

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

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PROPOSAL NO.: LAFCO 3024

HEARING DATE: January 21, 2009

RESOLUTION NO. 2987

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 3024 – A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA 64 (expansion to include the entirety of the Mojave Narrows Regional Park to reflect the area of service responsibility, reduction to exclude the territory within the Town of Apple Valley thereby signaling its desire that the Town of Apple Valley assume responsibility for service delivery to the area, and affirmation of the balance of the existing sphere of influence as shown on the attached map).

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

WHEREAS, a service review mandated by Government Code 56430 and a sphere of influence update mandated by Government Code Section 56425 have been conducted by the Local Agency Formation Commission of the County of San Bernardino (hereinafter referred to as “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, a public hearing by this Commission was originally called for February 21, 2007 and continued to March 21, 2007, June 20, 2007, August 15, 2007, and October 24, 2007 and removed from the calendar November 28, 2007. The new public hearing was called for November 19, 2008 and continued to January 21, 2009 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 protests; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; 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;

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WHEREAS, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that this service review and sphere of influence update are statutorily exempt from CEQA and such exemption was adopted by this Commission on January 21, 2009. The Clerk was directed to file a Notice of Exemption within five working days of its adoption;

WHEREAS, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the following sphere of influence determinations should be made for County Service Area 64 (hereafter shown as "CSA 64" or the "District"):

- (1) Expand the sphere of influence to the north by approximately 667 acres to include the entirety of the Mojave Narrows Regional Park to reflect the area of service responsibility,
- (2) Reduce the sphere of influence by approximately 380 acres to exclude the territory within the Town of Apple Valley thereby signaling its position that the Town of Apple Valley should ultimately assume responsibility for service delivery to the area,
- (3) Affirm the balance of the existing sphere of influence;

as more specifically depicted on the map attached hereto as Exhibit "A"; and

WHEREAS, the determinations required by Government Code Section 56430 and local Commission policy are included in the report prepared and submitted to the Commission dated November 10, 2008 as modified in the report prepared and submitted to the Commission dated January 12, 2009 and received and filed by the Commission on January 21, 2009, a complete copy of which is on file in the LAFCO office. The determinations of the Commission are:

1. Growth and population projections for the affected area:

According to the Southern California Association of Governments (SCAG), the 2004 population for the area was approximately 11,844. Utilizing the growth forecast for transportation analysis zones, as identified in the SCAG 2008 Regional Transportation Growth Forecast, the District's population projections are as follows:

2010 – 12,283; 2020 – 13,161; 2030 – 13,600; 2015 – 12,722; 2025 – 13,600

Historical trends indicate moderate to high growth within this area since 1999, according to water and sewer connection growth (19.7% and 20.6% respectively), Special Districts Department staff, and the County's General Plan land use designations. The district has a defined boundary with 4,185 lots at build-out, which equates to an approximate population of 13,600. In 2001, the population was at 88% of build-out and the population has only increased since that time. Current estimates indicate that build-out will be reached by 2025.

In 2001, the Victor Valley College's population had roughly 11,000 students and in 2005 there were 12,358 students enrolled. The area within the City of Victorville with commercial designations is mostly undeveloped and comprises approximately 173 +/- acres, and includes an assisted living facility and a day care facility.

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

The most recent Urban Water Management Plan for CSA 64 is for the year 2000 and was adopted in January of 2002. Pursuant to the Urban Water Management Planning Act, each urban water

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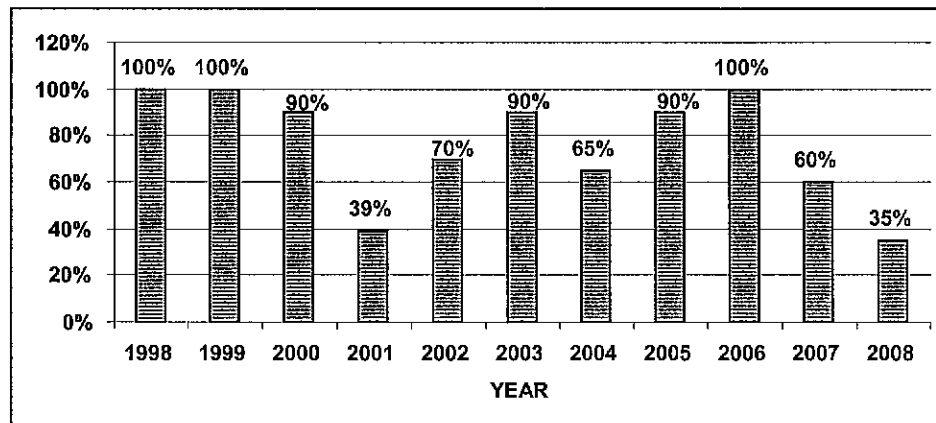
supplier shall update its plan at least once every five years on or before December 31, in years ending in five and zero, and shall file with the Department of Water Resources (DWR) a copy of the plan. According to the DWR report to the Legislature for the 2005 urban water management plans, the report identifies that San Bernardino County – CSA 64 did not submit a 2005 urban water management plan. Special Districts Department staff indicates that the major water recommendations have not yet occurred from the 2000 Urban Water Management Plan and that the storage and supply figures remain accurate. Special Districts Department is currently working with So and Associates Engineers to complete an update to the 2000 Urban Water Management Plan. An additional report is the County Service Area 64 Water and Sewer System Analysis Final Report prepared by So and Associates Engineers in March 2001. This Report was prepared to identify the district's current and projected infrastructure requirements. Copies of these reports are on file in the LAFCO staff office.

Water

Water is the lifeblood for communities located in the desert and those that have access to water thrive, while those without adequate supply will see their service abilities deteriorate. Therefore, the most significant regional issue is present and future water supply. The 2007 State Water Project Delivery Reliability Report indicates that State Water Project (SWP) deliveries will be impacted by two significant factors. First, climate change is altering hydrologic conditions in the State. Second, a ruling by the Federal Court in December 2007 imposed interim rules to protect delta smelt which significantly affects the SWP. Further, the Report shows, "...a continued eroding of SWP delivery reliability under the current method of moving water through the Delta" and that "annual SWP deliveries would decrease virtually every year in the future..." The Report assumes no changes in conveyance of water through the Delta or in the interim rules to protect delta smelt.

The figure below shows the allocation percentage that State Water Contractors were allowed to purchase for the past ten years. For example, Mojave Water Agency (MWA) (the State Water Contractor that encompasses the community) is entitled to purchase up to 75,800 acre-feet of imported water per year, and for 2008 the allocation percentage is 35%. Therefore, MWA can purchase up to 26,530 acre-feet in 2008. This sharp reduction in supplemental water supply will reduce the amount of water that can be placed into the groundwater basin where the community pumps its water. However, the initial allocation for 2009 has been reduced to only 15 percent of what State Water Contractors have requested. This will be the second lowest initial allocation ever for the State Water Project.

