension liability and the schedule of plan contributions, identified as required supplementary information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2017, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized mark.

Irvine, California  
December 27, 2017

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the financial performance of the Local Agency Formation Commission for San Bernardino County (Commission) provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the financial statements as outlined in the table of contents.

### Using the Accompanying Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Commission as a whole and present a longer view of the Commission's finances. Also included in the accompanying report are fund financial statements. For governmental activities, the fund financial statements tell how the services were financed in the short-term as well as what remains for future spending.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual report consists of two parts - management's discussion and analysis (this section), and the basic financial statements. The basic financial statements provide both long-term and short-term information about the Commission's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The basic financial statements also include additional budgetary information.

### Reporting the Commission as a Whole – Net Position

The accompanying Government-wide financial statements include two statements that present financial data for the Commission as a whole. An important question to be asked about the Commission's finances is, "Is the Commission as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Commission as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows.

The statements report the Commission's net position and changes in them. You can think of the Commission's net position – the difference between assets and liabilities - as one way to measure the Commission's financial health or financial position. Over time, increases and decreases in the Commission's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other factors, such as changes in the Commission's revenues, to assess the overall health of the Commission.

The following table provides the Statement of Net Position for the past two fiscal years:

**TABLE 1**  
**NET POSITION – GOVERNMENTAL ACTIVITIES**

	2016-17	2015-16	Difference
<b>Assets:</b>			
Cash and investments	\$ 751,825	\$ 946,441	\$ (194,616)
Accounts receivable	5,052	2,396	2,656
Due from other governments	-	2,116	(2,116)
Prepaid items	100,000	4,484	95,516
Capital assets, net of depreciation	1,170	2,341	(1,171)
<b>Total Assets</b>	<b>858,047</b>	<b>957,778</b>	<b>(99,731)</b>
<b>Deferred outflow of resources:</b>			
<b>Deferred outflows from pension plan</b>	<b>449,890</b>	<b>330,514</b>	<b>119,376</b>
<b>Liabilities:</b>			
Accounts payable	60,082	24,195	35,887
Other accrued liabilities	44,401	37,464	6,937
Unearned revenues	41,044	62,112	(21,068)
Deposits Payable	10,160	-	10,160
Long-term liabilities:			
Compensated absences:			
Due within one year	28,068	26,129	1,939
Due beyond one year	65,491	60,968	4,523
Net pension liability	769,173	681,447	87,726
<b>Total Liabilities</b>	<b>1,018,419</b>	<b>892,315</b>	<b>126,104</b>
<b>Deferred inflow of resources:</b>			
<b>Deferred inflows from pension plan</b>	<b>183,208</b>	<b>153,181</b>	<b>30,027</b>
<b>Net Position:</b>			
Invested in capital assets	1,170	2,341	(1,171)
Unrestricted	105,140	240,455	(135,315)
<b>Total Net Position</b>	<b>\$ 106,310</b>	<b>\$ 242,796</b>	<b>\$ (136,486)</b>



The following table provides the Statement of Activities for the past two fiscal years:

**TABLE 2**  
**CHANGE IN NET POSITION – GOVERNMENTAL ACTIVITIES**

	2016-17	2015-16	Difference
<b>Revenues:</b>			
Charges for services	\$ 194,051	\$ 398,381	\$ (204,330)
Apportionment	926,223	882,117	44,106
Interest	6,032	11,645	(5,613)
<b>Total Revenues</b>	<b>1,126,306</b>	<b>1,292,143</b>	<b>(165,837)</b>
<b>Expenses</b>	<b>1,262,792</b>	<b>1,144,301</b>	<b>118,491</b>
<b>Change in Net Position</b>	<b>(136,486)</b>	<b>147,842</b>	<b>(284,328)</b>
Net Position Beginning	242,796	94,954	147,842
<b>Net Position Ending</b>	<b>106,310</b>	<b>\$ 242,796</b>	<b>\$ (136,486)</b>

#### Explanation of Change in Net Position

The tables presented above show an overall decrease in the receipt of revenues, as well as increase in expenditures mainly due to the office relocation. Some of the more significant reasons for the changes in the revenues and expenses of the Commission's governmental activities are outlined as follows:

- Charges for Service experienced a decrease in revenues due to the prior year having several proposals related to annexations to County Fire, which have higher processing fees.
- Payment of \$100,000 deposit for tenant improvements for the renovation of the Santa Fe Train Depot for use as the new LAFCO Office. This is shown as a Prepaid Item in the Statement of Net Position and Balance Sheet.
- An additional \$17,600 in relocation expenses for electrical work and window shutters.
- Legal counsel charges related to East Valley Water District (questions related to authorized services and powers, public records act request, declaration) total \$18,193 for the fiscal year. These charges are not recoverable.
- Legal counsel charges related to questions on the budget and contracting for the position of Executive Officer of \$16,304 were incurred. These charges are not recoverable.
- Costs related to the City of Upland annexation into County Fire for the hearing (printing and mailing) totaling roughly \$26,000 through the end of the fiscal year. The applicant provided deposits for these activities. Additional legal costs associated with the processing, totaling \$3,800 for the year have been included.

### Reporting the Commission's Fund Activity

The fund financial statements provide detailed information about the Commission's governmental fund as it operates under a single-program government fund. All of the Commission's basic services are reported in its General Fund. The fund is reported using the current financial resources measurement focus and the modified accrual basis of accounting. We describe the relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) in the reconciliation following the fund financial statements.

The Fund Balance for the past five fiscal years is as follows:

• 2012-13	\$587,221
• 2013-14	\$643,797
• 2014-15	\$677,410
• 2015-16	\$831,666
• 2016-17	\$701,190

The following table provides a summary of the Fund Balance for the past two fiscal years. The year-end fund balance decreased by a total of \$130,476 in comparison to the prior year, but remains higher than FY 2015-16. The overall decrease is explained as follows:

- Prepaid Items. The \$100,000 deposit for tenant improvements for the renovation of the new LAFCO office was reclassified from Unassigned to a Pre-Paid item. This is because the office was not occupied until July 2017 (FY 2017-18).
- Compensated Absences Reserve. The increase of \$10,615 is due to the natural balance accruals for five employees.
- Net Pension Liability Reserve. The FY 2016-17 budget increased Net Pension Liability Reserve by \$26,420 and was again increased by \$7,927 as a part of the mid-year budget review from excess carryover from the prior year.
- General/Litigation Reserve. The General/Litigation Reserve amount is decreasing by \$49,637 due to legal charges incurred during the audit year. The FY 2017-18 Budget follows a similar decrease by accounting for the excess legal costs incurred during FY 2016-17 through a decrease in the General/Litigation Reserve from \$284,917 to \$225,229 (decrease of \$59,688).
- Contingency. There was no change to the Contingency fund balance.
- Unassigned. Unassigned Fund Balance decreased by \$221,317. As stated above, \$100,000 of Fund Balance was reclassified from Unassigned to Prepaid. Additionally, for this audit Expenditures were adjusted by \$60,082 for FY 2016-17 obligations that were paid in FY 2017-18. Of this amount, \$30,724 is related to legal bills. As for the remaining difference, the FY 2016-17 budget was balanced with unassigned funds from FY 2015-16 as the Commission pursuant to law can only apportion its net operating costs. As a result, this naturally reduced the incoming Unassigned Fund Balance.

**TABLE 3  
FUND BALANCE**

	2016-17	2015-16	Difference
<b>Nonspendable:</b>			
Prepaid items	\$ 100,000	\$ 4,484	\$ 95,516
<b>Committed:</b>			
Compensated absences reserve	87,222	76,607	10,615
Net pension liability reserve	117,097	82,750	34,347
<b>Assigned:</b>			
General/Litigation reserve	241,370	291,007	(49,637)
Contingency	155,501	155,501	-
<b>Unassigned</b>	-	221,317	(221,317)
<b>Total</b>	<b>\$701,190</b>	<b>\$ 831,666</b>	<b>\$ (130,476)</b>

Long-Term Liabilities

The following table provides a summary of the Long Term Liabilities for the past two fiscal years:

**TABLE 4  
LONG-TERM LIABILITIES**

	2016-17	2015-16	Difference
<b>Compensated Absences</b>	\$ 93,559	\$ 87,099	\$ 6,460

Compensated Absences is comprised of the year-end balances for administrative, holiday, vacation, and sick leaves. For sick-leave calculations, LAFCO's Benefits Plan Section 108 (E) – Retirement Medical Trust – states that those employees with more than five years of service shall receive 75% of their accumulated sick leave, up to a max of 1,400 hours, paid into the Trust at their current rate of pay upon leaving the employ of the Commission. The calculation within the financial statements of compensated absences accommodates this Benefit Plan determination. During Fiscal Year 2016-17 compensated absences increased by \$6,460, calculated as follows:

- Additions of \$63,366 comprised of natural balance accruals for five employees.
- Deletions of \$56,906 comprised of leave taken during the fiscal year for five employees.

***Contacting the Commission's Financial Management:***

This financial report is designed to provide our citizen's, taxpayers, governments, and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Officer at 1170 W. Third Street, Unit 150, San Bernardino, CA 92415-0490.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Statement of Net Position  
June 30, 2017

	Governmental Activities
Assets:	
Cash and investments (note 3)	\$ 751,825
Accounts receivable	5,052
Prepaid items	100,000
Capital assets, net (note 4)	<u>1,170</u>
Total assets	<u>858,047</u>
Deferred outflow of resources:	
Deferred outflows from pension plan (note 9)	<u>449,890</u>
Liabilities:	
Accounts payable	60,082
Other accrued liabilities	44,401
Unearned revenues (note 5)	41,044
Deposits payable	10,160
Long-term liabilities:	
Compensated absences (note 6):	
Due within one year	28,068
Due beyond one year	65,491
Net pension liability (note 9)	<u>769,173</u>
Total liabilities	<u>1,018,419</u>
Deferred inflow of resources:	
Deferred inflows from pension plan (note 9)	<u>183,208</u>
Net position (deficit):	
Investment in capital assets	1,170
Unrestricted	<u>105,140</u>
Total net position	<u><u>\$ 106,310</u></u>

See accompanying notes to the basic financial statements

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Statement of Activities

For the Fiscal Year Ended June 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense)
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	Revenue and
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	Changes in Net
			<u>Contributions</u>	<u>Contributions</u>	Position
					<u>Governmental</u>
					<u>Activities</u>
Governmental activities:					
General government	<u>\$ 1,262,792</u>	<u>194,051</u>	<u>-</u>	<u>-</u>	<u>(1,068,741)</u>
Total governmental activities	<u>\$ 1,262,792</u>	<u>194,051</u>	<u>-</u>	<u>-</u>	<u>(1,068,741)</u>
General revenues:					
					926,223
					<u>6,032</u>
					<u>932,255</u>
					(136,486)
					<u>242,796</u>
					<u>\$ 106,310</u>

See accompanying notes to the basic financial statements



LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Governmental Funds  
Balance Sheet  
June 30, 2017

	<u>General Fund</u>
<u>Assets</u>	
Cash and investments	\$ 751,825
Accounts receivable	5,052
Due from other governments	-
Prepaid items	100,000
Total assets	<u>\$ 856,877</u>
<u>Liabilities and Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 60,082
Salaries and benefits payable	44,401
Deposits payable	10,160
Unearned revenues	41,044
Total liabilities	<u>155,687</u>
Fund balance:	
Nonspendable:	
Prepaid items	100,000
Committed:	
Compensated absences	87,222
Net pension liability reserve	117,097
Assigned:	
Litigation reserve	241,370
Contingency	155,501
Unassigned	<u>-</u>
Total fund balance	<u>701,190</u>
Total liabilities and fund balance	<u>\$ 856,877</u>

