

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

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PROPOSAL NO.: LAFCO 3254

HEARING DATE: NOVEMBER 16, 2022

RESOLUTION NO. 3359

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3254 AND APPROVING THE REORGANIZATION TO INCLUDE:

- **ANNEXATION TO RUNNING SPRINGS WATER DISTRICT,**
- **DISSOLUTION OF CSA 79 AND CSA 79 ZONE R-1, AND**
- **FORMATION OF CSA 70 ZONE R-52**

The reorganization area comprises two areas encompassing a total of approximately 1,600 acres, consisting of the entire area of County Service Area 79.

On motion of Commissioner Dupper, duly seconded by Commissioner Hagman, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, a joint application by the San Bernardino County Board of Supervisors and Running Springs Water District Board of Directors for the proposed reorganization in San Bernardino County was filed with the Executive Officer of this Local Agency Formation Commission (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 the Executive Officer has examined the application and executed his certificate in accordance with law, determining and certifying that the filings are sufficient; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including his 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 November 16, 2022, 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; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved;

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and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED, that the Commission does hereby determine, find, resolve, and order as follows:

DETERMINATIONS:

SECTION 1. The proposal is approved subject to the terms and conditions hereinafter specified:

Condition No. 1. The boundaries are approved as set forth in Exhibits "A", "A-1", "B", and "B-1" attached.

Condition No. 2. The following distinctive short-form designation shall be used throughout this proceeding: LAFCO 3254.

Condition No. 3. All previously authorized charges, fees, assessments, and/or taxes currently in effect by County Service Area 79 shall be assumed by the annexing territory by Running Springs Water District in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t). In addition, all previously authorized charges, fees, assessments, and/or taxes currently in effect by County Service Area 79 Zone R-1 shall be assumed by the newly formed County Service Area 70 Zone R-52 in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t).

Condition No. 4. The County of San Bernardino and Running Springs Water District 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 proposal, including any reimbursement of legal fees and costs incurred by the Commission.

Condition No. 5. Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts.

Condition No. 6. The date of issuance of the Certificate of Completion shall be the effective date of this reorganization.

SECTION 2. TERMS AND CONDITIONS OF THE APPLICANTS. The resolutions of the County and Water District both identify that this proposal be subject to LAFCO's standard terms and conditions as well as 11 additional terms and conditions of their own, outlined below. In italics LAFCO provides clarification or an update where warranted.

- 1) Running Springs Water District will fix the Green Valley Lake community wastewater rates at their current level (Connection Fee \$5,336.22 and User Rate \$65.77 per Equivalent Dwelling Unit per month) for the first five years and account for the area as

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a separate enterprise fund barring any unforeseen circumstances that would require additional revenue; current wastewater rates for Running Springs Water District are: Connection Fee \$5,815 and User Rates \$54.08 per Equivalent Dwelling Unit per month plus \$0.0105 per cubic foot of water usage);

- 2) Depending on the timing of LAFCO approval of the proposed reorganization, Running Springs Water District will arrange for the Green Valley Lake community wastewater rates to be placed on the San Bernardino County property tax roll at the expense of Running Springs Water District's separate enterprise fund for the Green Valley Lake community;
- 3) After the initial 5 year period, a rate study will be prepared and the Green Valley Lake community will be merged with the existing Running Springs Water District wastewater enterprise such that a uniform wastewater rate will be applied for all wastewater customers of Running Springs Water District at that time;
- 4) Running Springs Water District will not assume any of CSA 79's pension liability. CSA 79 may withhold from transfer to Running Springs Water District a portion of its existing wastewater reserve funds to fund CSA 79's pension liabilities through LAFCO's issuance of the Certificate of Completion for the reorganization, with the method of calculation and the amount withheld to be determined and agreed to by both CSA 79 and Running Springs Water District;

CSA 79 has a proportionate share of the County's net pension liability allocated by the San Bernardino County Employees' Retirement Association ("SBCERA"). According to the County, CSA 79's net pension liability as of June 30, 2021 is \$318,808. The exact net pension liability will be recalculated as of the effective date of this reorganization.

- 5) CSA 79 R-1 funds for road services will transfer to the new CSA 70 road district zone, once formed;
- 6) All application fees and any other costs associated with the LAFCO reorganization will be paid for with CSA 79 reserve funds;
- 7) The remaining CSA 79 wastewater reserve funds, not withheld to cover CSA 79's pension liabilities, will be transferred to Running Springs Water District and be placed in a separate enterprise fund;

The County provided a listing of CSA 79's cash balances, lands, and assets, which will all transfer to the successor agency, the Running Springs WD.

