

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

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

PROPOSAL NO.: LAFCO 3222

HEARING DATE: January 17, 2018

RESOLUTION NO. 3261

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3222 AND ADOPTING THE SPHERE OF INFLUENCE DESIGNATION FOR THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, SAN BERNARDINO COUNTY PORTION (sphere adoption to be coterminous with that of its member agency, Inland Empire Utilities Agency, excluding an area of 4.81 acres, encompassing approximately 292 square miles).

On motion of Commissioner ____, duly seconded by Commissioner ____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed sphere of influence establishment in San Bernardino County was initiated by the Local Agency Formation Commission (hereinafter referred to as "the Commission") for the Metropolitan Water District of Southern California (San Bernardino County portion) and was filed by the Executive Officer of the Commission in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 *et seq.*); and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was called for January 17, 2018 at the time and place specified in the notice of public hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written support and opposition; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing; and,

RESOLUTION NO. 3261

WHEREAS, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that the sphere of influence establishment is statutorily exempt from CEQA and such exemption was adopted by this Commission on January 17, 2018. The Commission directed its Executive Officer to file a Notice of Exemption within five working days with the San Bernardino County Clerk of the Board of Supervisors; and,

WHEREAS, based on presently existing evidence, facts, and circumstances presented to and considered by this Commission, it is determined that the sphere of influence for the Metropolitan Water District of Southern California (San Bernardino County portion) should be determined to be coterminous with that of its member agency, the Inland Empire Utilities Agency, excluding an area of 4.81 acres, as more specifically described on the attached Exhibits "A" and "A-1" to this resolution; and,

WHEREAS, the Commission conducted service reviews in May 2015 titled "Service Review for Water Conservation in the Valley Region" and in July 2017 titled "Countywide Service Review for Water".

WHEREAS, the following determinations are made in conformance with Government Code Section 56425 and local Commission policy:

1. The present and planned land uses in the area, including agricultural and open space lands:

The map below illustrates the land use designations of the city and county jurisdictions within the area proposed to be included within the sphere of influence for Metropolitan (the area of the IEUA sphere of influence) – shown in red outline. As shown, residential, urban mixed, and industrial uses are prevalent in the urbanized areas with commercial interspersed. Parks and Open Space are heavy at the southwestern edge representing Chino Hill State Park and floodways of the Santa Ana Mainstem Project

The area contains agricultural lands, Williamson Act contracts, agricultural preserve designations, and areas where special permits are required. Pursuant to Government Code Section 56426.6, the Commission shall not approve a change to the sphere of influence of a local government agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (known as the Williamson Act)¹ if that local government agency provides, or would provide, facilities or services related to ...nonagricultural water ... to the territory. However, the Commission may nevertheless approve a change for that territory if it finds either of the following:

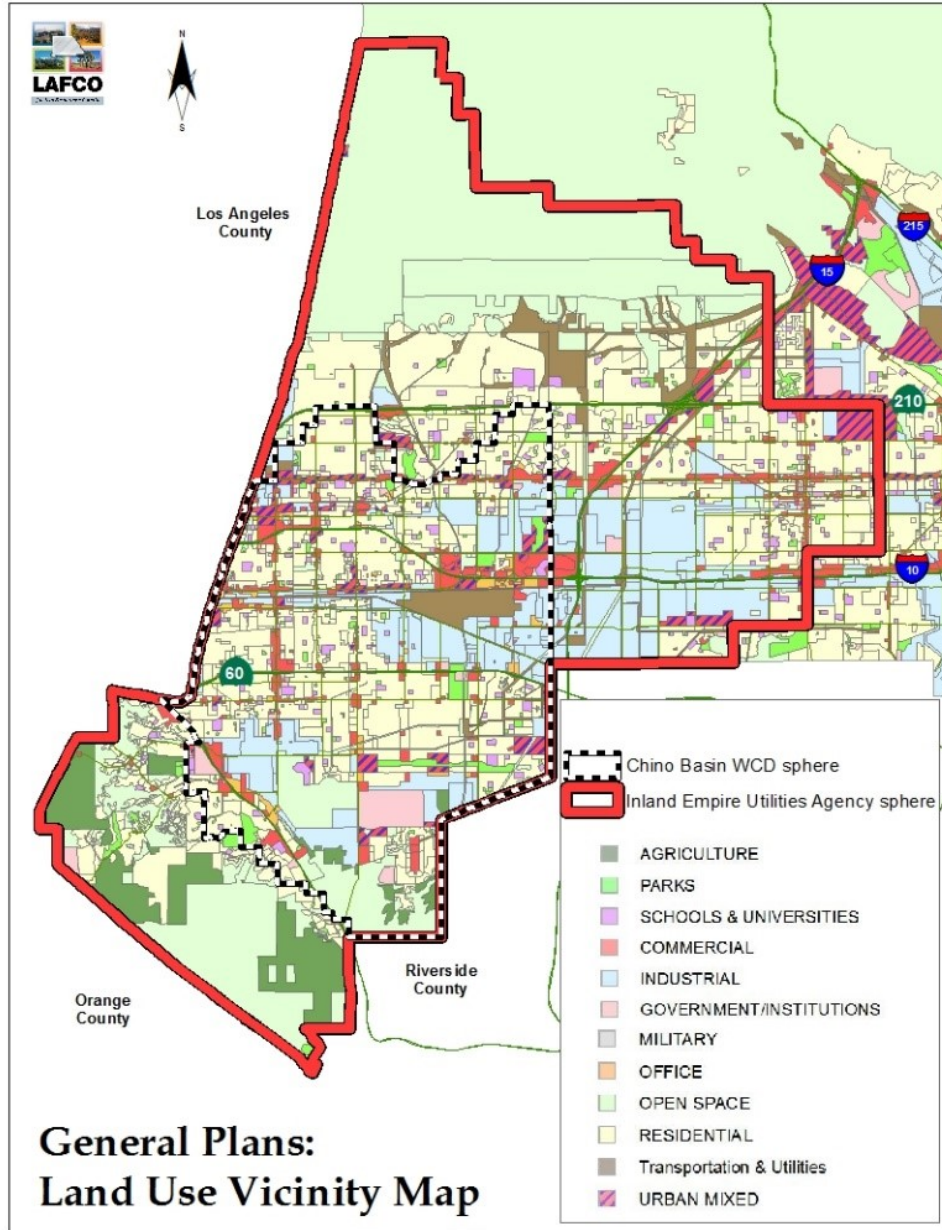
- That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.