Department of Water Resources State Water Project Allocation Percentages (1998-2008) Statewide



source: Mojave Water Agency, *The Panorama*, Vol. 41, Issue 2, Winter 2008.

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The water supplied for consumption and/or use within the community is pumped from the local groundwater basin. The high growth rate in the region, coupled with a continued overdraft of the groundwater basin, which is the primary source of supply, is an infrastructure deficiency. The groundwater basin is adjudicated under a stipulated judgment that specifies the amount of groundwater that can be extracted by major groundwater producers (those using over 10 acre-feet per year), the purpose of which is to balance water supply and demand and address the groundwater overdraft. Producers are required to replace any water pumped above their Free Production Allowance by paying the Watermaster to purchase supplemental water or by purchasing unused production rights from another party. Due to the ongoing over-draft of the basin and challenges associated with the State Water Project, future supplies are limited and demand will exceed supplies unless the Department of Water Resources allocates additional amounts. This prompts water purveyors to scale back consumption annually, to aggressively promote water conservation measures, and to buy more expensive imported water. Finding efficiencies in managing limited supply sources is critical for the future of the community.

Effective July 1, 2008, the County of San Bernardino Board of Supervisors approved an increase in the water rates primarily due to increasing energy and water replenishment costs. A comparison of the water rates charged by the agencies within the Victor Valley Region is found on the chart below.

Water Agency Rate Comparison (2008)
(rates measured in hundred cubic feet)

Agency	Water Use Fee				Monthly Meter Charge (1" Meter)	Monthly Average Cost
	Tier One	Tier Two	Tier Three	Tier Four		
Apple Valley Ranchos Water Company	\$1.54	-	-	-	\$53.65	\$108.65
Victorville Water District ¹	1.08	-	-	-	21.00	62.72
Hesperia Water District	0.71	1.20	1.47	1.74	25.18	51.82
Golden State Water Company – Apple Valley Service Area	2.11	-	-	-	24.05	n/a
City of Adelanto	1.85	.95	-	-	--	20.37
CSA 42	1.68	1.87	2.02	-	52.33	69.13
CSA 64	0.59	0.72	0.77	-	13.53	31.57
CSA 70 Zone J	1.51	1.73	2.27	-	17.53	52.08
Juniper Riviera CWD	2.68	2.81	2.95	-	8.50	40.00
Mariana Ranchos CWD	35.00	1.25	1.75	2.00	--	n/a
Apple Valley Heights CWD	-	2.25	2.25	3.25	35.00	62.00
Thunderbird CWD	1.50	-	-	-	32.00	48.88
Apple Valley Foothill CWD	-	17.00	1.00	2.00	-	40.00

¹ The Baldy Mesa Water District and the Victor Valley Water District were consolidated in 2007. In addition to the water use fee, ten cents per hundred cubic feet is charged for arsenic treatment. Monthly meter charge is based upon how much water is used during the billing period and ranges from \$13 to \$100. The median charge is \$21.

Water Rights and Production

CSA 64 has water production rights (also known as Base Annual Production) of 3,822 acre-feet (AF). The District is within Alto sub-region, and Free Production Allowance (FPA) is currently at 60% of

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Base Annual Production, which permits the District 2,294 AF of FPA for 2008-09. As noted in the most recent Watermaster Annual Report, "further rampdown is not warranted in Alto at this time". Producers are required to replace any water pumped above their FPA by paying the Mojave Basin Area Watermaster to purchase supplemental water or by purchasing unused production rights from another party. As indicated in the table below, the historic trend for CSA 64's water production indicates that it produces more than its FPA. Thus, it has to purchase water from other agencies within the sub-basin to avoid paying the higher replacement water and make-up water rates charged by the Watermaster. However, for two years it has been obligated to pay for Replacement Water that otherwise could have been purchased from other water agencies.

As indicated in the table below, for FY 2004-05 CSA 64 produced 1,013 AF in excess of FPA. To offset the over production, the district transferred-in 871 AF at a total cost of \$136,775. In turn, the replacement water obligation to the Watermaster was reduced to 142 AF at a cost of \$39,902.

CSA 64 Water Production and Water Obligations (units in acre feet unless otherwise noted)

Water Year	Free Production Allowance (FPA)	Transfers from Other Agencies	Verified Production	Agency Overdraft	Replacement Water Obligation Agency Overdraft)	Makeup Water Obligation (Watermaster replacement to Centro sub-basin) ³
2003-04	2,676	1,164 at a total cost of \$107,805	3,785	0	0	142 obligation 284 purchased at a total cost of \$32,191
2004-05	2,485	871 at a total cost of \$136,775	3,498	(142)	142 at a total cost of \$39,902	0
2005-06	2,294	439 at a total cost of \$76,980	3,734	(1,001)	1,001 at a total cost of \$246,256	101.2 obligation 203 purchased at a total cost of \$18,270
2006-07 ¹	2,294	297 at a total cost of \$56,430	3,764	(1,173)	1,173 at a total cost of \$324,921	107 obligation 214 purchased at a total cost of \$11,770
2007-08 ²	2,294	-	-	-	-	-
2008-09	2,294	-	-	-	-	-

sources: Mojave Basin Area Watermaster, Annual Reports of the Mojave Basin Area Watermaster for Water Years 2003/04 through 2006/07, (April 1, 2005 through April 1, 2008).

Mojave Basin Area Watermaster, Request for Assignment of Carryover Right in Lieu of Payment of Replacement Water Assessments Recommended for Filing, For Water Years 2002/03 through 2006/07.

¹ Transfers from other water agencies not reconciled yet and data is subject to amendment in Appendix I in Fifteenth Annual Report of the Watermaster due April 2009. Watermaster records indicate that 297 AF has been transferred from other agencies for \$56,430.

² Draft data (Appendix B) not available until January 2009.

³ Obligation to the Centro basin is purchased at a two-to-one ratio

The transfers occur annually and come from varying agencies. For example, for FY 2004-05, CSA 64 produced 1,013 in excess of FPA and transferred-in 871 AF at a cost of \$136,775. A breakdown of the transfers and the agencies transferring the water for these years is on file in the LAFCO staff office.

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The sub-region does have a replacement water obligation and this obligation is anticipated to increase. In 2007, the Watermaster purchased about 16,158 AF for replacement obligations incurred in 2006. Given current rampdown amounts and pumping projections, replacement water obligations, and thus supplemental water purchases, could reach 30,000 AF by 2009 or 2010. However, the State Water Project allocation is currently at 35% and the initial 2009 allocation will be 15%. This will hinder the Watermaster's ability to purchase supplemental water not only for consumption but also for replenishment and replacement obligations.

