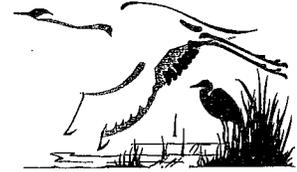


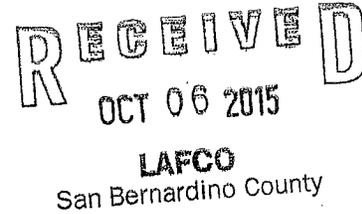
Letter from Tom Dodson and Associates

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October 5, 2015

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



Dear Kathy:

LAFCO 3173 consists of a Sphere of Influence amendment for the San Bernardino Valley Water Conservation District (District). The Sphere of Influence study area encompasses approximately 81 square miles. The study area includes the existing boundaries of the San Bernardino Valley Water Conservation District and territory within the Santa Ana River outside the District generally bounded by Boulder Avenue/Orange Street on the east; parcel boundaries along the Santa Ana River on the south (San Bernardino and Redlands); E Street on the west; and parcel boundaries along the Santa Ana River San Bernardino and Highland) on the north.

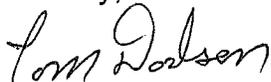
The LAFCO Staff has identified four alternative sphere configurations for the Commission's consideration. They include: 1) District Application: Expansion to include existing District boundary and "Wash Area" of the Santa Ana River; expansion of the sphere of influence to be coterminous with the sphere of influence of the San Bernardino Valley Municipal Water District (Valley District); 2) Expansion to be coterminous with San Bernardino Valley Municipal Water District Sphere in San Bernardino County; 3) Expansion to encompass the Bunker Hill Groundwater Basin; and 4) expansion to encompass the Bunker Hill Groundwater Basin and surrounding area. As we have learned from previous sphere and service reviews, the designation of a sphere, which focuses on a planning boundary, does not by itself cause any modifications to the physical environment. Only when the subsequent step is taken to physically revise the jurisdictional boundary or range of services of a service district does a potential for physical change in the environment occur.

The sphere amendment for the District does not appear to have any potential to alter the existing physical environment in any manner. Adoption of any of the four sphere alternatives does not have any potential for causing physical changes in the environment. Therefore, I recommend that the Commission find that a General Rule Statutory Exemption (as defined in the California Environmental Quality Act, CEQA) applies to LAFCO 3173 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 3173.

In this case, adopting a sphere to include Bunker Hill Groundwater Basin and surrounding area does not alter the existing operations or obligations of either District and does not adversely affect any existing physical facilities. Based on this review of LAFCO 3173 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 3173 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 3173 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 (NOE) with the County Clerk to the Board for this action once the action is completed.

A copy of this memorandum and the NOE 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 black ink that reads "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson