

**Crestline Village Water District
DISTRICT PROFILE SUMMARY SHEET**

District Contact Person(s):

Karl B Drew, General Manager
Joyce Barkley, Office Manager

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Street Address: 777 Cottonwood Drive, Crestline, CA

Mailing Address: PO Box 3347
Crestline, CA 92325-3347
Phone: 909-338-1727 FAX: 909-338-4080

E-mail Address: cvwater@cvwater.com

Website Address: www.cvwater.com

Date of Formation: February 1, 1954

Principal Act: County Water District Law, Water Code Section 30000

Improvement District(s): _____YES X NO

If yes, please indicate name and define area of service (include map).

NA

Governing Body: 5 member board of directors elected at large

Membership:

C. N. "Bud" McGehee	President
Alan C. Clanin	Vice-President
William J. Huckell	Director
Kenneth C. Stone	Director
Steven Farrell	Director

Public Meetings: 3rd Tuesday of each month at 3:00 pm at District office.

SERVICES

Currently Authorized Powers (Services):

SERVICE	FUNCTIONS
Water	Retail, domestic

Latent Powers (Services) -- those services authorized by the Agency's principal act, but not activated through the LAFCO process:

SERVICE	FUNCTIONS
Sewer	Sewage collection, treatment, wastewater reclamation
Fire Protection	Provide Fire Protection services as outlined in Section 13801 of the Health and Safety Code.
Sanitation	Acquire, construct and operate facilities for the collection and disposal of garbage, waste or trash.
Recreation	Acquire, construct and operate facilities appropriate or ancillary to recreational use of water within the district.
Electric Supply	Generate and sell electric power supplied in connection with a water or water conservation project.
Drainage/Flood Control	Drainage or flood control of lands in connection with a water, electric supply or water conservation project.

Area Served: 4.3 Square Miles/ 2,752 Acres

Population: 7,400 full-time - estimation based on 2000 Census and number of service connections.

Registered Voters: 4,161 As Of June 23, 2008

Services Provided Outside Agency Boundaries:

SERVICE	PROVIDED TO WHOM	DATE OF CONTRACT	SUNSET DATE
None			

Special charges for service outside boundaries: None

Special policies for providing service outside boundaries: None

SPHERE OF INFLUENCE

Established:

LAFCO Number	Resolution No./ Date Adopted	Location
	Prior to 10/3/78	

CHANGES:

LAFCO Number	Resolution No./ Date Adopted	Type Of Change	Location
	None known		

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**Crestline Village Water District
MUNICIPAL SERVICE REVIEW**

3114

INTRODUCTION: The following provides an outline of the mandatory determinations for a municipal service review as set out in Government Code Section 56430. In addition, it provides an explanation of the purpose of the determination and the issues to be considered. While no agency will be required to respond to each of the issues identified below, this list is intended to be illustrative of the scope of issues that might be relevant to a local agency service review. Please review the list and identify those issues that are relevant to your agency and develop narrative responses to each determination.

I. Growth and Population

1. Population Information (include identification of source for growth projection)
 - a. Population within District Boundary
 1. Existing population is approximately 7,500 full-time residents with seasonal peaks of approximately 15,000, based on the Crestline Village 2005 Urban Water Management Plan. The District has a full time occupancy rate of about 60%.
 2. Population is expected to grow at the annual rate of 1.61%, based on projections in 2005 from the Southern California Association of Governments (SCAG).
 - b. Population within Sphere of Influence
 1. Based on the 2000 Census, it is estimated that there is a population of 7,700 full-time residents.
 2. Population is expected to grow at the annual rate of 1.61%, based on projections in 2005 from SCAG.
2. Identify Significant Growth Areas:
 - a. One area of potential significant growth would be if the National Forest Service were to make a land trade involving the property located between the Valley of Enchantment and Crest Forest Drive.

II. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies of a jurisdiction in terms of capacity, condition of facility, service quality and levels of services and its relationship to present and planned capacity. (Provide copies of documents where necessary).