All the agencies pay a share of the Watermaster's replacement, also known as makeup water obligation. If CSA 64 continues to produce in excess of FPA, coupled with a decrease in transfers from other water agencies, it could experience a sharp increase in replacement and make-up water obligations. Below are the current and projected replacement and makeup water obligation rates (per acre-foot) of the Watermaster:

<u>Year</u>	<u>Replacement</u>	<u>Makeup</u>	
2006-07	\$277	\$354	
2007-08	\$250	\$250	Approved March 2007
2008-09	\$399	\$399	Approved March 2008
2009-10	\$413	\$413	Projected
2010-11	\$428	\$428	Projected

CSA 64 Water System

The existing CSA 64 water system serves an area of approximately 2,368 acres with 3,800 residential and commercial connections, including Victor Valley College, and is divided into two pressure zones. Water services in each zone are gravity-fed from storage reservoirs located at higher elevations to provide the required minimum operating pressure. There are three operative reservoirs within CSA 64, with a combined total capacity of 2.65 million gallons. Two of the reservoirs are located on CSA 64 property within the City of Hesperia. These two reservoirs serve the upper zone and have a combined capacity of 1.65 million gallons. The third is located at Pebble Beach Road and Ridgecrest Road and serves the lower zone. This reservoir has a capacity of 1.0 million gallons. Additionally, the district does not have any inter-ties with other agencies for back-up supplies. Special Districts Department staff has indicated that preliminary discussions with the former Victor Valley Water District regarding an inter-tie for emergency water took place about two years ago, but the discussion was put on hold due to the impending consolidation of the Victor Valley Water District and the Baldy Mesa Water District. Special Districts Department intends to resume these discussions with the Victorville Water District, the successor agency to the Victor Valley Water District, and other adjoining water agencies for the same type of emergency inter-ties.

According to CSA 64's 2000 Urban Water Management Plan and the 2001 Systems Report, the existing storage of 2.65 million gallons is approximately 30 percent of the recommended 8.86 million gallons of storage needed for emergency, operational, and fire fighting requirements. The existing storage could provide supply to CSA 64 customers for a period of less than eight hours under the maximum daily demand flows. The report identifies an additional 6.21 million gallons is needed to meet the current emergency, operational, and fire fighting requirements, and at build-out the recommended additional storage is 9.19 million gallons, for a total of 11.84 million gallons.

There are six locations where residential fire flow simulations do not meet the required flow of 1,500 gallons per minute (gpm). These residential locations are on a six-inch pipeline at the end of a cul-de-sac. In order to increase fire flows, the existing six-inch pipeline would need to be replaced with a larger diameter pipe. There are four locations where commercial fire flows do not meet the required 3,500 gpm flow: the commercial complex at Bear Valley and Apple Valley Roads, at the end of Hatchery Road, and two locations on Ridgecrest Road near the Sterling Retirement Center.

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Due to this limitation, CSA 64 has contracted with the Apple Valley Ranchos Water Company to provide fire flow to the Home Depot located at the corner of Bear Valley and Apple Valley Roads within the Town of Apple Valley. The contract will remain in effect until CSA 64 is able to provide the necessary fire flow protection. According to Special Districts Department staff, the Apple Valley Fire Protection District requires a secondary feed from the same pressure zone to serve the Home Depot with fire flow. It was determined that the more cost effective approach to receive the service was to contract with Apple Valley Ranchos Water Company to provide fire flow to the Home Depot.

The current water system operates five wells capable of producing a total of 5,910 gpm. Two wells serve water to the upper zone and three wells serve the lower zone. The existing wells exceed the current maximum daily demands in both the upper and lower zones indicating that there are ample sources to meet current demands, given that all wells are operational during the maximum daily demand periods. The Systems Analysis Report recommends that two new wells should be constructed, one in each pressure zone. The first new well should be constructed to provide back-up supply. The district has had periods where one, sometimes two wells, are out of service. In order to provide back-up supply in event of unplanned outages, the Systems Analysis Report recommends that sources of supply exceed the projected requirements by 2,000 gpm (the approximate supply of two wells). This new well would be used as a primary source of supply and would extend the service life of the existing wells. The second new well should be constructed for water demand at build-out and should be located in the opposite pressure zone as the back-up supply well. The Report indicates that total existing capacity for the wells is currently 5,910 gpm and maximum daily demand at build-out would be 5,990 gpm, slightly greater than the total capacities of the existing wells.

The adverse effect of the drought on the basin's water table, lack of storage and fire flow, and the projected growth of the area require the infrastructure projects listed below to sustain the day-to-day operations and to improve the quality of water delivered to the customers in the district's service area, as indicated in the materials submitted. Water projects were submitted to the California Department of Public Health, Division of Drinking Water and Environmental Management for Proposition 50 funding. The projects were not eligible for funding in the first two rounds of grant distributions and are not anticipated to be eligible for the third round. Special Districts Department staff has indicated that construction of these projects will need to be funded with local funds. As shown below, in sum there are currently enough funds to support the construction of one reservoir, one well, and the retrofit of Tank #1.

- *Two 3 million gallon reservoirs* - estimated cost \$2.1 million each funded by a combination of local funds and low interest loan. An application for a loan through the California Infrastructure and Economic Development Bank did not qualify. Special Districts Department staff is researching other loan and grant sources for these projects. The FY 2008-09 Capital Improvement Program Budget has an estimated cash balance of \$2,740,793 for this capital improvement project.
- *Seismic retrofit of Tank #1* – estimated cost \$50,000 to \$100,000 funded by local funds. This project is not identified in the FY 2008-09 Capital Improvement Program Budget.
- *Two new wells* - estimated cost \$700,000 each. Funding for the first proposed well is anticipated to come from local funds; however, no funding source has been identified for the second proposed well. The FY 2008-09 Capital Improvement Program Budget has an estimated cash balance of \$430,763 for the addition of one well.
- Water projects completed within the past four years are telemetry system upgrade and the addition of back-up power.

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According to the 2007 Consumer Confidence Report for CSA 64, for the 2007 calendar year there were no violations of contaminants in the water system.

As shown in the table below, water service currently consists of 3,805 connections (3,696 active). The golf course and lake owned by the Spring Valley Lake and Victor Valley College irrigation requirements are supplied water by private on-site wells. Water connections have increased 19.9% over the past eight years with an average growth rate of 2.2% per year.

CSA 64 Water Connections by Year

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
3,174	3,274	3,356	3,433	3,553	3,615	3,697	3,784	3,800	3,805

Sewer

The domestic sewage collection and disposal system serving the Victor Valley Community College, the commercial area north of Bear Valley Road, and the residential community of Spring Valley Lake is segregated into 13 tracts and collectors; sewer service in each tract is subdivided by lots. Effluent within the community is collected by CSA 64's sewer lines and transported to the Victor Valley Wastewater Reclamation Authority's (VWRA) interceptor line located in the northern portion of CSA 64. The effluent is then transported to the Regional Wastewater Reclamation Facility operated by the VWRA for processing.

