

LAFCO 3076
SCH# 2007091035
STATEMENT OF FACTS AND FINDINGS

1.0 INTRODUCTION

The California Environmental Quality Act ("CEQA") in Public Resources Code Section 21081 provides in part that:

"[N]o public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out unless both of the following occur:

- (a) The public agency makes one or more of the following findings with respect to each significant effect:
 - (1) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment.
 - (2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
 - (3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.
- (b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment."

The Final EIR evaluates the consolidation of the San Bernardino Valley Water Conservation District (Conservation District) and the San Bernardino Valley Municipal Water District (Valley District), pursuant to the LAFCO 3076 Plan for Service (the "Project"). The Project is a governmental realignment directed at creating governmental efficiency and made pursuant to the Cortese Knox and Hertzberg Act (Government Code Section 56000 et seq.). No construction of any physical structures is proposed as part of the Project.

The San Bernardino County Local Agency Formation Commission ("San Bernardino County LAFCO") prepared a Draft EIR (State Clearinghouse No. 2007091035) to address the Project. The analysis in the Draft EIR demonstrates that the Project will not result in significant adverse environmental impacts. The Draft EIR was circulated for public review and comment for a 45-day period (June 4, 2008 through July 21, 2008) as specified in Title 14, California Code of Regulations ("State CEQA Guidelines"), Section 15105. Public comments were received, have been responded to, by San Bernardino County LAFCO, in accordance with CEQA requirements.

On January 21, 2009, San Bernardino County LAFCO determined that the Final EIR, comprised of the Draft EIR, comments received from the public and interested agencies, the responses to comments prepared by San Bernardino County LAFCO, the Errata, and all attachments and documents incorporated by reference were complete and adequate, and had been prepared in accordance with CEQA, the State CEQA Guidelines, and San Bernardino County LAFCO's Local Environmental Review Guidelines.

Section 15126.2(b) of the State CEQA Guidelines requires an EIR to "Describe any significant impacts, including those which can be mitigated but not reduced to a level of insignificance." Chapter 4.0, *Environmental Impact Analysis*, of the Draft EIR analyzes the potential environmental impacts of the proposed Project. No significant environmental impacts were identified as resulting from the Project. As such, no significant unavoidable adverse environmental impacts would occur as the result of Project implementation. All potential impacts would be less than significant and would not require mitigation to reduce such Project effects.

A. Location and Custodian of the Record

The documents and materials that constitute the record of proceedings on which these Findings have been based are located at the San Bernardino County LAFCO office at 215 N. "D" Street, Suite 204, San Bernardino, California, 92415. The custodian for these records is the Local Agency Formation Commission. This information is provided in compliance with Public Resources Code section 21081.6.

2.0 DESCRIPTION OF PROJECT PROPOSED FOR APPROVAL

The proposed Project is the consolidation of the Conservation District and Valley District. If LAFCO 3076 (the proposed consolidation) is approved by San Bernardino County LAFCO and the voters within the Conservation District do not oppose the Project, the Conservation District would cease to exist as a separate entity and its current functions would be consolidated with those of Valley District.

The post-consolidation plan for service would result in the following (as described in Section 3.0 of the Draft EIR and in Appendix B, Plan for Service, of the Draft EIR):

- 1) Per its principal act and San Bernardino County LAFCO approval, Valley District will continue to provide all services currently provided by the Conservation District, including the operation and maintenance of all recharge facilities for the benefit of the entire San Bernardino Basin Area, as clarified further below;
- 2) The groundwater assessment presently being levied and collected by Conservation District will be eliminated, resulting in savings of approximately \$700,000 annually to groundwater producers and their constituents;
- 3) Disposal of surplus property, as described in Section 3, *Project Description*, which may include the sale of three parcels, transfer of Mill Creek spreading basin facilities to the City of Redlands ("Redlands"), transfer of Mill Creek water rights to historic water rights holders, and assuming the Conservation District's role in various leases, management functions, agreements, committees and advisory boards;

- 4) Revenue related to Conservation District assets will be placed in a segregated basin management account to cover expenses necessary to provide the services of Conservation District;
- 5) Valley District will succeed to all rights, responsibilities, properties, contracts, assets and liabilities of Conservation District, and will implement an efficient transition plan in accordance with the goals of the consolidation;
- 6) All regular Conservation District employees will become employees of Valley District with retention of salaries and other benefits, and will immediately be offered enhanced benefits that are available to Valley District employees; and
- 7) An advisory board comprised of all current Conservation District Board Members will be formed to ensure access to and benefit from their knowledge and experience.

3.0 FINDINGS

At a regular meeting assembled on July 15, 2009, LAFCO determined that, based on all of the evidence presented, including but not limited to the Draft Environmental Impact Report ("Draft EIR" or "DEIR"), Final Environmental Impact Report ("Final EIR"), including Responses to Comments, Errata and all other documents incorporated therein, written and oral testimony given at meetings and hearings, and submission of testimony from the public, organizations and regulatory agencies, any potential environmental impacts associated with the Project, the proposed consolidation of the Conservation District with the Valley District, are less than significant and do not require mitigation.

4.0 FINDINGS REGARDING ENVIRONMENTAL IMPACTS NOT REQUIRING MITIGATION

LAFCO hereby finds that the following potential environmental impacts of the Project are less than significant and therefore do not require the imposition of mitigation measures.

A. AESTHETICS

1. Impact: The proposed Project does not have potential to cause significant adverse impacts on aesthetics. (Draft EIR ("DEIR"), Appendix A, *Initial Study* p. 9.) The Project would not have a substantial adverse impact on a scenic vista; it would not substantially damage scenic resources; it would not substantially degrade the existing visual character or quality of the site or its surroundings; and it would not create a new source of substantial light or glare which would adversely affect day or nighttime views in the area. (*Id.*) Therefore, the Project would have no impact on aesthetics, aesthetic impacts are less than significant and no mitigation is required.

Supporting Explanation: The proposed Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 9.) With no known physical changes in the environment identified in conjunction with the proposed consolidation, this action has no potential to have an

impact on any aesthetic characteristic within the Project area. (*Id.*) Therefore, the approval of the Project has no potential to cause any direct or indirect substantial alteration of the visual character and setting of the Project area compared with what would occur without the Project and, thus, this impact is less than significant. (*Id.*) Further, the proposed Project will not impede scenic vistas, degrade visual resources, or modify any night lighting in a manner that could cause substantial light or glare impacts that would affect either day or nighttime views within the Project area. (*Id.*) Therefore, all impacts on aesthetics are less than significant.

B. AGRICULTURAL RESOURCES

1. Impact: The Project has no potential for causing direct significant adverse impacts on agricultural issues through the implementation of the consolidation of the Conservation District with the Valley District. (DEIR, Appendix A, *Initial Study* p. 10.) The Project would not convert Prime Farmland, Unique Farmland or Farmland of Statewide Importance (collectively "Farmland") to non-agricultural use. Therefore, the Project would have no impact on Farmland, this impact is less than significant and no mitigation is required. (*Id.*)

Supporting Explanation: The Project area contains limited Farmland because agriculture has already replaced by urban and suburban development. (DEIR, Appendix A, *Initial Study* p. 10.) The consolidation of the two Districts would not cause any direct physical modifications to the residual agricultural resources located in the Project area because LAFCO does not authorize any construction activities. (*Id.*) Therefore, the Project has no potential to directly convert Farmland to non-agricultural use and this impact is less than significant. (*Id.*)

2. Impact: The Project has no potential for a conflict with existing zoning for agricultural use, or a Williamson Act contract. (DEIR, Appendix A, *Initial Study* p. 10.) Thus, the Project would have no impact on existing zoning or Williamson Act contracts, this impact is less than significant and no mitigation is required.

Supporting Explanation: No changes to the existing land use can occur in conjunction with the approval of this Project. (DEIR, Appendix A, *Initial Study* p. 10.) Therefore, the Project cannot conflict with existing zoning for agricultural use or a Williamson Act contract, this impact is less than significant and no mitigation is required. (*Id.*)

3. Impact: The Project would not involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use. (DEIR p. 4-3.) This Project would not directly cause the conversion of Farmland and the Valley District's water management practices would not significantly impact water resources available to agricultural operations in the area, causing conversion to non-agricultural use. (DEIR p. 4-5 to 4.6.) Thus, this impact is less than significant and no mitigation is required.

Supporting Explanation: As discussed above, the Project would not cause any direct identifiable physical impacts to the environment. (DEIR p. 3-9.) Regardless, this impact could potentially be significant if Valley District were to manage water resources in a manner that creates hardship for agricultural operations in the area (such as reducing the water supply), causing owners to convert their land from an agricultural use to other land uses. (DEIR p. 4-5.)

Valley District outlines how they will manage water resources after consolidation in the LAFCO 3076 Plan for Service and in the Santa Ana River Water Right Applications for Supplemental Water Supply ("SAR Water Rights Applications") Final EIR. (*Id.*; see also DEIR, Appendices B, *Plan for Service* and E, *SAR Water Rights Applications Final EIR (Selected*

Materials.) With approval of their pending SAR Water Right Applications, Valley District and Western Municipal Water District are proposing to divert water at points of delivery above Seven Oaks Dam in addition to water already diverted per the Santa Ana River-Mill Creek Cooperative Water Project ("CWP"). (DEIR p. 4-5.) Valley District received approval from the State Water Resources Control Board ("SWRCB") on February 21, 2008 for Temporary Permit 21212, allowing up to 42,100 af of Santa Ana River water diversions. (*Id.*) They are also proposing to initiate new points of delivery downstream of the Seven Oaks Dam in order to convey Santa Ana River water for direct delivery to water treatment plants and other users in the region; to spreading grounds for groundwater recharge; and, to regional water facilities for exchange. (*Id.*)

As part of the pending SAR Water Rights Applications, in the wettest of years, when the largest diversions from the Santa Ana River would occur, up to approximately 200,000 acre feet of water could be available for exchange. (DEIR p. 4-5.) This water could be used in an exchange if (a) no local purveyors are able to take direct delivery of the water; (b) no local spreading facilities with adequate capacity are available or recharge of the water would be inconsistent with groundwater management goals; and, (c) conveyance capacity is available. (*Id.*)

Valley District's proposed diversions and conveyance of water from the Santa Ana River, and operations involving groundwater recharge, will not significantly impact agricultural resources. (DEIR p. 4-5.) Local purveyors and groundwater recharge basins have first priority over water export and water exchanges. (*Id.*) In addition, many of these agricultural users have their own water rights and would not be affected by the Project at all. (*Id.*) As noted in the appendices to the LAFCO 3076 Plan for Service and as further discussed in the Integrated Regional Water Management Plan ("IRWMP"), Valley District is bound by and committed to certain minimum flow requirements at the Santa Ana Narrows, and is obligated to recharge the groundwater basin as stipulated in various agreements, judgments and memoranda of understanding. (*Id.*; see also DEIR, Appendices B, *Plan for Service* and F, *IRWMP (Selected Materials)*.)

