

**ORDINANCE NO. 64**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE  
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT,  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
INCREASING THE WATER RESOURCES FEE**

**WHEREAS**, Lake Arrowhead has historically served as the sole source of water for the provision of water service to District customers. The District has adopted a policy to reduce and ultimately eliminate reliance on the Lake as the sole source of water for the provision of water service. To implement this policy, the District is planning, and in some cases implementing, programs and capital improvement projects for the acquisition and development of supplemental water supplies; and

**WHEREAS**, the District's service-related fees and charges for water and wastewater service are set forth in the Rules and Regulations For Water and Wastewater Service ("Rules and Regulations"); and

**WHEREAS**, the District adopted Ordinance No. 55 which adopted a Water Resources Fee to be imposed on new connections to the District's water system in order for such new connections to pay their proportionate share of the cost of the programs and capital improvement projects for the acquisition and development of supplemental water supplies; and

**WHEREAS**, the District adopted Ordinance No. 59 which adopted increases in certain service-related fees and charges in order to reflect the increased costs of providing the applicable service. One of the fees which was increased pursuant to Ordinance No. 59 was the Water Resources Fee; and

**WHEREAS**, in accordance with the authority of the District as a public agency, the amount of the Water Resources Fee may be adjusted, from time to time, in the discretion of the Board in order to address any future projects, programs and capital improvement projects the District may implement for the acquisition and development of supplemental water supplies. As a result, the District desires to adopt an increase in the Water Resource Fee; and

**WHEREAS**, in accordance with Government Code Section 66016, a Notice of a Public Hearing was published and a Public Hearing was held on January 24, 2006 at 7:00 p.m. The purpose of the hearing was to provide the opportunity for members of the public to be heard to protest or support the proposed adoption of the increase in the Water Resources Fee.

**THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD COMMUNITY  
SERVICES DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:**

1. Incorporation of Recitals The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

2. Water Resources Fee The Water Resources Fee is hereby increased to the amount of \$5,190 per single family home. The Board hereby adopts said increased Water Resources Fee which is hereby set forth in Section B.4.4.1 of Exhibit B of the District's Rules and Regulations For Water And Wastewater Service ("Rules and Regulations"). Upon the effective date of this Ordinance, the amount of Water Resources Fee, which is hereby set forth in Section B.4.4.1 of Exhibit B of the Rules and Regulations, shall become effective and shall supercede the previous amount of the Water Resources Fee as previously set forth in Section B.4.4.1. Except as otherwise specifically set forth in this Ordinance, Exhibit B of the Rules and Regulations shall remain in full force and effect.

(a) Requirements Imposed by the County of San Bernardino New connections to the District's water system will not be subject to the Water Resources Fee if said connections are subject to requirements imposed by the County of San Bernardino that require evidence of a source of water sufficient to supply all of the water demand associated with a proposed project from a source other than drafting water from Lake Arrowhead. For example, and not by way of limitation, the County of San Bernardino has imposed, and may impose in the future, a condition of approval with language and requirements similar to the following:

"Developer shall provide evidence to County Planning that establishes that a source of water sufficient to supply all of the water demand associated with the proposed project from a source other than drafting water from Lake Arrowhead. This alternative source shall be identified and dedicated to the Lake Arrowhead Community Services District (LACSD) or be available from a alternative water purveyor approved by the Local Agency Formation Commission (LAFCO) such as Crestline Lake Arrowhead Water Agency (CLAWA). Evidence of compliance shall be provided to the satisfaction of County Planning prior to the recordation of each Final Map and/or any land disturbing activity."

3. The Water Resources Fee Is Service-Related The Water Resources Fee is service-related and shall be imposed as an incident of a request for service and not as an incident of property ownership. The District hereby finds that the amount of the increase in the Water Resources Fee is reasonably related to the cost of the service provided. Information regarding the increased costs of providing the applicable service, for which the Water Resources Fee is being increased, is available for public review at the District offices. Said information establishes that the amount of the increased Water Resources Fee will not exceed the estimated reasonable cost of providing the service for which the Fee is imposed.

4. CEQA Compliance The Water Resources Fee is intended to fund as-yet-unknown, future projects, programs, and capital improvement projects related to the District's acquisition and development of supplemental water supplies. The Water Resources Fee does not commit the District to approve any particular project, program, or capital improvement, but will be placed in a separate fund for potential future projects. Accordingly, the District hereby finds that the Water Resources Fee is not a "project" for purposes of environmental review under the California Environmental Quality Act ("CEQA"), because the Water Resources Fee is merely "[t]he creation of [a] government funding mechanism[] or other fiscal activity which do[es] not involve any commitment to any specific project which may result in a potentially significant

physical impact on the environment.” (Cal. Code Regs., tit. 14, § 15378, subd. (b)(4); see also *Kauffman & Broad-South Bay, Inc. v. Morgan Hill Unified School District* (1992) 9 Cal.App.4th 464, 476 [holding that the formation of a community facilities district to raise revenue is not a “project” subject to CEQA where the formation of the district did not commit the public agency to any definite course of action].) The District hereby determines that any future activities which are to be funded by the Water Resources Fee and are “projects” under CEQA shall be subject to full environmental review prior to District approval.

5. Notice This Ordinance was introduced at a meeting of the Board held on January 24, 2006, following a public hearing, the notice of which was published in the *Mountain News* on January 12, 2006 and on January 19, 2006.

6. Severability. If any section, subsection, clause or phrase in this Ordinance No. 64 or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Ordinance No. 64 or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance No. 64 and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

7. Effective Date This Ordinance shall be effective upon adoption. Within ten (10) days from the date of adoption, this Ordinance shall be published one time in a newspaper of general circulation.

ADOPTED by the Board of Directors of the Lake Arrowhead Community Services District at a Regular Meeting held on January 24, 2006 by the following votes:

**AYES:**  
**NOES:**  
**ABSTENTIONS:**  
**ABSENT:**

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Mary Ann Dickinson, President of the Lake Arrowhead Community Services District and of the Board of Directors thereof.

ATTEST:

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P.M. McGonigle, Secretary of the Lake Arrowhead Community Services District and of the Board of Directors thereof.