The sewer model presented in the Systems Report indicates that the existing collection system was constructed for build-out population and has adequate capacity to serve the residential and commercial lots and the Victor Valley College. As the collection piping systems age, some repair and replacement will be required, and these projects are listed below:

- *Upgrade of the telemetry system* - estimated cost \$100,000, funding source not available. This project is not identified in the FY 2008-09 Capital Improvement Program Budget.
- *Replacement and upgrade of a lift station* – In progress, estimated cost \$320,000 funded by a combination of the District's General Operating Fund (\$250,000) and local funds (replacement reserves).
- Projects completed within the past few years are the replacement of two lift stations and the addition of a standby generator.

CSA 64 sewer service consists of 4,215 equivalent dwelling units (EDU) comprising residential and commercial units and the Victor Valley College. The Mojave Narrows Regional Park, outside the boundaries and sphere of CSA 64, accounts for 42 EDUs. As shown in the table below, the EDUs have increased 20.6% since 1999 at an average growth rate of 2.38% per year.

CSA 64 Sewer (equivalent dwelling units) by year

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
3,494	3,603	3,737	3,809	3,904	3,969	4,059	4,154	4,215	4,224

Effective July 1, 2008, the County of San Bernardino Board of Supervisors approved an increase in the sewer rates driven by increasing energy costs and general regional costs represented by an increase in the Consumer Price Index. A comparison of the sewer rates charged by the agencies within the Victor Valley Region is found on the chart below:

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Sewer Agency Rate Comparison (2008) (rates per equivalent dwelling unit)

Agency	Monthly Average Cost
Town of Apple Valley	\$19.96
Helendale CSD	36.64
City of Victorville	14.72
CSA 42	44.95
CSA 64	24.87
Hesperia Water	35.07
CSA 70 SP-2	33.02
City of Adelanto	n/a

CSA 64 is a member of VVWRA. The VVWRA is a Joint-Powers Agency created expressly for the purpose of treatment of wastewater through a regional facility and the ultimate disposal of effluent and solids. In 1981, the Regional Wastewater Reclamation Facility went into operation. The facility was constructed with funds derived from Federal and State clean water grants and local share taxes. This facility provides interceptor capacity and wastewater treatment and disposal for the Town of Apple Valley, Hesperia County Water District, CSA 42, CSA 64, and the City of Victorville. The cost of operating and maintaining the treatment plant is paid through user charges (\$0.0783 per gallon received) which are levied monthly throughout each of the providers on an equitable basis. The cost for capital improvement projects to the VVWRA sewerage system are paid through connection fees.

Water and Sewer Delivery to the Mojave Narrows Regional Park

CSA 64 has provided water delivery and sewer collection services outside of its boundaries and sphere to the Mojave Narrows Regional Park. The Special Districts Department provided staff with historical documents that generally reveal how this situation came to be, copies of which are available on file in the LAFCO office.

From 1983 until 2001, the Park's effluent was conveyed to the VVWRA regional treatment plant for processing at no cost to the Park. In 2001, VVWRA determined that it needed to recoup the costs for processing the wastewater. The Park was not a member agency, so VVWRA could not directly bill the Park. However, CSA 64 was a member agency. In 2001, the County Regional Parks Division, VVWRA, and CSA 64 entered into an agreement for the purpose of CSA 64 billing the Park for the service.

Under the agreement:

- VVWRA sets the rates for the service
- Park is responsible for operation and maintenance of the on-site system
- VVWRA is responsible for operation and maintenance of its sewer collection system that the Park connects to
- VVWRA bills CSA 64 for the Park's direct connection
- Public Works Department reimburses CSA 64 for the Park's direct connection along with a \$95 administrative fee per two month cycle

The Commission determines that since the early 1970's, water delivery and sewer collection have been provided by CSA 64 into the Park. The service extends through the unincorporated portion of the Park into the portion of the Park within the City of Victorville and the Victorville Water District

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which is confined to one parcel comprising 19.75 acres. The water and sewer maps as identified in CSA 64's water and sewer plans do not show the service expansions into the Park; however, Special Districts Department staff have provided copies of blueprints of water and sewer plans for line extension into the Park.

Victor Valley College Expansion

On November 4, 2008, the electorate of the Victor Valley College District approved Measure JJ, the Victor Valley College Public Safety, Health Care Job Training Measure. This measure authorized the future establishment of a Workforce Training Center and Public Safety Academy, acquisition of sites, and the construction of buildings by issuing \$297,500,000 in bonds. The scope of the facility projects are reflected in the College District's Educational Master Plan 2007 and its Five-Year Facilities Plan, approved by the Board of Trustees on June 10, 2008.

According to the Educational Master Plan, in 2005 there were 12,358 students enrolled at the College and enrollment is projected to reach 18,408 by 2020. The anticipated growth to stem from Measure JJ is accommodated in these projections. Copies of the above-referenced documents are accessible on the Victor Valley College website at www.vvc.edu.

Proposed Wal-Mart Project

In the southern portion of CSA 64, within the City of Victorville, is a proposed project to develop a Wal-Mart Supercenter located at the northeast corner of Bear Valley Road and Tamarisk Road. The proposed development is in the preliminary planning stages at the City of Victorville. At the present time, City Planning Department staff has indicated that the Victorville Water District (District) is the anticipated water provider. Service by the District would require annexation of the project area. Under normal circumstances, this would include detachment from CSA 64 to eliminate a duplication of service. The map below shows the location of the project, as well as the City of Victorville boundaries within CSA 64.

The Environmental Impact Report (EIR) for the City of Victorville General Plan 2030 adopted October 21, 2008 states that while the area is currently served by CSA 64 the City has concern about its ability to provide sufficient water pressure to meet fire flow requirements. The EIR identifies that annexation to the Victorville Water District is to be proposed for the entire City territory within CSA 64 stretching area between Spring Valley Lake and Bear Valley Road – this would include the proposed Wal-Mart project and Victor Valley College, including its projected expansion projects.

City staff has provided a response to questions on the WalMart project, that it has not been determined what agency will provide wastewater collection service for the project. Following the dissolution of the Victorville Sanitary District the City assumed this responsibility within its territory; therefore, either the City or CSA 64 could provide this service at this time. At the time of the dissolution, LAFCO staff reviewed the question of the potential duplication of service in this area but was assured that no service overlap was anticipated. City Planning Department staff has indicated that their preliminary assessment is that the project could not feasibly connect to the Victorville sewer system and would need to connect to CSA 64.

