

**RESOLUTION NO. 03-22**

**A RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO INITIATE PROCEEDINGS FOR A REORGANIZATION TO DISSOLVE COUNTY SERVICE AREA 79 (WASTEWATER COLLECTION SERVICE) AND ITS ZONE R-1 (ROAD SERVICE), ANNEX SAID COUNTY SERVICE AREA 79 TO RUNNING SPRINGS WATER DISTRICT FOR WASTEWATER COLLECTION SERVICE AND TO COUNTY SERVICE AREA 70 FOR ROAD SERVICE, AND ALSO TO FORM A NEW ZONE FOR COUNTY SERVICE AREA 70, AND FINDING THAT THE REQUESTED REORGANIZATION IS NOT A PROJECT AND THEREFORE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**WHEREAS**, On Tuesday, January 25, 2022, the Board of Supervisors of San Bernardino County acting as the governing body of County Service Area No. 79 ("CSA 79"), which provides wastewater collection and road services to the Green Valley Lake community, adopted Resolution No. 2022-20 to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for a reorganization resulting in the dissolution of CSA 79 and annexation of said area of CSA 79 into Running Springs Water District for wastewater collection service, dissolution of CSA 79 Zone R-1, and formation of a new zone for CSA 70 for the continuation of the road service for the CSA 79 R-1 area; and

**WHEREAS**, the Board of Directors of Running Springs Water District likewise proposes a reorganization pursuant to Part 3 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for the same above-described reorganization; and

**WHEREAS**, the proposed reorganization would simply re-organize and clarify which agencies are responsible for providing wastewater service and road service to the Green Valley Lake community ("territory"), but do not propose any new development or any increase in the use of the territory; and

**WHEREAS**, the proposal includes reorganization resulting in the dissolution of CSA 79 and annexation of said area of CSA 79 into Running Springs Water District for wastewater collection service and into CSA 70 for road service, dissolution of CSA 79 Zone R-1, and formation of a new zone for CSA 70 for the continuation of the road service for the CSA 79 Zone R-1 area; and

**WHEREAS**, the territory proposed to be reorganized is inhabited; and the descriptions and maps of the areas proposed to be reorganized are included in Exhibits "A" and "B" attached hereto and by this reference incorporated herein; and

**WHEREAS**, Running Springs Water District currently provides wastewater treatment services to CSA 79 under an Outside Wastewater Treatment Agreement; and

**WHEREAS**, Running Springs Water District desires that the proposed reorganization be subject to the standard terms and conditions imposed by the Local Agency Formation Commission (“LAFCO”) and to the following terms and conditions with respect to the provision of wastewater service:

- 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 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;
- 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;
- 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;

- 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, which is consistent with the sphere of influence, and will be billed based off an equivalent dwelling unit (EDU) count; and

**WHEREAS**, the reason for the proposed annexation to Running Springs Water District is to permanently provide wastewater services to the territory; and

**WHEREAS**, Running Springs Water District requests that the proceedings be taken for the proposal pursuant to Part 3 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for reorganization; and

**WHEREAS**, the proposed reorganization is consistent with the sphere of influence assigned Running Springs Water District.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of Running Springs Water District as follows:

Section 1. Findings under the California Environmental Quality Act (“CEQA”) (Pub. Res. Code §§ 21000 et seq.; 14 Cal. Code Regs. §§ 15000 et seq.). This Board of Directors hereby determines that adoption of this Resolution is not a “project” under CEQA because no environmental impacts will result. However, to the extent the reorganization is found to be a CEQA “project,” this Board of Directors alternatively determines that the reorganization is exempt from environmental review under CEQA because it has no environmental impacts that will result under State CEQA Guidelines § 15061(b)(3), and because the reorganization merely allows for the continued operation of existing facilities without any expansion in use under State CEQA Guidelines § 15301 (the “Existing Facilities” exemption) and because the reorganization consists of changes in the organization of local government agencies where the changes do not change the geographic area in which previously existing powers are exercised under State CEQA Guidelines § 15320. This Board of Directors further finds that none of the “exceptions” to the application of the Existing Facilities under State CEQA Guidelines 15300.2 exist because there are no unusual circumstances present, no sensitive resources will be impacted by the reorganization, no cumulative impacts or other significant effects are foreseeable from the reorganization, the reorganization will not impact visual resources within a scenic highway or historic resources, and because the reorganization does not involve hazardous waste sites.

Section 2. This Resolution of Application is hereby adopted and approved by Running Springs Water District Board of Directors and hereby requests the Local Agency Formation Commission for San Bernardino County to take proceedings for the reorganization of territory as described above, according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Section 3. Running Springs Water District acknowledges and agrees to the Local Agency Formation Commission for San Bernardino County's requirement for imposing legal indemnification as outlined in Policy 3 of Chapter 2 of the Accounting and Financial Section of its Policy and Procedure Manual.

Section 4. The General Manager of Running Springs Water District is hereby directed and authorized on behalf of Running Springs Water District to finalize and submit a petition, including but not limited to the reorganization application to include annexation, dissolution and reorganization including the preparation and certifying of the Plan for Service and Fiscal Impact Analysis, copies of which are on file in the Running Springs Water District office and any and all other necessary and required documents to the San Bernardino County Local Agency Formation Commission initiating the reorganization as set forth in this resolution, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Section 5. That the Secretary to the Board of Directors of Running Springs Water District shall certify to the passage and adoption of this resolution and is hereby authorized and directed to file, or cause to be filed, a certified copy of this resolution with the Executive Officer of the Local Agency Formation Commission for San Bernardino County.

Section 6. The General Manager shall be the custodian of record for all documents relating to the adoption of this resolution, which may be reviewed by the public at the Running Springs Water District's offices located at 31242 Hilltop Boulevard, Running Springs, CA 92382.


ADOPTED this 16<sup>th</sup> day of February 2022.

**Ayes:** MACKZUM, TERRY, CONRAD, ACCIANI, DYBERG

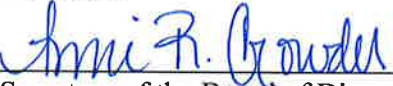
**Noes:** 0

**Abstentions:** 0

**Absent:** 0

  
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President, Board of Directors  
Running Springs Water District

ATTEST:

  
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Secretary of the Board of Directors  
Running Springs Water District



## CERTIFICATION

I, Amie R. Crowder, Board Secretary of Running Springs Water District, hereby certify that the foregoing is a full, true, and correct copy of the Resolution No. 03-22 adopted by the Board of Directors of Running Springs Water District at the regular meeting of said Board held on the 16<sup>th</sup> day of February 2022, by the following vote:

**AYES:** MACKZUM, TERRY, CONRAD, ACCIANI, DYBERG

**NOES:** 0

**ABSTENTIONS:** 0

**ABSENT:** 0



Amie R. Crowder, Secretary of Running Springs Water District and to the Board of Directors