- 8) No additional Board of Director seats will be added to Running Springs Water District;
- 9) Running Springs Water District will enter into a new agreement as a permittee for a Special Use Permit with the United States Forest Service (USFS) for encroachment of the gravity sewer line under Green Valley Lake Road within the USFS;

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County Land Use Services has a special use permit with the U.S. Forest Service for a main down by the highway. According to the Running Springs WD, there is apparently no successor clause so the District will need to apply for a new USFS Special Use Permit.

- 10) Running Springs Water District acknowledges and agrees to the LAFCO requirement imposing legal indemnification as outlined in Policy 3 of Chapter 2 of the Accounting and Financial Section of its Policy and Procedure Manual;
- 11) Running Springs Water District will continue to provide out of district sewer service to Snow Valley [Ski Area], which is consistent with the sphere of influence, and will be billed based off an equivalent dwelling unit (EDU) count;

Since 1978, CSA 79 has provided service outside of its boundary to the Snow Valley Ski area. The agreement expired in April 2018, and the County and Snow Valley opted not to extend the former contract where Snow Valley was charged based upon flow rate. Rather, in lieu of a contract, Snow Valley is now charged under the same method as CSA 79's other customers, by EDU. Snow Valley is outside the boundaries of the Running Springs WD but within the District's sphere of influence.

According to the Running Springs WD, it will also need to enter into a new agreement with Snow Valley. Ownership of Snow Valley is currently changing so it is working on coordinating this new agreement.

This reorganization will recognize that the Running Springs WD will succeed to the service that has been provided to Snow Valley since 1978. As long as the service continues, no further LAFCO review is necessary.

SECTION 3. FACTORS TO BE CONSIDERED. The following are the factors to be considered in the review of a proposal pursuant to Government Code Section 56668 and Commission policy:

- 1. The Registrar of Voters has determined that the reorganization study area is legally inhabited, containing 295 registered voters within LAFCO 3254 as of October 26, 2022.
- 2. The reorganization does not conflict with the sphere of influence of any other entity because the proposal transfers existing service from one agency (to be dissolved) to another agency. Further, the territory is already within the Running Springs Water District sphere of influence.
- 3. The County Assessor has determined that the value of land and improvements within the reorganization area is broken down as follows:

Land:	\$ 46,786,369
Improvements:	\$186,124,694
Total:	\$232,911,063

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4. In compliance with Commission policy and Government Code Section 56157, the Notice of Hearing for this proposal was provided by publication of an eight-page (1/8 page) legal ad in the *Alpine Mountaineer*, a newspaper of general circulation in the area. Comments from registered voters, landowners, other individuals, and any affected local agency have been reviewed and considered by the Commission in making its determination.
5. The proposed reorganization includes a variety of land uses established under the San Bernardino County's General Plan, however, such reorganization has no direct impact on said land use designations.
6. The Southern California Association of Governments (SCAG) has adopted a Regional Transportation Plan and Sustainable Community Strategy pursuant to the provisions of Government Code Section 65352.5. Approval of LAFCO 3254 has no direct impact on these determinations.
7. The Commission's Environmental Consultant, Tom Dodson and Associates, has recommended that this proposal is exempt from environmental review based on the finding that the Commission's approval of the reorganization has no potential to cause any adverse effect on the environment; and therefore, the proposal is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b)(3). Mr. Dodson recommends that the Commission adopt the Exemption and direct its Executive Officer to file a Notice of Exemption within five (5) days.
8. The local agencies currently serving the area are:
 - County of San Bernardino
 - County Service Area 79
 - County Service Area 70 (unincorporated countywide, multi-function)
 - Crestline-Lake Arrowhead Water Agency
 - Mojave Desert Resource Conservation District
 - Rim of the World Recreation and Park District
 - San Bernardino County Fire Protection District, its Mountain Service Zone, and its Service Zone FP-5
 - San Bernardino Mountains Community Hospital District

CSA 79 will be dissolved as a function of this reorganization. In addition, its Zone R-1 will also be dissolved but formed as a new zone of CSA 70, CSA 70 Zone R-52. The other agencies are not affected by this reorganization as they are either regional in nature or identified for other services to a specific area.
9. A plan was prepared for the extension of wastewater collection service to the annexation area, as required by law. The Plan for Service indicates that the Agency can maintain and/or improve the level of service currently available to the area.