The Project would not cause a direct physical impact to the environment and Valley District's management of water resources, including potential water exports or exchanges, would not indirectly jeopardize the water supply of agricultural users. (DEIR p. 4-5 to 4-6.) Therefore, this impact is less than significant and no mitigation is required.

C. AIR QUALITY

1. Impact: The Project has no potential to cause any direct or indirect air emissions that would have a potential to degrade air quality; violate any air quality standard or contribute significantly to an existing or projected air quality violation; result in cumulative considerable net increase of a criteria pollutant for which the region is non attainment under an air quality standard; expose sensitive receptors to substantial pollutant concentrations; or create any objectionable odors. (DEIR, Appendix A, *Initial Study* p. 11.) Further, the proposed Project does not encompass any changes in activities which could be in conflict with or obstruct the implementation of any adopted air quality plan. (*Id.*) Therefore, the Project would have no impact on air quality, all air quality impacts are less than significant and no mitigation is required.

Supporting Explanation: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 11.) Because the Project will not cause any known physical

changes to the environment, it does not have the potential to generate any new air emission and cause significant air quality impacts. (*Id.*) All air quality impacts are less than significant and no mitigation is required.

D. BIOLOGICAL RESOURCES

1. Impact: The Project will not have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or the U.S. Fish and Wildlife Service. (DEIR pp. 4-7, 4-21.) Therefore, this impact is less than significant and no mitigation is required.

Supporting Explanation: The Project will not directly impact any designated species because no grading, construction or other activity that would cause physical changes to the environment are proposed as part of the Project. (DEIR p. 4-17; DEIR, Appendix A, *Initial Study* p. 13.) However, comment letters have raised the possibility that the transfer of operational authority to Valley District and any resulting change in management practices might indirectly impact biological resources. (DEIR, Appendix A, *Initial Study* p. 12.)

Potential Impact 4.2-1: The Upper Santa Ana River Wash Land Use Management Plan ("Wash Plan") is a proposed land use management plan and a habitat conservation plan that was prepared with the coordination of several entities, including the Conservation District, the Cities of Highland and Redlands, the County of San Bernardino Flood Control District, the County of San Bernardino, the U.S. Department of Interior, the Bureau of Land Management, and the East Valley Water District. (DEIR p. 4-14.) One element of the Wash Plan is to designate certain areas within the Santa Ana River wash area for habitat preservation. (*Id.*)

The Valley District voluntarily entered into a contract with Redlands under which it has agreed to cooperate in the CEQA documentation and implementation of the Wash Plan following consolidation. (DEIR p. 4-14; see also DEIR, Appendix B, *Plan for Service, Appendix B, Memorandum of Understanding ("MOU") – Valley District and Redlands.*) Under this MOU, the Valley District is obligated to continue processing the Wash Plan, including complying with subsequent implementation measures such as the EIS, permits and approvals. Furthermore, the Valley District does not have a unilateral right to amend the Wash Plan. (DEIR p. 4-18.) Rather, pursuant to the MOU, the Wash Plan may only be amended in cooperation with the other coordinating agencies. (*Id.*)

In addition, since the Project Draft EIR was prepared, the Conservation District has certified the Wash Plan Final EIR and the Valley District has adopted a resolution making a formal declaration of support for the Wash Plan. (Final EIR ("FEIR") p. 7; see also FEIR, Attachment D, *Valley District Resolution.*) The Wash Plan Environmental Impact Statement ("EIS") and Habitat Conservation Plan ("HCP") are anticipated to be completed by the Fall of 2009. (*Id.*)

Therefore, the Project would not result in new significant impacts to biological resources due to the Valley District's substitution as lead agency for the Wash Plan.

Potential Impact 4.2-2: The Project will not result in new significant physical impacts to biological resources as it relates to an element of the Wash Plan which proposes to use 100,000 acre-feet of water per year for wildlife enhancement. (DEIR p. 4-18; see also DEIR, Appendix D, *Correspondence, Center Letter, January 19, 2007.*) This water is not currently

being used for wildlife enhancement. (*Id.*) While the Conservation District filed a water rights application (No. 31371) that identified the use of 70,000 acre-feet per year for wildlife enhancement, the Conservation District later filed a letter with SWRCB withdrawing this portion of its application. (Letter from D. Burnell Cavender to M. Moody dated January 15, 2003; DEIR pp. 4-18 to 4-19; Final EIR ("FEIR") pp. 8, 29, 30.) Thus, the Conservation District abandoned any future plans to divert the water referred to by the Center. (DEIR p. 4-19.) In early November 2008, the Conservation District adopted a resolution recommending certification of the Wash Plan EIR in which it stated its intent to continue historical recharge practices, under which all of its water rights were used for water recharge practices not wildlife enhancement. (FEIR p. 9.) Consequently, the proposed consolidation will have no impact on the amount of water available for wildlife enhancement purposes. (DEIR p. 4-19; FEIR pp. 8-9.)

Furthermore, the Valley District has various legal and stewardship obligations to ensure the continued effective management of groundwater resources. (FEIR p. 9.) The Valley District is the lead agency on the IRWMP, which includes provisions for wildlife enhancement. (*Id.*) The Valley District is obligated to maintain specified minimum groundwater levels through various judgments and agreements. (*Id.*) Also, LAFCO would condition approval of the Valley Districts LAFCO 3076 application on the continued use of the Conservation District's assets and revenues for groundwater management of the Bunker Hill Basin. (*Id.*)

For all of these reasons, the Project would not result in significant physical impacts to biological resources. (DEIR p. 4-19; FEIR pp. 8-9.)

Potential Impact 4.2-3: Potential impacts caused by Valley District storing additional water behind Seven Oaks Dam are unrelated to the Project because the Project does not propose storing additional water behind the dam. However, such impacts were analyzed in the SAR Water Rights Applications Final EIR and mitigation measures were developed to address potential adverse impacts on the San Bernardino kangaroo rat and the Santa Ana River woolly-star habitats due to reductions in the frequency and extent of overbank flooding. (DEIR pp. 4-19, 4-20.) LAFCO finds that the Project is consistent with the SAR Water Rights Application EIR and that the SAR Water Rights Application EIR was not challenged and is conclusively presumed to comply with CEQA. (State CEQA Guidelines §15231.) The SAR Water Rights Applications Final EIR concludes that the mitigation measures, including the monitoring and removal of invasive non-native species and the restoration of kangaroo rat and woolly-star habitat, would reduce the impacts to a less than significant level. (DEIR p. 4-20.) The SAR Water Rights Applications are independent from the Project and will move forward regardless of the Project and LAFCO 3076 approval. (*Id.*; FEIR p. 17.) The potential significant impacts resulting from actions taken pursuant to the Applications are not attributable to the Project and, as such, mitigation measures required by the Applications Final EIR are not required here. (DEIR p. 4-20.) The Project itself would not result in increased water storage behind the Seven Oaks Dam or any other significant impacts requiring mitigation. Therefore, the Project will not result in new significant physical impacts to biological resources caused by increased storage behind the Seven Oaks Dam. (*Id.*)

In addition, existing agreements, judgments, memoranda of understanding and related regulatory and legal documents, including the Seven Oaks Accord and recent amendment, in addition to commitments set forth in the recently adopted IRWMP, will protect water flow, groundwater and related biological resources in the Project area. (DEIR pp. 4-18, 4-19.)

For all of the reasons stated above, the Project will not have a substantial adverse effect, either directly or through habitat modifications, on any candidate, sensitive, or special status

species. This impact is less than significant and no mitigation is required.

2. Impact: The Project will not have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service. (DEIR pp. 4-7, 4-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Project will not directly impact any riparian habitat or other sensitive natural community because no grading, construction or other activities that would cause physical changes to the environment are proposed as part of the Project. (DEIR p. 4-17; DEIR, Appendix A, *Initial Study* p. 13.) The Project will not indirectly impact riparian habitat or other sensitive natural community for the reasons discussed under Potential Impacts 4.2-1 through 3 in D.1, above. (DEIR p. 4-17.) In addition, commitments set forth in the recently adopted IRWMP, existing agreements, judgments, memoranda of understanding and related regulatory and legal documents protect water flow and water resources in the Project area. (DEIR pp. 4-18, 4-19.)

3. Impact: The Project will not have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act through direct removal, filling, hydrological interruption, or other means. (DEIR pp. 4-7, 4-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Project will not directly cause filling, directly cause a hydrological interruption, or otherwise impact wetlands by any other direct means because no grading, construction or other activities that would cause physical changes to the environment are proposed as part of the Project. (DEIR p. 4-17; DEIR, Appendix A, *Initial Study* p. 13.) The Project will not indirectly have a substantial adverse effect on wetlands for the reasons discussed under Potential Impacts 4.2-1 through 3 in D.1, above. In addition, commitments set forth in the recently adopted IRWMP, existing agreements, judgments, memoranda of understanding and related regulatory and legal documents protect water flow and water resources in the Project area. (DEIR pp. 4-18, 4-19.)

4. Impact: The Project will not interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites. (DEIR pp. 4-7, 4-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Project will not directly interfere with the movement of any species, an established wildlife corridor, or the use of a native wildlife nursery site because no grading, construction or other activities that would cause direct physical changes to the environment are proposed as part of the Project. (DEIR p. 4-17; DEIR, Appendix A, *Initial Study* p. 13.) The Project will not indirectly have a substantial adverse effect on these thresholds for the reasons discussed under Potential Impacts 4.2-1 through 3 in D.1, above. In addition, commitments set forth in the recently adopted IRWMP, existing agreements, judgments, memoranda of understanding and related regulatory and legal documents protect water-based habitats and corridors in the Project area. (DEIR pp. 4-18, 4-19.)

5. Impact: There is no potential for this Project to conflict with local policies or ordinances protecting biological resources. (DEIR, Appendix A, *Initial Study* p. 13.) The Project would not impact local policies or ordinances protecting biological resources, this impact is less than significant and no mitigation is required.

