

## ORDINANCE NO.78

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AUTHORIZING THE EXTENSION OF THE EXPENDITURE OF REVENUES FROM THE SUPPLEMENTAL WATER SUPPLY FEE, ESTABLISHED PURSUANT TO LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT ORDINANCE NO. 61, FOR THE PURPOSE OF PURCHASING AND DELIVERING SUPPLEMENTAL WATER**

**WHEREAS**, the Lake Arrowhead Community Services District (“District”) is organized and operates pursuant to California Government Code Section 61000, *et seq.*; and

**WHEREAS**, from 1999 to 2004, the Lake Arrowhead community faced severe drought conditions. Those conditions resulted in an increased risk of catastrophic forest fires and caused the level of Lake Arrowhead to decline to historically low levels. Additionally, the low lake level affected the aesthetic and recreational value of Lake Arrowhead; and

**WHEREAS**, on August 7, 2004, the Board of Directors of the District (the “Board”) adopted Ordinance No. 61 authorizing the imposition of a Supplemental Water Supply Fee (the “Fee”) for the purpose of reducing or totally eliminating reliance on Lake Arrowhead water as the District’s sole source of water supply; and

**WHEREAS**, revenues from the Fee are used, in part, to purchase and deliver supplemental water for District customers; and

**WHEREAS**, the Board has reduced the Fee for the past three years, saving customers more than \$4 million; and

**WHEREAS**, in accordance with Ordinance No. 61, the Fee will no longer be imposed after August 23, 2018; and

**WHEREAS**, After the fee is no longer imposed, the District anticipates there will continue to be a need to purchase and deliver supplemental water to ensure there is sufficient water to serve District customers in the future; and

**WHEREAS**, the District is proposing to specifically authorize the expenditure of any revenues from the Fee remaining after August 23, 2018, for the purpose of purchasing and delivering supplemental water, as needed, through and until August 24, 2033 (the “Extension of Expenditures”); and

**WHEREAS**, Article XIII D, section 6 of the California Constitution (“Article XIII D”) requires that prior to imposing any increase to the water service fees, the District shall provide written notice (the “Notice”) by mail of the proposed increase to the service fees to the record owner of each parcel upon which the service fees are proposed for imposition and any tenant directly liable for payment of the service fees, the amount of the service fees proposed to be imposed on each parcel, the basis upon which the service fees were calculated, the reason for the service fees, and the date time and location of a public hearing (the “Hearing”) on the proposed

service fees; and

**WHEREAS**, pursuant to Article XIII D such Notice is required to be provided to the affected record owners of real property not less than forty-five days prior to the Hearing on the proposed Service Fees; and

**WHEREAS**, although the proposed Extension of Expenditure does not result in a new or an increase to, or an extension of, the Fee, the District deemed it was appropriate to provide Notice to the affected property owners and any tenants directly liable for the payment of the Fee of the proposed Extension of Expenditures through and until August 24, 2033; and

**WHEREAS**, the Hearing was held on December 10, 2013; and

**WHEREAS**, at the Hearing, the Board heard and considered all written materials and oral testimony concerning the proposed Extension of Expenditures, and at the close of the Hearing the District did not receive written protests against the proposed Extension of Expenditures from a majority of the affected property owners and tenants directly liable for the payment of the Fee.

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

**Section 1. Incorporation of Recitals.** The Recitals set forth above are incorporated herein, made findings of this Board and an operative part of this Ordinance No. 78.

**Section 2. Extension of Expenditures.** The Board hereby authorizes the expenditure of any revenues from the Fee remaining after August 23, 2018, for the purpose of purchasing and delivering supplemental water, as needed, through and until August 24, 2033.

**Section 3. CEQA Compliance.**

(a) The Board of Directors hereby finds that the administration, operation, maintenance, and improvements of the water system, which are to be funded by the Fee, are necessary to maintain water service within the District's existing service area. The Board further finds that the administration, operation, maintenance, and improvements of the water system, to be funded by the Fee, will not expand the water system. The Board further finds that the Fee is necessary and reasonable to fund the administration, operation, maintenance, and improvements of the water system. Based on these findings, the Board hereby determines that this Ordinance as it pertains to the Fee is exempt from the requirements of CEQA pursuant to California Public Resources Code section 21080(b)(8) and State CEQA Guidelines section 15273(a).

(b) The documents and materials that constitute the record of proceedings on which these findings have been based are located at 28200 State Highway 189, Suite 03-160, Lake Arrowhead, CA 92352. The custodian for these records is the Secretary of the Board.

**Section 4. Implementation.** The Board hereby authorizes and directs the District

General Manager to implement and take all actions necessary to effectuate the authorizations set forth herein and to file a Notice of Exemption for the Fees with the County Clerk for the County of San Bernardino within five (5) working days of the date of the adoption of this Ordinance.

**Section 5. Severability.** If any section, subsection, clause or phrase in this Ordinance No. 78 or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Ordinance No. 78 or the application of such provision to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance No.78 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.

**INTRODUCED** at a Regular Meeting held on December 10, 2013 and **ADOPTED** by the Board of Directors of the Lake Arrowhead Community Services District at a Regular Meeting held on January 14, 2014, by the following votes:

***AYES: Gross, Thompson, Wagner, and Wurm***

***NOES: None***


***ABSTENTIONS: None***

***ABSENT: Keefe***



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Bill Thompson, President of the Board of Directors  
of the Lake Arrowhead Community Services  
District.

ATTEST:

  
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Kathleen Field, Secretary of the Lake Arrowhead  
Community Services District and of the  
Board of Directors thereof.

SEAL

## CERTIFICATION

I, Kathleen Field, Board Secretary of the Lake Arrowhead Community Services District, hereby certify that the foregoing Ordinance No. 78 was duly and regularly adopted at a regular meeting of the Board of Directors of the Lake Arrowhead Community Services District on January 14, 2014.

**AYES: Gross, Thompson, Wagner, and Wurm**

**NOES: None**

**ABSTAIN: None**

**ABSENT: Keefe**

*Kathleen Field*

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Kathleen Field, Secretary of the  
Lake Arrowhead Community Services  
District and to the Board of Directors