The decisions related to service delivery to the WalMart project could ultimately create an issue for LAFCO consideration. Since 1991, the territory east of Ridgecrest, west of the Mojave River, north of Bear Valley Road, including Victor Valley College, has been a part of the City of Victorville. LAFCO's consideration of this area was conducted through LAFCO 2668, which originally proposed the annexation of the area to the Victorville Sanitary District and the then Victor Valley Water District. However, the Commission determined to retain CSA 64 in this area for two reasons, summarized here as:

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1. Neither the Victor Valley Water District or Victorville Sanitary District were in a position to provide the services more efficiently than CSA 64; and,
2. Determinations of the transfer of facilities and function should be addressed more comprehensively than was provided in the Plan for Service for the reorganization.

LAFCO 2668 was, therefore, modified to exclude the Victor Valley Water District and Victorville Sanitary District. Since this decision was made, the question of adjudication of the Mojave basin has been determined by the Courts and assignment of free production allowance quantities of water have been determined based upon historic pumping. Therefore, should the City condition the Wal-Mart project for water delivery from the Victorville Water District and CSA 64 for sewer collection, the Commission would have to consider retention of CSA 64 in this area in order to maintain sewer service. As a part of this potential future consideration, the Commission will need to address the questions of duplication of service as well as the development of conditions to transfer water rights and/or free production allowance associated with the transferred territory.

Effect of Future Development to CSA 64 Water and Sewer Systems

The current responsibility to provide water and sewer collection to the area within the City of Victorville, which includes the proposed Wal-Mart project and the Victor Valley College expansion projects, is through CSA 64. To accommodate the current projects in process, as well as overall growth, CSA 64, or the development project proponent(s), will need to purchase additional water from other agencies within the sub-basin to avoid paying the higher replacement water and make-up water rates charged by the Watermaster. LAFCO Staff has identified the need for development projects to be required, as a condition of approval, to transfer sufficient permanent water resources to accommodate the development's anticipated water use.

Street Sweeping

Street sweeping powers were confirmed for CSA 64 in January 2004 through approval of LAFCO 2951. A concern of LAFCO at the time was that the boundaries of CSA 64 include territory within the City of Victorville and the Town of Apple Valley and that coordination of this service with these entities would be appropriate. It has been confirmed with representatives from the three agencies that street sweeping is provided as follows:

- CSA 64 to the unincorporated area of CSA 64 and to the Equestrian Estates portion which is within the Town of Apple Valley.
- The City of Victorville to the incorporated Victorville portion of CSA 64 outside the Victor Valley College.
- The Town of Apple Valley to the incorporated Town portion of CSA 64 outside the Equestrian Estates.

The Commission questions why CSA 64 provides this service within the Town of Apple Valley. When the Town incorporated in 1988 it assumed the responsibility for providing this service within its boundaries. Street sweeping is a governmental type activity, and CSA 64 pays for this service from the Water enterprise fund.

Roads

CSA 64 has been authorized by LAFCO to provide Road services since 1976 but does not currently maintain the public roads within its boundaries. In 1970 the CSA 64 electorate approved a bond, the

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principal sum of \$250,000, for the purpose of providing roads and road improvements within CSA 64. The County issued and sold the bonds in 1982. A review of the District's financial records, data available from the County Treasurer-Tax Collector/Public Administrator, and confirmation from Special Districts Department staff indicates there is no longer a repayment obligation for the bond.

Maintenance of the Archway across Spring Valley Parkway

CSA 64 currently owns and maintains the archway (entrance structure) that spans across the parkway at the entrance to the community. The district has owned the archway since 1979 when it took possession of the structure from Boise Cascade, the developer of Spring Valley Lake, through County Contract 79-572. The east terminus of the archway is on Victor Valley College property, and CSA 64 has been granted an easement by the College for its placement. The Commission is recommending the addition of the function of "Parkway Maintenance" to the authorized functions of the District pursuant to the provision of Government Code Section 56425(i). It will become incumbent upon the Special Districts Department staff to identify a budget for this service, the liability assumed by the County for providing this service, and what other service and financing requirements fall upon the District through the provision of maintenance of the structure.

3. Financial ability of agencies to provide services:

CSA 64's primary source of funding is through water and sewer charges. Other sources of income are generally comprised of the District's share of the general property tax levy, connection fees, fees for water studies, and investment earnings. The majority of expenditures pay for services and supplies and transfers to other County funds to pay for CSA 64's share of salary and benefit costs and management and services support costs.

According to its most recent audit for FY 2006-07, the District's cash flows increased 15.4% for its sewer enterprise fund and 7.2% for its water enterprise fund. As for its net assets, the sewer enterprise fund increased 4.3% and the water enterprise fund increased 4.6%. However, looking at the Statement of Cash Flows, the Sewer fund operated with an excess of roughly \$49,000 but the Water fund's activities incurred roughly \$335,000 more than operating revenues. Therefore, operating revenues (customer receipts) do not support the enterprise activities of the District. Non-operating revenues (property tax, investment earnings, etc.) are required to support operations.

There are two specific concerns regarding the District's finances. First, in addition to water and sewer powers, CSA 64 is currently authorized street sweeping and road powers. However, neither the budget nor the audit reference that CSA 64 provides roads or street sweeping functions. The budget and audit only identifies enterprise fund accounts for water and sewer. Special Districts Department staff has indicated that drainage services performed were paid from the sewer operating fund, and street sweeping services were paid from the water operating fund. The water and sewer funds are enterprise funds; however, these funds have been paying for these services. CSA 64 also has provided unauthorized services within its boundaries: maintenance of 28 lighting fixtures, the Spring Valley Parkway median, and the archway spanning across Spring Valley Parkway. All of these services have been paid from the water operating fund, an enterprise fund that derives its funds from the entirety of the district. The Commission has determined that the services of drainage, lighting along Spring Valley Parkway and the maintenance of the median have been assumed by the Spring Valley Lake Association and will not be a financial burden to the District in the future. However, budgets will be necessary in the future to address streetsweeping and maintenance of the arch through other revenue sources, such as property tax revenues.

Second, the district's audits recognize property tax revenues but the budgets do not. As an illustration, the figure below (Water Operating Budget - Revenues) would indicate that the district historically does not receive property taxes.