Supporting Explanation: The proposed Project does not include any direct physical modification to the existing facilities. (DEIR Appendix A, *Initial Study* p. 13.) Consolidation of the two Districts without any identifiable direct physical modifications to the existing biological resources located in the Project area eliminates the potential for conflict with local policies or ordinances protecting biological resources, such as tree preservation or protection ordinances. (*Id.*) Thus, no direct conflicts with such ordinances would result, this impact is less than significant and no mitigation is required. (*Id.*)

6. Impact: The Project would not conflict with the provisions of an adopted Habitat Conservation Plan ("HCP"), Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. (DEIR pp. 4-7, 4-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Wash Plan, which includes a proposed HCP, has been proposed and analyzed by the Conservation District in a certified Final EIR. (DEIR pp. 4-14 to 4-15, 4-18; FEIR p. 7.) LAFCO finds that the Project is consistent with the Wash Plan EIR and that the Wash Plan EIR was not challenged and is conclusively presumed to comply with CEQA. (State CEQA Guidelines §15231.) The Wash Plan EIS and HCP are not anticipated to be complete until the Fall of 2009. (FEIR p. 7.) Regardless, for the reasons discussed under Potential Impacts 4.2-1 and 2 in D.1 above, the Project and the Valley District's management of the District pursuant to the Project would not conflict with the Wash Plan. (DEIR pp. 4-18, 4-19.) In particular, the Valley District has already adopted a resolution that makes a formal declaration of support for the Wash Plan. (FEIR pp. 7, 24.) In addition, as a successor to the Conservation District's signatory obligations under the HCP Implementation Agreement, as part of LAFCO 3076 and contractual obligations, the Valley District would be bound by the Wash Plan HCP conditions. (FEIR p. 24.)

The Project does not have the potential to conflict with any other plans, including the Bureau of Land Management Areas of Critical Concern Research Natural Area, the Santa Ana River Wolly-Star Preservation Area, or the Robertson's Haul Road Conservation Easement, because the Project does not involve the physical alteration of facilities, grading, construction or any other activity, inside or outside of the areas protected by these plans, that would alter the physical environment in any way. (DEIR pp. 4-15, 4-17.)

For all of these reasons, the Project would not conflict with the provisions of an HCP, Natural Community Conservation Plan, or any other approved local, regional, or state habitat conservation plan, this impact is less than significant, and no mitigation is required.

E. CULTURAL RESOURCES

1. Impact: The Project would have no impact on historical resources, archaeological resources, paleontological resources, or human remains. (DEIR, Appendix A, *Initial Study* p. 14; FEIR p. 3.) Thus, the Project would have no impact on cultural resources, impacts related to cultural resources will be less than significant and no mitigation is required.

Supporting Explanation: The Project consists of the consolidation of the Conservation District and the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 14; FEIR p. 3.) Any changes in operation will use the existing facilities of the two Districts. (*Id.*) Because the Project will not cause any known physical changes in the environment, either directly or indirectly, the Project has no potential to disturb or

otherwise damage any historical, archaeological, paleontological, or human remains or otherwise have any direct or indirect impact on any cultural resource within the Project area. (*Id.*) Therefore, no impacts to cultural resources will result from implementation of the Project, the Project's impact on cultural resources will be less than significant and no mitigation is required. (FEIR, pp. 3-4.)

F. GEOLOGY AND SOILS

1. Impact: The Project has no potential to expose people or structures to substantial adverse effects, including the risk of loss, injury or death involving the rupture of a known earthquake fault, seismic shaking or ground failure, or landslides. (DEIR, Appendix A, *Initial Study* p. 15.) The Project would have no impact due to fault lines, seismic shaking or landslides, this impact is less than significant and no mitigation is required.

Supporting Explanation: Several major fault lines pass through the Project area and, in fact create critical groundwater boundaries. (DEIR, Appendix A, *Initial Study* p. 16.) As a result, the Project area will experience strong ground shaking in the future. (*Id.*) These ground shaking events may cause liquefaction or other ground failure hazards. The Project area may also experience landslides resulting from seismic events. However, the proposed Project will not build new facilities or modify existing facilities that might be impacted by any fault rupture or seismic activities. (*Id.*) Further, the Project does not propose any operational changes that could affect existing faults or future seismic activity. (*Id.*) Because the Project will not directly or indirectly cause any known physical changes in the environment, the Project has no potential to impact any geology or soils issue within the Project area, including those related to fault lines, seismic activity and landslides. (DEIR, Appendix A, *Initial Study* pp. 15-16.) This impact is less than significant and no mitigation is required.

2. Impact: The Project has no potential to impact any geology or soils issue within the Project area, including soil erosion or the loss of topsoil; unstable soil that result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse; expansive soil creating substantial risks to life or property; and soil incapable of supporting septic tanks or alternative waste disposal systems in the absence of sewers. (DEIR, Appendix A, *Initial Study* p. 15.) The Project would have no impact on these issue areas, potential impacts are less than significant and no mitigation is required.

Supporting Explanation: The Project does not propose to construct any new facilities or make any physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 16.) As a result, the Project will not directly or indirectly cause any known physical changes in the environment and has no potential to have any direct or indirect impact on soil erosion, topsoil, unstable soil, expansive soil, or soil limitations to receive wastewater in the Project area. (*Id.*) These impacts are less than significant and no mitigation is required.

G. HAZARDS AND HAZARDOUS MATERIALS

1. Impact: The Project has no potential to require the routine transport, use or disposal of hazardous materials; to release hazardous materials into the environment creating a significant hazard to the public or the environment; to emit any hazardous emissions or cause the presence of any hazardous materials inside or outside of a quarter mile radius of a school; to impact a known hazardous materials site in a way that creates a hazard to the public or the environment; to impact the operations of any public or private airports within the Project area; to interfere with any emergency response plan or emergency evaluation plan; or to expose new

facilities or people to any wildland fire hazards. (DEIR, Appendix A, *Initial Study* pp. 18-19.) The Project would have no impacts related to hazards and hazardous materials, these impacts are less than significant and no mitigation is required.

Supporting Explanation: There are known hazardous materials sites and two public airports, Redlands Airport and the San Bernardino International Airport, within the Project area. (DEIR, Appendix A, *Initial Study* p. 19.) However, the Project does not propose to make any changes to these sites, airports, or any other aspect of the physical environment within the Project area. (*Id.*) The Project would not construct any new facilities or make physical alterations to any existing facilities. With no known physical changes in the environment identified in conjunction with the proposed consolidation, directly or indirectly, the Project has no potential to cause any of the above impacts related to hazards or hazardous materials. (*Id.*) Therefore these impacts are less than significant and no mitigation is required.

H. HYDROLOGY, WATER QUALITY AND WATER SUPPLY

1. Impact: The Project will not violate any water quality standards or waste discharge requirements or otherwise substantially degrade water quality. (DEIR p. 27; DEIR, Appendix A, *Initial Study* pp. 20-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: While the thresholds of significance found in Appendix G of the State CEQA Guidelines were utilized in preparation of the Initial Study and it was found that the Project would have no significant impacts as related to those thresholds, LAFCO identified and analyzed several additional thresholds of significance based upon comments from the Center and the Conservation District.

Potential Impact 4.3-1: The Project will not impact water quality and water supply on the basis that the Valley District does not have the legal right to charge a groundwater usage tax because there is no correlation between the groundwater assessment and the amount of water pumped from the basin. (DEIR, p. 4-28.)

The groundwater assessment tax is levied on water pumpers, which are typically agricultural operations and water providers, not consumers. (FEIR p. 5.) Between 2000 and 2004, the Conservation District raised its rates for water pumped for agricultural and non-agricultural purposes by 32 and 34 percent, respectively. (DEIR, p. 4-28.) The rate for agricultural water increased from \$1.25 per acre-foot ("AF") to \$1.65 per AF. (*Id.*) The rate for non-agricultural water increased from \$4.50 per AF to \$6.05 per AF. (*Id.*) Yet, the total extractions by Redlands and East Valley Water District, the two water purveyors that comprise the majority of the area subject to the tax, were virtually unchanged. (*Id.*)

Water agencies' groundwater pumping is driven by various factors beyond the payment of an assessment, including consumer demand, supply options, water rights limitations, and agreements and judgments. (FEIR p. 5.) Water agencies will meet their demand in the most cost effective manner. As a result, a groundwater assessment which represents a relatively small fraction of an individual water agency's overall water supply cost, like the one at issue here, will not have a direct effect on water conservation. (FEIR pp. 5-6.) For example, the City of Riverside, the largest assessment payee, paid close to \$200,000 in groundwater assessments in 2007 but this amounted to less than 1/50th of one percent of its total annual revenues of \$639,000,000. (FEIR p. 6.)

As demonstrated in the Plan for Service, the loss of the groundwater usage tax would be more than offset by the cost savings that would result from the consolidation, some of which would be available to fund the enhancement of groundwater recharge operations. (FEIR p. 6; see also DEIR, Appendix B, *Plan for Service* pp. 23-32.) An updated cash flow analysis shows that consolidation under the Project would save over \$1 million each year. (FEIR p. 6; see also FEIR, Attachment C, *Valley District Financial Data*.) Of this amount, \$700,00 would represent a direct reduction in cost to taxpayers (\$620,000 in groundwater charges and \$80,000 in property taxes) and the remaining \$300,000 would be available to enhance groundwater recharge operations. (*Id.*) Thus, the loss of the groundwater usage tax would not cause a loss in funding for recharge efforts. (*Id.*)

In addition, Valley District will be required to comply with certain minimum flow requirements at the Santa Ana Narrows and to recharge the groundwater basin as stipulated in various agreements, judgments and memoranda of understanding, thereby insulating the groundwater from impacts. (DEIR pp. 4-28 to 4-29, 4-35 to 4-43, Table 4.3-1.)

Thus, the Project's impact on the quality and supply of groundwater due to Valley District's inability to assess a groundwater tax will be less than significant and no mitigation is required.

Potential Impact 4.3-2: The Project does not impact groundwater quality based on the source of water used for recharge. (DEIR pp. 4-27, 4-29; see also DEIR, Appendix D, *Correspondence, Conservation District Letter, September 19, 2005*.) Water quality testing performed by the Metropolitan Water District of Southern California of State Water Project water at the Henry Mills Treatment facility between 1979 and 2005 show a means TDS level of 267 milligrams per liter ("mg/L"), with levels reaching as high as 455 mg/L. (DEIR p. 4-29.) A study of Santa Ana River water performed by CDM for East Valley Water District in 2005 shows an average TDS level of 200 mg/L. (*Id.*)

The impacts related to any shift in supply were analyzed and mitigation measures were developed for these impacts during the preparation of the SAR Water Rights Applications Final EIR. (DEIR p. 4-29; see also DEIR, Appendix E, *SAR Water Right Applications Final EIR (Selected Materials)*.) LAFCO finds that the Project is consistent with the SAR Water Rights EIR. The SAR Water Rights Applications are independent from the Project and will move forward regardless of the Project and LAFCO 3076. (*Id.*; FEIR p. 17.) The potential significant impacts resulting from actions taken pursuant to the Applications are not attributable to the Project and, as such, mitigation measures required by the Applications Final EIR are not required here. (DEIR p. 4-29.)

