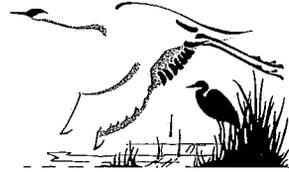
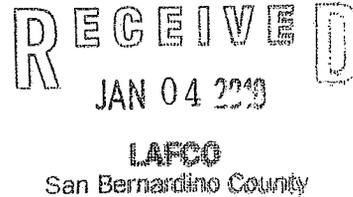


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January 2, 2009

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490



Dear Kathy:

LAFCO 3027 consists of a municipal service review for the Indian Wells Water District (District) pursuant to Government Code Section 56430 and Sphere of Influence Update pursuant to Government Code 56425. At the present time there appears to be only one option proposed for the sphere boundary of the District. The primary service area of the District is located in Kern County, with an overlap into San Bernardino County since 1982 that encompasses approximately nine (9) square miles. Because LAFCO has not previously acknowledged the District's sphere within the County's boundary, the LAFCO Staff proposes to acknowledge this approximate nine square mile sphere within the County. The creation of this Sphere of Influence has no potential to physically modify the environment; it simply acknowledges the existing circumstance where the District does serve and can serve water to the public.

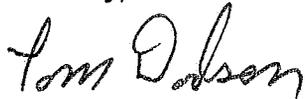
Based on this information, it appears that LAFCO 3027 can be implemented without causing any physical changes to the environment or any adverse environmental impacts. Therefore, I recommend that the Commission find that a Statutory Exemption (as defined in the California Environmental Quality Act, CEQA) applies to LAFCO 3027 under Section 15061 (b) (3) of the State CEQA Guidelines, which states: "A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." It is my opinion, and recommendation to the Commission, that this circumstance applies to LAFCO 3027. In this case, creation of the proposed District sphere boundary does not alter the District's existing operations or obligations.

Based on this review of LAFCO 3027 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 3027 does not constitute a project under CEQA and adoption of the Statutory Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with CEQA for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO

3027 as statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed.

A copy of this exemption should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Tom Dodson".

Tom Dodson