The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that the Plan for Service conforms to those adopted standards and requirements.

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10. The reorganization area can benefit from the availability and continuation wastewater services, as evidenced by the Plan for Service and Fiscal Impact Analysis.
11. This proposal will not affect the fair share allocation of the regional housing needs assigned to the County of San Bernardino through the Southern California Association of Government's (SCAG) Regional Housing Needs Allocation (RHNA) process.
12. With respect to environmental justice, the reorganization provides for the continuation of wastewater services within the area. The delivery of these services, through a locally-elected special district, will not result in the unfair treatment of any person based upon race, culture or income.
13. The County of San Bernardino adopted a resolution determining there will be a zero property tax transfer as a result of the reorganization. This resolution fulfills the requirement of Section 99 of the Revenue and Taxation Code.
14. The maps and legal descriptions are in substantial compliance with LAFCO and State standards.

SECTION 4. Approval by the Local Agency Formation Commission indicates that completion of this proposal would accomplish the proposed reorganization in a reasonable manner with a maximum chance of success and a minimum disruption of service to the functions of other local agencies in the area.

SECTION 5. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code.

SECTION 6. The Commission hereby directs that, following completion of the reconsideration period specified by Government Code Section 56895(b), the Executive Officer is hereby directed to initiate protest proceedings in compliance with this resolution and State law (Part 4, commencing with Government Code Section 57000) and set the matter for consideration of the protest proceedings, providing notice of hearing pursuant to Government Code Sections 57025 and 57026.

SECTION 7. Upon conclusion of the protest proceedings, the Executive Officer shall adopt a resolution setting forth his determination on the levels of protest filed and not withdrawn and setting forth the action on the proposal considered.

SECTION 8. Upon adoption of the final resolution by the Executive Officer, either a Certificate of Completion or a Certificate of Termination, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204, shall be prepared and filed for the proposal.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:

EXHIBIT A

Reorganization to include Annexation to Running Springs Water District, Dissolution of County Service Area 79 and its Zone R-1, and Formation of County Service Area 70 Zone R-52
Annexation to Running Springs Water District and Dissolution of County Service Area 79

THOSE PORTIONS OF SECTIONS 22, 23, 26, 27 AND 28 TOWNSHIP 2 NORTH RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER OFFICIAL GOVERNMENT SURVEY.

Area A:

THE EAST 1/2 OF THE SOUTHWEST 1/4 AND THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER OFFICIAL GOVERNMENT SURVEY.

THE SOUTHERLY BOUNDARY OF WHICH LIES ADJACENT TO THE EXISTING BOUNDARY OF THE ARROWBEAR PARK COUNTY WATER DISTRICT AS ESTABLISHED IN 1953 BY ANNEXATION # 1

CONTAINING 160 ACRES, MORE OR LESS

Area B:

ALL OF SECTION 22, THE WEST 1/2 OF SECTION 23, THE NORTHWEST 1/4 OF SECTION 26, THE NORTH 1/2 OF SECTION 27 TOWNSHIP 2 NORTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER OFFICIAL GOVERNMENT SURVEY.

CONTAINING 1,440 ACRES, MORE OR LESS

THE TOTAL COMPUTED ACREAGE CONTAINING 1,600 ACRES OF LAND, MORE OR LESS.

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

By:  09/02/2021
Ryan Hunsicker, PLS 8302 Date
Deputy County Surveyor



EXHIBIT B

Reorganization to include Annexation to Running Springs Water District, Dissolution of County Service Area 79 and its Zone R-1, and Formation of County Service Area 70 Zone R-52
Dissolution of County Service Area 79 Zone R-1 and Formation of County Service Area 70 Zone R-52

That portion of Map of Green Valley Park, in the County of San Bernardino, State of California, as per map recorded in Book 23 of Maps, page 17, records of said County, lying within the following described portion of the Southwest quarter of Section 23, Township 2 North, Range 2 West, San Bernardino Meridian:

Commencing at the West 1/4 corner of said section 23;