In addition, the Valley District would comply with various regional TDS standards and control mechanisms. TDS begins to affect the potential use of water when levels reach between 500 and 1000 mg/L, and at 2000 mg/L water is brackish and generally unusable. (DEIR p. 4-30.) The Santa Ana Regional Water Quality Control Board ("SARWQCB") adopts water quality objectives for groundwater TDS levels. (*Id.*) In June 2007, Upper Santa Ana River water users reached a "Cooperative Agreement" to protect water quality and protect conjunctive uses of imported water in the basin. (*Id.*) The Agreement allows for the monitoring and improvement of water quality consistent with SARWQCB water quality objectives. (*Id.*) The Agreement addresses the use of imported water for groundwater recharge and requires compliance with the Salinity Objectives for groundwater management zones. (*Id.*)

The IRWMP recommends managing TDS levels by assigning a credit when levels are

lower than the limit and a debt when levels are higher than the limit. (DEIR p. 4-30.) If the account falls below zero, implementation of the region mitigation measures would be required until a positive balance is achieved. (*Id.*)

Therefore, this potential impact is less than significant and no mitigation is required.

Potential Impact 4.3-3: The transfer of Mill Creek water rights to historic water rights holders and any resulting changes in management of the water rights or operation of the Mill Creek facilities do not result in significant impacts because the Project proposes no change in operations. (DEIR pp. 4-27, 4-30.) The Project proposes to transfer the Conservation District's water rights to Mill Creek to the historic water rights holders, the Mill Creek Water Owners, Crafton Water Company, and Redlands in accordance with the MOU between Valley District and Redlands. (DEIR p. 4-31.)

From 1921 to 1979, Redlands held a fee ownership interest in the Mill Creek recharge facilities. (DEIR p. 4-30.) Redlands sold its fee ownership to the Conservation District in 1979 to ensure continued recharge. (*Id.*) Redlands has determined that it can effectively resume the responsibility for maintaining the water facilities and facilitating recharge operations. (DEIR p. 4-30.) Redlands would do so under the terms of existing agreements and under the guidance of the Valley District. (DEIR pp. 3-22, 4-31.) In particular, the MOU between Redlands and the Valley District would impose conditions upon the transfer. (DEIR p. 4-30.) For example, pursuant to Government Code section 56886, as a condition of approval of this Project, LAFCO would require the transfer to be conditioned upon the continued use of the facilities for water conservation. (DEIR p. 3-22; FEIR p. 4.) Under the Project, no changes in the operation of the Mill Creek water rights is proposed or anticipated. (DEIR p. 4-31.) In fact, the same groundwater management framework will apply to the Mill Creek recharge operation no matter which agency is responsible for day-to-day operations. (DEIR p. 3-22; see also DEIR, pp. 4-31, 4-35 to 4-43, Table 4.3-1; see also DEIR, Appendices B and F.)

Therefore, this proposed impact is less than significant and no mitigation is required.

Potential Impact 4.3-4: The transfer of Mill Creek recharge facilities to Redlands will not cause water supply and water quality impacts. (DEIR pp. 4-27, 4-31; see also DEIR, Appendix D, *Correspondence, Conservation District Letter, September 19, 2005.*) The MOU between Valley District and Redlands imposes conditions upon the facility transfer. (DEIR p. 4-31.) In addition, LAFCO may add conditions that place enforceable limits upon the transfer of assets and water rights as part of the LAFCO 3076 review process. (*Id.*) For example, pursuant to Government Code section 56886, LAFCO would require the transfer to be conditioned upon the continued use of the facilities for water conservation. (DEIR p. 3-22; FEIR p. 4.)

Because Redlands' wells are the primary beneficiaries of Mill Creek water, Redlands may be the appropriate agency to own and operate the Mill Creek facilities, regardless of the existence of the Conservation District. (DEIR p. 4-31.) It would be highly speculative to assume that Redlands would change operation of the facilities, particularly to operate in a less efficient manner, since the availability of Mill Creek water is essential to Redlands. (*Id.*) Furthermore, the Conservation District's comments assume that Conservation District is currently recharging in the most efficient manner but, since the Conservation District acquired the facilities, Redlands has determined that its needs related to Mill Creek water have not been met. (DEIR p. 4-31.) Therefore, Redland may in fact increase the efficiency of recharge operations. Redlands operates other water facilities in the Mill Creek area where they employ adequate maintenance staff to properly and efficiently facilitate daily recharge operations. (DEIR p. 4-32.) With the

direct involvement of the Valley District, Redlands will operate per existing agreements, including the Seven Oaks Accord. (*Id.*)

The Project is not anticipated to result in any change in operation, no matter which agency is responsible for day-to-day recharge operations. (DEIR p. 4-32.) In fact, the same groundwater management framework will apply to the Mill Creek recharge operation regardless of the operating agency. (DEIR p. 3-22; see also DEIR pp. 4-35 to 4-43, Table 4.3-1; DEIR, Appendix B, *Plan for Service*, DEIR pp. 4-32; see also DEIR, Appendix F, *IRWMP (Selected Materials)*.) It is not foreseeable that the Project will result in any such operational changes. (FEIR pp. 20-12.)

The Project would not result in significant impacts to water supply or water quality as a result of a change in ownership of the Mill Creek facilities. (DEIR p. 4-32.) This potential impact is less than significant and no mitigation is required.

Potential Impact 4.3-5: The Conservation District has suggested that the Project will result in significant impacts to water quality and water supply because the Valley District will request the appointment of a new agency to perform project manager duties for the Santa Ana River-Mill Creek Cooperative Water Project ("CWP"), potentially also causing temporary absence. (DEIR pp. 4-28, 4-32.) It would be speculative to assume that environmental impacts would occur because of a change in, or even a temporary lack of, a Project Manager to perform project manager duties for the CWP. (DEIR p. 4-32.) The CWP has established a protocol for selecting a Project Manager and it is presumed that CWP would routinely select a new Project Manager in this situation, where the Conservation District is removed as a participant. (*Id.*; FEIR p. 30.) Because Valley District is currently a member of CWP, Valley District could fulfill the role of Project Manager if selected by CWP. (FEIR p. 30.) Thus, the evidence does not support a finding that the Project would result in a significant impact to water supply or water quality as a result of a change in or temporary lack of a Project Manager for the CWP. (*Id.*) This impact is less than significant and no mitigation is required.

Potential Impact 4.3-6: The Project will not cause a significant impact to water quality and water supply even if the Valley District will seek to be appointed to the Big Bear Watermaster Committee in the Conservation District's place and may fail to serve the role that the Conservation District currently serves. (DEIR pp. 4-28, 4-32.) The Big Bear Watermaster Committee ensures that the flows that should or that have the potential to contribute to the groundwater basin are not misused or lost. (DEIR p. 4-33.) There are three court-appointed members of the Committee: Big Bear Mutual Water Company, Big Bear Municipal Water District, and the Conservation District. (DEIR p. 4-32; FEIR p. 30.) The Conservation District maintains that its primary role as a member is "to protect the integrity of the basin." (*Id.*) The Valley District has performed that role in regards to both the Western Judgment and the Big Bear Judgment. (*Id.*; FEIR p. 30.) For example, in 1989, the Valley District was forced to file suit against the Big Bear water entities and the Conservation District in an effort to protect the integrity of the basin from efforts by the Big Bear Watermaster to reduce the available groundwater supply. (*Id.*) Furthermore, the Valley District would be bound by various regulations, agreements, judgments, memoranda of understanding and related legal documents. (DEIR pp. 4-33, 4-35 to 4-43, Table 4.3-1.) Table 3-3 lists the current responsibilities of the Conservation District and how these responsibilities would be assigned following consolidation under the Project. (*Id.*; DEIR pp. 3-17 to 3-18, Table 3-3; see also FEIR pp. 23, 28 (making corrections to Table 3-3).) There has been no evidence submitted to suggest that the Valley District would perform its duties as a member of the Committee in a manner that would result in significant impacts to water quality or water supply. (*Id.*) This

impact is less than significant and no mitigation is required.

Potential Impact 4.3-7: The Project will not result in changes in groundwater management that could result in an increase in contaminant plume size and/or extent. (DEIR pp. 4-28, 4-33; see also DEIR, Appendix D, *Correspondence, Conservation District Letter, September 19, 2005.*) The Project does not propose any physical construction, and no changes in operation or management have been identified that could lead to significant environmental impacts. (DEIR p. 4-33.) In addition, the Valley District will continue to be bound by various judgments, agreements, memoranda of understanding, water rights and related regulatory and legal documents, including the IRWMP and the Seven Oaks Accord, which will protect basin groundwater and related resources. (*Id.*; DEIR pp. 4-35 to 4-43, Table 4.3-1; FEIR p. 32.) Furthermore, impacts related to contamination plumes and mitigation measures designed to reduce those impacts were developed during preparation of the SAR Water Rights Applications Final EIR. (DEIR p. 4-33; DEIR, Appendix E, *SAR Water Rights Applications Final EIR (Selected Materials).*) Following implementation of the mitigation measures, the SAR Water Rights Applications impacts would remain significant and unavoidable because the boundaries of the plumes caused by the SAR Water Rights Applications may continue to extend beyond current limits. (DEIR p. 4-33.) Regardless, the plume impacts and mitigation measures apply only to the SAR Water Rights Applications, are independent from the Project and will proceed regardless of the Project. (*Id.*) The Project will not result in significant impacts to water quality and water supply due to plume movement that are not attributable to the SAR Water Rights Applications. (*Id.*) This impact is less than significant and no mitigation is required.

2. Impact: The Project will not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. (DEIR p. 4-27; DEIR Appendix A, *Initial Study* pp. 20-21.) This impact is less than significant and no mitigation is required.