1. Capital Improvement Plans: The District obtained funding from the federal Farmers Home Administration (currently known as the Rural Economic and Community Development Services) in 1979-1980, and also obtained funding from the California Department of Water Resources under the Safe Drinking Water Act in 1980-1981. Losses within the system have historically averaged 15 percent of the total water supply, however, the District is currently nearing

the end of the twenty-year capital investment program and is reporting only a 6.33 percent loss of the total water supply in the year 2005.

CVWD is coming to the end of a twenty-year capital improvement program in which major investments have been made in the District's water system, including aggressive pipeline replacement, leak detection programs, and improvements involving existing and new storage facilities. The District has replaced approximately 98 percent of the system pipeline. CVWD has also been aggressively renovating existing storage tanks that have experienced failure of existing internal protective coatings. The storage tank program is approximately 90 percent completed. Additional improvements to tanks include seismic upgrading, recoating of existing tanks, as well as the construction of the new Zurich reservoirs in the final years of the program. The additional water storage capacity will increase system reliability in emergencies and increase fire flow capacity.

The District is nearing the end of its long term programs to replace and upgrade its water supply and distribution infrastructure. Over the past 30 years, the District has replaced and upgraded 98% of its mains and appurtenances, and has increased its water storage capability by 64%.

2. Water Service Plans/Studies
 - a) The District adopted its 2005 Urban Water Management Plan in October 2006. Supply and demand information is analyzed in the plan. A copy of the plan was previously submitted. The plan indicates that there is an adequate water supply to meet the water demands of the District to 2025 and beyond.
3. Sewer Service Plans/Studies
 - a) Capacity and demand information: NA
4. Age and Condition of Facilities
 - a) Water supply and distribution system: Item 1 above
 - b) Wastewater collection and treatment: NA
5. Capacity Analysis
 - a) Number of service units currently allocated: 4,935 active service connections
 - b) Total number of service units within agency boundaries: 5,050 total services.
 - c) Total number of service units outside agencies boundaries. None
6. Future Development

What additional infrastructure is needed? The infrastructure needed to serve the District's current service area is in place. The remaining portion

of mainline and storage tank upgrading and replacement to be completed will be paid from water revenues.

If any additional areas seek to be served by the District, the facilities required to serve the areas will be evaluated and any costs for pipeline and storage facilities will be paid for by the property owner(s) or developer(s).

7. Reserve Capacity

- a) The District receives supplemental water from Crestline-Lake Arrowhead Water Agency (CLAWA). It is projected that the supplemental water supply will meet the District's needs to 2025 and beyond.
- b) Are there inter-ties with other agencies? Only CLAWA.

III. Financial ability to provide services

Purpose: To evaluate factors that affects the financing of providing services and needed improvements. To identify practices or opportunities that may help eliminate unnecessary costs. (Provide copies of documents where necessary).

1. Finance Documents/Plans for:

- a) Two most recent adopted budgets
- b) Two most recent completed audits
- c) Capital improvements

2. Bond Rating: No current rating

3. Revenue Sources:

- Water Sales
- Water Service Charges
- Contributions in Aid of Construction
- Availability Assessments
- Property Tax Revenues
- Interest Income

4. Major Expenditure Categories

- a) Purchased Water
- b) Labor
- c) Administrative
- d) What methods are used to control costs? Financial Reports comparing actual costs versus budget and Water Production/System Loss reports are prepared and reviewed by management and the Board of Directors on a monthly basis. Comparative pricing is used to obtain the best possible pricing.

5. Joint Financing Projects

- a) Does agency participate? No

6. Overlapping/Duplicative Services: None
7. Rely on Other Agencies: The District relies on CLAWA for its supplemental water supply. The District performs all administrative/support functions in-house except where it is more cost effective to have these functions supplied by outside sources.
8. Per-Unit Service Costs
 - a) The District has established Monthly Minimum Charges that are charged to all active water accounts in an attempt to equally spread the fixed costs of the District to all customers.
 - b) While there are differences in the various components of the rate structures, the District's charges are fairly comparable to other retail water utilities in the area.
9. Identify current rates and plans.
 - a) Below is a summary of the District's Charges

