

CITY OF SAN BERNARDINO MUNICIPAL WATER DEPARTMENT

BOARD OF WATER COMMISSIONERS

TONI CALLICOTT
President

Commissioners
B. WARREN COCKE
NORINE I. MILLER
LOUIS A. FERNANDEZ
WAYNE HENDRIX



STACEY R. ALDSTADT
General Manager
ROBIN L. OHAMA
Deputy General Manager
MATTHEW H. LITCHFIELD, P.E.
Director of Water Utility
JOHN A. CLAUS
Director of Water Reclamation
DON SHACKELFORD
Director of Finance
VALERIE HOUSEL
Director of Environmental &
Regulatory Compliance

"Trusted, Quality Service since 1905"

March 8, 2010

RECEIVED
MAR 09 2010

LAFCO
San Bernardino County

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

LAFCO SC # 352

Dear Ms. Rollings-McDonald:

**RE: REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION 56133 –
SAN BERNARDINO WATER UTILITIES CORPORATION SERVICE AREA
AND ARROWHEAD VALLEY MUTUAL WATER COMPANY SERVICE AREA**

As you know, the City of San Bernardino Municipal Water Department (Department) serves water to unincorporated areas within the City of San Bernardino Sphere of Influence. These parcels were formerly served by the San Bernardino Water Utilities Corporation (SBWUC) and the Arrowhead Valley Mutual Water Company (AVMWC).

In order for the Department to continue providing service within these areas, approval of an exemption from Government Code Section 56133 by the Local Agency Formation Commission (LAFCO) is necessary. The Board of Water Commissioners has authorized the Department to submit this request for exemption for the SBWUC service area and the AVMWC service area to facilitate this process.

This letter is to request that this exemption request be placed on a future LAFCO Commission agenda for approval, and that each exemption be approved for the entire geographic area of each of these former entities. Electronic copies with GIS shape files for all affected properties in each of the subject areas are included on the attached CD.

Ms. Kathleen Rollings-McDonald
Page 2
March 8, 2010

Thank you for your assistance in this matter. If you have any questions, or need further information, please contact Matthew Litchfield, Director of Water Utility, at (909) 384-5107.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stacey Aldstadt for SA".

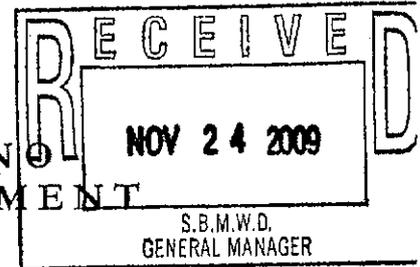
Stacey Aldstadt
General Manager

SA:GG:jmt
Attach.

Cc: Matthew Litchfield
Greg Gage

CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

BOARD OF WATER COMMISSIONERS
STAFF REPORT



TO: Stacey R. Aldstadt, General Manager

LAFCO SC # 352

FROM: Matthew H. Litchfield

SUBJECT: REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION
56133 - WATER UTILITIES CORPORATION SERVICE AREA
(EPN 2008-015)

DATE: November 24, 2009

COPIES: Robin Ohama (w/attach), Greg Gage (w/attach), Tennie Lundy (w/attach)

BACKGROUND:

In August 2005, the San Bernardino Municipal Water Department (Department) Board of Water Commissioners (BOWC) approved the purchase of all outstanding shares of capital stock of the San Bernardino Water Utilities Corporation (WU Corporation) as of June 21, 1971. The WU Corporation service area encompassed areas within the City of San Bernardino city limits as well as areas outside of the city limits in unincorporated parts of San Bernardino County. The Department operated the WU Corporation for a period of eleven (11) years between 1971 and 1982 and filed tariffs with the Public Utilities Commission (PUC) while maintaining separate records and accounts for all financial transactions of the WU Corporation. The BOWC served as the board and officers of the WU Corporation during that period.

On December 21, 1982, the BOWC adopted a resolution of necessity to proceed with condemnation of the WU Corporation. On March 20, 1984, a Certificate of the WU Corporation to dissolve was executed by the BOWC and simultaneously a notice was filed with the Secretary of State to dissolve the WU Corporation.

Currently, the Department serves water to parcels previously served by the WU Corporation in two parts of unincorporated San Bernardino County as shown on the attached **Exhibit A**. Both of these unincorporated areas are within the City of San Bernardino's approved Sphere of Influence. The San Bernardino County Local Agency Formation Commission (LAFCO) is responsible for approval of the City's Sphere of Influence designation. This designation is established to reflect those parcels that are likely to be annexed into the City of San Bernardino in the future.