Supporting Explanation: For the reasons discussed in H.1 above regarding Potential Impacts 4.3-1 through 4.3-7, the Project would not have a significant impact on groundwater supplies or groundwater recharge. (DEIR pp. 4-27 to 4-44.) In addition, the Project will not impact the availability of mining revenues used to maintain groundwater management commitments. (FEIR p. 21.) Mining revenue, while variable, is expected to adequately fund ongoing groundwater recharge operations currently conducted by the Conservation District. (FEIR p. 12.) The average mining revenue to the Conservation District over the last 19 years for which data is available is \$895,000 when adjusted for current royalty rates. (*Id.*) However, should future mining revenue decrease, an impact will be felt regardless of the Project. (FEIR p. 21.) In fact, the Project's proposed consolidation will increase the stability of groundwater management funding because the Valley District's larger revenue and ratepayer base would be more likely to sustain groundwater management costs. (FEIR pp. 12-13, 21; compare FEIR, Attachment C, *Valley District Financial Data* with Attachment E, *Conservation District Financial Data.*)

Regardless of mining revenues, the Valley District has commitments to and interests in maintaining groundwater management programs and activities. The Valley District has taken the lead role in the IRWMP, which seeks to ensure balanced management of the region's water resources. (FEIR p. 21.) In addition, the Valley District serves as the San Bernardino Basin Area's Watermaster and is the primary responsible agency for implementing and ensuring the conditions of the Western Judgment. (*Id.*)

For all of the above stated reasons, the Project's impact on groundwater supplies and

groundwater recharge is less than significant and no mitigation is required.

3. Impact: The Project has no potential to impact thresholds related to drainage patterns, runoff, or flood plains. (DEIR p. 4-27; DEIR, Appendix A, *Initial Study* pp. 20-21.) The Project will have no impact on these hydrology issues, these impacts are less than significant, and no mitigation is required.

Supporting Explanation: The Project does not propose any physical changes to any existing facilities and any operational changes would be carried out using existing facilities. (DEIR, Appendix A, *Initial Study* p. 21.) Because the Project is not known to cause any direct or indirect physical changes to the environment, the Project has no potential to create or contribute surface water runoff which would exceed the capacity of existing or planned storm water drainage systems or provide a substantial additional source of polluted runoff within the Project area; place housing within a 100-year flood hazard area; or place other structures within a 100-year flood hazard area which would impede or redirect flood flows. (*Id.*) The Project will have no impact related to drainage patterns, runoff or floodplains, these impacts are less than significant, and no mitigation is required.

4. Impact: The Project has no potential to expose persons or structures to a significant risk of loss, injury or death involving flooding, or inundation by seiche, tsunami or mudflow. (DEIR, Appendix A, *Initial Study* pp. 20-21.) The Project would have no impacts related to flooding, seiche, tsunami or mudflow, these impacts are less than significant and no mitigation is required.

Supporting Explanation: A dam and levees are located within the Project area. (DEIR, Appendix A, *Initial Study* p. 21.) The dam and levees could fail for unknown reasons and cause significant risk of loss, injury or death and inundation store water or mud flow. (*Id.*) However, neither the Conservation District nor the Valley District have any responsibility associated with these facilities or their direct operations. (*Id.*) In addition, because the Project would not cause any known physical changes to the environment, directly or indirectly, the Project itself would not expose persons or structures to these risks. (*Id.*) The Project will have no impact related to flooding or inundation, these impacts are less than significant and no mitigation is required.

I. LAND USE AND PLANNING

1. Impact: The Project would not physically divide an established community. (DEIR, Appendix A, *Initial Study* p. 22.) Thus, the Project would have no impact on established communities, this impact is less than significant and no mitigation is required.

Supporting Explanation: The Project does not propose any physical changes to any existing facilities and any operational changes would be carried out using existing facilities. (DEIR, Appendix A, *Initial Study* p. 22.) Because the Project is not known to cause any direct or indirect physical changes to the environment, the Project has no potential to physically divide land uses within the Project area or any established community. (*Id.*) Therefore, the Project will have no physical impact on established communities, this impact is less than significant and no mitigation is required.

2. Impact: The Project would not conflict with any land use plan, policy, or regulation of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect. (DEIR, Appendix A, *Initial Study* p. 22.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Project may indirectly result in significant impacts to land use or relevant planning if one of the following Potential Impacts is significant.

Potential Impact 4.4-1: The Project will not conflict with the Upper Santa Ana River Wash Land Management and Habitat Conservation Plan ("Wash Plan") if Valley District replaces the Conservation District as the lead agency for the Plan. (DEIR p. 4-48; see also DEIR, Appendix D, *Correspondence, Highland Letter, January 17, 2007* and *Center Letter, January 19, 2007.*)

As discussed under Potential Impact 4.2-1 in D.1 above, Valley District would not create a conflict with the Wash Plan by delaying, unilaterally changing or abandoning Wash Plan. (DEIR p. 4-48.) The Wash Plan was initiated in 1997, the Draft EIR was circulated for public review in March 2008 and the Final EIR was certified in November 2008. (*Id.*; FEIR p. 7.) The Wash Plan EIS and HCP are anticipated to be completed by the Fall of 2009. (FEIR p. 7.) The Valley District voluntarily entered into a contract with Redlands under which it has agreed to cooperate in the CEQA documentation and implementation of the Plan following consolidation under the proposed Project. (DEIR p. 4-18.; see also DEIR, Appendix B, *Plan for Service, Appendix B, Memorandum of Understanding ("MOU") – Valley District and Redlands.*) Under this MOU, Valley District is obligated to continue processing the Wash Plan, including complying with subsequent implementation measures such as the EIS, permits and approvals. In addition, on September 3, 2008, the Valley District adopted a resolution making a formal declaration of support for the Wash Plan. (FEIR p. 7; see also FEIR, Attachment D, *Valley District Resolution.*) Furthermore, the Valley District does not have a unilateral right to amend the Wash Plan. (DEIR p. 4-18.) Rather, pursuant to the MOU, the Wash Plan may only be amended in cooperation with the other coordinating agencies and may require recirculation of the EIR. (DEIR pp. 4-18, 4-49.)

The Wash Plan is not a land use plan; rather, it is simply a proposal to modify land use designations and ownership patterns of the Wash Plan project area. (DEIR pp. 4-47, 4-48.) Various General Plan amendments and other agency permits and/or approvals are required before participating agencies can implement the Wash Plan's proposed uses or activities. (DEIR p. 4-48.) Neither the Wash Plan nor the Valley District is intended to have the authority to implement any of the individual actions contained in the Wash Plan. (DEIR p. 4-49.)

Finally, the Project would not require separate land use approvals, nor would it conflict with proposed land uses identified in the Wash Plan. (DEIR p. 4-49.) For all of these reasons, the Project would not conflict with the Wash Plan, any other land use plan, policy, or regulation, or habitat conservation plan or natural community conservation plan due to the Valley Districts replacement of the Conservation District as lead agency for the Wash Plan. This potential impact is less than significant and no mitigation is required.

Potential Impact 4.4-2: The Project will not conflict with a land use plan, policy, or regulation, habitat conservation plan or natural community conservation plan if existing land uses on the Conservation District properties are sold as part of the consolidation. (DEIR pp. 4-48 to 4-49.) The Valley District's LAFCO 3076 Plan for Service identifies one-time revenue of approximately \$3.2 million to be generated from the sale of Conservation District properties. (DEIR p. 4-49.) The three Conservation District properties that would be sold under the Project include the 52,707 square foot ("SF") "Redlands Plaza" shopping center at 1630 West Redlands Boulevard, Redland, California, and two lots in Mentone, each approximately 104,000 SF, one of which has an existing single family residence. (DEIR p. 4-46.) However, any effort to

evaluate the impacts of a change in land use of the Conservation District properties after they are sold would be highly speculative. (DEIR p. 4-49.) Redlands Plaza is already a fully developed commercial site. (DEIR pp. 4-46, 4-49.) There are no plans to further develop this parcel upon consolidation of the district. (DEIR p. 4-46.) The Mentone parcels are zoned "RM", for multiple residential land uses, including detached and/or mixed residential development. (*Id.*) The RM zoning also permits a variety of non-residential uses such as nurseries and social care facilities. (*Id.*) Other uses such as Planned Developments and animal raising are allowed with a conditional use permit. (*Id.*) There are no plans to develop the Mentone parcels at this time and, if the parcels are proposed for development by developer(s) in the future, they would be required to obtain discretionary approvals and CEQA clearance as required by the County of San Bernardino. (DEIR p. 4-49.) The Project does not provide any added entitlement or approval to allow development of these parcels. (*Id.*) Any proceeds from the sale of Conservation District properties would be deposited in a special Basin Management Account to fund groundwater conservation activities. (*Id.*)

The transfer of Conservation District property to the Valley District without plans to develop or change operations does not require agency approval or General Plan amendments. (DEIR p. 4-49.) Therefore, the transfer of property to the Valley District and the potential sale of certain parcels by the Valley District will not conflict with a land use plan, policy, or regulation, habitat conservation plan or natural community conservation plan. (*Id.*) Evidence does not support a finding that the Project would result in physical changes in the environment that significantly impact land use due to the Valley District's sale of Conservation District property. This potential impact is less than significant and no mitigation is required.

Neither Potential Impact would be significant. Therefore, the Project's impact on land use plans, policies, or regulations is less than significant and no mitigation is required.

3. Impact: The Project would not conflict with any applicable HCP or natural community conservation plan. (DEIR, Appendix A, *Initial Study* p. 22.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Wash Plan includes a HCP but, for the reasons outlined in D.1, D.6, and I.2 above, neither the Valley District's assumption of lead agency duties for the Wash Plan nor the Valley District's proposed sale of Conservation District property would cause a conflict with the Wash Plan HCP, any other habitat conservation plan, or a natural community conservation plan. (*Id.*)

In particular, the Valley District has already adopted a resolution that makes a formal declaration of support for the Wash Plan. (FEIR pp. 7, 24.) In addition, as a successor to the Conservation District's signatory obligations under the HCP Implementation Agreement, as part of LAFCO 3076 and contractual obligations, the Valley District would be bound by the Wash Plan HCP conditions. (FEIR p. 24.) Finally, there are no foreseeable plans to develop or change the uses on the Conservation District properties that are proposed to be sold under the Project and any proceeds from the sales would be used to fund conservation activities. (DEIR pp. 4-46, 4-49.)

The Project does not have the potential to conflict with any other plans, including the Bureau of Land Management Areas of Critical Concern Research Natural Area, the Santa Ana River Wolly-Star Preservation Area, or the Robertson's Haul Road Conservation Easement, because the Project does not involve the physical alteration of facilities, grading, construction or any other activity, inside or outside of the areas protected by these plans, that would alter the

physical environment in any way and such activities would not foreseeably result from the sale of the designated Conservation District properties. (DEIR pp. 4-15, 4-17.)

For all of these reasons, this impact is less than significant and no mitigation is required.