See accompanying notes to the basic financial statements

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Governmental Funds  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
June 30, 2017

Fund balances of governmental funds		\$ 701,190
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets and accumulated depreciation have not been included as financial resources in governmental fund activity:

Capital assets	8,192	
Accumulated depreciation	<u>(7,022)</u>	1,170

Pension related deferred outflows of resources, net of accumulated amortization, have not been reported in the governmental funds:

Employer contributions subsequent to the measurement date	132,171	
Changes in actuarial assumptions	53,115	
Changes in proportion and differences between employer contributions and the proportionate share of contributions	97,985	
Differences in projected and actual earnings on investments	<u>166,619</u>	449,890

Long-term liabilities are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds. Long-term liabilities consist of the following:

Net pension liability	(769,173)	
Compensated absences	<u>(93,559)</u>	(862,732)

Pension related deferred inflows of resources, net of accumulated amortization, have not been reported in the governmental funds:

Differences in expected and actual experience	(116,448)	
Changes in proportion and differences between employer contributions and the proportionate share of contributions	<u>(66,760)</u>	(183,208)

Accrued compensated absences that have not been included in the governmental fund activity

Net position of governmental activities		<u>\$ 106,310</u>
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LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2017

Revenues:	General Fund
Apportionment	\$ 926,223
Charges for services	194,051
Investment income	<u>6,032</u>
Total revenues	<u>1,126,306</u>
Expenditures:	
General government:	
Salaries and employee benefits	731,145
Services and supplies	<u>525,637</u>
Total expenditures	<u>1,256,782</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(130,476)</u>
Net change in fund balances	(130,476)
Fund balances at beginning of year	<u>831,666</u>
Fund balances at end of year	<u><u>\$ 701,190</u></u>

See accompanying notes to the basic financial statements

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Governmental Funds  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2017

Net changes in fund balances - total governmental funds \$ (130,476)

Amounts reported for governmental activities in the Statement of Activities are different because:

The governmental fund reports capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the capital outlays and exceeded depreciation in the current period.

Capital expenditures	-	
Depreciation expense	<u>(1,170)</u>	(1,170)

Pension Expense reported in the governmental fund includes the actual contributions made in the fiscal year. Pension expense reported in the Statement of Activities includes the changes in the net pension liability and pension related deferred outflows/inflows of resources.

Change in net pension liability	(87,726)	
Change in deferred outflows of resources related to pensions	119,376	
Change in deferred inflows of resources related to pensions	<u>(30,027)</u>	1,623

Accrued compensated absence expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the government fund.

(6,463)

Change in net position of governmental activities		<u>\$ (136,486)</u>
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# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements

June 30, 2017

### 1. Summary of Significant Accounting Policies:

The accounting policies of the Local Agency Formation Commission for San Bernardino County (the Commission) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

#### a. Reporting Entity:

Following the end of World War II, California entered a new era of demographic growth and diversity, and economic development. With this growth came the need for housing, jobs and public services. To provide for these services, California experienced a wave of newly formed cities and special districts, but with little forethought as to how the new agencies should plan for services. The lack of coordination and adequate planning for future governance led to a multitude of overlapping, inefficient jurisdictional and service boundaries.

In 1963, the State Legislature created Local Agency Formation Commissions (Commissions) to help direct and coordinate California's growth in a logical, efficient, and orderly manner. Each county within California is required to have a Commission. The Commissions are charged with the responsibility of making difficult decisions on proposals for new cities and special districts, spheres of influence, consolidations, and annexations.

The Commission is composed of seven voting members, with four alternate members who vote only in the absence or abstention of a voting member. The seven members and their alternates represent all levels of local government. Two members are elected county supervisors and are selected by the Board of Supervisors. Two members are elected city council members and are selected by the mayors of the cities within San Bernardino County. Two members are elected members of a special district board of directors and are selected by the presidents of the independent special districts in San Bernardino County. These six elected officials select a "public" member who is not affiliated with county, city, or special district governments. Alternate members for the county, city, special district, and public categories are selected in the same manner. Each commissioner and alternate serves a four-year term.

#### b. Government-wide Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Commission.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include charges for services that are restricted to meeting the operational or capital requirements of particular function or segment. Investment income and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental fund. The Commission operates under a single-program governmental fund.



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 1. Summary of Significant Accounting Policies (Continued):

#### c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are not recognized until paid.

Intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include charges for services and operating contributions from members.

#### d. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position and the governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Commission has four items that qualify for reporting in this category for the fiscal year ended June 30, 2017, all of which relate to pensions. The first three include pension contributions subsequent to the measurement date, change in assumptions, change in employer's proportion and differences between the employer's contributions and employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan. The last is net differences between projected and actual earnings, and is amortized over a closed 5-year period.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 1. Summary of Significant Accounting Policies (Continued):

#### d. Deferred Outflows/Inflows of Resources (Continued):

In addition to liabilities, the statement of net position and the governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Commission has two items that qualify for reporting in this category for the fiscal year ended June 30, 2017, all of which relate to pensions. These include differences between expected and actual experience, and changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan. The second item is a deferred inflow related to pensions for the net difference between projected and actual earnings on plan investments. This amount is amortized over a closed 5-year period.

#### e. Cash and Investments:

Cash and investments include the cash balances of substantially all funds, which are pooled and invested by the County Treasurer to increase interest earnings through investment activities. Investment activities are governed by the California Government Code Sections 53601, 53635, and 53638 and the County's Investment Policy.

Interest income, and realized gains and losses earned on pooled investments are deposited quarterly to the Commission's accounts based upon the Commission's average daily deposit balances during the quarter. Unrealized gains and losses of the pooled investments are distributed to the Commission annually. Cash and investments are shown at fair value.

#### f. Fair Value Measurements:

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 1. Summary of Significant Accounting Policies (Continued):

#### f. Fair Value Measurements (Continued):

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable input reflect the Commission's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the Commission's own data.

#### g. Capital Assets:

Capital assets are reported as governmental activities in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and have an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Equipment of the Commission is depreciated using the straight-line method over a 5 to 7 year estimated useful life.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend asset life is not capitalized.

#### h. Employee Compensated Absences:

Liabilities for vacation, holidays, sick pay and compensatory time are accrued when incurred in the government-wide financial statements. Upon retirement or termination, an employee is compensated for 100% of unused accrued vacation and holiday time. Those with more than five years of LAFCO service receive 75% of their accumulated sick leave up to a maximum of fourteen hundred (1,400) hours. A liability for accrued leave is reported in the governmental fund financial statements only if it has matured. A matured liability may result from employees who terminate prior to year-end and are paid for their leave subsequent to year-end.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 1. Summary of Significant Accounting Policies (Continued):

#### i. Fund Balance:

Nonspendable fund balances includes amounts that cannot be spent because they are either not spendable in form (such as prepaid expenses) or legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Commission action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Commission's highest level of decision-making authority. The governing board is the highest level of decision-making authority that can commit fund balances. Once adopted, the limitation imposed by the commitment remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance includes amounts to be used by the Commission for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance includes the residual amounts that have not been committed or assigned to specific purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Commission's policy is to apply restricted fund balance first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balances are available, the Commission's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

#### j. Pensions:

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's San Bernardino County Employees' Retirement Association (SBCERA) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by SBCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### k. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 2. Stewardship, Compliance and Accountability: General Budget Policies:

In accordance with provisions of Section 56381 of the Government Code of the State of California, commonly known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), the Commission shall adopt a proposed budget by May 1 and a final budget by June 15 of each fiscal year.

Budgets are prepared on the cash basis of accounting. After adoption of a final budget, the County of San Bernardino Auditor shall apportion one-third of net operating expenses of the Commission to each of the following: the county, cities, and independent special districts. The legal level of budgetary control is the fund level.

Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning available fund balance as provided for in the County Budget Act.

### 3. Cash and Investments:

Cash and investments as of June 30, 2017, consist of the following:

Petty cash	\$ 250
Investment in County of San Bernardino Investment Pool	<u>751,575</u>
Total Cash and Investments	<u>\$ 751,825</u>

### Investments Authorized by the Commission's Investment Policy:

The Commission's investment policy authorizes investments only in the County of San Bernardino Investment Pool.

### Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of the fair value to changes in market interest rates.

As of June 30, 2017, the Commission's cash was voluntarily invested in the County of San Bernardino Investment Pool, and therefore was not exposed to any interest rate risk as described above.

The County of San Bernardino Investment Pool is a pooled investment fund program governed by the San Bernardino County Board of Supervisors, and is administered by the County Treasurer. Investments in the pool are highly liquid as deposits and withdrawal can be made at any time without penalty. The Commission's fair value of its share in the pool is the same value of the pool shares, which amounted to \$751,825. Information on the pool's use of derivative securities in its investment portfolio and the Commission's exposure to credit, market, or legal risk is not available.



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 3. Cash and Investments (Continued):

#### Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The money pooled with the County of San Bernardino Investment Pool is not subject to a credit rating.

#### Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Commission's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the money invested by the Commission in the County of San Bernardino Investment Pool).

The Commission is a participant in the San Bernardino County Investment Pool (SBCIP). The SBCIP is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The County Treasury Oversight Committee and the County Board of Supervisors conduct SBCIP oversight. Cash on deposit in the SBCIP at June 30, 2017, is stated at fair value. The SBCIP values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the SBCIP, refer to the County of San Bernardino Comprehensive Annual Financial Report.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

4. Capital Assets:

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Capital assets:				
Office equipment	\$ 8,192	-	-	8,192
Less accumulated depreciation for:				
Office equipment	(5,852)	(1,170)	-	(7,022)
Total capital assets, net	<u>\$ 2,340</u>	<u>(1,170)</u>	<u>-</u>	<u>1,170</u>

5. Unearned Revenues:

At June 30, 2017, the Commission deferred recognition of \$41,044 from fee revenues and deposits that have been received but not yet earned.

6. Compensated Absences:

Changes in unpaid compensated absences at June 30, 2017, were as follows:

Accrued compensated absences at July 1, 2016	\$ 87,099
Compensated absences earned	63,366
Compensated absences used	<u>(56,906)</u>
Accrued compensated absences at June 30, 2017	<u>\$ 93,559</u>

There is no fixed payment schedule for earned but unpaid compensated absences. Accrued compensated absences expected to be paid within one year is \$28,068 at June 30, 2017.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 7. Insurance:

The Commission is a member of the Special District Risk Management Authority, an intergovernmental risk sharing joint powers authority. The schedule of insurance coverage is as follows:

Coverage	Amount	Limit of Insurance
Personal Injury and Property		Per occurrence / aggregate where
Damage Liability- General	\$ 2,500,000	applicable. \$500 deductible per occurrence
Personal Injury and Property		Per accident. \$1,000 deductible per
Damage Liability-Auto	2,500,000	occurrence
Public Officials and Employees		
Errors and Omissions Liability	2,500,000	Per wrongful act/annual member aggregate
Employment Practices Liability	2,500,000	Per wrongful employment practice /
		aggregate limits per member
Employee Benefits Liability	2,500,000	Per wrongful act/annual member aggregate
Employee Dishonesty Coverage	400,000	Per loss
Public Officials Personal Liability	500,000	Per occurrence/annual aggregate Board Member
Property Coverage	1,000,000,000	Per occurrence, \$2,000 deductible per occurrence
Workers' Compensation	Statutory	Per occurrence
Employers' Liability	5,000,000	Per occurrence
Boiler and Machinery	100,000,000	Per occurrence, \$1,000 deductible
Uninsured/Underinsured		
Motorists	1,000,000	Per occurrence

The Commission is self-insured for unemployment insurance.