Per Government Code Section 56133, a city or district may provide new or extended water service by contract or agreement outside its jurisdictional boundaries only if it requests and receives written approval from LAFCO for the affected county. Generally, each new water service within

Stacey R. Aldstadt, General Manager

Page 2

November 24, 2009

**SUBJECT: REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION
56133 - WATER UTILITIES CORPORATION SERVICE AREA
(EPN 2008-015)**

the two unincorporated areas previously served by WU Corporation is subject to such a contract or agreement. Due to the large number of parcels involved, this would be an onerous task for staff to administer since it involves several steps, including BOWC and LAFCO approval for every new service requested.

The Department approached LAFCO staff regarding this issue and it was determined that a request for exemption from Government Code 56133 would be the most efficient method to address this matter.

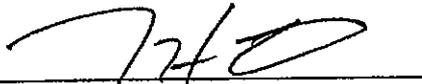
Accordingly, it is recommended that the Department submit a *Request For Exemption from Government Code 56133* based on its water service to the areas previously served by the WU Corporation as well as public health and safety, and the best interests of the residents of the City and County of San Bernardino within the former WU Corporation service area. This recommendation applies to water service only and does not apply to new sewer connections.

RECOMMENDATION:

Staff recommends that the Board of Water Commissioners make the following motion:

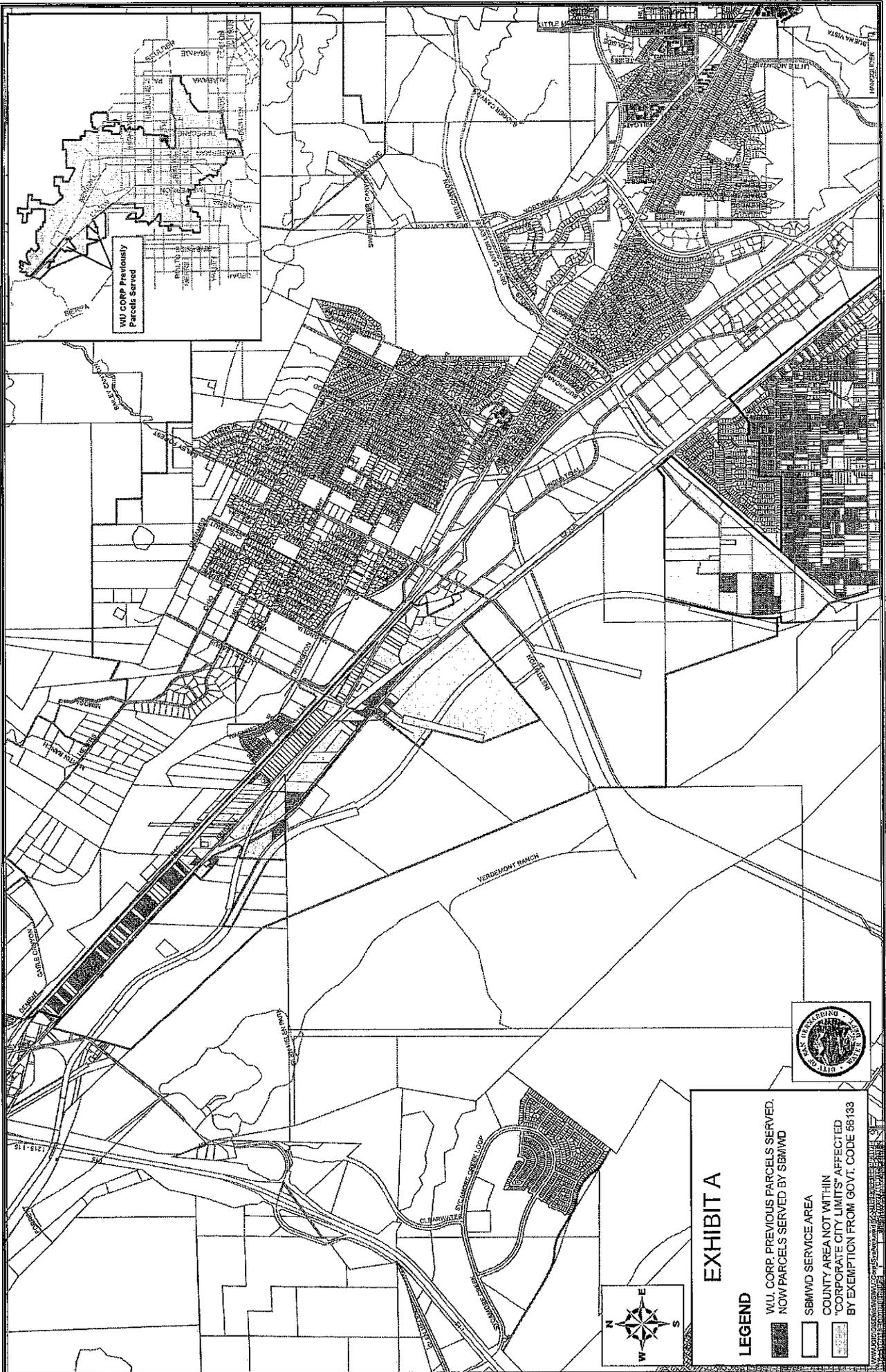
That the Department submit a *Request For Exemption from Government Code 56133* based on its water service to the areas previously served by the WU Corporation as well as public health and safety, and the best interests of the residents of the City and County of San Bernardino within the former WU Corporation service area.