J. MINERAL RESOURCES

1. Impact: The Project will not result in the loss of availability of a known mineral resource of value to the region or the state or a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan. (DEIR p. 4-51.) The Project will have a less than significant impact on mineral resources and no mitigation is required. (*Id.*)

Supporting Explanation: The Project could result in significant impacts to mineral resources if the following Potential Impact is significant.

Potential Impact 4.5-1: The Project will not result in significant environmental impacts to mineral resources if the Valley District replaces the Conservation District as the lead agency for the Wash Plan. (DEIR p. 4-52.)

Mineral resources that may be affected by the Project are located within the Santa Ana Wash area. (DEIR p. 4-51.) The Wash Plan proposed to expand the area currently permitted for aggregate mining from approximately 832 acres to 1,195 acres. (*Id.*) Two of the four aggregate mining or processing companies operating in the Santa Ana Wash area, Cemex Construction Materials, LP ("Cemex") and Robertson's Ready Mix, Inc. ("Robertson's"), are participating in the Wash Plan effort. (DEIR pp. 4-51 to 4-52.) The Conservation District has lease agreements with Cemex, Robertson's and Portland Cement Company on lands within the Wash Plan.

As discussed under Potential Impact 4.2-1 in D.1 and 4.4-1 in I.2, the submitted comments does not suggest that the Valley District would delay, unilaterally change or abandon the Wash Plan. (DEIR p. 4-48.) The Wash Plan was initiated in 1997, the Draft EIR was circulated for public review in March 2008, and the Final EIR was certified in November 2008. (*Id.*; FEIR p. 7.) The Wash Plan EIS and HCP are anticipated to be completed by the Fall of 2009. (FEIR p. 7.) The Valley District voluntarily entered into a contract with Redlands under which it has agreed to cooperate in the CEQA documentation and implementation of the Plan following consolidation under the proposed Project. (DEIR p. 4-18.; see also DEIR, Appendix B, *Plan for Service, Appendix B, Memorandum of Understanding ("MOU") – Valley District and Redlands.*) Under this MOU, Valley District is obligated to continue processing the Wash Plan, including complying with subsequent implementation measures such as the EIS, permits and approvals. (DEIR p. 4-18.) In addition, on September 3, 2008, the Valley District adopted a resolution that made a formal declaration of support for the Wash Plan. (FEIR p. 7; see also FEIR, Attachment D, *Valley District Resolution.*) Thus, subsequent to the consolidation, Valley District would not only be subject to the terms of any existing mining leases that the Conservation District has executed, it would also be committed to implementing the Wash Plan upon approval. (DEIR p. 4-54.) Furthermore, Valley District does not have a unilateral right to amend the Wash Plan. (DEIR p. 4-18.) Rather, pursuant to the MOU, the Wash Plan may only be amended in cooperation with the other coordinating agencies and may require recirculation of the EIR. (DEIR pp. 4-18, 4-49.)

In addition, mineral leases represent considerable ongoing revenue and it would be

speculative to assume that the Valley District would terminate the leases. (DEIR p. 5-54.) For all of these reasons, evidence does not indicate that Valley District's replacement of the Conservation District as lead agency for the Wash Plan will impact mineral resources. (*Id.*) This potential impact is less than significant and no mitigation is required.

Therefore, the Project will not have a direct or indirect impact on mineral resources, all mineral resource impacts are less than significant and no mitigation is required.

K. NOISE

1. Impact: The Project has no potential to expose persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinances, or applicable standards of other agencies; to expose persons to or generation of excessive groundborne vibration or groundborne noise levels; to a substantial permanent, temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project; or to expose people residing or working in the Project area to excessive noise levels where the Project is within an airport land use plan, within two miles of an airport, or within the vicinity of a private airstrip. (DEIR, Appendix A, *Initial Study* p. 24.) Therefore, the Project has no impact on noise, noise impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 24.) Because the Project does not propose, nor will its implementation cause any direct or indirect physical changes to the environment, the Project has no potential to cause any direct or indirect impact on noise generation or noise levels within the Project area. (*Id.*) Therefore, the Project would have no impact on noise thresholds. (*Id.*) These impacts are less than significant and no mitigation is required.

L. POPULATION AND HOUSING

1. Impact: The Project has no potential to directly or indirectly induce substantial population growth; or displace substantial numbers of existing housing or substantial numbers of people, necessitating the construction of replacement housing. (DEIR, Appendix A, *Initial Study* p. 25.) Therefore, the Project would have no impact on population and housing, population and housing impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 25.) Because the Project does not propose, nor will its implementation cause any direct or indirect physical changes to the environment, the Project has no potential to cause any direct or indirect impact on population and housing that would increase the area population, remove any existing housing or displace any people within the Project area. (*Id.*) Therefore, the Project would have no impact on population and housing thresholds. (*Id.*) These impacts are less than significant and no mitigation is required.

M. PUBLIC SERVICES

1. Impact: The Project has no potential to result in substantial adverse physical impacts associated with the provision of new or physically altered government facilities or need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain performance objectives for fire protection,

police protection, schools, parks or other public facilities. (DEIR, Appendix A, *Initial Study* p. 26.) Therefore, the Project would have no impact on public services, public service impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 26.) Because the Project does not propose, nor will its implementation cause any direct or indirect physical changes to the environment, the Project has no potential to cause any direct or indirect impact on the demand for public services, including fire protection, police protection, schools or parks, or the demand for altered governmental facilities with a potential for adverse impact from their construction. (*Id.*) Therefore, the Project would have no impact on public service thresholds. (*Id.*) Public service impacts are less than significant and no mitigation is required.

N. RECREATION

1. Impact: The Project has no potential to directly or indirectly increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated; nor does the Project include recreational facilities or require the construction of recreational facilities which might have an adverse physical effect on the environment. (DEIR, Appendix A, *Initial Study* p. 27.) Therefore, the Project would have no impact on recreation, recreation impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 27.) The Project does not include any recreational facilities or have any potential to increase the demand for use of the Project area for recreational activities. (*Id.*) Because the Project does not propose, nor will its implementation cause any direct or indirect physical changes to the environment, the Project has no potential to cause any direct or indirect impact on the demand for recreation or the demand for new recreation facilities with the potential for adverse impact from their construction. (*Id.*) Therefore, the Project would have no impact on the thresholds listed above. (*Id.*) These impacts are less than significant and no mitigation is required.

O. TRANSPORTATION AND TRAFFIC

1. Impact: The Project has no potential to directly or indirectly cause an increase in traffic; exceed a level of service standard established by the county congestion management agency; cause a change in air traffic patterns; substantially increase hazards due to a design feature or incompatible use; resulting inadequate emergency access; result in inadequate parking capacity; or conflict with adopted policies, plans or programs supporting alternative transportation. (DEIR, Appendix A, *Initial Study* pp. 28-29.) Therefore, the Project would have no impact on transportation and traffic, transportation and traffic impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* p. 28.) Because the Project does not propose, nor will its implementation cause any direct or indirect physical changes to the environment, the Project has no potential to cause any increase in trip generation in support of the consolidation; to

adversely impact or modify air traffic patterns; to modify the design of any roadway or cause an increase in hazards as a result of implementing the Project; to have any impact on emergency access at any location; to create any demand or have any impact on parking capacity requirements at any location within the Project area; or to have any direct or indirect impact on the adopted policies, plans or programs supporting alternative transportation. (DEIR pp. 28-29.) Therefore, the Project would have no impact on transportation and traffic thresholds. (DEIR p. 29.) These impacts are less than significant and no mitigation is required.

P. UTILITIES AND SERVICE SYSTEMS

1. Impact: The Project has no potential to directly or indirectly exceed regional wastewater treatment requirements; require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects; result in a determination by the wastewater treatment provider which serves or may serve the Project that it has inadequate capacity to serve the Project's demand; generate solid waste in excess of the permitted capacity of the landfill(s); or conflict with federal, state, and local statutes and regulations related to solid waste. (DEIR, Appendix A, *Initial Study* pp. 30-31.) Therefore, the Project would have no impact on utilities and service systems, utility and service system impacts are less than significant and no mitigation is required.

Supporting Evidence: The Project consists of the consolidation of the Conservation District with the Valley District with no physical changes to any existing facilities. (DEIR, Appendix A, *Initial Study* pp. 30-31.) Because the Project does not propose, nor will its implementation cause direct or indirect physical changes to the environment, the Project has no potential to generate wastewater that might exceed the wastewater requirements of the SARWQCB; generate additional storm water runoff or require modification of any storm water drainage facilities; have any direct or indirect impact on wastewater operations or a determination by a wastewater treatment provider that its treatment capacity would be impacted; or generate solid waste in a manner different than at the present, or to conflict with any solid waste statutes or regulations. (*Id.*) Therefore, the Project would have no impact on the utility and service system thresholds listed above. (*Id.*) These impacts are less than significant and no mitigation is required.

2. Impact: The Project would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects. (DEIR pp. 4-56 to 4-57.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The Project does not propose the construction of any new facilities, including water or wastewater treatment facilities, nor will its implementation generate the need for new facilities. (DEIR p. 4-56.) Any changes in operations, if any, would be governed by applicable regulatory documents and environmental laws. (*Id.*) As stated in the Plan for Service, the Valley District, in cooperation with Redlands, will continue to operate the recharge facilities in the same manner as the Conservation District. (*Id.*)

The Valley District proposes several water delivery improvements in the SAR Water Rights Applications Final EIR. (DEIR p. 4-56; DEIR, Appendix E, *SAR Water Rights Applications Final EIR (Selected Material)*.) If the applications are approved, it is reasonable to expect that at least some of the improvements will be constructed. (DEIR p. 4-56.) Impacts and mitigation measures for the construction of the proposed improvements are thoroughly

discussed in the Applications Final EIR, are not part of the Project, and, as such, are not discussed in the Project EIR. (DEIR p. 4-56; DEIR, Appendix E, *SAR Water Rights Applications Final EIR (Selected Material)*.) The Project does not propose the construction of any new facilities. It is not foreseeable that the Project will result in any subsequent proposal to construct additional facilities. Thus, it would be speculative to analyze the impacts of any facilities that may or may not be constructed in the future. (*Id.*)

Therefore, because the Project does not propose the construction of new water or wastewater treatment facilities or the expansion of existing facilities, nor is there evidence that it will generate the need for new facilities, this impact is less than significant and no mitigation is required. (DEIR pp. 4-56 to 4-57.)

3. Impact: The Project has sufficient water supplies from existing entitlements and resources to serve the Project. (DEIR p. 4-59.) This impact is less than significant and no mitigation is required.