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Water Operating Budget

	<u>2006-07 Actuals</u>	<u>2007-08 Estimates</u>	<u>2007-08 Adopted Budget</u>	<u>2008-09 Proposed Adjustments</u>	<u>2008-09 Proposed Budget</u>
Appropriations:					
Salaries and Benefits	-	-	-	-	-
Services and Supplies	616,470	630,161	817,879	(98,491)	719,388
Central Computer	-	-	-	-	-
Travel and Related Charges	-	-	-	-	-
Other Charges	455,931	430,715	455,528	26,873	482,401
Land/Structures/Improvements	-	-	-	-	-
Equipment/Vehicles	-	-	-	-	-
Lease/Purchases	-	-	-	-	-
Transfers Out	863,316	1,039,138	1,039,138	6,300	1,045,438
Reimbursements	-	-	-	-	-
Operating Transfers Out	30,600	226,751	226,751	(84,690)	142,061
Reserves & Contingencies	-	-	274,124	(186,151)	87,973
Total Appropriations	<u>1,966,317</u>	<u>2,326,765</u>	<u>2,813,420</u>	<u>(336,159)</u>	<u>2,477,261</u>
Revenue:					
<u>Taxes</u>	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money and Property	15,907	23,629	3,413	19,087	22,500
State, Fed or Gov't Aid	-	-	-	-	-
Current Services	1,428,373	1,546,013	1,649,024	(6,074)	1,642,950
Other Revenue	144,676	77,031	46,921	(683)	46,238
<u>Operating Transfers In</u>	<u>589,681</u>	<u>525,000</u>	<u>768,909</u>	<u>(193,397)</u>	<u>575,512</u>
Total Revenue	<u>2,178,637</u>	<u>2,171,673</u>	<u>2,468,267</u>	<u>(181,067)</u>	<u>2,287,200</u>

source: CSA 64 FY 2008-09 Proposed Water Operating Fund Budget, page 130-1

However, general ad valorem property tax revenues are deposited into the Sanitation Capital Replacement Reserve account and Water Capital Replacement Reserve account, with the majority going into the water reserve account. Then, the revenues are transferred to the respective operating fund and are recognized in the budgets as a part of Operating Transfers In, rather than property taxes. Thus, referencing the budget alone does not reveal that the district receives property taxes. This process is outlined below:

Property Tax Activity

FY 2006-07 PROPERTY TAX RECEIVED		
<u>Sewer Reserve</u>	<u>Water Reserve</u>	<u>Totals</u>
\$ 138,890	\$ 273,123	\$ 412,013
FY 2006-07 OPERATING TRANSFERS IN		
<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
\$ 229,399	\$ 589,681	\$ 819,080
source: County of San Bernardino Financial Accounting System		

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Appropriation Limit

An appropriation limit is required by Article XIIB of the State Constitution and limits the expenditure of the proceeds of taxes. Because the budget and audit do not identify street sweeping and road activities of the District coupled with the fact that the budgets do not recognize property tax revenues, the Commission cannot ascertain if CSA 64 has exceeded or exceeds its appropriations limit.

The County Auditor/Controller-Recorder management was queried as to why the County adopts an appropriations limit for each service when the constitutional requirement identifies that the appropriations limit shall be imposed by entity. To date, this calculation methodology has not been clarified by County Auditor/Controller-Recorder management. Action taken on June 17, 2008 by the Board of Supervisors of the County of San Bernardino set the appropriation limit for CSA 64 for Fiscal Year 2008-09 as follows:

Sanitation	\$318,347
Water	\$256,137
Street Sweeping	\$140,814
TOTAL	\$715,298

4. Status of, and opportunities for, shared facilities:

CSA 64 is a member of the VVWRA. The VVWRA is a Joint-Powers Agency created expressly for the purpose of treatment of wastewater through a regional facility and the ultimate disposal of effluent and solids. This facility provides interceptor capacity and wastewater treatment and disposal for the Town of Apple Valley, Hesperia County Water District, CSA 42, CSA 64, and the City of Victorville.

The Special Districts Department consolidates the administrative operations and facilities for county service areas and improvement zones under the auspices of CSA 70. CSA 64 shares resources with other CSAs through the Special Districts Department's Water and Sanitation Division operations housed at the Victorville office. CSA 64 also pays an allocated share for administrative facility use. There are no inter-ties with other agencies for water. However, the Apple Valley Ranchos Water Company provides fire flow service to the Home Depot by contract.

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

Local Government Structure and Community Service Needs

CSA 64 is governed by the County Board of Supervisors and administered by the County Special Districts Department; it is within the political boundaries of the First Supervisorial District. CSA 64 does not have an advisory commission or council. If meetings are required, they are held with residents in the Spring Valley Lake community center. The need to call such meetings includes the increase of municipal service rates for reasons other than inflation. The last meeting took place in 2006 and discussed water and sewer rate increases. When rates are increased due to inflation, residents are informed through a mailed letter. Since the community does not have an advisory council, Special Districts Department staff indicates that the residents within CSA 64 may not be aware of the water challenges within its boundaries or the other services being provided by its water and sewer enterprise funds.

CSA 64's budgets and fee schedules are prepared as a part of the County Special Districts Department's annual budgeting process. CSA 64's annual budget is presented to the County Administrative Office and Board of Supervisors for review and approval.

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Operational Efficiency

As a mechanism to control costs, the County of San Bernardino Special Districts Department has consolidated many of the administrative and technical functions necessary to manage the various services provided under County Service Area 70. Therefore, CSA 64 has no direct employees; it pays for a proportional share of salaries and benefits costs necessary to serve it; it pays a proportional share of the administrative costs of the Water and Sanitation Division; and it pays a proportional cost of the administrative functions of the County Special Districts Department. To pay for these functions, the FY 2008-09 Budget indicates a transfer to CSA 70 Countywide of \$1,867,343 for management and operations support (\$1,184,251 for Salaries and Benefits and \$683,092 for Services and Supplies).

The Water and Sanitation Division of the Special Districts Department has found the most cost-effective measure for extending the life of the aquifers that provide water to the district is through conservation efforts. The conservation message is communicated through handouts and information packets to customers that are made available at no charge to the customer. The Division has increased its participation in the Alliance for Water Awareness & Conservation (AWAC) program. The Division, as an AWAC member, participates in workshops, outreach events, and public education to communicate the conservation message. Another facet of conservation activity by the Division is its long-time participation in the Desert Communities Water Awareness Expo (Expo). The Expo group is also involved with communicating water conservation messages and resources at the Annual Home and Garden Show.

Government Structure Options

Out-of-Agency Service Agreements:

CSA 64 has provided water delivery and sewer collection outside of its boundaries and sphere to the Mojave Narrows Regional Park as early as the mid 1970s. In the past, the Park connected directly into the VVWRA interceptor line. However, Special Districts Department staff could not locate an out-of-agency agreement for sewer service between CSA 64 and the County Regional Parks Department. The only information available is an agreement from 2001 between the County Public Works Department (Regional Parks Division), VVWRA, and CSA 64 delineating the billing process for the Park's use of the interceptor line and a draft contract from 1975.

Therefore, expansion of the sphere to include the entirety of the Park would allow for future annexation, which would require LAFCO approval. However, Government Code Section 56133 (out-of-agency service contract provisions) does not apply to an extended service provided on or before January 1, 2001.