### 8. Operating Lease:

The Commission entered into non-cancelable operating lease agreements for the rental of office space and office equipment, expiring in June 2017. Total rent expense for the year ended June 30, 2017 amounted to \$54,358.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 9. Pension Plan:

#### a. General Information about the Pension Plan:

##### Plan Description:

The San Bernardino County Employees' Retirement Association (SBCERA) administers the SBCERA pension plan - a cost-sharing multiple-employer defined benefit pension plan (the Plan). SBCERA provides retirement, disability, death and survivor benefits to its members, who are employed by 17 active participating employers (including SBCERA) and 3 withdrawn employers. SBCERA publishes its own Comprehensive Annual Financial Report (CAFR) which is available on SBCERA's website at [www.SBCERA.org](http://www.SBCERA.org).

##### Benefits Provided:

SBCERA provides service retirement, disability, death and survivor benefits to eligible employees. Generally, any employee of the County of San Bernardino or participating employers who is appointed to a regular position whose service is greater than fifty percent of the full standard of hours required by a participating SBCERA employer (e.g. 20 hours per week or more) must become a member of SBCERA effective on the first day of employment. The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Prior to <u>January 1, 2014</u>	On or After <u>January 1, 2014</u>
Hire date		
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 65	52 - 67
Monthly benefits, as a % of eligible compensation	1.49% - 3.13%	1.0% - 2.5%
Required employee contribution rates	11.06%	9.29%
Required employer contribution rates	33.31%	29.77%

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 9. Pension Plan (Continued):

#### a. General Information about the Pension Plan (Continued):

##### Contributions:

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

##### Actuarial Assumptions:

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	3.25%
Payroll Growth	3.75%
Projected Salary Increase	4.60% - 13.75% (1)
Investment Rate of Return	7.50% (2)
Mortality	(3)

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) The probabilities of mortality are derived using SBCERA's membership data for all funds. The mortality table used was developed based on SBCERA's specific data. The table includes 20 years of mortality improvements using Projection Scale BB. For more details on this table, please refer to the Actuarial Experience Study dated May 30, 2014.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period June 30, 2010 through June 30, 2013. Further details of the Experience Study can found on the SBCERA website.



LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

9. Pension Plan (Continued):

a. General Information about the Pension Plan (Continued):

Discount Rate:

The discount rates used to measure the Total Pension Liability was 7.50% as of the June 30, 2016 measurement date. The projection of cash flows used to determine the discount rate assumed employer and member contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% were applied to all periods of projected benefit payments to determine the Total Pension Liability as of June 30, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

9. Pension Plan (Continued):

a. General Information about the Pension Plan (Continued):

Discount Rate (Continued):

The June 30, 2016 target allocations (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap U.S. Equity	5.00%	5.94%
Small Cap U.S. Equity	2.00%	6.50%
Developed International Equity	6.00%	6.87%
Emerging Market Equity	6.00%	8.06%
U.S. Core Fixed Income	2.00%	0.69%
High Yield/Credit Strategies	13.00%	3.10%
Global Core Fixed Income	1.00%	0.30%
Emerging Market Debt	6.00%	4.16%
Real Estate	9.00%	4.96%
Cash & Equivalents	2.00%	-0.03%
International Credit	10.00%	6.76%
Absolute Return	13.00%	2.88%
Real Assets	6.00%	6.85%
Long/Short Equity	3.00%	4.86%
Private Equity	16.00%	9.64%
Total	100%	

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions:

Allocation of Net Pension Liability:

The Commission's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

9. Pension Plan (Continued):

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

Allocation of Net Pension Liability (Continued):

The Commission's proportionate share of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The following Table shows the Commission's proportionate share of net pension liability over measurement period:

Balance at June 30, 2015	\$	681,447
Balance at June 30, 2016		<u>769,173</u>
Change - Increase (Decrease)	\$	87,726

The Commission's proportionate share of the net pension liability for the Plan as of the June 30, 2015 and 2016 measurement dates was as follows:

Proportion - June 30, 2015	0.033%
Proportion - June 30, 2016	<u>0.034%</u>
Change - Increase (Decrease)	0.001%

For the year ended June 30, 2017, the Commission recognized pension expense of \$120,249. At June 30, 2017, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 132,171	-
Differences between actual and expected experience	-	(116,448)
Change in assumptions	53,115	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	97,985	(66,760)
Net differences between projected and actual earnings on plan investments	<u>166,619</u>	<u>-</u>
Total	<u>\$ 449,890</u>	<u>(183,208)</u>

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

9. Pension Plan (Continued):

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

The deferred outflows of resources related to contributions subsequent to the measurement date of \$132,171 will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending	
June 30,	Amount
2018	\$ 28,599
2019	28,600
2020	73,371
2021	29,727
2022	(20,925)
Thereafter	(4,861)
	<u>\$ 134,511</u>

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the Commission's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.50%
Net Pension Liability	\$ 1,086,033
Current Discount Rate	7.50%
Net Pension Liability	\$ 769,173
1% Increase	8.50%
Net Pension Liability	\$ 506,606

Pension Plan Fiduciary Net Position:

Detailed information about each pension plan's fiduciary net position is available in the separately issued SBCERA financial reports.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Notes to the Basic Financial Statements  
(Continued)

June 30, 2017

9. Pension Plan (Continued):

c. Payable to the Pension Plan:

At June 30, 2017, the Commission had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

10. Salary Savings Plans:

Benefit Plan Groups:

For the purpose of the salary savings plans, employees shall be divided into the following groups:

- a. Group A Executive Officer
- b. Group B All Commission Employees not in Group A or C
- c. Group C Administrative Assistant

401(k) Plan:

Bi-weekly contributions of Commission employees to the County's 401(k) Defined Contribution Plan will be matched by a Commission contribution on the basis of two times the employee's contribution. The bi-weekly contributions of employees in Groups A and B of up to four percent of bi-weekly base salary will be matched by a Commission contribution of two times the employee's contribution, not to exceed eight percent of an employee's bi-weekly base salary.

The bi-weekly contributions of employees in Group C to the County's 401(k) Defined Contribution Plan of up to three percent of bi-weekly base salary will be matched by a Commission contribution of two times the employee's contribution. The Commission's contribution shall not exceed six percent of an employee's bi-weekly base salary.

The Commission contributed \$26,146 to this plan for the fiscal year ended June 30, 2017.

457 Deferred Compensation Plan:

Bi-weekly contributions of Commission Group A employees to the County's Section 457 Deferred Compensation Plan up to one percent (1%) of an employee's bi-weekly base salary will be matched by a Commission contribution on the basis of one (1) times the employee's contribution. The Commission contribution shall not exceed one percent of the employee's bi-weekly salary. The contribution shall be deposited in the County's 401(a) Plan.



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to the Basic Financial Statements (Continued)

June 30, 2017

### 10. Salary Savings Plans (Continued):

Bi-weekly contributions of Commission Group B and C employees to the County's Section 457 Deferred Compensation Plan up to one percent (1%) of an employee's bi-weekly base salary will be matched by a Commission contribution of one-half (1/2) times the employee's contribution. The Commission's contribution shall not exceed one-half percent (1/2%) of the employee's bi-weekly salary. The contribution shall be deposited in the County's 401(a) Plan.

The Commission contributed \$1,535 to this plan for the fiscal year ended June 30, 2017.

### 11. Commitments & Contingencies

In conducting its activities, the LAFCO, from time to time is the subject of various legal claims. Management is currently unable to determine the ultimate resolution of such legal claims, or the monetary impact on the financial statements.

### 12. Subsequent Events:

On July 18, 2017 the LAFCO entered into an Operating Lease with the San Bernardino County Transportation Commission (the Transportation Commission) for office space. The term of the lease is 5 years beginning July 24, 2017 and ending July 23, 2022. Rent will start at \$5,020 per month and increase annually based on the Consumer Price Index, limited to 3%. The Agreement requires the LAFCO to provide \$268,967 to the Transportation Commission for leasehold improvements. The LAFCO distributed \$100,000 to the Transportation Commission during fiscal year 16/17, which is currently reported as a prepaid expense. The remaining balance of \$168,967 will be repaid in monthly installments of \$2,816 over the term of the lease.

## REQUIRED SUPPLEMENTARY INFORMATION

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

Schedule of the Plan's Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years\*

	Measurement Date		
	6/30/2016	6/30/2015	6/30/2014
Proportion of the Collective Net Pension Liability	0.031%	0.035%	0.034%
Proportionate Share of the Collective Net Pension Liability	\$ 769,173	681,447	584,731
Covered-Employee Payroll	\$ 359,294	341,542	289,935
Proportionate Share of the Collective Net Pension Liability as percentage of covered-employee payroll	214.08%	199.52%	201.68%
Plan's fiduciary net position	\$ 1,639,622	1,736,731	1,505,924
Plan's total pension liability	\$ 2,408,795	2,418,178	2,090,655
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.07%	71.82%	72.03%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

There were no changes in assumptions.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Schedule of Plan Contributions

### Last Ten Fiscal Years\*

	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
Actuarially Determined Contribution	\$ 132,171	120,963	122,480
Contributions in Relation to the Actuarially Determined Contribution	<u>(132,171)</u>	<u>(120,963)</u>	<u>(122,480)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered Payroll	\$ 469,084	359,294	341,542
Contributions as a Percentage of Covered-Employee Payroll	28.18%	33.67%	35.86%

#### Notes to Schedule:

Valuation Date 6/30/2014

#### Methods and Assumptions Used to Determine Contribution Rates:

Cost sharing employers	Entry Age Actuarial Cost Method
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	3.25%
Salary increases	4.60 to 13.75%, including inflation of 3.25%
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Retirement age	50-70 years (2% @ 50 and 2.5% @ 67)
Mortality	RP-2000 Combined Healthy Mortality Table

\* - Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY  
Governmental Funds  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Apportionment	\$ 926,223	926,223	926,223	-
Charges for services	208,827	208,827	194,051	(14,776)
Investment income	<u>5,250</u>	<u>5,250</u>	<u>6,032</u>	<u>782</u>
Total revenues	<u>1,140,300</u>	<u>1,140,300</u>	<u>1,126,306</u>	<u>(13,994)</u>
Expenditures:				
General government:				
Salaries and benefits	800,024	800,024	731,145	68,879
Service and supplies	<u>651,105</u>	<u>661,105</u>	<u>525,637</u>	<u>135,468</u>
Total expenditures	<u>1,451,129</u>	<u>1,461,129</u>	<u>1,256,782</u>	<u>204,347</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(310,829)</u>	<u>(320,829)</u>	<u>(130,476)</u>	<u>190,353</u>
Net change in fund balances	(310,829)	(320,829)	(130,476)	190,353
Fund balances at beginning of year	<u>831,666</u>	<u>831,666</u>	<u>831,666</u>	<u>-</u>
Fund balances at end of year	<u>\$ 520,837</u>	<u>510,837</u>	<u>701,190</u>	<u>190,353</u>

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

## Notes to Required Supplementary Information

For the Fiscal Year Ended June 30, 2017

### 1. Budgetary Reporting


The Commission established accounting control through formal adoption of an annual budget for the Governmental Fund. The budget is prepared on a basis consistent with generally accepted accounting principles. The adopted budget can be amended by the Commission to change both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Increases and decreases in revenue and appropriations require Commission's approval. Expenditures may not exceed total appropriations at the individual fund level. It is the practice of the Commission's management to review the budget monthly and provide quarterly updates to the Commission.



# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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[www.sbclafco.org](http://www.sbclafco.org)

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**DATE:** JANUARY 10, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #10: Mid-Year Financial Review for Period  
July 1 through December 31, 2017

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## **RECOMMENDATION:**

Staff recommends that the Commission continue consideration of the Mid-Year Financial Review to the February 21, 2018 hearing.