Supporting Explanation: The SAR Water Rights Applications Final EIR extensively analyzed whether the consolidation of the Districts and the implementation of activities proposed in the Applications EIR would lower the average groundwater levels at wells outside the Pressure Zone, thus impairing groundwater production. (DEIR p. 4-58.) The Applications EIR provided mitigation measures to address this impact. (*Id.*) However, the Project does not propose any physical improvements, nor would it cause changes to the daily operations. (*Id.*) Thus, the mitigation measures provided in the Applications EIR are not relevant here. (*Id.*) Furthermore, the Valley District will be bound by numerous environmental laws as well as several water-related agreements, judgments, memoranda of understanding and related documents. (*Id.*) These documents will require the Valley District to maintain minimum flows at the Santa Ana Narrows and to recharge the groundwater basin as stipulated. Therefore, no impacts to groundwater are anticipated.

The Project would not impact the availability of the Conservation District's pre-1914 water rights. (DEIR p. 4-58.) If such rights exist, they are property rights which are transferable to the Conservation District's successor so long as they are put to beneficial use. (*Id.*; see also Cal. Gov. Code, § 56886 [recognizing the transferability of property rights as part of a governmental reorganization].) Furthermore, the Conservation District withdrew its application confirming its right to the pre-1914 water rights on April 13, 2007. (DEIR p. 4-58.)

The approval or denial of the Valley District's water rights application is not an issue that requires analysis under the Project EIR. The SAR Water Rights Applications Final EIR analyzed the possibility that the Valley District's water rights applications might be denied under the "No Project" alternative. (DEIR p. 4-58.) The Applications EIR "No Project" alternative could occur with or without the proposed LAFCO 3076 Project. (DEIR p. 4-59.)

Because the Project would not impact groundwater well levels or make the Conservation District's pre-1914 water rights unavailable, and because the denial of the Valley District's water rights applications will not result in any new impacts that were not discussed in Applications EIR, the Project would not adversely impact water supplies, modify water entitlements, or effect the availability of water resources to water users in the Project area. (DEIR pp. 4-58 to 4-59.) This impact is less than significant and no mitigation is required.

5.0 FINDINGS REGARDING ENVIRONMENTAL IMPACTS MITIGATED TO A LEVEL OF LESS THAN SIGNIFICANT

LAFCO hereby finds that, for the reasons discussed in Section 2, the Project will not result in potentially significant environmental impacts. No mitigation measures have been identified in the Draft EIR because mitigation measures are not required to avoid or substantially lessen any potentially significant environmental impacts to a less than significant level.

6.0 FINDINGS REGARDING ENVIRONMENTAL IMPACTS NOT FULLY MITIGATED TO A LEVEL OF LESS THAN SIGNIFICANT

LAFCO hereby finds that the Project will not result in any impacts that cannot be fully mitigated to a less than significant level. All impacts of the Project are less than significant without mitigation measures and a Statement of Overriding Considerations is therefore unnecessary.

7.0 FINDINGS REGARDING CUMULATIVE ENVIRONMENTAL IMPACTS

LAFCO hereby finds that all potential cumulative environmental impacts of the Project are less than significant and/or the Project's contribution is not cumulatively considerable. Cumulative environmental impacts, therefore, do not require the imposition of mitigation measures.

The EIR used the General Plan Project Method to determine the scope of projects for the cumulative impact analysis. (DEIR p. 5-6.) The EIR examined the following regional documents for projections of conditions that have the potential to compound or interrelate with those of the Project: the Valley District Master Plan EIR; the 2007 IRWMP; the 2007 County of San Bernardino General Plan; and the SAR Water Rights Applications EIR. (DEIR pp. 5-6 to 5-8.)

A. LOCAL CUMULATIVE IMPACTS

The Project would not contribute to cumulative impacts at the local level because it would not result in changes to land use or zoning designations and it would not involve the physical construction of facilities or any other activities that could potentially cause significant adverse effects on local resources. (DEIR p. 5-9.) As such, the Project's contribution to potential cumulative impacts would not be cumulatively considerable.

B. REGIONAL CUMULATIVE IMPACTS

The Project would not contribute to cumulative impacts at the regional level because it would not result in changes to land use or zoning designations, nor would it result in significant regional impacts on natural resources. (DEIR p. 5-9.) The Project would not result in changes in or contributions to such regional issues as air quality from either daily operations or construction activities. (*Id.*) In addition, the Project would not cause changes to hydrology or water quality that may potentially contribute to drainage or water quality issues within regional water bodies. (*Id.*)

Mitigation of cumulative impacts is best accomplished by region-wide mitigation programs that conform to the adopted general plan designations and zoning, and by

implementation of project-specific mitigation measures where appropriate. (DEIR p. 5-9.) However, as the Project will not cause any significant impacts, no mitigation for cumulative impacts is required. (*Id.*)

C. WATER RESOURCES

All impacts associated with the Valley District Master Plan EIR were determined to be either less than significant or de minimus, with the exception of potential impacts to groundwater resources. (DEIR p. 5-7.) The proposed Project is consistent with the Valley District Master Plan EIR and the Project would not affect the type or phasing of facilities addressed within the Master Plan EIR. (*Id.*)

The IRWMP was developed by the Upper Santa Ana Water Resources Association to address water management issues for the communities of the Upper Santa Ana River watershed, which includes resources with the Valley District. (DEIR p. 5-7.) The IRWMP provides Southern California Association of Governments ("SCAG") predictions for population growth for the years 2010 and 2025. Between 2000 and 2025, Riverside County is projected to grow by 3.4%, from 1,551,943 to 2,876,300 in 2025, and San Bernardino is projected to grow by 2%, from 1,718,312 to 2,558,700. (*Id.*) In 2000, Valley District's service area had a population of 585,000, 583,482 of which resided in San Bernardino County and the remainder in Riverside County. (*Id.*) Using SCAG projections, the Valley District service area will grow by 199,500 by 2025 and the IRWMP area will grow by 297,800. (DEIR pp. 5-7 to 5-8.) The IRWMP also developed applied water demands based upon water demands projected by water agencies. (DEIR p. 5-8.) The IRWMP estimated that total water demand for the region would increase by approximately 50 percent by 2030, from 349,200 AF in 2005 to 519,700 AF in 2030.

The proposed Project would not increase the available water supply or add additional housing to the area that might contribute to the projected increases in population and water demand. (DEIR p. 5-8.) As such, the Project would not change local or regional water demand or otherwise impact the available water supply. (*Id.*) Therefore, the Project would not contribute to potential cumulative effects on water resources when considered with local or regional development. (*Id.*)

The County of San Bernardino General Plan provides a long-term plan for the management of resources and future growth and establishes economic and social goals and policies for land use and development. (DEIR p. 5-8.) Goal CO-5 of the Conservation Element states that the County will protect and preserve water resources for the maintenance, enhancement, and restoration of environmental resources. (*Id.*) In addition, Chapter X, Implementation Program, indicates that the County may develop master plans such as a "conjunctive groundwater surface water management program" to construct, operate, and maintain various water facilities. (*Id.*) The proposed Project will be consistent with the goals and policies of the General Plan with regard to water conservation and the long-term protection of water resources within the Valley District.

The SAR Water Rights Applications Final EIR evaluates the potential environmental impacts from the Valley District and Western Municipal Water District joint application with the State Water Resource Boards to divert a maximum of 200,000 AF per year of water from the Santa Ana River to the local area. (DEIR p. 5-8; see also DEIR, Appendix E, *SAR Water Rights Applications Final EIR (Selected Material)*.) The diverted water would increase the water supply reliability of the area by reducing

dependence on imported water and would provide a long-term supply with operational flexibility to meet future demand. (DEIR pp. 5-8 to 5-9.) The proposed Project would not change local or regional water demand or otherwise effect the current or future availability of water supply. Even if the SAR water rights applications are approved, the Project would not contribute to an increase in demand for the water that would be generated by the applications or any other water supply.

Therefore, the Project's contribution to potential adverse cumulative impacts on water resources is not cumulatively considerable and no mitigation is required.

8.0 FINDINGS REGARDING GLOBAL CLIMATE CHANGE.

The Project would not result in project-specific or cumulative impacts with respect to global climate change. (DEIR p. 5-10.) No significant Project impacts of any kind have been identified. (*Id.*) The Project does not propose any construction and, therefore, construction activities would not produce temporary or short-term emissions and no new or expanded facilities will result that could be subject to the adverse effects of global climate change. (*Id.*) In fact, the proposed consolidation and associated improvements in efficiency of operation and staffing may produce a slight reduction in greenhouse gas emissions. (*Id.*)

9.0 FINDINGS REGARDING SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

The Project would not result in potentially significant direct or indirect changes to the physical environment because the Valley District will continue the existing Conservation District operations as they presently occur. (DEIR p. 5-1.) No physical construction of new facilities, or renovation of existing facilities, would occur as part of the Project. (*Id.*) No changes to land uses, zoning designations or other aspects of the lands within the jurisdictions of the Districts are proposed with the Project. (*Id.*) Existing land uses would remain unchanged for the foreseeable future and therefore, the Project would not limit the range of other uses that could be implemented on the affected properties. (*Id.*)

The Project would not result in the degradation or destruction of important natural resources. (DEIR p. 5-1.) Because the Project does not propose physical construction of facilities or changes in operations, natural resources, such as construction materials and energy resources, would not be consumed. (DEIR pp. 5-1 to 5-2.) Thus, the Project will not contribute to significant long-term shortfalls in the availability of natural resources or to local or regional energy shortfalls.

The Project would not impact current water conservation activities. (DEIR p. 5-1.) The long-term management of water resources within the Valley District, including the protection of water supply and water quality, are addressed in numerous documents, including the County of San Bernardino General Plan, the Valley District Master Plan and EIR, and the Upper Santa Ana River Watershed IRWMP. (DEIR p. 5-2.) In addition, the Valley District would be governed by various agreements, judgments, and memoranda of understanding that require the continuation of recharge activities. (DEIR pp. 5-1, 5-2.) The Valley District would also be required to dedicate revenues related to Conservation District assets towards groundwater management. (*Id.*)

Based on the foregoing, the Project would not result in significant, irreversible environmental damages. (DEIR p. 5-2.)

