

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

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DATE: AUGUST 9, 2004
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #11:** LAFCO 2933 – Service Review and Sphere Of Influence Update for the Beaumont-Cherry Valley Water District

INITIATED BY:

San Bernardino Local Agency Formation Commission

RECOMMENDATION:

1. Determine that LAFCO 2933 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five days;
2. Make the findings related to a service review required by Government Code Section 56430 and determine that the existing sphere of influence for the Beaumont-Cherry Valley Water District should be affirmed as presently configured; and,
3. Adopt LAFCO Resolution #2840 setting forth the Commission's findings and determinations on this issue.

BACKGROUND INFORMATION:

LAFCO 2933 was initiated by the Commission on January 15, 2003 in response to state mandates requiring service reviews and sphere of influence updates for all cities and special districts on a five-year schedule and is the service review and sphere of influence update for the Beaumont-Cherry Valley Water District (BCVWD). As LAFCO staff began the service review/sphere

updates for the East Valley Region, including for the BCVWD, we contacted the District on numerous occasions outlined as follows:

1. The Notice of Hearing and staff report initiating the service reviews for the East Valley were provided to the District in December 2002.
2. A letter was forwarded, following initiation, identifying a meeting on January 29, 2003 to review with affected agencies the Commission's policies and requirements for conduct of the mandated sphere update/service reviews. Included was a survey response form.
3. February 27, 2003 -- correspondence was forwarded to BCVWD and those other agencies not participating in the January 29th meeting providing an additional copy of the Commission's policies, and the survey form with a request that the information be provided by March 2003.
4. March 26, 2003 -- a reminder letter outlining the need for submission of the District's response to the survey questionnaire was forwarded to those districts not providing a response, including the BCVWD.
5. August 6, 2003 -- a request for completion of the survey form was again provided with the notation that a meeting would be scheduled with the Executive Officer to go over the form and any questions or difficulties the District was experiencing in completion of the survey response.
6. A meeting was scheduled for September 15, 2003 at the BCVWD office. Arriving at the appointed time, staff was informed that the General Manager had left for another meeting. Another copy of the survey response was left with District staff, with no response forthcoming.

In March 2004, a copy of the District's 2002 Urban Water Management Plan was received in the staff office following discussions with the Riverside LAFCO staff for assistance in completing this review. Therefore, this service review and sphere update are based upon this document only.

Included as Attachment #1 to this report are location and vicinity maps which identify the boundaries and existing/proposed sphere of influence for the BCVWD within San Bernardino County. Attachment #2 to this report is a District Summary Profile Sheet and excerpts from the BCVWD 2000 Urban Water Management Plan.

As required by the Commission's policies to address a sphere of influence, a community-by-community approach is employed. LAFCO staff has addressed

the BCVWD service review/sphere update along with the larger Yucaipa community for its territory within San Bernardino County. The service area of the BCVWD is primarily within Riverside County, and its sphere territory within San Bernardino County relates to lands easterly of Oak Glen Road, southerly of the Oak Glen community. The sphere of influence designation for the District addresses lands which it owns in order to produce water for distribution to its customers to the south. Staff has examined this District's relationship to the sphere of influence update/service review and proposes no change for the BCVWD sphere of influence.

For information purposes, it should be noted that should this District propose annexation of territory within San Bernardino County, the Riverside LAFCO would conduct those proceedings as Principal County for BCVWD. However, it should be noted that in doing so, San Bernardino LAFCO staff would seek to be assured that its policies for concurrent annexation of territory to the water wholesaler within the area would be applied by Riverside LAFCO. The water wholesaler designated for this area is the San Bernardino Valley Municipal Water District (SBVMWD) and its sphere of influence includes the whole of the area assigned to the BCVWD sphere within San Bernardino County (attachment #4 to this report provides a map of the location of the San Bernardino Valley Municipal Water District and its sphere of influence).

Such a future change of organization would also require the clarification of the impacts on the state water contractors within the area. The area southerly of the County line is a part of San Gorgonio Pass Water Agency (a state water contractor) boundary and sphere, while the sphere of influence territory of the District within San Bernardino County is, as noted above, part of the SBVMWD (a state water contractor) sphere. As the Commission is aware, delivery of water extracted within the boundaries of one state water contractor and delivered in another creates conflicts with many state water contracts. This situation has been addressed in the case of the West Valley Water District (WVWD) through adoption of an agreement between the four parties involved in that area. The Yucaipa Valley Water District service review/sphere update addressed the same question indicating that it would be recommended that the same type of agreement be considered for use to address the transfers of water. If necessary, a similar agreement would also be suggested between the affected state water contractors and the BCVWD.