WATER RATE SCHEDULE - effective JULY 2004

Water Conservation Program - Phase I general conservation measures in effect

Monthly Minimum Charge:

<u>Meter Size</u>	<u>Crestline Division</u>	<u>Lake Gregory Division</u>
5/8 x 3/4 inch meter *	\$17.50	\$22.00
3/4 inch meter	18.50	23.00
1 inch meter	19.50	24.00
1 inch meter (Residential Fire Service)	21.75	26.25
1 1/2 inch meter	23.50	28.00
2 inch meter	28.50	33.00
3 inch meter	34.50	39.00

* The most common size of water meter for residential water accounts is 5/8 x 3/4 inch.

Quantity Rates: (For both Divisions)

Basic Allocation Rate - 0 to 1300 cubic feet	\$4.20 per 100 cubic feet
Excess Consumption Rate - 1301+ cubic feet	\$6.30 per 100 cubic feet

The quantity rates are based on a 30 day billing period. If the actual billing period is longer or shorter than 30 days, the quantity limits are prorated accordingly.

Commercial Fire Services - Detector Check Meters:

Crestline Division - 5/8 X 3/4 inch meter	\$21.00 per month
Lake Gregory Division - 5/8 X 3/4 inch meter	\$25.50 per month
Basic Allocation Rate - All consumption	\$4.20 per 100 cubic feet

OTHER CHARGES:

After-Hours Charge:	\$75.00 per hour with a one hour minimum.
Late Charge (48 Hour Notice):	\$15.00 or 7% of unpaid balance, whichever is greater
Non-Payment Penalty:	\$90.00
1st Violation for Tampering with Service:	\$250.00 - Meter Removal Fee
Discontinuance of Service:	\$275.00 - Reinstatement Charge (Meters - 1" and smaller)
Meter Testing - <u>Field Test required</u> before certification at <u>no charge</u> to customer.	
Meter Certification Deposit:	\$50.00 - Refundable if meter is more than 2% fast.
<u>Following Charges apply if meter tests 2% fast or less</u>	
Meters - 1" and smaller:	\$300.00 - Less Deposit (\$250 due)
Meters greater than 1":	- Total Actual Cost less Deposit.
Fire Flow Certification:	\$50.00 - Expires after six months.
Field Test:	- Total Actual Cost. (Approximately \$150.00)
Water Availability Letter:	\$150.00 - Expires after 120 days plus 60 day extension (six months).
New Services:	
5/8" x 3/4" meter	\$2,800.00 - (Water Availability Letter Charge applied against
3/4" meter	\$2,905.00 total charge if letter is not expired.)
1" meter	\$3,010.00
Larger than 1"	- Total Actual Cost: Minimum \$3,500 Deposit.
Upgrade or Move Service:	- Total Actual Cost: Minimum \$750 Deposit.
Fire Hydrant Meters:	
Deposit:	\$1,600.00 - Amount to establish service is \$1,675.00
Initial Setup:	\$75.00
Additional Moves:	\$37.50
Usage Charges - the <u>greater</u> of:	
\$12.60 per day minimum charge, or	
\$12.60 per 100 cubic feet of water used	

- b) Each year during the process of preparing its budget, the staff reviews its water rates and charges and makes recommendations to the Board regarding any increases. The District is in its 5th year since the water rates were last adjusted. Also with the major construction completed for the upgrading of the Lake Gregory Division water system, it is time to consider equalizing the monthly water charges between the Lake Gregory and Crestline Divisions. The exact method of equalizing the rates has not been determined.

IV. Status of, and opportunities for shared facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

1. Shared Facilities: At this time there the District has no facilities that are shared with other entities. There are no overlapping services that would make it beneficial to have shared facilities.

V. Accountability for community service needs, including governmental structure and operational efficiencies

Purpose: To evaluate the accessibility and levels of public participation associated within the agency's decision-making and management processes, to consider the advantages and disadvantages of various government structures to provide public services, and to evaluate whether organizational changes to governmental structure can be made to improve the quality of public services in comparison to cost.