## **BACKGROUND:**

LAFCO contracts with the County for a range of financial bookkeeping and accounting functions. Effective October 2017, the County has transferred to a new, all encompassing, financial bookkeeping and accounting system. The purpose of the new system is to improve fiscal operations and introduce more efficient business processes. However, the new system allows for entries to be booked during a roughly 10-day period following the end of the calendar month. For example, transactions related to County services can be posted by the County through January 11 for the month of December.

While the County works through its implementation hiccups, LAFCO staff is formulating implementation procedures for its workflow. Even though the financial processes and procedures are changing, LAFCO staff does not believe this to have an effect on the Commission's finances.


Further, the new system does not automatically generate monthly activity reports. Departments and agencies are now required to generate their own reports as needed. Therefore, LAFCO staff cannot generate the necessary reports and provide proper analysis until after January 11. Because of this change in circumstance, LAFCO staff recommends a continuance to the February 21 hearing.

KRM/MT

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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(909) 388-0480 • Fax (909) 388-0481  
lafco@lafco.sbcounty.gov  
www.sbclafco.org

---

**DATE:** JANUARY 10, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** Agenda Item #11: Review and Consideration of Policy Related to  
Retention of Electronic Communications

---

## **RECOMMENDATION:**

Staff recommends that the Commission:

1. Approve the proposed Electronic Communications Policy as included in Attachment #1;
2. Approve the proposed amendment to the Records Retention Policy as included in Attachment #2;
3. Authorize the Executive Officer to establish and remove Email addresses for Commissioners, when applicable, with the County Information Services Department; and,
4. Adopt LAFCO Resolution No. 3258 reflecting the changes to the Policy and Procedure Manual, and direct the Executive Officer to distribute to affected and interested parties and to update the Commission Website.

## **SUMMARY:**

In March 2017, the California Supreme Court ruled in *City of San Jose v. Superior Court*<sup>1</sup> (*City of San Jose*) that electronic messages sent or received on public officials' private devices or in private accounts are subject to disclosure under the California

---

<sup>1</sup> *City of San Jose v. Superior Court*, Cal. 4<sup>th</sup>, 214 Cal.Rptr.3d 274. Decided March 2, 2017.

Public Records Act (“PRA”), which had originally been designed to cover paper documents (copy of decision included as Attachment #1 to this report). LAFCO staff recommends that the Commission consider and adopt the proposed Electronic Communications Policy as well as amend its Records Retention Policy. Pursuant to the proposed Electronic Communications Policy, each Commissioner would be assigned a LAFCO Email address.

### **BACKGROUND:**

The PRA requires disclosure of public records, which “includes any writing containing information relating to the conduct of the public’s business prepared, owned, used, or retained” by an agency. This is regardless of physical form or characteristics. Earlier cases determined that voicemails, Emails, and text messages are “writings” under the PRA. *City of San Jose* extended the definition of a “writing” to include “other electronic platforms,” which likely encompasses electronic communication via Email, text, and social media, which must relate in some substantive way to the conduct of the public’s business. Of note, communications that are primarily personal, containing no more than incidental mentions of agency business, generally will not constitute public records.

However, *City of San Jose* does not mention social media or text messages. LAFCO does not have or maintain any social media accounts or participate on any social media platforms. However, personal social media accounts, as with personal Email accounts and texts, could be subject to the PRA if LAFCO business is conducted on such accounts.

The court did acknowledge the inherent balance that must be struck between the public’s rights of access and an individual employee’s or official’s right of privacy, and sought to offer some limited guidance for how searches should be conducted for records sent or received on nongovernmental accounts that pertain to the public’s business.

### **DISCUSSION:**

In light of the *City of San Jose* case, LAFCO’s legal counsel (Best, Best, & Krieger) prepared a sample electronics message policy. This sample policy was shared among several dozen of BB&K’s public agency clients, keeping the cost to the Commission at a minimum. LAFCO staff has modified the sample policy to meet the circumstances of this Commission and its staff. Attachment #2 to this staff report is the draft Electronic Communications Policy.

Public agencies may reasonably rely on officials and employees to search their own personal files, accounts, and devices for responsive material when a records request is received. The Court emphasized that employees/officials do not lose all privacy rights. The proposed policy identifies that when a records request is received, the LAFCO

Clerk will communicate the request to the “LAFCO official” which is defined by the policy to be any commissioner, employee of LAFCO, or a person assigned an Email account through LAFCO. The policy will be to rely on the LAFCO official to search their own personal files – LAFCO will neither seize nor search a LAFCO official’s personal device to comply with a public records request.

The California Supreme Court also discussed an employee or official submitting an affidavit that would give the local agency, requester, and ultimately the trial court reassurance that responsive records were appropriately searched on nongovernmental accounts. Such an approach must also strike “an appropriate balance” with the individual’s right of privacy in their personal affairs. The policy as presented includes the requirement for such a statement and a sample template for signature (included as a part of Attachment #2)

### **Email Platform for Commissioners**

The draft Electronic Communications Policy identifies that all LAFCO Commissioners and staff shall be assigned a LAFCO electronic messaging account (Email account). This would promote the isolation of LAFCO business onto a single platform, and reduce the risk of LAFCO business on personal or other public Email. Staff’s analysis identifies two viable options for Commissioner Email accounts. The first option would be obtaining Email addresses from the County; currently LAFCO contracts with County Information Services Department (ISD) for LAFCO staff Email access and retention. The second option would be to obtain Commissioner Email addresses from Google’s Gmail Business platform. The similarities of both platforms are as follows:

- Ample storage
- Outbound footer (legal statement) can be placed on the Email. This would be in line with the proposed policy.
- Allows for syncing of appointments to Outlook calendar.
- When a PRA Request is received, LAFCO official searches Emails and provides the documents.

The chart below identifies the differences between County and Gmail Business Email platforms:

	<b>County ISD</b>	<b>Gmail Business</b>
<b>Email on mobile device</b>	Is available as a separate charge to LAFCO	Yes
<b>Chat capable</b>	No	Yes
<b>Retention of permanently deleted items</b>	Accessible for 6 months then automatically purged per County Policy schedule	Gmail automatically purges based upon LAFCO setting (i.e. 2 years)

<b>Cost, per user, per month</b>	\$15	\$10
<b>Email address extension</b>	That of staff: @lafco.sbcounty.gov	customizable
<b>When a Commissioner leaves LAFCO service</b>	County ISD will place contents onto storage device and delete account	Clerk would need to access account and place contents onto storage device for retention, then inactivate account

Staff is recommending that the Commission select the County as its Email platform without the added cost for access directly on a mobile device. As identified above, the County has an adopted policy for electronic communications retention and permanent deletion based upon its retention schedule. Second, there would be consistency throughout the agency for all LAFCO officials - same Email extensions, retention schedules, and Email server. Third, when a Commissioner leaves LAFCO, County ISD can provide LAFCO staff with the Email contents on an electronic medium, rather than the Email administrator directly accessing the former Commissioner's account to copy the Email contents. Lastly, if this is the platform chosen by the Commission, then the three Commissioners from the County Board of Supervisors would not necessarily require an additional Email that pertains specifically to LAFCO.

As a part of this process, it is the expectation of the policy that Commissioners and staff use or copy (cc) their LAFCO Email account for all communications related to LAFCO business. Further, LAFCO staff is recommending that a footer message be placed at the bottom of personal or other public agency Email addresses that directs LAFCO business to the LAFCO Email addresses. Staff is recommending that the language of the footer be:

**CONFIDENTIALITY NOTICE:**

***This Email address is intended for LAFCO business.** This Email and any files or attachments transmitted with it may contain privileged or otherwise confidential information. If you are not the intended recipient, or believe that you may have received this communication in error, please advise the sender via reply Email and immediately delete the Email you received.*

## **Records Retention Policy**

Attachment #3 to this staff report is the draft amendment to the Commission's Records Retention Policy. The basis of the amendment is to adopt the records retention policy for electronic communications of the County of San Bernardino as the Commission's official retention schedule for electronic communications.

Upon leave of service from LAFCO, the LAFCO Email administrator will request that County ISD close the LAFCO official's Email account and for the County ISD to copy the contents from the Email account onto an electronic medium (CD, DVD, USB flash drive) provided to LAFCO to be retained in accordance with the Commission's Record Retention Policy.

**CONCLUSION:**

Communications related to the conduct of public business are not excluded from being public records under the California Public Records Act simply because they were sent or received using a personal account or personal device. The California Supreme Court stated it is the local agency itself that is in the best position to adopt policies that will reduce the likelihood of public records being held in the private accounts of employees or officials that pertain to the public's business.

Staff has reviewed this new court directive and provided its analysis of the new policy to be adopted for the Commission. At this time, staff is requesting that the Commission provide any additional changes, corrections or amendments to the proposed policies. Finally, staff recommends that the Commission:

- Adopt the Electronic Communications Policy as proposed.
- Amend the Records Retention Policy as proposed.
- Authorize the Executive Officer to establish and remove Email addresses for Commissioners, when applicable, with the County Information Services Department using the County as its Email platform.
- Adopt the resolution reflecting the changes to the Policy and Procedure Manual.

KRM/MT

Attachments:

1. California Supreme Court Ruling in *City of San Jose v. Superior Court* Cal. 4<sup>th</sup>, 214 Cal.Rptr.3d 274, Decided March 2, 2017
2. Draft Electronic Communications Policy
3. Draft Records Retention Policy (with track changes)
4. Draft LAFCO Resolution No. 3258



**California Supreme Court  
Ruling in City of San Jose v.  
Superior Court Cal. 4<sup>th</sup>, 214  
Cal.Rptr.3<sup>rd</sup> 274, Decided  
March 2, 2017**

**Attachment 1**

## IN THE SUPREME COURT OF CALIFORNIA

CITY OF SAN JOSE et al.,	)	
	)	
Petitioners,	)	
	)	S218066
v.	)	
	)	Ct.App. 6 H039498
THE SUPERIOR COURT OF SANTA,	)	Santa Clara County
CLARA COUNTY,	)	Super. Ct. No. 109CV150427
Respondent;	)	
	)	
TED SMITH,	)	
	)	
Real Party in Interest.	)	
	)	
	)	

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Here, we hold that when a city employee uses a personal account to communicate about the conduct of public business, the writings may be subject to disclosure under the California Public Records Act (CPRA or Act).<sup>1</sup> We overturn the contrary judgment of the Court of Appeal.

### I. BACKGROUND

In June 2009, petitioner Ted Smith requested disclosure of 32 categories of public records from the City of San Jose, its redevelopment agency and the agency's executive director, along with certain other elected officials and their

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<sup>1</sup> Government Code section 6250 et seq. All statutory references are to the Government Code unless otherwise specified.

staffs.<sup>2</sup> The targeted documents concerned redevelopment efforts in downtown San Jose and included emails and text messages “sent or received on private electronic devices used by” the mayor, two city council members, and their staffs. The City disclosed communications made using City telephone numbers and email accounts but did not disclose communications made using the individuals’ personal accounts.

Smith sued for declaratory relief, arguing CPRA’s definition of “public records” encompasses all communications about official business, regardless of how they are created, communicated, or stored. The City responded that messages communicated through personal accounts are not public records because they are not within the public entity’s custody or control. The trial court granted summary judgment for Smith and ordered disclosure, but the Court of Appeal issued a writ of mandate. At present, no documents from employees’ personal accounts have been collected or disclosed.

## II. DISCUSSION

This case concerns how laws, originally designed to cover paper documents, apply to evolving methods of electronic communication. It requires recognition that, in today’s environment, not all employment-related activity occurs during a conventional workday, or in an employer-maintained workplace.