10.0 FINDINGS REGARDING GROWTH-INDUCING IMPACTS

The provision of additional supplemental water could in some situations be characterized as reducing a barrier to growth. (DEIR p. 5-4.) However, the Project would not entail the construction of any new facilities, nor would the Project make any additional supplemental water available. (*Id.*) If the Valley District should choose to construct new facilities or expand existing facilities in the future, the Valley District would be required to conduct separate environmental review for compliance with CEQA at that time. (*Id.*) The Project does not propose the construction of any new facilities. It is not foreseeable that the Project will result in any subsequent proposal to construct additional facilities. Thus, the Project will not induce growth by removing an impediment to growth. (*Id.*)

The Project is not intended to provide new economic opportunities. (DEIR p. 5-4.) Rather, the Project would provide for more efficient water resource operations by eliminating the Groundwater Assessment currently levied by the Conservation District, eliminating the duplication of certain responsibilities and management tasks, and reducing staff over time. (*Id.*) The Project does not propose adding new staff or constructing new or expanded facilities. (*Id.*) Project implementation would not appreciably affect the projected employment figures for the years 2004-2014, which estimate the addition of 621,000 new jobs within the County. (*Id.*) Thus, the Project will not induce growth as a result of economic expansion. (*Id.*)

The County of San Bernardino is projected to grow from 2,039,467 in 2007 to approximately 2,958,939 in 2030. (DEIR p. 5-5.) Water demand for the region is expected to increase as a direct function of the anticipated growth in population. (*Id.*) At the same time, imported water supplies are becoming more constrained and regional and local water suppliers have been forced to develop strategies to increase non-imported supplies. (*Id.*) However, the Project would not directly result in an increase in the water supply available to service area customers within the boundaries of the Valley District and Conservation District jurisdictions. (*Id.*) The Project also would not result in the creation of housing or substantial employment opportunities and, therefore, would not increase population in a manner that would cause an increase in demand for water. (*Id.*) Thus, the Project will not induce growth as a result of increasing population or water supply. (*Id.*)

No variances, conditional use permits, or other potential precedent-setting actions would be required for the approval of the Project because the Project would not result in changes to land use plans or policies affecting lands within the Districts' service areas, including the existing San Bernardino or Riverside County General Plans and zoning ordinances. (DEIR p. 5-5.) In addition, the conclusions reached as to the environmental impacts of this consolidation Project will not be used as a precedent for future LAFCO consolidation actions. Future proposals for the consolidation of service Districts would be considered on a case-by-case basis for their intent and potential adverse impacts, including their potential to terminate or reduce services and to induce growth. (*Id.*) Thus, the Project will not establish a precedent setting action that would induce future growth. (*Id.*)

The Project will not encroach upon open space. (DEIR p. 5-5.) Although the Project area includes areas of designated open space, the Project does not propose any physical construction and would not result in changes in land use within these boundaries. (*Id.*) The

Valley District would continue to operate in its current manner after the approval of the Project. (DEIR p. 5-6.) Thus, the Project would not result in growth inducement due to encroachment on open space. (*Id.*)

Therefore, for all the reasons stated above, the Project would not induce growth and this impact is less than significant.

11.0 FINDINGS REGARDING ALTERNATIVES

The CEQA Guidelines require an EIR to describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project, but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. LAFCO analyzed project alternatives in the Project EIR even though the Project will not cause significant environmental impacts. (DEIR pp. 6-1 to 6-6.)

None of the alternatives considered in the EIR are “environmentally superior” to the proposed Project. (DEIR p. 6-6.) No feasible alternative would reduce potential impacts to a level less than that associated with the Project, thereby representing an “environmentally superior” alternative, because the Project would not cause any significant impacts.

LAFCO has not considered a partial consolidation of the Districts as a Project alternative because such an action is not permitted under the LAFCO provisions and, therefore, would not be feasible. (FEIR p. 20.)

The objectives for the Project are as follows:

- 1) LAFCO 3076 is consistent with LAFCO Resolution 2893, where LAFCO noted that “The establishment of a zero sphere of influence is proposed to point toward the consolidation of the [Conservation District] and the [Valley District] to better serve the whole of the Bunker Hill Basin.”
- 2) To provide for more efficient water resource operations within San Bernardino Valley, consistent with the findings of LAFCO 2919. This includes elimination of the Groundwater Assessment currently levied and collected by the Conservation District, a net reduction, over time, in staff, while providing for the same or similar services currently provided by Conservation District.
- 3) To place all revenue, ongoing and one-time, in a segregated Basin Management Account to fund basin management related activities.
- 4) To have Valley District implement an efficient transition plan in accordance with the goals of the consolidation.
- 5) To create an Advisory Board comprised of all current Conservation District Board Members to ensure access to and benefit from their knowledge and experience.

(DEIR pp. 3-28, 6-2 to 6-3; FEIR p. 25.)

A. "ALTERNATIVE SITE" ALTERNATIVE

Description: The "Alternative Site" Alternative would place the affected Project area in a different geographical location than the current Project site. The current Project site encompasses the existing boundaries of the Conservation District and the Valley District. (DEIR pp. 1-4, 6-3.) Under this alternative, the Conservation District would still be consolidated with the Valley District as proposed in the Project. (DEIR p. 1-4.) However, the boundaries of the Conservation District and the Valley District are intended to apply to a specific geographical areas of service. (DEIR pp. 1-4 to 1-5, 6-3.) As such, relocating the boundaries of the Districts to a different location would not be feasible. (DEIR pp. 1-5, 6-3.)

Impacts: This alternative would not eliminate or lessen any significant impacts identified for the Project because no significant impacts have been identified. (DEIR pp. 1-5.)

Objectives: This alternative would not meet the Project's objectives because the Districts cannot be operated outside of the current Project boundaries. (DEIR pp. 1-5, 6-3.) Moreover, relocating the Project to an alternative site would not result in more efficient resource operations within the San Bernardino Valley, where the Districts' are located.

Finding: Due to the nature of the Project, identification and selection of an alternative site would be an infeasible option because the Districts cannot provide service from an alternative site that is outside their current boundaries. (DEIR pp. 1-5, 6-3.) This alternative is not capable of meeting the Project's objectives related to more efficient service within existing boundaries or reducing environmental impacts. (*Id.*) For these reasons, the "Alternative Site" Alternative is rejected. (*Id.*)

B. "NO PROJECT" ALTERNATIVE

Description: Under the "No Project" Alternative, the proposed Project would not be approved and the Conservation District would not be consolidated with the Valley District. (DEIR pp. 1-5, 6-4.) Both Districts would continue operating under current conditions, and each district would have the same authority and responsibility currently held. (*Id.*)

Impacts: This alternative would not eliminate or lessen any significant impacts identified for the Project because no significant impacts have been identified.

Objectives: Under the "No Project" Alternative, the Conservation District would not be consolidated with the Valley District. (DEIR pp. 6-4, 6-5.) The alternative does not provide for the more efficient management of water resource operations within the San Bernardino Valley. (DEIR p. 6-5.) In addition, a Basin Management account would not be created to fund basin management activities. Finally, under this alternative, there would be no place for a transition plan or an Advisory Board. The "No Project" Alternative does not meet any of the Project's basic objectives. (DEIR pp. 1-5, 6-5.) In addition, the "No Project" Alternative would be inconsistent with the policy goals of the 2005 Municipal Service Review, LAFCO 2919 and LAFCO Resolution No. 2893, which all seek to achieve more cost-effective water resources operations in the San Bernardino Basin. (FEIR p. 19.)

Finding: LAFCO finds that the “No Project” Alternative is not feasible because it fails to meet any of the Project’s basic objectives and is inconsistent with the 2005 Municipal Service Review, LAFCO 2919 and LAFCO Resolution No. 2893. (DEIR p. 6-5; FEIR pp. 19-20.) In addition, this alternative would not substantially lessen or avoid any significant Project impacts. (DEIR p. 6-5.) On these bases, LAFCO rejects the “No Project” Alternative.

C. “EXPANSION OF WATER CONSERVATION DISTRICT BOUNDARIES” ALTERNATIVE

Description: This alternative would expand the boundaries of the Conservation District to be contiguous with the San Bernardino Basin. (DEIR p. 1-6.) Under this alternative, the proposed Project would not be approved and the Conservation District would not be consolidated with the Valley District. (DEIR p. 6-5.) Both Districts would continue operating with the same authority and responsibility within their respective districts. (*Id.*)

Impacts: The “Expansion of Water Conservation District Boundaries” Alternative would not eliminate or lessen any significant impacts identified for the Project because no significant impacts have been identified. (DEIR pp. 1-6, 6-5.)

Objectives: Under the “Expansion of Water Conservation District Boundaries” Alternative, the Conservation District would not be consolidated with the Valley District. (DEIR pp. 6-5.) The alternative does not provide for the more efficient management of water resource operations within the San Bernardino Valley. (DEIR p. 6-5.) As concluded in the LAFCO 2919 proceedings, the Valley District can provide the Conservation District’s water services at a substantial savings to affected groundwater users without levying a groundwater assessment. (*Id.*) In addition, a Basin Management account would not be created to fund basin management activities. Finally, under this alternative, there would be no place for a transition plan or an Advisory Board.

In addition, this alternative would conflict with approved LAFCO Action Resolution No. 2893, which reduced the sphere of influence for the Conservation District to zero and directed LAFCO to pursue the consolidation of the Conservation District with the Valley District as the most cost-efficient governmental structure. (DEIR p. 6-5.) The “No Project” Alternative would also conflict with LAFCO’s 2005 Municipal Service Review of Conservation District, which initiated the LAFCO 2919 process and the eventual adoption of a zero sphere of influence for the Conservation District. (DEIR p. 6-5.) Thus, the “No Project” Alternative does not meet any of the Project’s basic objectives. (DEIR pp. 1-5, 6-5.)

Finding: LAFCO finds that the “Expansion of Water Conservation District Boundaries” Alternative is not feasible because it fails to meet any of the Project’s basic objectives. (DEIR p. 6-6.) In addition, it would not substantially lessen or avoid any significant Project impacts. (*Id.*) On these bases, LAFCO rejects the “Expansion of Water Conservation District Boundaries” Alternative.

12.0 STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to State CEQA Guidelines, section 15093, decision-makers are required to balance the benefits of a project against its unavoidable environmental risks in determining whether to approve a project. In the event the benefits of a project outweigh the unavoidable adverse effects, the adverse environmental effects may be considered acceptable. The CEQA Guidelines require that, when a public agency allows for the occurrence of significant effects which are identified within the final EIR but are not at least substantially mitigated, the agency shall state in writing the specific reasons the action was supported (CEQA Guidelines Section 15093(b)). Any statement of overriding considerations should be included in the record of project approval and should be mentioned in the notice of determination.

The Draft EIR does not identify the requirement for mitigation measures that are associated with adoption and implementation of the Project, as noted in Section 1.0 above. Based on a lack of significant impacts as associated with implementation of the LAFCO 3076 project, as set forth in the EIR, a Statement of Overriding Considerations is not necessary for the proposed Project.