¹ California Government Code, Title 5, Division 1, Part 1, Chapter 7 (commencing with Section 51200)

RESOLUTION NO. 3261

- That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date.

A sphere of influence is a planning tool, and the sphere establishment supports the planning efforts necessary to assist in the agricultural operations.



2. The present and probable need for public facilities and services in the area:

Pursuant to the determinations in the service reviews dated May 2015 and July 2017, the following information is provided for this factor.

RESOLUTION NO. 3261

Present Need

The population within the study area increased 23% from 1990 to 2000. Interestingly, the population within the study area grew at a lesser rate of 16% from 2000 to 2010 during the construction boom. The 2015 estimated population was 856,168.

Pop Source	Census			Estimate	Projected		
Year	1990	2000	2010	2015	2020	2030	2040
IEUA sphere	569,490	701,527	814,210	856,168	896,533	1,009,349	1,125,203
Sources: 2015 IEUA Urban Water Management Plan; 2015 San Bernardino Valley Regional Urban Water Management Plan; ESRI estimates for 2015							

There are generally two basins within the study area: Chino and Cucamonga, both of which are adjudicated. The figure below is a summary of the two basins from the Department of Water Resources (“DWR”). As part of the California Statewide Groundwater Elevation Monitoring Program and pursuant to the California Water Code §10933, DWR is required to prioritize California groundwater basins, so as to help identify, evaluate, and determine the need for additional groundwater level monitoring. As identified by the DWR, the Chino Basin has been designated as a High Priority basin (high cumulative ratings as shown in the chart below) and the Cucamonga Basin as a Medium Priority basin for future monitoring. Both share similar population, groundwater reliance factors, and have been impacted from the increasing population.

California Statewide Groundwater Elevation Monitoring Program								
Upper Santa Ana Valley Basin - West Valley								
DWR Rating (1 = low, 5 = high)								
Sub-Basin	Sq. Miles	2010 Pop.	Pop.	Pop. Growth	GW Reliance	Impacts	Basin Priority	Impact Comments
Chino	242	898,653	4	2	4		3 High	High nitrates and dissolved solids.
Cucamonga	15	51,001	4	1	3.5		3 Medium	High nitrates reported in 14 of 24 wells tested.

Probable Need

It is not until 2025 that the growth rate is projected to increase. LAFCO’s analysis in conjunction with Southern California Associated Governments (“SCAG”) projections provides a projected population of 1.13 million in 2040 for the study area. The 2040 figure would be roughly twice that of 1990 with an evident corresponding increase in population density.

The population projections identified above do not include the heavy daily business, commercial, education and industrial activities. Further, the transient traffic on Interstates 10 and 15 (two of four interstates that exit Southern California to the east) has significantly increased in volume each decade and is anticipated to continue to do so. All of this signals that the west Valley Region is one of the most densely populated and traveled parts of the state and that the need for additional water resources will only intensify for the already impacted groundwater basins.