Enacted in 1968, CPRA declares that “access to information concerning the conduct of the people’s business is a fundamental and necessary right of every person in this state.” (§ 6250.) In 2004, voters made this principle part of our Constitution. A provision added by Proposition 59 states: “The people have the right of access to information concerning the conduct of the people’s business, and, therefore, . . . the writings of public officials and agencies shall be open to public scrutiny.” (Cal. Const., art. I, § 3, subd. (b)(1).) Public access laws serve a

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<sup>2</sup> These parties, sued as defendants below and the petitioners here, are collectively referred to as the “City.”

crucial function. “Openness in government is essential to the functioning of a democracy. ‘Implicit in the democratic process is the notion that government should be accountable for its actions. In order to verify accountability, individuals must have access to government files. Such access permits checks against the arbitrary exercise of official power and secrecy in the political process.’ ”

*(International Federation of Professional and Technical Engineers, Local 21, AFL-CIO v. Superior Court (2007) 42 Cal.4th 319, 328-329 (International Federation).)*

However, public access to information must sometimes yield to personal privacy interests. When enacting CPRA, the Legislature was mindful of the right to privacy (§ 6250), and set out multiple exemptions designed to protect that right. *(Commission on Peace Officer Standards & Training v. Superior Court (2007) 42 Cal.4th 278, 288 (Commission on Peace Officer Standards); see § 6254.)*

Similarly, while the Constitution provides for public access, it does not supersede or modify existing privacy rights. (Cal. Const., art. I, § 3, subd. (b)(3).)

CPRA and the Constitution strike a careful balance between public access and personal privacy. This case concerns how that balance is served when documents concerning official business are created or stored outside the workplace. The issue is a narrow one: Are writings concerning the conduct of public business beyond CPRA’s reach merely because they were sent or received using a nongovernmental account? Considering the statute’s language and the important policy interests it serves, the answer is no. Employees’ communications about official agency business may be subject to CPRA regardless of the type of account used in their preparation or transmission.

A. *Statutory Language, Broadly Construed, Supports Public Access*

CPRA establishes a basic rule requiring disclosure of public records upon request. (§ 6253.)<sup>3</sup> In general, it creates “a presumptive right of access to any record *created or maintained* by a public agency that relates in any way to the business of the public agency.” (*Sander v. State Bar of California* (2013) 58 Cal.4th 300, 323, italics added.) Every such record “must be disclosed unless a statutory exception is shown.” (*Ibid.*) Section 6254 sets out a variety of exemptions, “many of which are designed to protect individual privacy.” (*International Federation, supra*, 42 Cal.4th at p. 329.) The Act also includes a catchall provision exempting disclosure if “the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure.” (§ 6255, subd. (a).)

“When we interpret a statute, ‘[o]ur fundamental task . . . is to determine the Legislature’s intent so as to effectuate the law’s purpose. We first examine the statutory language, giving it a plain and commonsense meaning. We do not examine that language in isolation, but in the context of the statutory framework as a whole in order to determine its scope and purpose and to harmonize the various parts of the enactment. If the language is clear, courts must generally follow its plain meaning unless a literal interpretation would result in absurd consequences the Legislature did not intend. If the statutory language permits more than one reasonable interpretation, courts may consider other aids, such as the statute’s purpose, legislative history, and public policy.’ [Citation.] ‘Furthermore, we consider portions of a statute in the context of the entire statute and the statutory scheme of which it is a part, giving significance to every word, phrase, sentence, and part of an act in pursuance of the legislative purpose.’ ” (*Sierra Club v. Superior Court* (2013) 57 Cal.4th 157, 165-166.)

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<sup>3</sup> CPRA was modeled on the federal Freedom of Information Act (FOIA) (5 U.S.C. § 552). (*San Gabriel Tribune v. Superior Court* (1983) 143 Cal.App.3d 762, 772.)

In CPRA cases, this standard approach to statutory interpretation is augmented by a constitutional imperative. (See *Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 166.) Proposition 59 amended the Constitution to provide: “A statute, court rule, or other authority, including those in effect on the effective date of this subdivision, shall be *broadly* construed if it furthers the people’s right of access, and *narrowly* construed if it limits the right of access.” (Cal. Const., art. I, § 3, subd. (b)(2), italics added.) “ ‘Given the strong public policy of the people’s right to information concerning the people’s business (Gov. Code, § 6250), and the constitutional mandate to construe statutes limiting the right of access narrowly (Cal. Const., art. I, § 3, subd. (b)(2)), ‘all public records are subject to disclosure unless the Legislature has *expressly* provided to the contrary.’ ” ( *Sierra Club*, at p. 166.)

We begin with the term “public record,” which CPRA defines to include “any writing containing information relating to the conduct of the public’s business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.” (§ 6252, subd. (e); hereafter “public records” definition.) Under this definition, a public record has four aspects. It is (1) a writing, (2) with content relating to the conduct of the public’s business, which is (3) prepared by, *or* (4) owned, used, or retained by any state or local agency.

1. *Writing*

CPRA defines a “writing” as “any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored.” (§ 6252, subd. (g).) It is undisputed that the items at issue here constitute writings.

In 1968, creating a “writing” could be a fairly involved process. Typically, a person would use an implement to type, or record words longhand, or would



dictate to someone else who would write or type a document. Writings were generally made on paper or some other tangible medium. These writings were physically identifiable and could be retrieved by examining the physical repositories where they were stored. Writings exchanged with people outside the agency were generally sent, on paper, through the mail or by courier. In part because of the time required for their preparation, such writings were fairly formal and focused on the business at hand.

Today, these tangible, if laborious, writing methods have been enhanced by electronic communication. Email, text messaging, and other electronic platforms, permit writings to be prepared, exchanged, and stored more quickly and easily. However, the ease and immediacy of electronic communication has encouraged a commonplace tendency to share fleeting thoughts and random bits of information, with varying degrees of import, often to broad audiences. As a result, the line between an official communication and an electronic aside is now sometimes blurred. The second aspect of CPRA's "public records" definition establishes a framework to distinguish between work-related and purely private communications.

## 2. *Relating to the Conduct of the Public's Business*

The overall structure of CPRA, with its many exemptions, makes clear that not everything written by a public employee is subject to review and disclosure. To qualify as a public record, a writing must "contain[] information relating to the conduct of the public's business." (§ 6252, subd. (e).) Generally, any "record . . . kept by an officer because it is necessary or convenient to the discharge of his official duty . . . is a public record." (*Braun v. City of Taft* (1984) 154 Cal.App.3d 332, 340; see *People v. Purcell* (1937) 22 Cal.App.2d 126, 130.)

Whether a writing is sufficiently related to public business will not always be clear. For example, depending on the context, an email to a spouse complaining "my coworker is an idiot" would likely not be a public record. Conversely, an email to a superior reporting the coworker's mismanagement of an

agency project might well be. Resolution of the question, particularly when writings are kept in personal accounts, will often involve an examination of several factors, including the content itself; the context in, or purpose for which, it was written; the audience to whom it was directed; and whether the writing was prepared by an employee acting or purporting to act within the scope of his or her employment. Here, the City claimed all communications in personal accounts are beyond the reach of CPRA. As a result, the content of specific records is not before us. Any disputes over this aspect of the “public records” definition await resolution in future proceedings.

We clarify, however, that to qualify as a public record under CPRA, at a minimum, a writing must relate in some substantive way to the conduct of the public’s business. This standard, though broad, is not so elastic as to include every piece of information the public may find interesting. Communications that are primarily personal, containing no more than incidental mentions of agency business, generally will not constitute public records. For example, the public might be titillated to learn that not all agency workers enjoy the company of their colleagues, or hold them in high regard. However, an employee’s electronic musings about a colleague’s personal shortcomings will often fall far short of being a “writing containing information relating to the conduct of the public’s business.” (§ 6252, subd. (e).)<sup>4</sup>

*Coronado Police Officers Assn. v. Carroll* (2003) 106 Cal.App.4th 1001 demonstrates the intricacy of determining whether a writing is related to public

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<sup>4</sup> We recognize that this test departs from the notion that “[o]nly purely personal” communications “totally void of reference to governmental activities” are excluded from CPRA’s definition of public records. (Assem. Statewide Information Policy Com., Final Rep. (Mar. 1970) 1 Assem. J. (1970 Reg. Sess.) appen. p. 9; see *San Gabriel Tribune v. Superior Court*, *supra*, 143 Cal.App.3d at p. 774.) While this conception may yield correct results in some circumstances, it may sweep too broadly in others, particularly when applied to electronic communications sent through personal accounts.

business. There, police officers sought access to a database of impeachment material compiled by public defenders. The attorneys contributed to the database and used its contents in their work. (*Id.* at p. 1005.) However, their representation of individual clients, though paid for by a public entity, was considered under case law to be essentially a private function. (*Id.* at pp. 1007-1009; see *Polk County v. Dodson* (1981) 454 U.S. 312, 321-322.) Accordingly, the *Coronado* court concluded the database did not relate to public business and thus was not a public record. (*Id.* at pp. 1007-1009.) The court was careful to note that not all documents related to the database were private, however. Documents reflecting policy decisions about whether and how to maintain the database might well relate to public business, rather than the representation of individual clients. (*Id.* at p. 1009.) Content of that kind would constitute public records. (*Ibid.*)

### 3. *Prepared by Any State or Local Agency*

The City focuses its challenge on the final portion of the “public records” definition, which requires that writings be “prepared, owned, used, or retained by any state or local agency.” (§ 6252, section (e).) The City argues this language does not encompass communications agency employees make through their personal accounts. However, the broad construction mandated by the Constitution supports disclosure.

A writing is commonly understood to have been prepared by the person who wrote it. If an agency employee prepares a writing that substantively relates to the conduct of public business, that writing would appear to satisfy the Act’s definition of a public record. The City urges a contrary conclusion when the writing is transmitted through a personal account. In focusing its attention on the “owned, used, or retained by” aspect of the “public records” definition, however, it ignores the “prepared by” aspect. (§ 6252, subd. (e).) This approach fails to give “ ‘significance to every word, phrase, sentence, and part’ ” of the Act. (*Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 166.)

The City draws its conclusion by comparing the Act’s definitions of “local” and “state” agency. Under CPRA, “ ‘*Local agency*’ includes a county; city, whether general law or chartered; city and county; school district; municipal corporation; district; political subdivision; or any board, commission or agency thereof; other local public agency; or entities that are legislative bodies of a local agency pursuant to subdivisions (c) and (d) of Section 54952.” (§ 6252, subd. (a), *italics added.*) The City points out that this definition does not specifically include individual government officials or staff members, whereas individuals *are* specifically mentioned in CPRA’s definition of “*state agency*.” According to that definition, “ ‘*State agency*’ means every state office, *officer*, department, division, bureau, board, and commission or other state body or agency, except those agencies provided for in Article IV (except Section 20 thereof) or Article VI of the California Constitution.”<sup>5</sup> (§ 6252, subd. (f)(1), *italics added.*) The City contends this difference shows the Legislature intended to exclude individuals from the local agency definition. If a local agency does not encompass individual officers and employees, it argues, only writings accessible to the agency as a whole are public records. This interpretation is flawed for a number of reasons.