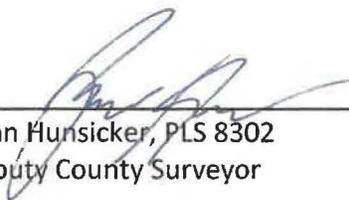
1. Thence $S03^{\circ}20'07''E$ 486.88' along the West line of said section 23 to the Southeasterly right of way line of Green Valley Lake Road also being the **Point of Beginning**;
2. Thence leaving said West line $N26^{\circ}12'40''E$ 54.34' along said right of way line to the North line of Lot 13, Block 5 of said Map of Green Valley Park;
3. Thence leaving said right of way line $N86^{\circ}40'26''E$ 137.57' along the North line of said Lot 13 to the West line of Lot 10, said Block 5;
4. Thence leaving said North line $N03^{\circ}20'07''W$ 110.45' along said West line to the Northwest corner of said Lot 10 said point also being on the North boundary of said map of Green Valley Park;
5. Thence leaving said West line $N86^{\circ}40'26''E$ 350.15' along said North boundary to the Northeast corner of Lot 4, of said Block 5;
6. Thence leaving said North boundary $S03^{\circ}20'07''E$ 70.00' along the East line of said Lot 4 to the South line of the North 70 feet of Lot 3, of said Block 5;
7. Thence leaving said East line $N86^{\circ}40'26''E$ 50.08' along said South line to the West line of Lot 2, of said Block 5;
8. Thence leaving said South line $N03^{\circ}20'07''W$ 70.00' along said West line to the Northwest corner of said Lot 2 said point also being on the said North boundary of said Map of Green Valley Park;
9. Thence leaving said West line $N86^{\circ}40'26''E$ 99.76' along said North boundary to the Northwest corner of Lot 13, Block 2 of said Map of Green Valley Park;
10. Thence leaving said North boundary $N83^{\circ}39'01''E$ 417.06' along the north line of Lots 13, 14, 15, 16, 17 of said Block 2 to the Northwest corner of Lot 18, of said Block 2;

11. Thence leaving said North line of said lots 13, 14, 15, 16, 17 N65°58'08"E, 265.51' along the North line of said lot 18 and lot 19 of said Block 2 to the Northeast corner of said lot 19 said point also being on the most Easterly boundary of said map of Green Valley Park;
12. Thence leaving said North line S03°20'07"E 444.45 along said most Easterly boundary to the Southerly boundary of said map of Green Valley Park;
13. Thence leaving said most Easterly boundary S86°40'26"W 664.48' along said Southerly boundary to the Easterly boundary of said map of Green Valley Park;
14. Thence leaving said Southerly boundary S03°20'07"E 327.62' along said Easterly boundary to the most Southerly boundary of said map of Green Valley Park;
15. Thence leaving said Easterly boundary S86°40'26"W 664.68' along said most Southerly Boundary to the West line of said section 23;
16. Thence leaving said most Southerly Boundary N03°20'07"W 498.47' along said West line to the **Point of Beginning.**

COMPUTED ACREAGE CONTAINING 15 ACRES OF LAND, MORE OR LESS.

