


**LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY**

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DATE: December 12, 2016
FROM:  KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: AFFECTED AND INTERESTED AGENCIES AND INDIVIDUALS
(See *Distribution List Below*)

SUBJECT: WITHDRAWAL OF LAFCO 3212 – CONSOLIDATION OF THE CHINO BASIN
WATER CONSERVATION DISTRICT AND THE INLAND EMPIRE UTILITIES
AGENCY, A MUNICIPAL WATER DISTRICT

On December 8, 2016 the Local Agency Formation Commission for San Bernardino County (LAFCO) received an email copy of IEUA Resolution No. 2016-12-4 rescinding its Resolution 2016-8-1 initiating its application for consolidation identified as LAFCO 3212 and outlined above. Since a Certificate of Filing has not been issued for this proposal, the rescission of the resolution is a withdrawal which is an administrative matter not subject to review by the LAFCO Commission. Therefore, staff has accepted the request for withdrawal of the application, the file will be closed as a public record and maintained in perpetuity as required by law, and the application can be resubmitted at any time by any affected agency.

Of note, LAFCO staff requested verification of the last "Whereas" on page 1 of Resolution No. 2016-12-4 which states "...and on December 6, 2016, the Board of Directors of the Inland Empire Utilities Agency received a copy of a letter prepared on behalf of the Board of Supervisors of the County of San Bernardino expressing to LAFCO that the County does not support the consolidation efforts." The letter identified in the Resolution was received by LAFCO staff addressed to Commission Chair Kimberly Cox from Fourth District Supervisor Curt Hagman, not the County, expressing his opposition. The County has taken no action in support or opposition to the proposed consolidation as verified through the County Administrative Office.

/krm

Attachment:

1. Resolution No. 2016-12-4
2. Letter Dated November 29, 2016 from Supervisor Curt Hagman to LAFCO Chair Kimberly Cox

DISTRIBUTION LIST – AFFECTED AND INTERESTED AGENCIES:

Inland Empire Utilities Agency:

Joe Grindstaff, General Manager
Kathryn Besser, Manager of External Affairs
Christina Valencia, Chief Financial Officer

Chino Basin Water Conservation District:

Eunice Ulloa, Executive Director
Vivian Castro, Assistant Executive Director

County of San Bernardino:

Supervisor Janice Rutherford, 2nd District
Supervisor Curt Hagman, 4th District
Supervisor Josie Gonzales, 5th District
Greg Devereaux, County Executive Officer
Katrina Turturro, Deputy Executive Officer
Bob Page, Principal Management Analyst, Special Projects

San Bernardino County Flood Control District:

Gerry Newcombe, Director of Public Works, San Bernardino County
Kevin Blakeslee, Deputy Director, San Bernardino County Flood Control
District
James MacKenzie, Basin Manager, San Bernardino County Flood Control
District

Inland Empire Resource Conservation District:

Mandy Parkes, General Manager
Paul Williams, President, Board of Directors

City of Chino
City of Chino Hills
City of Fontana
City of Montclair
City of Ontario
City of Rancho Cucamonga
City of Rialto
City of Upland
Cucamonga Valley Water District
Monte Vista Water District
West Valley Water District
Santa Ana Watershed Project Authority
Chino Basin Watermaster
Metropolitan Water District of Southern California
West Valley Mosquito & Vector Control District
County Committee on School District Organization
Chaffey Joint Unified School District
Chino Valley Unified School District
Cucamonga Unified School District
Etiwanda School District

Fontana Unified School District
Ontario-Montclair Unified School District
Rialto Unified School District
Upland Unified School District

cc: Curtis Paxton, Chino Basin Desalter Authority
Josh Swift, Fontana Water Company
Jeanne Marie Bruno, Liberty Utilities
Charles Moorrees, San Antonio Water Company
Karen Sked, Manager, San Antonio Canyon Mutual Water Company
Terry Catlin, Water Facilities Authority
Ken Willis, West End Consolidated Water Company
John Rossi, Western Municipal Water District
Justin Brokaw, Marigold Mutual Water Company
Jennifer Cusack, Southern California Edison
Joe Flores, California Highway Patrol
Ken Petschow, San Antonio Heights Property Owners Association
K.D. Rietkerk, San Antonio Heights Property Owners Association
Jason Zorger
Mark Sanquist
Marilyn Smith
Louise Roccatani
Celeste Doyle, Center for Biological Diversity

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RESOLUTION NO. 2016-12-4

LAFCO
San Bernardino County

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY RESCINDING
RESOLUTION NO. 2016-8-1 AND WITHDRAWING
APPLICATION 3212 BEFORE THE LOCAL AGENCY
FORMATION COMMISSION OF SAN BERNARDINO
COUNTY AND TERMINATING PROCEEDINGS FOR THE
CONSOLIDATION OF THE CHINO BASIN WATER
CONSERVATION DISTRICT WITH THE INLAND EMPIRE
UTILITIES AGENCY**

WHEREAS, the Board of Directors of the Inland Empire Utilities Agency (IEUA) adopted Resolution No. 2016-8-1 on August 17, 2016, requesting the Local Agency Formation Commission of San Bernardino County (LAFCO) to take proceedings for consolidation of the Chino Basin Water Conservation District (CBWCD) with IEUA pursuant to the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

WHEREAS, pursuant of Resolution No. 2016-8-1, IEUA submitted an application to LAFCO requesting consolidation of CBWCD with IEUA, which application has been designated as LAFCO Application 3212;

WHEREAS, pursuant to LAFCO Application 3212, LAFCO has undertaken proceedings to evaluate IEUA's application to consolidate CBWCD with IEUA;