Respectfully submitted,



Matthew H. Litchfield, P.E.
Director, Water Utility

MHL:swd
Attach.



WU CORE Previously
Parcels Served



EXHIBIT A

LEGEND

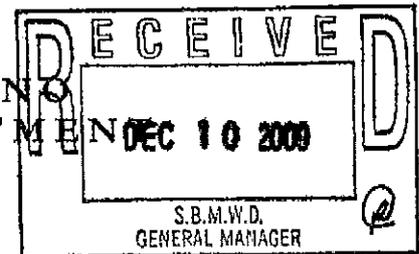
-  W.U. CORP. PREVIOUS PARCELS SERVED.
-  NOW PARCELS SERVED BY SBMWD
-  SBMWD SERVICE AREA
-  COUNTY AREA NOT WITHIN "CORPORATE CITY LIMITS" AFFECTED BY EXEMPTION FROM GOVT. CODE 55 133



WWW.CITYOFDEKALBGA.GOV
 1215-118

CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

BOARD OF WATER COMMISSIONERS
STAFF REPORT



TO: Stacey R. Aldstadt, General Manager

FROM: Matthew H. Litchfield

LAFCO SC # 352

SUBJECT: REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION
56133 - ARROWHEAD VALLEY MUTUAL WATER COMPANY SERVICE
AREA (EPN 1996-094)

DATE: December 8, 2009

COPIES: Robin Ohama (w/attach), Greg Gage (w/attach), Tennie Lundy (w/attach)

BACKGROUND:

In 1925, the City of San Bernardino (City) entered into a three-party agreement with the Arrowhead Valley Mutual Water Company and the Arrowhead Suburban Farms Company pertaining to the purchase of water rights and land in the area known as Arrowhead Suburban Farms. Part of the agreement included the acquisition by the City of all of the water rights within the 1,000 acre tract of land as defined in the agreement. Additional rights and responsibilities are contained within the agreement for all three parties to the agreement.

Currently, the Department serves water to parcels previously served by the Arrowhead Valley Mutual Water Company in unincorporated San Bernardino County as shown on the attached **Exhibit A**. This unincorporated area is within the City of San Bernardino's approved Sphere of Influence and is still commonly referred to as Arrowhead Suburban Farms. The San Bernardino County Local Agency Formation Commission (LAFCO) is responsible for approval of the City's Sphere of Influence designation. This designation is established to reflect those parcels that are likely to be annexed into the City of San Bernardino in the future.

Per Government Code Section 56133, a city or special district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it requests and receives written approval from LAFCO for the affected county. Generally, each new water service within the unincorporated area previously served by Arrowhead Suburban Farms is subject to such a contract or agreement. Due to the large number of parcels involved, this would be an onerous task for staff to administer since it involves several steps, including BOWC and LAFCO approval for every new service requested.

Stacey R. Aldstadt, General Manager

Page 2

December 8, 2009

**SUBJECT: REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION
56133 - ARROWHEAD VALLEY MUTUAL WATER COMPANY SERVICE
AREA (EPN 1996-094)**

The Department approached LAFCO staff regarding this issue and it was determined that a single request for exemption from Government Code 56133 would be the most efficient method to address this matter. Furthermore, the request for exemption would only apply to new water service requests and not sewer connections.

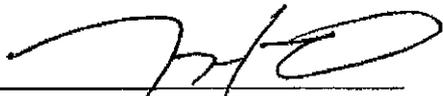
Accordingly, it is recommended that the Department submit a *Request for Exemption from Government Code 56133* based on its water service to the areas previously served by the Arrowhead Valley Mutual Water Company as well as public health and safety, and the best interests of the residents of the City and County of San Bernardino within the former Arrowhead Valley Mutual Water Company service area.

RECOMMENDATION:

Staff recommends that the Board of Water Commissioners make the following motion:

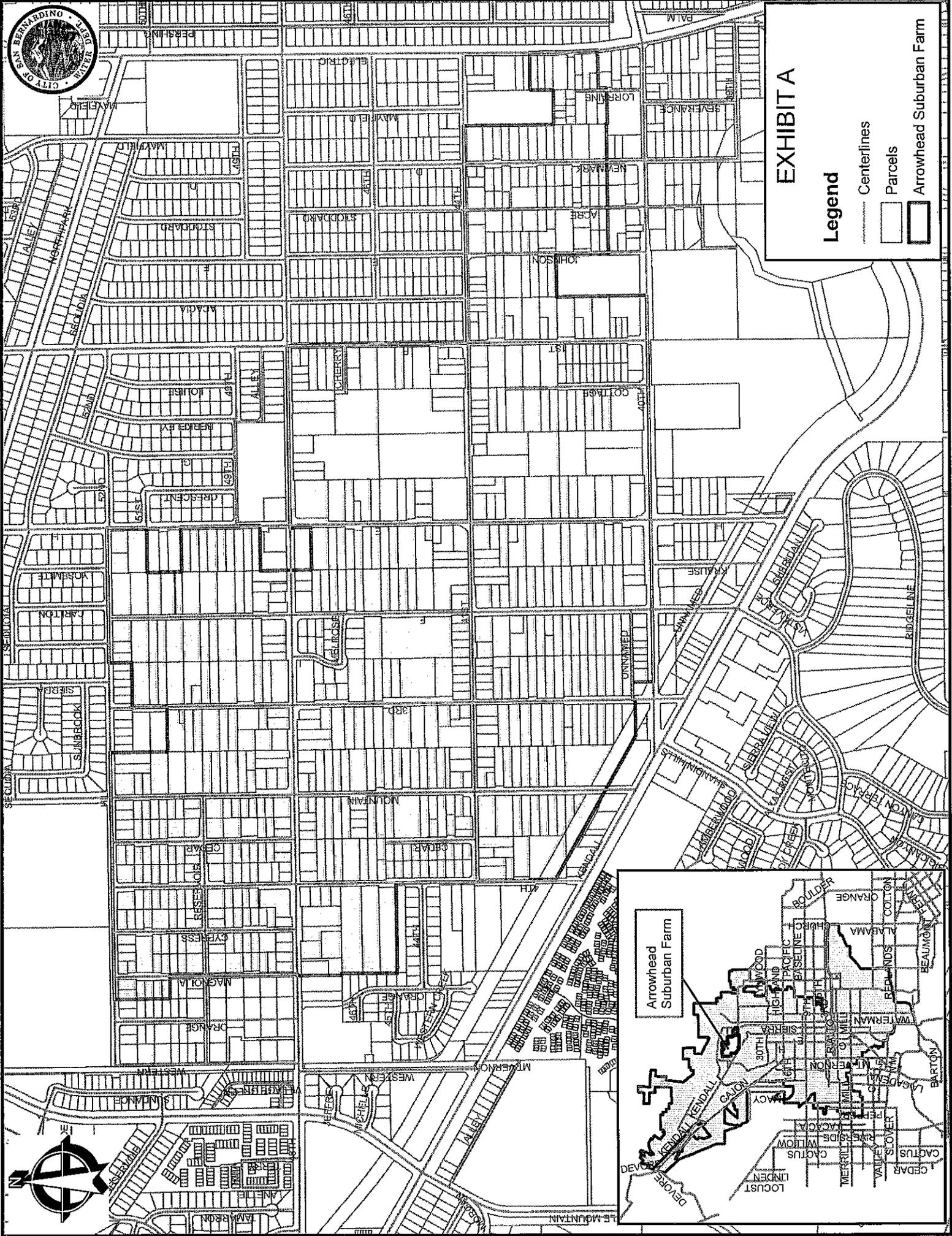
That the Department submit a *Request For Exemption from Government Code 56133* based on its water service to the areas previously served by the Arrowhead Valley Mutual Water Company as well as public health and safety, and the best interests of the residents of the City and County of San Bernardino within the former Arrowhead Valley Mutual Water Company service area.

Respectfully submitted,



Matthew H. Litchfield, P.E.
Director, Water Utility

MHL:swd
Attach.



EXHIBITA

Legend

- Centerlines
- Parcels
- Arrowhead Suburban Farm