SERVICE REVIEW:

The BCVWD is an independent special district formed under the provisions of Irrigation District Law, Water Code Sections 20500 through 29976. The only BCVWD service territory within the County of San Bernardino relates to 5.25

acres along the easterly side of Oak Glen Road, a part of the City of Yucaipa. An excerpt from the Urban Water Management Report prepared for the BCVWD is included as a part of Attachment #2 and this document has been used to address the service review factors. As noted earlier, no survey response has been provided by the District. The response to the review factors is outlined in the draft resolution included as Attachment #6 to this report, summarized as:

1. Infrastructure Needs and Deficiencies – The District’s sphere of influence area within San Bernardino County primarily encompasses lands used for water production by the District. The document provided does not identify specific infrastructure needs, but does indicate that the District will stabilize its demands on the Beaumont Storage Unit and Edgar Canyon areas, develop recycled water use, capture and percolate stormwater and use imported water for water supply to its customers.

The document indicates that the District’s well facilities within San Bernardino County account for 10 of its 19 wells and the production of approximately 4,190 acre feet (calculated for the 2002 report). In addition, it notes that the District has 40 to 50 ponds within the Upper Edgar Canyon area (within San Bernardino County) to capture and percolate storm water.

2. Cost Avoidance Opportunities and Shared Facilities Opportunities – The San Timoteo Watershed Management Authority (STWMA), a joint powers authority consisting of the Yucaipa Valley Water District, the City of Beaumont, the BCVWD, and the South Mesa Water Company, has been formed to study and implement a regional water resource management program. The area encompassed by the STWMA includes 140 square miles and includes the upper parts of the San Timoteo and San Gorgonio water sheds to maximize this local water resource.
3. Government Structure Options – The District was formed in 1919 as the Beaumont Irrigation District, operating under Irrigation District Law, defined by the lands provided water by the Beaumont Land and Water Company. In 1920, the District became the Beaumont-Cherry Valley Water District and still operates under Irrigation District law.

Figure 1-1 of the District Urban Water Management Plan provides a map showing the District’s boundary and sphere of influence. The sphere of influence boundary within San Bernardino County is accurately reflected; however, the District’s boundary shows vast lands

within San Bernardino County a part of the District. As a part of the development of digitized maps of independent special districts, LAFCO staff researched government records for the agencies within our County, provided each with a map of the service area, and requested their review and confirmation in 1999. At that time it was confirmed with BCVWD District staff that the territory of the BCVWD within San Bernardino County is confined to 5.25 acres along Oak Glen Road, while the balance of the area illustrated on the map is owned by the District, but not a part of its jurisdictional boundaries. Attachment #1 to this report provides the sphere and boundary definitions as confirmed in 1999 for the District within San Bernardino County.

4. Local Accountability and Governance – The District is governed by a five-member Board of Directors, elected at-large. The District conducts its business at regularly scheduled meetings at its administrative facilities open to the public.
5. Since the BCVWD is governed by the Riverside LAFCO as its Principal County, it is Riverside LAFCO that determines the authorized powers and services for this District. Through this process, BCVWD is currently authorized the active services and functions as follows:

SERVICE	FUNCTIONS
Water	Domestic, industrial, commercial, irrigation and agricultural

Latent powers are those powers authorized to a special district through its principal act, but which are not being actively provided. According to the BCVWD’s principal act, the Irrigation District Law (Water Code Sections 20500 to 29976), the latent powers of the District are:

SERVICE	FUNCTIONS
Drainage	Provide any and all drainage made necessary by the irrigation provided by the District.
Electrical Power	Purchase or lease electric power and provide for the acquisition, operation and control of plants for the generation, transmission, etc. of power. After January 1999, District may not construct, lease, acquire, install, or operate facilities for distribution or transmission of power within the territory of an electrical corporation unless it has first applied for and received approval of the PUC.
Flood Control	Operate flood control works in districts having more than 200,000 acres.

Sewage Disposal	Disposal; reclamation of wastewater for beneficial use.
Park and Recreation	Construct, maintain, and operate recreational facilities in connection with dams, reservoirs, or other work owned and constructed by the District.
Airport	Acquire and operate an airport or aviation school.

None of the adjacent or overlaying agencies have identified any current concerns with the existing sphere of influence for the Beaumont-Cherry Valley Water District within San Bernardino County addressed by this review.

CONCLUSION:

Based on the information outlined above staff recommends that the Commission affirm the District’s sphere of influence within San Bernardino County. Staff recommends that the Commission adopt Resolution #2840 setting forth written responses to the statutory factors related to service reviews and sphere of influence studies.

KRM

Attachments:

1. Maps of the current Water Districts within the East Valley and the Existing Sphere of Influence for the Beaumont-Cherry Valley Water District
2. Summary District Profile Sheet and Excerpt from Urban Water Management Plan for Beaumont-Cherry Valley Water District
3. Commission Policy Regarding Sphere of Influence Determinations
4. Map of the Sphere of Influence and Boundary of the San Bernardino Valley Municipal Water District
5. Response from Tom Dodson and Associates
6. Draft Resolution #2840