WHEREAS, CBWCD was formed in 1949 with the mission to protect the Chino Groundwater Basin in order to guarantee the current and future water needs will be met;

WHEREAS, in conjunction with IEUA and the San Bernardino County Flood Control District, CBWCD actively protects and replenishes the Chino Groundwater Basin with rainfall and storm water discharge from the San Gabriel Mountains;

WHEREAS, CBWCD's role as a center for education and community outreach is well established and cannot be understated;

WHEREAS, the importance of water restoration and conservation efforts have become more pronounced especially during times of severe drought conditions across the state; and

WHEREAS, several local public agencies have expressed opposition to the consolidation, and on December 6, 2016, the Board of Directors of the Inland Empire Utilities Agency received a copy of a letter prepared on behalf of the Board of Supervisors of the County of San Bernardino expressing to LAFCO that the County does not support the consolidation efforts.

NOW, THEREFORE, BE IT RESOLVED by IEUA's Board of Directors that the above recitals are true and correct, that it has reconsidered its prior actions, and that the Resolution No. 2016-8-1 adopted on August 17, 2016, is hereby rescinded.

BE IT FURTHER RESOLVED by IEUA's Board of Directors that LAFCO Application 3212 is hereby withdrawn.

BE IT FURTHER RESOLVED by IEUA's Board of Directors that LAFCO is hereby requested to terminate all further consolidation proceedings involving CBWCD.

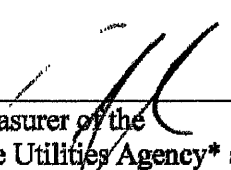
BE IT FURTHER RESOLVED by IEUA's Board of Directors does hereby support the continuation of CBWCD's status as an independent special district.

PASSED AND ADOPTED by IEUA's Board of Director on December 7, 2016.



President of the Inland Empire Utilities Agency*
and of the Board of Directors thereof

ATTEST:



Secretary/Treasurer of the
Inland Empire Utilities Agency* and of the
Board of Directors thereof

Resolution No. 2016-12-4

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STATE OF CALIFORNIA)
) SS
COUNTY OF SAN BERNARDINO)


I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY CERTIFY that the foregoing Resolution No. 2016-12-4 was adopted at a regular meeting on December 7, 2016 of said Agency* by the following vote:

AYES: Hall, Elie, Camacho, Parker, Hofer

NOES: None

ABSTAIN: None

ABSENT: None



Steven J. Elie, Secretary/Treasurer

(SEAL)

* A Municipal Water District



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DEC 06 2016

LAFCO
San Bernardino County

November 29, 2016

Kimberly Cox
President
Local Agency Formation Commission of San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415-0490

Subject: Opposition to LAFCO 3212 - Inland Empire Utilities Agency (IEUA) Proposal to Consolidate the Chino Basin Water Conservation District (CBWCD)

Ms. Cox:

I am in receipt of a letter from your Executive Office providing information on IEUA's proposal to take over CBWCD. I am familiar with the quality services provided by both agencies and appreciate the unique attributes that each brings to the region. I am committed to improving public sector efficiencies and saving taxpayer money but at this time I strongly oppose IEUA's proposal and any other effort to consolidate the CBWCD as I believe keeping CBWCD is the best way to provide water conservation education, recharge and related services to my constituents.


As the representative of the cities of Chino, Chino Hills, Ontario, Montclair and the south of Foothill portion of Upland, I value the input of these cities and my constituents. I have surveyed the cities in the Fourth Supervisorial District, and none have expressed support for the proposed merger. On the contrary, the cities of Chino, Montclair and the Monte Vista Water District, which services a significant portion of the region's residents, have all questioned and taken positions of opposition to the consolidation; as has Ontario Mayor pro Tem Porada. I have attached copies of their letters for your reference. The city of Montclair also adopted a resolution in opposition of the proposed consolidation.

CBWCD does an outstanding job of educating students, residents, stakeholders and the general public regarding the importance of water conservation. CBWCD owns and operates EIGHT conservation basins and recharges independently of IEUA. The CBWCD basins recharge storm water, street runoff through storm drains, imported water through the San Antonio Channel, and two of their basins accept recycled water from IEUA.

CBWCD was formed in 1949 as an independent special district that operates under the authority of Division 21 of the California Water Code and has the authority to own and operate percolation basins, to recharge the groundwater basin, and to provide education services. I believe that CBWCD fulfills these functions efficiently and effectively. With respect to their ownership of the recharge basins, I believe this is an important function that should remain in CBWCD's hand – they have been highly responsible and engaged public stewards of the basins and take their role on behalf of the taxpayers seriously. IEUA (formerly Chino Basin Municipal Water District) is a water wholesaler and regional wastewater treatment utility that does an excellent job at what they do, but I am against any efforts to transfer any of CBWCD services or assets to IEUA or any other entity.

The importance of proper water management cannot be overstated as we move forward into a future involving an increased regional population growth. As the Fourth District County Supervisor, I will do everything I can to protect residents from water shortages while ensuring efficient, high quality operations of public entities and conserving taxpayer dollars and look forward to being a partner in these efforts. Your work in surveying this proposal will no doubt yield a history of efficient and high quality services provided by CBWCD. Thus, I believe an independent CBWCD that continues to provide its water conservation and recharge services is in the best interest of the region.

Cordially,


Curt Hagman
Supervisor, Fourth District
San Bernardino County

enclosures: City of Montclair letter dated August 29, 2016 and Resolution dated September 6, 2016
City of Chino letter dated October 4, 2016
Monte Vista Water District letter dated October 5, 2016
City of Ontario Mayor pro Tem Porada letter dated October 7, 2016