The City’s narrow reading of CPRA’s local agency definition is inconsistent with the constitutional directive of broad interpretation. (Cal. Const., art. I, § 3, subd. (b)(2); see *Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 175.) Broadly construed, the term “local agency” logically includes not just the discrete governmental entities listed in section 6252, subdivision (a) but also the individual officials and staff members who conduct the agencies’ affairs. It is well established that a governmental entity, like a corporation, can act only through its

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<sup>5</sup> Article IV establishes the Legislature, and article VI establishes the state’s judiciary. (Cal. Const., arts. IV, VI.) These branches of government are thus generally exempt from CPRA. (See *Sander v. State Bar of California*, *supra*, 58 Cal.4th at p. 318; *Copley Press, Inc. v. Superior Court* (1992) 6 Cal.App.4th 106, 111.)

individual officers and employees. (*Suezaki v. Superior Court* (1962) 58 Cal.2d 166, 174; *Alvarez v. Felker Mfg. Co.* (1964) 230 Cal.App.2d 987, 998; see *United States v. Dotterweich* (1943) 320 U.S. 277, 281; *Reno v. Baird* (1998) 18 Cal.4th 640, 656.) A disembodied governmental agency cannot prepare, own, use, or retain any record. Only the human beings who serve in agencies can do these things. When employees are conducting agency business, they are working for the agency and on its behalf. (See, e.g., *Cal. Assn. of Health Facilities v. Dept. of Health Services* (1997) 16 Cal.4th 284, 296-297; cf. *Competitive Enterprise Institute v. Office of Science & Technology Policy* (D.C. Cir. 2016) 827 F.3d 145, 149 [reaching the same conclusion for federal FOIA requests].). We presume the Legislature was aware of these settled principles. (See *People v. Superior Court (Zamudio)* (2000) 23 Cal.4th 183, 199.) A writing prepared by a public employee conducting agency business has been “prepared by” the agency within the meaning of section 6252, subdivision (e), even if the writing is prepared using the employee’s personal account.

The City also fails to explain how its proposed requirement that a public record be “accessible to the agency as a whole” could be practically interpreted. Even when documents were stored in filing cabinets or ledgers, many writings would not have been considered accessible to all agency employees, regardless of their level of responsibility or involvement in a particular project.

Moreover, although employees are not specifically mentioned in the local agency definition, nothing in the statutory language indicates the Legislature meant to *exclude* these individuals from CPRA obligations. The City argues the omission of the word “officer” from the local agency definition reflects a legislative intent that CPRA apply to individuals who work in *state* agencies but *not* employees in local government. The City offers no reason why the Legislature would draw such an arbitrary distinction. If it intended to impose different disclosure obligations on state and local agencies, one would expect to find this difference highlighted throughout the statutory scheme, particularly when the

obligations relate to a “fundamental and necessary right of every person in this state.” (§ 6250.) Yet there is no mention of such an intent anywhere in the Act. Indeed, under the City’s logic, CPRA obligations would potentially extend only to state *officers*, not necessarily state *employees*. The distinction between tenured public officers and those who hold public employment has long been recognized. (See *In re M.M.* (2012) 54 Cal.4th 530, 542-544.) Considering CPRA’s goal of promoting public access, it would have been odd for the Legislature to establish different rules for different levels of state employment. Contrary to the City’s view, it seems more plausible that the reference to “every state . . . officer” in the state agency definition (§ 6252, subd. (f)) was meant to extend CPRA obligations to elected state officers, such as the Governor, Treasurer, or Secretary of State, who are not part of a collective governmental body nor generally considered *employees* of a state agency.<sup>6</sup>

The City’s position is further undermined by another CPRA provision, which indicates that public records can be held by individual officials and need not belong to an agency as a whole. When it is alleged that public records have been improperly withheld, section 6259, subdivision (a) directs that “the court shall order the officer or person charged with withholding the records” to disclose the records or show cause why they should not be produced. If the court concludes “the public official’s decision to refuse disclosure is not justified,” it can order “the public official to make the record public.” (§ 6259, subd. (b).) If the court

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<sup>6</sup> In one respect the local agency definition is worded more broadly than the state agency definition. Section 6252, subdivision (a) states that the term local agency “includes” a county, city, or one of several other listed entities. In statutory drafting, the term “includes” is ordinarily one “of enlargement rather than limitation.” (*Ornelas v. Randolph* (1993) 4 Cal.4th 1095, 1101.) “The ‘statutory definition of a thing as “including” certain things does not necessarily place thereon a meaning limited to the inclusions.’ ” (*Flanagan v. Flanagan* (2002) 27 Cal.4th 766, 774.) By contrast, the definition of “state agency” is couched in more restrictive language: “ ‘State agency’ *means* every state office, officer . . . ,” and other listed entities. (§ 6252, subd. (f), italics added.)



finds “that the public official was justified in refusing” disclosure, it must “return the item to the public official without disclosing its content.” (*Ibid.*) The Legislature’s repeated use of the singular word “official” in section 6259 indicates an awareness that an individual may possess materials that qualify as public records. Moreover, the broad term “public official” encompasses officials in state *and* local agencies, signifying that CPRA disclosure obligations apply to individuals working in both levels of government.

4. *Owned, Used, or Retained by Any State or Local Agency*

CPRA encompasses writings prepared *by* an agency but also writings it owns, uses, or retains, regardless of authorship. Obviously, an agency engaged in the conduct of public business will use and retain a variety of writings related to that business, including those prepared by people outside the agency. These final two factors of the “public records” definition, use and retention, thus reflect the variety of ways an agency can possess writings used to conduct public business.

As to retention, the City argues “public records” include only materials in an agency’s possession or directly accessible to the agency. Citing statutory arguments and cases limiting the duty to obtain and disclose documents possessed by others, the City contends writings held in an employee’s personal account are beyond an agency’s reach and fall outside CPRA. The argument fails.

Appellate courts have generally concluded records related to public business are subject to disclosure if they are in an agency’s actual *or constructive* possession. (See, e.g., *Board of Pilot Comrs. for the Bays of San Francisco, San Pablo and Suisun v. Superior Court* (2013) 218 Cal.App.4th 577, 598; *Consolidated Irrigation Dist. v. Superior Court* (2012) 205 Cal.App.4th 697, 710 (*Consolidated Irrigation*).) “[A]n agency has constructive possession of records if it has the right to control the records, either directly or through another person.” (*Consolidated Irrigation*, at p. 710.) For example, in *Consolidated Irrigation*, a city did not have constructive possession of documents in files maintained by subconsultants who prepared portions of an environmental impact report because

the city had no contractual right to control the subconsultants or their files. (*Id.* at pp. 703, 710-711.) By contrast, a city had a CPRA duty to disclose a consultant's field survey records because the city had a contractual ownership interest and right to possess this material. (See *Community Youth Athletic Center v. City of National City* (2013) 220 Cal.App.4th 1385, 1426, 1428-1429 (*Community Youth*).)

An agency's actual or constructive possession of records is relevant in determining whether it has an obligation to search for, collect, and disclose the material requested. (See § 6253, subd. (c).) It is a separate and more fundamental question whether a document located outside an agency's walls, or servers, is sufficiently "owned, used, or retained" by the agency so as to constitute a public record. (See § 6252, subd. (e).) In construing FOIA, federal courts have remarked that an agency's public records "do not lose their agency character just because the official who possesses them takes them out the door." (*Competitive Enterprise Institute v. Office of Science and Technology Policy*, *supra*, 827 F.3d at p. 149.) We likewise hold that documents otherwise meeting CPRA's definition of "public records" do not lose this status because they are located in an employee's personal account. A writing retained by a public employee conducting agency business has been "retained by" the agency within the meaning of section 6252, subdivision (e), even if the writing is retained in the employee's personal account.

The City argues various CPRA provisions run counter to this conclusion. First, the City cites section 6270, which provides that a state or local agency may not transfer a public record to a private entity in a manner that prevents the agency "*from providing the record directly* pursuant to this chapter." (Italics added.) Taking the italicized language out of context, the City argues that public records are only those an agency is able to access "directly." But this strained interpretation sets legislative intent on its head. The statute's clear purpose is to prevent an agency from evading its disclosure duty by transferring custody of a record to a private holder and then arguing the record falls outside CPRA because it is no longer in the agency's possession. Furthermore, section 6270 does not

purport to excuse agencies from obtaining public records in the possession of *their own employees*. It simply prohibits agencies from attempting to evade CPRA by transferring public records to an intermediary not bound by the Act's disclosure requirements.

Next, the City relies on section 6253.9, subdivision (a)(1), which states that an agency must make a public record available "in any electronic format in which *it holds* the information" (italics added), and on section 6253, subdivision (a), which requires that public records be available for inspection "during . . . office hours." These provisions do not assist the City. They merely address the mechanics of how public records must be disclosed. They do not purport to define or limit what constitutes a public record in the first place. Moreover, to say that only public records "in the possession of the agency" (§ 6253, subd. (c)) must be disclosed begs the question of whether the term "agency" includes individual officers and employees. We have concluded it does.

Under the City's interpretation of CPRA, a document concerning official business is only a public record if it is located on a government agency's computer servers or in its offices. Indirect access, through the agency's employees, is not sufficient in the City's view. However, we have previously stressed that a document's status as public or confidential does not turn on the arbitrary circumstance of where the document is located.

In *Commission on Peace Officer Standards, supra*, 42 Cal.4th at pages 289 to 290, a state agency argued certain employment information was exempt from disclosure under CPRA because it had been placed in confidential personnel files. In considering a Penal Code provision that deems peace officer personnel records confidential, we rejected an interpretation that made confidentiality turn on the type of file in which records are located, finding it "unlikely the Legislature intended to render documents confidential based on their location, rather than their content." (*Commission*, at p. 291.) Although we made this observation in analyzing the scope of a CPRA exemption, the same logic applies to the Act's

definition of what constitutes a public record in the first place. We found it unlikely “the Legislature intended that a public agency be able to shield information from public disclosure simply by placing it in” a certain type of file. (*Commission*, at p. 291.) Likewise, there is no indication the Legislature meant to allow public officials to shield communications about official business simply by directing them through personal accounts. Such an expedient would gut the public’s presumptive right of access (*Sander v. State Bar of California*, *supra*, 58 Cal.4th at p. 323), and the constitutional imperative to broadly construe this right (Cal. Const., art. I, § 3, subd. (b)(2)).

In light of these principles, and considering section 6252, subdivision (e) in the context of the Act as a whole (see *Smith v. Superior Court* (2006) 39 Cal.4th 77, 83), we conclude a city employee’s communications related to the conduct of public business do not cease to be public records just because they were sent or received using a personal account. Sound public policy supports this result.

#### B. *Policy Considerations*

Both sides cite policy considerations to support their interpretation of the “public records” definition. The City argues the definition reflects a legislative balance between the public’s right of access and individual employees’ privacy rights, and should be interpreted categorically. Smith counters that privacy concerns are properly addressed in the case-specific application of CPRA’s exemptions, not in defining the overall scope of a public record. Smith also contends any privacy intrusion resulting from a search for records in personal accounts can be minimized through procedural safeguards. Smith has the better of these arguments.

The City’s interpretation would allow evasion of CPRA simply by the use of a personal account. We are aware of no California law requiring that public officials or employees use only government accounts to conduct public business. If communications sent through personal accounts were categorically excluded from CPRA, government officials could hide their most sensitive, and potentially

damning, discussions in such accounts. The City's interpretation "would not only put an increasing amount of information beyond the public's grasp but also encourage government officials to conduct the public's business in private."

(*Senat, Whose Business Is It: Is Public Business Conducted on Officials' Personal Electronic Devices Subject to State Open Records Laws?* (2014) 19 Comm. L. & Pol'y 293, 322.)

It is no answer to say, as did the Court of Appeal, that we must presume public officials conduct official business in the public's best interest. The Constitution neither creates nor requires such an optimistic presumption. Indeed, the rationale behind the Act is that it is for the *public* to make that determination, based on information to which it is entitled under the law. Open access to government records is essential to *verify* that government officials are acting responsibly and held accountable to the public they serve. (*CBS, Inc. v. Block* (1986) 42 Cal.3d 646, 651.) "Such access permits checks against the arbitrary exercise of official power and secrecy in the political process." (*Ibid.*) The whole purpose of CPRA is to ensure transparency in government activities. If public officials could evade the law simply by clicking into a different email account, or communicating through a personal device, sensitive information could routinely evade public scrutiny.

The City counters that the privacy interests of government employees weigh against interpreting "public records" to include material in personal accounts. Of course, public employees do not forfeit all rights to privacy by working for the government. (*Long Beach City Employees Assn. v. City of Long Beach* (1986) 41 Cal.3d 937, 951.) Even so, the City essentially argues that the contents of personal email and other messaging accounts should be categorically excluded from public review because these materials have traditionally been considered private. However, compliance with CPRA is not necessarily inconsistent with the privacy rights of public employees. Any personal information not related to the conduct of public business, or material falling under

a statutory exemption, can be redacted from public records that are produced or presented for review. (See § 6253, subd. (a).)

Furthermore, a crabbed and categorical interpretation of the “public records” definition is unnecessary to protect employee privacy. Privacy concerns can and should be addressed on a case-by-case basis. (See *International Federation, supra*, 42 Cal.4th at p. 329.) Beyond the definition of a public record, the Act itself limits or exempts disclosure of various kinds of information, including certain types of preliminary drafts, notes, or memoranda (§ 6254, subd. (a)), personal financial data (§ 6254, subd. (n)), personnel and medical files (§ 6254, subd. (c)), and material protected by evidentiary privileges (§ 6254, subd. (k)). Finally, a catchall exemption allows agencies to withhold any record if the public interest served by withholding it “clearly outweighs” the public interest in disclosure. (§ 6255, subd. (a).) This exemption permits a balance between the public’s interest in disclosure and the individual’s privacy interest. (*International Federation*, at pp. 329-330; *BRV, Inc. v. Superior Court* (2006) 143 Cal.App.4th 742, 755-756.) The analysis here, as with other exemptions, appropriately focuses on the *content* of specific records rather than their location or medium of communication. (See *Commission on Peace Officer Standards, supra*, 42 Cal.4th at p. 291.)<sup>7</sup>

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<sup>7</sup> While admitting it invoked no CPRA exemptions in the proceedings below, the City nevertheless asks us to decide that messages in employees’ personal accounts are universally exempt from disclosure under section 6255. This issue has not been preserved and is beyond the scope of our grant of review. It also appears impossible to decide on this record. Answering threshold questions about whether employees have a reasonable expectation of privacy (see *Hill v. National Collegiate Athletic Assn.* (1994) 7 Cal.4th 1, 35), or whether their messages are covered by the “deliberative process” privilege (*Times Mirror Co. v. Superior Court* (1991) 53 Cal.3d 1325, 1339-1344) would require a fact-intensive review of the City’s policies and practices regarding electronic communications, if not the contents of the challenged documents themselves. The record here is insufficient.



The City also contends the search for public records in employees' accounts would itself raise privacy concerns. In order to search for responsive documents, the City claims agencies would have to demand the surrender of employees' electronic devices and passwords to their personal accounts. Such a search would be tantamount to invading employees' homes and rifling through their filing cabinets, the City argues. It urges no case has extended CPRA so far.

Arguments that privacy interests outweigh the need for disclosure in CPRA cases have typically focused on the sensitive content of the documents involved, rather than the intrusiveness involved in searching for them. (See, e.g., *International Federation, supra*, 42 Cal.4th 319; *Copley Press, Inc. v. Superior Court* (2006) 39 Cal.4th 1272.) Assuming the search for responsive documents can also constitute an unwarranted invasion of privacy, however, this concern alone does not tip the policy balance in the City's favor. Searches can be conducted in a manner that respects individual privacy.

### C. *Guidance for Conducting Searches*

The City has not attempted to search for documents located in personal accounts, so the legality of a specific kind of search is not before us. However, the City and some amici curiae do highlight concerns about employee privacy. Some guidance about how to strike the balance between privacy and disclosure may be of assistance.

CPRA requests invariably impose some burden on public agencies. Unless a records request is overbroad or unduly burdensome, agencies are obliged to disclose all records they can locate "with reasonable effort." (*California First Amendment Coalition v. Superior Court* (1998) 67 Cal.App.4th 159, 166.) Reasonable efforts do not require that agencies undertake extraordinarily extensive or intrusive searches, however. (See *American Civil Liberties Union Foundation v. Deukmejian* (1982) 32 Cal.3d 440, 453; *Bertoli v. City of Sebastopol* (2015) 233 Cal.App.4th 353, 371-372.) In general, the scope of an agency's search for public records "need only be reasonably calculated to locate responsive documents."

(*American Civil Liberties Union of Northern Cal. v. Superior Court* (2011) 202 Cal.App.4th 55, 85; see *Community Youth, supra*, 220 Cal.App.4th at p. 1420.)

CPRA does not prescribe specific methods of searching for those documents. Agencies may develop their own internal policies for conducting searches. Some general principles have emerged, however. Once an agency receives a CPRA request, it must “communicate the scope of the information requested to the custodians of its records,” although it need not use the precise language of the request. (*Community Youth, supra*, 220 Cal.App.4th at p. 1417.) As to requests seeking public records held in employees’ nongovernmental accounts, an agency’s first step should be to communicate the request to the employees in question. The agency may then reasonably rely on these employees to search *their own* personal files, accounts, and devices for responsive material.

Federal courts applying FOIA have approved of individual employees conducting their own searches and segregating public records from personal records, so long as the employees have been properly trained in how to distinguish between the two. (See *Ethyl Corp. v. U.S. Environmental Protection Agency* (4th Cir. 1994) 25 F.3d 1241, 1247.) A federal employee who withholds a document identified as potentially responsive may submit an affidavit providing the agency, and a reviewing court, “with a sufficient factual basis upon which to determine whether contested items were ‘agency records’ or personal materials.” (*Grand Cent. Partnership, Inc. v. Cuomo* (2d Cir. 1999) 166 F.3d 473, 481.) The Washington Supreme Court recently adopted this procedure under its state public records law, holding that employees who withhold personal records from their employer “must submit an affidavit with facts sufficient to show the information is not a ‘public record’ under the PRA. So long as the affidavits give the requester and the trial court a sufficient factual basis to determine that withheld material is indeed nonresponsive, the agency has performed an adequate search under the PRA.” (*Nissen v. Pierce County* (Wn. 2015) 183 Wn.2d 863 [357 P.3d 45, 57].) We agree with Washington’s high court that this procedure, when followed in

good faith, strikes an appropriate balance, allowing a public agency “to fulfill its responsibility to search for and disclose public records without unnecessarily treading on the constitutional rights of its employees.” (*Id.*, 357 P.3d at p. 58.)

Further, agencies can adopt policies that will reduce the likelihood of public records being held in employees’ private accounts. “Agencies are in the best position to implement policies that fulfill their obligations” under public records laws “yet also preserve the privacy rights of their employees.” (*Nissen v. Pierce County, supra*, 357 P.3d at p. 58.) For example, agencies might require that employees use or copy their government accounts for all communications touching on public business. Federal agency employees must follow such procedures to ensure compliance with analogous FOIA requests. (See 44 U.S.C. § 2911(a) [prohibiting use of personal electronic accounts for official business unless messages are copied or forwarded to an official account]; 36 C.F.R. § 1236.22(b) (2016) [requiring that agencies ensure official email messages in employees’ personal accounts are preserved in the agency’s recordkeeping system]; *Landmark Legal Foundation v. Environmental Protection Agency* (D.D.C. 2015) 82 F.Supp.3d 211, 225-226 [encouraging a policy that official emails be preserved in employees’ personal accounts as well].)

We do not hold that any particular search method is required or necessarily adequate. We mention these alternatives to offer guidance on remand and to explain why privacy concerns do not require categorical exclusion of documents in personal accounts from CPRA’s “public records” definition. If the City maintains the burden of obtaining records from personal accounts is too onerous, it will have an opportunity to so establish in future proceedings. (See *Connell v. Superior Court* (1997) 56 Cal.App.4th 601, 615-616; *State Bd. of Equalization v. Superior Court* (1992) 10 Cal.App.4th 1177, 1188.)

#### D. Conclusion

Consistent with the Legislature’s purpose in enacting CPRA, and our constitutional mandate to interpret the Act broadly in favor of public access (Cal.

Const., art. I, § 3, subd. (b)(2)), we hold that a city employee's writings about public business are not excluded from CPRA simply because they have been sent, received, or stored in a personal account.

**DISPOSITION**

The judgment is reversed, and the case is remanded for further proceedings consistent with this opinion.

**CORRIGAN, J.**

**WE CONCUR:**

**CANTIL-SAKAUYE, C. J.**

**WERDEGAR, J.**

**CHIN, J.**

**LIU, J.**

**CUÉLLAR, J.**

**KRUGER, J.**

*See last page for addresses and telephone numbers for counsel who argued in Supreme Court.*

**Name of Opinion** City of San Jose v. Superior Court

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**Unpublished Opinion**  
**Original Appeal**  
**Original Proceeding**  
**Review Granted** XXX 225 Cal.App.4th 75  
**Rehearing Granted**

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**Opinion No.** S218066  
**Date Filed:** March 2, 2017

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**Court:** Superior  
**County:** Santa Clara  
**Judge:** James P. Kleinberg

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**Page 2 – S208181 – counsel continued**

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# **Draft Electronic Communications Policy**

**Attachment 2**

## **CHAPTER 4: ~~ELECTRONIC~~ COMMUNICATION, ~~SECURITY~~, SAFETY, AND EQUIPMENT**

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### **2. ELECTRONIC COMMUNICATIONS POLICY** (Adopted January 17, 2018)

#### **Background and Purpose**

The Commission as the legislative body of the Local Agency Formation Commission for San Bernardino County ("LAFCO") hereby adopts the following policy regarding the conduct of LAFCO business via electronic communications by commissioners and employees. Specifically, this policy is adopted in light of the *City of San Jose* case, which held that a city employee's communications related to the conduct of public business do not cease to be public records under sent or received using a personal account or personal device.

Existing and emerging electronic communications technologies have become an integral part of the ability of Commission officials and staff members to efficiently and effectively conduct Commission business. Such technology has the potential to enhance communications with the public and provide a higher level of service to the citizens of the Commission. However, with such technology in the work environment, the Commission must ensure it continues to meet its legal obligations with respect to transparency in the conduct of the people's business, including in the area of public records disclosure and retention requirements. To that end, the following policy and procedures will be followed.

#### **Definitions**

For purposes of this policy, the following definitions apply:

"LAFCO" means the Local Agency Formation Commission for San Bernardino County.

"LAFCO official" for this policy shall mean any commissioner, employee of LAFCO, or person assigned an LAFCO electronic messaging account.

"LAFCO business" shall be construed broadly to mean information relating to the conduct of the public's business or communications concerning matters within the subject matter of LAFCO's jurisdiction, including, but not limited to, pending or potential LAFCO projects, past or prospective LAFCO agenda items, or LAFCO budgets or expenditures involving LAFCO funds. Resolution of the question will involve an examination of several factors, including: (a) the content itself; (b) the context in, or purpose for which, it was written; (c) the audience to whom it was directed; (d) the purpose of the communication; and (e) whether the writing was

prepared by an LAFCO official acting or purporting to act within the scope of his or her employment.

"Electronic communications" includes any and all electronic transmission, and every other means of recording upon any tangible thing in any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored. Without limiting the nature of the foregoing, "electronic communications" include e-mails, texts, voicemails, and also include communications on or within commercial applications (apps) such as Facebook Messenger, Twitter, WhatsApp, etc.

"Electronic messaging account" means any account that creates, sends, receives or stores electronic communications.