Government Structure Options:

Special Districts Department staff in preparing the municipal service review indicated that there were no consolidations or other structure options available for the operation of CSA 64. While the discussion of some government structure options may be theoretical, a service review should address all possible options. Those options are:

- City of Victorville expansion west of Mojave River for the balance of CSA 64. One option would be for the City of Victorville to expand its boundaries to include the entirety of the area west of the Mojave River, as this area is within its sphere. The City and its subsidiary districts would acquire the responsibility to provide the full range of services to the area, ultimately including water, sewer, fire, and recreation and park.

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Since 1991 the Commission has considered two proposals for annexation to the City. In 1991 through LAFCO 2668, the City annexed the southern portion of CSA 64 but the proposal did not detach the area from CSA 64. At that time, neither the Victor Valley Water District nor the former Victorville Sanitary District were determined to be in a position to serve the study area as economically or efficiently as CSA 64. Therefore, the area was annexed to the City and its subsidiary fire district to provide their services. Additionally, a previous attempt (LAFCO 2794 in 1995/1996) initiated by the Spring Valley Lake Association for annexation of the community to the City of Victorville did not succeed due to opposition from the residents within the community. At this time, there is no expressed desire by the City regarding this option.

- CSA 64 detachment east of Mojave River. Another option would be for CSA 64 to detach the areas east of the Mojave River and for the Town of Apple Valley to succeed to CSA 64's services for the area. However, there is no expressed desire at this time by the Town regarding this option and additional review of agencies to provide service would need to take place.
- Formation of a CSD. The residents within the community or the district could also submit an application to LAFCO to form an independent community services district (CSD). Through this formation, the CSD would have a range of 33 different services to provide based upon financial determinations and desire by residents. The voters would select the board of directors, which must reside within the district. However, there has been no expressed desire at this time provided to LAFCO by the district or residents to form a community services district.
- Maintenance of the status quo. Special Districts Department staff state that due to the size and location of CSA 64, the community is best served through a county service area, by definition a financing entity for the County, to provide the range and level of services desired, and where it can enjoy economies of scale while paying minimal costs for the services received. At the present time, neither the City of Victorville nor the Town of Apple Valley has the infrastructure in place to assume the full range of municipal level service responsibility for the CSA 64 area.

Based upon its evaluation, the Commission supports the expansion of the sphere of influence to include the entirety of the Mojave Narrows Regional Park to reflect the area of service responsibility and reduction of the sphere of influence to exclude the territory within the Town of Apple Valley thereby signaling its position that the Town of Apple Valley should ultimately assume responsibility for service delivery to the area.

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

1. Present and Planned Uses:

CSA 64 encompasses approximately 2,368 acres of territory. The majority of the area currently has a general plan land use designation assigned by the County of San Bernardino of Single Residential, which supports an urban intensity of land use. Other land use designations include Multiple Residential, General Commercial, Open Space, and Floodway. The territory within the City of Victorville encompassing approximately 520 +/- acres has general plan designations of Very Low to Medium Density Residential, Office Professional, and Commercial and includes the Victor Valley College.

The sphere expansion area comprises approximately 667 +/- acres and is within the sphere of the City of Victorville. The County's general plan and the City of Victorville's general plan designates this area as Open Space and includes the Mojave Narrows Regional Park.

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The sphere reduction area is within the boundaries of the Town of Apple Valley and comprises approximately 380 +/- acres. The Town has assigned land use designations for the area north of Sitting Bull Road as Residential Estate and Residential Equestrian and the area south of Sitting Bull Road as General Commercial and Residential Equestrian.

2. Present and Probable Need for Public Facilities and Services:

CSA 64 is authorized by LAFCO to provide water, sewer, street sweeping, and road services within its boundaries. Currently, CSA 64 generally meets the service needs of those within its boundaries with a few exceptions regarding water in the southern portion of the District. However, facility expansion needs have been identified. To adequately meet the current and future need for water services, replacement of and addition to existing facilities will be required, as indicated by Special Districts Department staff. The future need for public facilities and services will increase as the population grows. Potential construction trends include the development of condominium projects through General Plan amendments, which would increase the need for public services within the area.

The Commission has determined that the District has provided water delivery and sewer collection services outside its boundaries and sphere to the Mojave Narrows Regional Park since as early as the mid 1970s. Additionally, it has provided maintenance of the archway (entrance structure) that spans across Spring Valley Parkway at the entrance to the community since approximately the late 1970s.

Not until this sphere of influence update did Special Districts Department identify that CSA 64 provided streetlighting (28 ornamental light fixtures) and maintenance of the median along Spring Valley Parkway. As discussed in the report received by the Commission, CSA 64 provided these services for many years without LAFCO authorization but has recently discontinued these services due to its fiduciary duty to the residents of CSA 64 which does not allow monies collected for water services to be used to pay for these services.

Not until this sphere of influence update did Special Districts Department identify that CSA 64 provided maintenance of storm drains and drainage ditches. CSA 64 provided these services for many years without LAFCO authorization but has recently discontinued these services based upon notification from the County Risk Management Department and County Counsel that it must not maintain these services if they are not provided within the public right-of-way.

Since the sphere expansion area currently receives and benefits from water delivery and sewer collection services provided by CSA 64, there is no need for additional facilities or services for the amendment area. The future need for additional services is not anticipated to change as a result of the sphere expansion as no plans are known to exist for expansion of the Regional Park facilities.

The sphere reduction is comprised of two areas. The area north of Sitting Bull Road (already a part of Apple Valley Ranchos Water Company and the Town of Apple Valley) does not receive or benefit from services provided by CSA 64. CSA 64 cannot extend water facilities to serve the area as it is currently a part of the certificated service area of Apple Valley Ranchos Water Company, and the balance of the services to be offered by CSA 64 are already a function of the Town of Apple Valley. The area south of Sitting Bull Road receives water and sewer from CSA 64 and street sweeping is confined to the Equestrian Estates by CSA 64. Through a reduction of the CSA 64 sphere of influence of the areas within the Town of Apple Valley, the Commission signals its position that ultimately a change in service provider should take place.

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3. Present Capacity of Public Facilities and Adequacy of Public Services

CSA 64 provides retail water and distribution within its service territory. The groundwater basins that serve as the primary water supply are over-drafted, and CSA 64 produces more than its free production allowance as defined by the Mojave Watermaster. Further, the capacity of its facilities does present challenges. According to CSA 64's Urban Water Management Plan and the Systems Report, the existing storage of 2.65 million gallons is approximately 30 percent of the recommended 8.86 million gallons of storage needed for emergency, operational, and fire fighting requirements. The existing storage could provide supply to CSA 64's customers for a period of less than eight hours under the maximum daily demand flows. An additional 6.21 million gallons is needed to meet the current emergency, operational, and fire fighting requirements, and at build-out the recommended additional storage is 9.19 million gallons, for a total of 11.84 million gallons.

