

RESOLUTION NO. 2017-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING AN EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR AN INCREASE IN THE SUPPLEMENTAL WATER BUY-IN CAPACITY FEE FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS FOR FISCAL YEAR 2017-18; APPROVING THE CAPACITY FEE; AND DIRECTING STAFF TO FILE A NOTICE OF EXEMPTION

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

WHEREAS, pursuant to California Government Code .section 66013, the District is authorized to impose capacity fees for public facilities in existence at the time the charge is imposed or for new facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged ("New Development Connection Fees"), including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the District (the "Supplemental Water Buy-In Fee"); and

WHEREAS, the District has determined that, due to the requirements for obtaining additional water sources for the District's customers, it is necessary to adopt revised rates for the Supplemental Water Buy-In Fee; and

WHEREAS, the revenues derived from the proposed changes to rates for the Supplemental Water Buy-In Fee will not exceed the funds required to provide the services and shall be used exclusively for obtaining additional water sources for the District's customers; and

WHEREAS, the Supplemental Water Buy-In Fee is imposed for a specific government service provided directly to the Supplemental Water Buy-In Fee payers that is not provided to those not charged, and does not exceed the reasonable costs to the District of providing the service or for which the Supplemental Water Buy-In Fee is imposed; and

WHEREAS, the Supplemental Water Buy-In Fee is equitable to all customer classes; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Lake Arrowhead Community Services District as follows:

1. Incorporation of Recitals: The Recitals set forth above are incorporated herein and made an operative part of this Resolution and made findings of the Board of Directors.

2. CEQA Compliance:

(a) The District, as lead agency under the California Environmental Quality Act ("CEQA"), has evaluated the potential environmental impacts of adopting the Supplemental Water Buy-In Fee. As the decision-making body for the District, the Board of Directors has reviewed and considered the information contained in the administrative record for the adoption of the Supplemental Water Buy-In Fee.

(b) The Board of Directors finds that the Supplemental Water Buy-In 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 Supplemental Water Buy-In 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. The Supplemental Water Buy-In Fee is in response to the District's projected need for additional facilities and infrastructure to provide supplemental water supplies to its existing customers and new development. Any activities, including infrastructure improvements, to be funded by the Supplemental Water Buy-In Fee will be subject to future environmental review under CEQA, as applicable, prior to District approval.

(c) The Board of Directors therefore finds that the Supplemental Water Buy-In Fee is not subject to environmental review under CEQA. First, the Supplemental Water Buy-In Fee, in and of itself, does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and therefore is not considered a "project" under CEQA. (Pub. Resources Code, § 21065, 14 Cal. Code Regs., § 15378, subd. (a).) Second, the Supplemental Water Buy-In Fee is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; here, there is no possibility that the Supplemental Water Buy-In Fee, in and of itself, may have a significant effect on the environment. (14 Cal. Code Regs., § 15061, subd. (b)(3).) And third, the Supplemental Water Buy-In Fee is considered a government funding mechanism that does not involve any commitment on behalf of the District to any specific project which may result in a potentially significant physical impact on the environment. (14 Cal. Code Regs., § 15378, subd. (b)(4).)

(d) The Board of Directors has considered any comments received at the public meeting on June 27, 2017, prior to adoption of this Resolution.

(e) The determination that the Supplemental Water Buy-In Fee is not subject to CEQA review reflects the Board of Directors' independent judgment and analysis.

(f) The documents and materials that constitute the record of proceedings on which these findings have been based are located at 27307 State Highway 189, Blue Jay, CA 92317. The custodian for these records is the Secretary of the Board of Directors of the District.

3. Supplemental Water Buy-In Fee: The Board hereby adopts the Supplemental Water Buy-In Fee at the rate of \$3,527.69 for each new water connection. The Supplemental Water Buy-In Fee shall become effective for applications to connect to the District's water system received on or after July 1, 2017.

4. Inconsistency with other Fees: To the extent that the Supplemental Water Buy-In Fee established by this Resolution is inconsistent with Supplemental Water Buy-In Fees previously adopted; it is the explicit intention of the Board of Directors of the Lake Arrowhead Community Services District that the Supplemental Water Buy-In Fee adopted in this Resolution shall prevail.

5. Severability: If any section, subsection, clause or phrase in this Resolution No. 2017-11 or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution No. 2017-11 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 Resolution No. 2017-11 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.

6. Implementation: The General Manager of the District is hereby authorized and directed to take all actions necessary to implement the new rate for the Fee effective July 1, 2017 and to file a Notice of Exemption for the Fee with the County Clerk for the County of San Bernardino within five (5) working days of the date of the adoption of this Resolution.

ADOPTED by the Board of Directors of the Lake Arrowhead Community Services District, Lake Arrowhead, California, at a regular meeting of the Board of Directors held on June 27, 2017, by the following vote:

AYES: Boydston, Thompson, Wurm

NOES: None

ABSTENTIONS: None

ABSENT: Gross, Keefe



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

ATTEST:

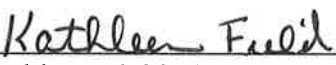
Kathleen Field
Kathleen Field, Secretary to the Lake Arrowhead Community Services District and to the Board of Directors

(SEAL)

CERTIFICATION

I, Kathleen Field, Board Secretary of the Lake Arrowhead Community Services District, hereby certify that the foregoing is a full, true and correct copy of **Resolution No. 2017-11** adopted by the Board of Directors of said Agency at the regular meeting of said Board held on the **27th day of June 2017**, by the following vote:

AYES: Boydston, Thompson, and Wurm
NOES: None
ABSTAIN: None
ABSENT: Gross, Keefe



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