### **Policy**

1. All LAFCO officials shall be assigned a LAFCO electronic messaging account.
2. LAFCO accounts shall be used to conduct LAFCO business. LAFCO officials shall not use personal accounts for the creation, transmission or storage of electronic communications regarding LAFCO business.
3. All LAFCO officials shall, within 30 days following the adoption of this policy, search all private, nongovernmental electronic messaging accounts to which they have user access and locate any electronic communications that might constitute a "public record", because it involved "LAFCO business", as set forth above. All such communications shall be forwarded to the LAFCO official's LAFCO-provided account. To the extent the LAFCO official believes that any part of such communications contain personal matter not related to the conduct of the public's business, the LAFCO official shall provide a declaration, as set forth in paragraphs 10 and 11, below.
4. The LAFCO account, along with the attendant access to LAFCO's account server, are solely for LAFCO and LAFCO official's use to conduct LAFCO business and shall not be used for personal business or political activities. Incidental use of LAFCO electronic messaging accounts for personal use by LAFCO officials is permissible, though not encouraged.
5. If an LAFCO official receives an electronic message regarding LAFCO business on his/her non-LAFCO electronic messaging account, or circumstances require such person to conduct LAFCO business on a non-LAFCO account, the LAFCO official shall either: (a) copy ("cc") any communication from a LAFCO official's personal electronic messaging account to his/her LAFCO electronic messaging account; or (b) forward the

associated electronic communication to his/her LAFCO account no later than 10 days after the original creation or transmission of the electronic communication.

6. LAFCO officials shall endeavor to ask persons sending electronic communications regarding LAFCO business to a personal account to instead utilize the LAFCO official's account, and likewise shall endeavor to ask a person sending an electronic communication regarding non-LAFCO business to use the LAFCO official's personal or non-LAFCO electronic messaging account.
7. LAFCO officials understand they have no expectation of privacy in the content of any electronic communication sent or received on an LAFCO account or communication utilizing LAFCO servers. LAFCO provided electronic devices, including devices for which LAFCO pays a stipend or reimburses the LAFCO official, are subject to LAFCO review and disclosure of electronic communications regarding LAFCO business. LAFCO officials understand that electronic communications regarding LAFCO business that are created, sent, received or stored on an electronic messaging account, may be subject to the Public Records Act, even if created, sent, received, or stored on a personal account or personal device.
8. In the event a Public Records Act request is received by LAFCO seeking electronic communications of LAFCO officials, the LAFCO Clerk shall promptly transmit the request to the applicable LAFCO official(s) whose electronic communications are sought. The LAFCO Clerk shall communicate the scope of the information requested to the applicable LAFCO official, and an estimate of the time within which the LAFCO Clerk intends to provide any responsive electronic communications to the requesting party.
9. It shall be the duty of each LAFCO official receiving such a request from the LAFCO Clerk to promptly conduct a good faith and diligent search of his/her personal electronic messaging accounts and devices for responsive electronic communications. The LAFCO official shall then promptly transmit any responsive electronic communications to the LAFCO Clerk. Such transmission shall be provided in sufficient time to enable the LAFCO Clerk to adequately review and provide the disclosable electronic communications to the requesting party.
10. In the event a LAFCO official does not possess, or cannot with reasonable diligence recover, responsive electronic communications from the LAFCO official's electronic messaging account, the LAFCO official shall so notify the LAFCO Clerk, by way of a written declaration, signed under penalty of perjury. In addition, an LAFCO official who withholds any electronic communication identified as potentially responsive must submit a declaration under penalty of perjury with facts sufficient to show the information is

"personal business" and not "public business" under the Public Records Act. The form of the declaration is attached hereto as Attachment A.

11. It shall be the duty of the LAFCO Clerk, in consultation with LAFCO's Legal Counsel, to determine whether a particular electronic communication, or any portion of that electronic communication, is exempt from disclosure. To that end, the responding LAFCO official shall provide the LAFCO Clerk with all responsive electronic communications, and, if in doubt, shall err on the side of caution and should "over produce". If an electronic communication involved both public business and a personal communication, the responding LAFCO official may redact the personal communication portion of the electronic communication prior to transmitting the electronic communication to the LAFCO Clerk. The responding LAFCO official shall provide facts sufficient to show that the information is "personal business" and not "public business" by declaration. In the event a question arises as to whether or not a particular communication, or any portion of it, is a public record or purely a personal communication, the LAFCO official should consult with the LAFCO Clerk or the Legal Counsel. The responding LAFCO official shall be required to sign a declaration, in a form acceptable to the Legal Counsel, attesting under penalty of perjury, that a good faith and diligent search was conducted and that any electronic communication, or portion thereof, not provided in response to the Public Records Act request is not LAFCO business.
12. AB 1234 (ethics) training should include a discussion of the impacts of the *City of San Jose* case and this policy. Such training should include information on how to distinguish between public records and personal records. LAFCO officials who receive AB 1234 training from other providers should actively solicit training from the alternative provider on the impacts of the *City of San Jose* case.
13. LAFCO officials understand that electronic communications regarding LAFCO business are subject to LAFCO's Records Retention Policy (Section II, Chapter 1, Policy 7), even if those electronic communications are or were created, sent, received or stored on an LAFCO official's personal electronic messaging account. It is a felony offense to destroy, alter or falsify a "public record". As such, unless the LAFCO official has cc'd/transmitted electronic communications in accordance with Paragraph 5 above, that LAFCO official must retain all electronic communications regarding LAFCO business, in accordance with LAFCO's adopted records retention policy, regardless of whether such electronic communication is originally sent or received on a personal electronic messaging account.
14. Failure of an LAFCO official to abide by this policy, following its adoption, may result in one or more of the following:
  - Disciplinary action, up to and including termination (for employees);



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*Section III – Human Resources Policies and Procedures*

- Removal from office (for commissioners);
- Censure (for commissioners);
- Revocation of electronic device privileges (including revocation of stipend or reimbursement);
- Judicial enforcement against the LAFCO official directly, by the requesting party; and

15. This policy does not waive any exemption to disclosure that may apply under the California Public Records Act.

16. Upon leave of service from LAFCO, the Email administrator will request that County ISD close the LAFCO official's Email account and copy the contents from the Email account onto an electronic medium (CD, DVD, USB flash drive) and to be retained in accordance with the Commission's Record Retention Policy.

**ATTACHMENT A**

**DECLARATION**

(attached on following page)

...

California Public Records Act Request  
Pursuant to Gov. Code § 6250 *et seq.*

Declaration of:

Re: \_\_\_\_\_

\_\_\_\_\_  
Print or type name of official

\_\_\_\_\_  
Insert shorthand name of record request, including  
request number, if applicable

**Regarding Search of Personal Electronic  
Messaging Account**

Requester: \_\_\_\_\_  
Print or type name of requester

STATE OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

I, \_\_\_\_\_ declare:  
Print name

1. I received notice of a California Public Records Act ("CPRA") request regarding a search of my personal electronic messaging account(s).
2. I understand that the CPRA request seeks:

\_\_\_\_\_  
Insert text of CPRA request.

3. I am the owner or authorized user of the following personal electronic messaging account and have the authority to certify the records:

\_\_\_\_\_  
Insert description of personal electronic messaging account(s).

4. I have made a good faith, diligent, thorough, and complete search of the above mentioned personal electronic messaging account(s) for all electronic communications potentially responsive to the above mentioned CPRA request.
5. Any responsive electronic communications discovered, and referenced below, were prepared or used by me in the ordinary course of business at or near the time of the act, condition or event.
6. Any responsive electronic communications discovered, and referenced below, are true copies of all records described in the above mentioned CPRA request.

Check the applicable box:

- ☐ I certify that I do not possess responsive electronic communications.
- ☐ I certify that I cannot reasonably recover responsive electronic communications.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Explain efforts to retrieve responsive electronic communications and why you were unable to recover responsive electronic communications.

- ☐ I certify that I discovered potentially responsive electronic communications from my personal electronic messaging account, but I am withholding that information because the information is "personal" business. This is for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Describe with sufficient facts why the contested information is personal business and not subject to the CPRA. Attach additional pages, if necessary.

- ☐ I certify that I discovered potentially responsive electronic communications from my personal electronic messaging account. I am providing all responsive information. However, some information is nonresponsive and I am withholding that information, because the information is personal business. This is for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Describe with sufficient facts why the contested information is personal business and not subject to the CPRA. Attach additional pages, if necessary.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that I have personal knowledge of the facts set forth above.

Executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in \_\_\_\_\_, California.

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

# **Draft Records Retention Policy (with track changes)**

**Attachment 3**

**7. RECORDS RETENTION POLICY** (Adopted October 21, 2009, *Amended January 17, 2018*)

It is the policy of this Commission to retain San Bernardino LAFCO's records of proceedings, **electronic communications**, and financial documents and records in accordance with the Records Retention Schedule outlined below.

<u>TYPE OF RECORD</u>	<u>RETENTION PERIOD</u>
<b>Records of Proceedings</b>	Government Code § 56382
<b>Electronic Communications</b>	County of San Bernardino Records Retention Policy
<b>Financial:</b>	
Expense Reports	7 years
Budgets	7 years
Billings/Accounting Reports	7 years
Budget Change Proposals	7 years
Budget Change Concepts	7 years
Audits	7 years
Invoices	7 years
Fees/Receipts	7 years
Checks/Ledgers/Registers	7 years
Cal Stars Reports	7 years
Cost Recovery – Federal	7 years
Cost Recovery – State	7 years
Grants	7 years
Resource: California Secretary of State. "Local Government Records Management Guidelines", Feb 2006. Under the authority established by Senate Bill 742 (1999), adding Section 12236 to the Government Code.	

The Commission has adopted the financial portion of the "Local Government Records Management Guidelines", issued by the California Secretary of State pursuant to Government Code Section 12236, as may be amended from time to time by the Secretary of State, as the Commission's official retention schedule **for financial documents and records**. This policy shall be reviewed, and when necessary updated, at least every five years pursuant to the Secretary of State Guidelines.

**The Commission has adopted the records retention policy for electronic communications of the County of San Bernardino as the Commission's official retention schedule for electronic communications.**

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To implement the retention and destruction of the records pursuant to the Schedule, the Commission designates the Executive Officer as the Records Management Coordinator who shall present a Commission agenda item once a year related to records to be destroyed.

DRAFT



**Draft LAFCO  
Resolution No. 3258**

**Attachment 4**

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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E-mail: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
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## RESOLUTION NO. 3258

### A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, AMENDING ITS POLICY AND PROCEDURE MANUAL

On Wednesday, January 17, 2018, 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 amend its Policy and Procedure Manual within the Human Resources section (new policy and renumbering of following sections) and Accounting and Financial section (amended policy) related to electronic communications.

**SECTION 2.** The Local Agency Formation Commission for San Bernardino County therefore determines, resolves and orders that:

1. The Policy and Procedure Manual is hereby amended as follows;
2. Chapter 4 of Section III is amended as follows:
  - a. The title of Chapter 4 of Section III is amended to read "Electronic Communication, Safety, and Equipment" is adopted and approved;
  - b. The revision to add new Policy 2: Electronic Communications Policy of Chapter 4 of Section III attached to this resolution as Exhibit "A", and incorporated herein by reference, is adopted and approved; and,
  - c. The revision to subsequent policies in Chapter 4 of Section III are renumbered pursuant to the addition of Item 2 above, is adopted and approved.
3. The amended Policy 7: Records Retention Policy of Chapter 1 of Section II attached to this resolution as Exhibit "B" and incorporated herein by reference, is adopted and approved.

**RESOLUTION NO. 3258**

**SECTION 3.** The Executive Officer of LAFCO is ordered to certify the passage of this resolution and to cause a copy of the 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 Executive Officer, each City, Town, and Independent Special District in the County and to affected County Departments.

**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 January 17, 2018.

**DATED: January \_\_, 2018**

\_\_\_\_\_  
KATHLEEN ROLLINGS-McDONALD  
Executive Officer