Through 2040 the subject area population is expected to significantly increase. It is paramount that the agencies recognize the need to develop and promote programs that

RESOLUTION NO. 3261

protect existing water resources for the region's sustainability and future growth, as well as the importation of additional water supply.

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

There will be no service change as a result of the sphere establishment. The area within the boundaries of Metropolitan and IEUA currently receives services from those agencies. The Metropolitan sphere establishment, being a planning tool, would work in concert with the Metropolitan mission², IEUA mission³, and Metropolitan and IEUA planning documents:

- IEUA's planning reports to include but limited to: 2015 Regional Urban Water Management Plan, Operating and Capital Program Budget, Groundwater Recharge Report, and Recycled Water Quality Report.
- Metropolitan's planning reports to include but not limited to: Integrated Water Resources Plan, Urban Water Management Plan, Water Surplus and Drought Management Plan, Long-Term Conservation Plan, and Capital Project Reports.

The area outside the boundaries of these agencies (but within the area proposed for inclusion within the Metropolitan sphere) extends north to the hydrological divide that separates the spheres of the neighboring state water contractors (current northerly extent of IEUA sphere); the inclusion within the Metropolitan sphere will allow for Metropolitan to plan for the provision of its water service in the future.

4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency:

Metropolitan is the state water contractor that delivers imported water to its member agency within San Bernardino County, IEUA. The delivery of this water is for use as recharge or for use from the IEUA member agencies is a vital resource which supports the social and economic interests of the Cities of Chino, Chino Hills, Fontana (western portion), Montclair, Ontario, Rancho Cucamonga, Upland, and a portion of the City of Rialto; and unincorporated territory.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to ...municipal and industrial water..., the present and probable need for those public facilities and services of any disadvantaged unincorporated communities ...:

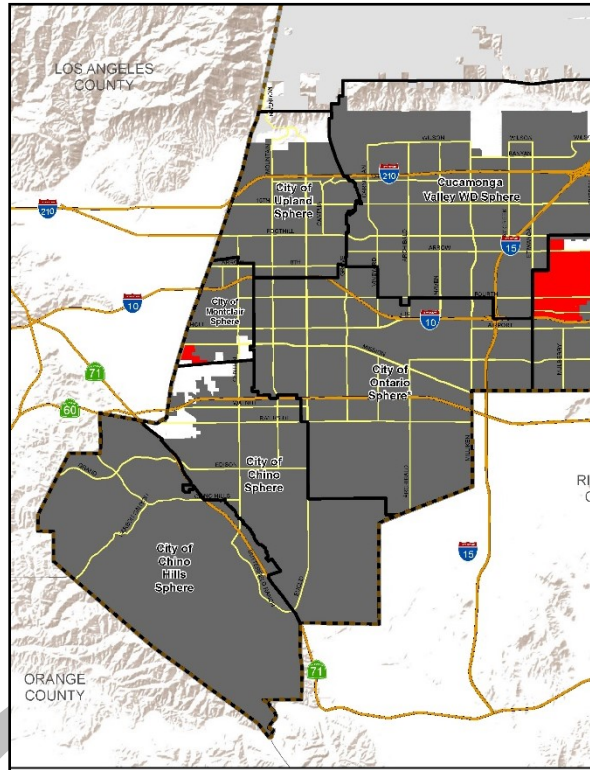
There are two areas that are identified as disadvantaged unincorporated communities ("DUC") within the study area: South Montclair and a portion of West Fontana. These areas

² "The mission of the Metropolitan is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way."

³ The IEUA mission is, "Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development and protecting the environment. Key areas of service: Securing and supplying imported water. Collecting and treating wastewater. Producing high-quality renewable products such as recycled water, compost and energy. Promoting sustainable use of groundwater and development of local water supplies."

RESOLUTION NO. 3261

presently receive wholesale water service from IEUA, as a member of Metropolitan - the state water contractor. Wholesale water provides a supplemental source to the impacted water basins. The probable need for wholesale water to these two DUC areas is anticipated to remain as population projections show steady growth through 2040. These areas are identified in red in the map below.



6. Additional Determinations

- Legal notice of the Commission's consideration of the sphere establishment has been provided through publication of a 1/8th page legal advertisement in *The Inland Valley Daily Bulletin*, a newspaper of general circulation in the area.
- Individual notices were provided to all affected and interested agencies, County departments and those individuals and agencies requesting special notice.
- In November 2011 San Bernardino LAFCO and Los Angeles LAFCO entered into a Memorandum of Understanding for exchange of principal county status for sphere of influence changes that cross county boundaries to the county where the sphere of influence territory is located. In a letter to Los Angeles LAFCO dated October 25, 2017, San Bernardino LAFCO expressed its intention to utilize the provisions of this MOU to address the Metropolitan Water District sphere in San Bernardino County.