1. Budget

- a) Budget is prepared annually and reviewed monthly by staff and the Board of Directors. The budget includes projections of operational revenues and expenses as well as proposed capital expenditures.
- b) The District has established policies for payment of Directors' Fees, travel and educational expenses of the Board of Directors. Directors do not receive any additional benefits.
- c) Preliminary budgets are reviewed and discussed at two public board meetings prior to adoption.

2. Governing Body

- a) The five at-large members of the Board of Directors are elected by the registered voters residing within the District boundaries. The term of office is four years.
- b) The Board of Directors meets monthly on the third Tuesday of each month at 3:00 pm. Special meetings are held occasionally as deemed necessary.
- c) The Board of Directors abides by the Brown Act and compliance is monitored by the District's General Counsel.
- d) Elections are held every two years on odd numbered years. The last actual election was held in 1997 when five candidates ran for three board positions. Since that time, directors have been appointed by the Board of Supervisors in-lieu of an election due to the number of candidates who filed election papers have equaled the number of open positions.

3. Level of Service

- a) The District strives to meet or exceed customer needs our customers needs. Since the majority of the water infrastructure has been replaced or upgraded, the number of complaints regarding leaks, taste and odor, color and other water related issues have become minimal.

4. Customer Access

- a) The District business office has traditionally been open from 7:30 am to 4:30 pm Monday through Friday. The District recently extended its office hours to 7:30 am to 5:00 pm Monday through Thursday and 7:30 am to 4:30 pm on Fridays.
 - b) The District regularly communicates with its customers by including messages on its water bills and including informational inserts with the bills. The District also maintains a website, www.cvwater.com, where information about the District can be accessed at any time.
5. Does the agency recommend any government structure options (consolidation, reorganization, status quo)?
- a) The District has several areas within its Sphere of Influence that are served by mutual water companies or have private water systems. The District does not actively pursue increasing its water service area to include these areas, but is ready and willing to serve these areas if asked to or if they are required by regulator agencies to seek other service options. Most of these areas would bring assets, such as water supplies and existing infrastructure, which would create a minimal impact on the District's existing customers.
 - b) The District was formed under County Water District law and currently only provides water service to its customers. We are aware that with the recent passage of Measure R, there is a possibility that the District may be asked to activate its latent sanitation powers and merge Crestline Sanitation District into its operations. If this were to occur, the District's boundaries and Sphere of Influence would need to be adjusted to match Crestline Sanitation District's boundaries. This adjustment would be for sanitation purposes only and would not affect the water service areas provided by the District and the surrounding mutual water companies.
6. Does the agency have strategies or policies for future service delivery?
- a) The District's growth is mainly a result of infill and population shifts. Being surrounded by National Forest and other communities that have existing water system, there is minimal growth potential within the District's service area. We have seen a gradual increase in the number of full-time residents and is now about 60% full-time.
 - b) The District adopted a Water Conservation Program in 1991. The minimum level of the program constantly promotes the conservation of the District's water resources.
 - c) Annexation policies: See item 5a above.

**MANDATORY FIVE YEAR
SPHERE OF INFLUENCE UPDATE**

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INTRODUCTION: The questions on this form are designed to obtain data about the entity's existing sphere of influence to allow the Commission and its staff to begin to assess the mandated sphere update process. You are encouraged to include any additional information that you believe is pertinent to the process. Use additional sheets where necessary and/or include any relevant documents.

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1. NAME OF AGENCY: Crestline Village Water District
2. Provide an identification of the entities that provide service to your agency. Please indicate whether they are public or private entities and include subsidiary districts in this description. Please include a description of City or District-governed agencies (i.e., redevelopment agency, development corporations, joint powers authorities, improvement districts, etc.):

Crestline - Lake Arrowhead Water Agency - Wholesale Water Provider
Crestline Sanitation District - Sewage Collection & Treatment
Crest Forest Fire Protection District - Fire Protection
San Bernardino County Road and Flood Control Department

3. Provide a narrative description of anticipated alterations in the agency's current sphere of influence that should be considered in this review. This identification should include any potential development that would require a sphere of influence amendment for implementation, etc. (If additional room for response is necessary, please attach additional sheets to this form.)

There is currently some discussion of Crestline Sanitation District becoming independent of County Special Districts. While it is unknown at this time what the final result of this proposal may be, one possibility would be for Crestline Village Water District to exercise its latent power and join with Crestline Sanitation to provide Sewage collection and treatment for the Crestline area. If this were to occur, the District's sphere of influence and boundaries would have to be adjusted to include the full area served by Crestline Sanitation.

4. **CITIES:** Provide an outline of negotiations with the County of San Bernardino related to any sphere change anticipated. Please include an outline of agreements on boundaries, development standards, zoning requirements, if any. This is required pursuant to Government Code Section 56425(b).

5. **CITIES:** Provide an outline of the dates for adoption and plans for update, if any, for:

General Plan _____

Elements if adopted separately
NAME

DATE OF ADOPTION/UPDATE PLANS

_____	_____
_____	_____
_____	_____
_____	_____

6. **CITIES/SPECIAL DISTRICTS:** For the services provided by the agency identify the appropriate document below and provide an outline of the date of adoption, schedule for update, copy of the document and copy of environmental document, if applicable:

Master Plan for Water Utility	Created in 1979. Reviewed in conjunction with Urban Water Management Plan.
Master Plan for Sewer Utility	_____
Master Plan for Fire Service	_____
Master Plan for Park Service	_____
Urban Water Management Plan (with copy of certification from Department of Water Resources)	Adopted October 2006, Scheduled for review in 2010.
Other (Please name):	_____
_____	_____
_____	_____

7. **SPECIAL DISTRICTS:** Provide an outline of the following items related to the services provided by the District. This response is specifically required by Government Code Section 56425(i) et seq.

- a) Provide a written statement specifying the functions and/or classes of service provided by your District.

Provide retail water service to residential, commercial, public customers within the District's service area. The District currently has 4,936 active water services.

- b) Provide a written description of the nature, location and extent of the functions and/or classes of service outlined above. Where the service area is less than the boundaries of the District provide a map depiction of the location.

The above services are provided throughout the District's service area.

- c) Provide a brief outline of master plans adopted for each of the services listed above including a summary of their findings and the date of their adoption. If master plans are required to be filed with a County, State or Federal agency please note the date of their acceptance. Provide a copy of the master plans with this document if not previously provided to the LAFCO staff office including a copy of the environmental determination associated with the document.

The District's Master Plan for Water was created in 1979 after the Lake Gregory area was annexed to the District. Over the past 20 years, the District has completely replaced all of the old steel service lines and has upgraded, rehabilitated or

constructed all but three of its water storage tanks. There is not a formal document outlining the master plan.

The Urban Water Management Plan was last updated as of October 2006 and is scheduled to be reviewed in 2010. It is projected that the District has an adequate water supply and facilities to meet the needs of the current and future customers for the next 20 years.

8. Provide a response to the four factors outlined in Government Code Section 56425 required for a sphere of influence review outlined as follows:

a) The present and planned land uses in the area, including agricultural and open-space lands.

The present land uses in the District's service area is residential, business and light commercial. The planned uses are the same. While there is some undeveloped land in the area, it is expected that the land use would fall in the same categories as described above when these properties are developed.

b) The present and probable need for public facilities and services in the area.

The District has constructed its water system to meet the current and future needs of the area in its sphere of influence. As surrounding areas are annexed into the District or developed, additional facilities may need to be constructed to service the needs of the annexed areas.

c) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District's facilities have been designed to meet the water needs within its service area. There are adequate facilities and water supply to meet the anticipated needs within the District as the area build out.

d) The existence of any social or economic communities of interest in the area.

The District has not determined any social or economic communities of interest at this time.

CERTIFICATION

I hereby certify that the statements furnished above and in the attached supplements, exhibits, and documents present the date and information required for this mandatory review to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE: 6/27/08



Signature of Official

Karl B. Drew
Printed Name

General Manager
Title