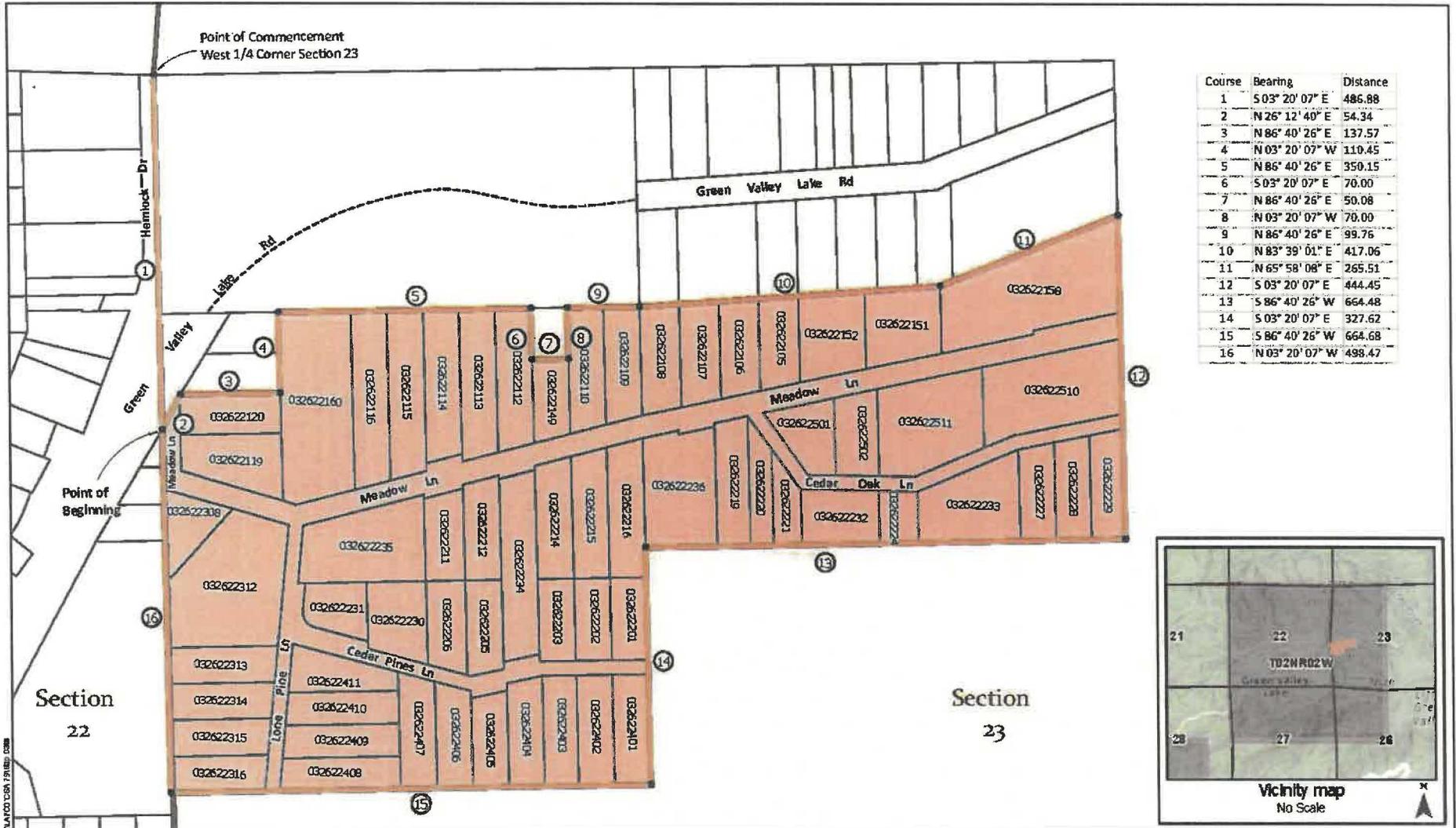
This legal description was prepared
by me or under my direction.



By: 
Ryan Hunsicker, PLS 8302
Deputy County Surveyor

02/07/2022
Date

FOR QUESTIONS REGARDING THIS MAP OR TO OBTAIN A COPY OF THIS MAP IN ELECTRONIC FORM, PLEASE CONTACT LAFCO FOR SAN BERNARDINO COUNTY



Course	Bearing	Distance
1	S 03° 20' 07" E	486.88
2	N 26° 12' 40" E	54.34
3	N 86° 40' 26" E	137.57
4	N 03° 20' 07" W	110.45
5	N 86° 40' 26" E	350.15
6	S 03° 20' 07" E	70.00
7	N 86° 40' 26" E	50.08
8	N 03° 20' 07" W	70.00
9	N 86° 40' 26" E	99.76
10	N 83° 39' 01" E	417.06
11	N 65° 58' 08" E	265.51
12	S 03° 20' 07" E	444.45
13	S 86° 40' 26" W	664.48
14	S 03° 20' 07" E	327.62
15	S 86° 40' 26" W	664.68
16	N 03° 20' 07" W	498.47



Legend
 CSA79 R1
 Sections
 Parcel Lines
 County Service Area 79

EXHIBIT B-1
 Reorganization to include Annexation to Running Springs Water District, Dissolution of County Service Area 79 and its Zone R-1, and Formation of County Service Area 70 Zone R-52
 Dissolution of County Service Area 79 Zone R-1 and Formation of County Service Area 70 Zone R-52

Affected Agency
 CSA79 R1
 Running Springs Water District

By: *[Signature]* 02/02/22
 Ryan Hamacher, PLS REGD Date
 Deputy County Surveyor



FOR QUESTIONS REGARDING THIS MAP OR TO OBTAIN A COPY OF THIS MAP IN ELECTRONIC FORM, PLEASE CONTACT LAFCO FOR SAN BERNARDINO COUNTY

EXHIBIT B-1

EXHIBIT B-1