The district has had periods where one, sometimes two wells are out of service. At this time the district does not have an emergency inter-tie for domestic water with any other agencies. In order to provide back-up supply in the event of unplanned outages, the Systems Analysis Report recommends that one new well should be constructed, either in the upper or lower zone to be used as a primary source of supply with the additional benefit that it would extend the service life of the existing wells. A second well to be used as a back-up supply should be constructed before build-out is reached, and should be located so that one of the two new recommended wells are located in each pressure zone.

As a member of the VVWRA, CSA 64's effluent is processed at the Regional Wastewater Reclamation Facility. As the collection piping systems age, some repair and replacement will be required. The sewer model presented in the Systems Report indicates that the existing collection system has adequate capacity to serve the residential and commercial lots and the Victor Valley College.

The Commission questions why CSA 64 provides street sweeping within the Town of Apple Valley, identified as being that area of CSA 64 within the Equestrian Estates. When the Town incorporated in 1988 it assumed the responsibility for providing this service within its boundaries. To date, no detailed explanation has been provided. Street sweeping is a governmental type activity, and CSA 64 pays for this service from the Water enterprise fund. The Commission determines that street sweeping is provided as follows:

- CSA 64 to the unincorporated area of CSA 64 and to the Equestrian Estates which is within the Town of Apple Valley.
- The City of Victorville to the incorporated Victorville portion of CSA 64 outside the Victor Valley College.
- The Town of Apple Valley to the incorporated Town portion of CSA 64 outside the Equestrian Estates.

4. Social and Economic Communities of Interest:

Social communities of interest include the defined community Spring Valley Lake which includes the unincorporated portion of CSA 64 and the Equestrian Estates (within the Town of Apple Valley). The homeowners association for the planned development, the Spring Valley Lake Association, provides public safety (security), park and recreation (five private parks, equestrian center, lake, and beaches) and code enforcement of association rules and regulations within its defined area. Other social communities of interest include the area of the Victor Elementary School District and Victor Valley Union High School District which is the area west of the Mojave River within the City of Victorville

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sphere of influence and Apple Valley Unified School District east of the Mojave River encompassing the corporate boundaries of the Town of Apple Valley. The division of the school districts by the River supports the division of the sphere of influence boundaries and corresponds to the spheres of the City of Victorville and the Town of Apple Valley.

Economic communities of interest include the City of Victorville, Town of Apple Valley, and Victor Valley College.

5. Additional Determinations

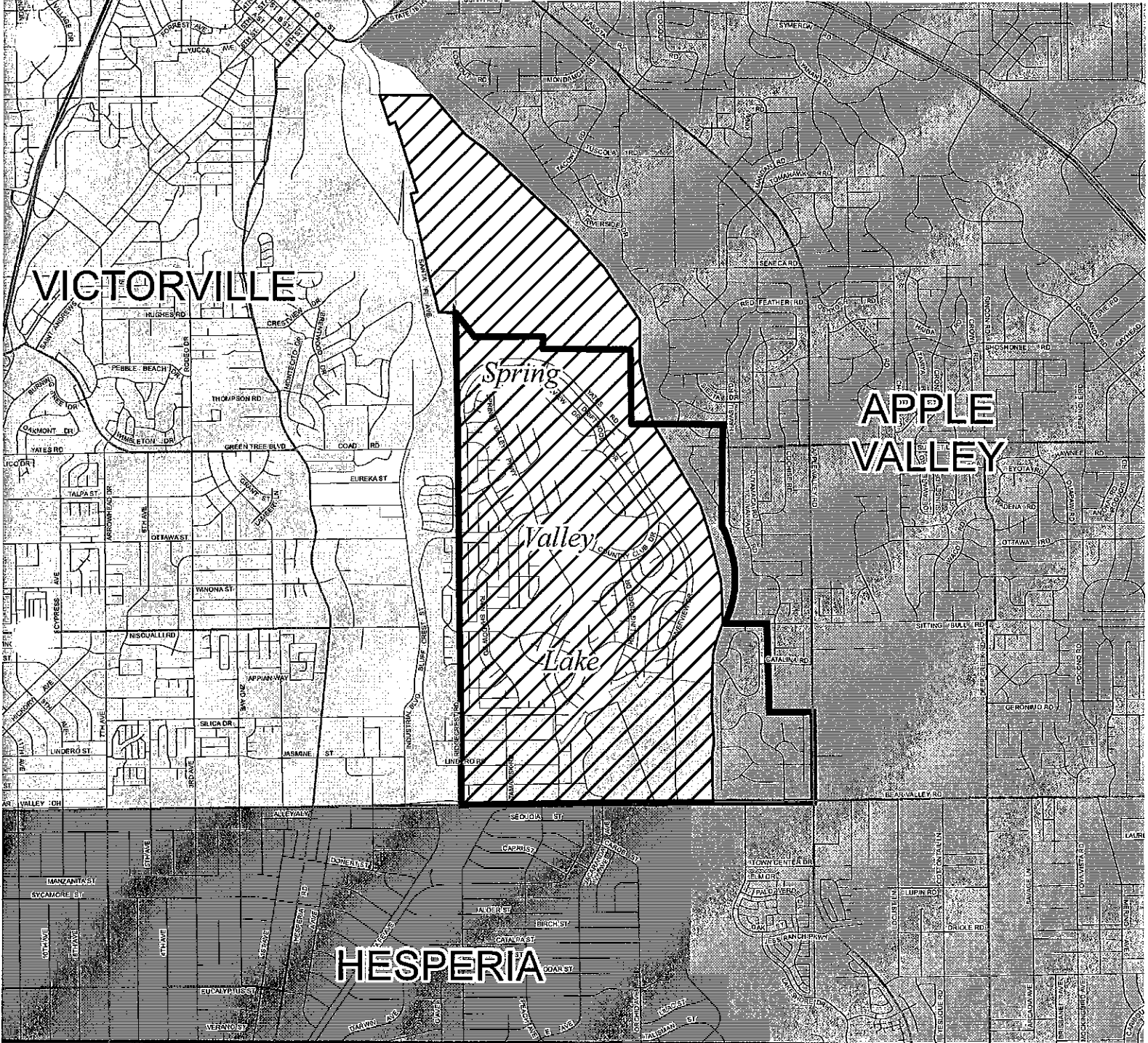
- Legal advertisement of the Commission's consideration has been provided through publication in *The Sun* and through a publication of a 1/8 page legal ad in *The Daily Press*, as required by law. In accordance with Commission Policy #27, a 1/8th page legal ad was provided in lieu of individual notice because the service review and sphere of influence update for CSA 64 would have exceeded 1,000 notices.

This item was originally advertised in February 2007 as a part of the overall Victorville community municipal service reviews and sphere of influence updates. LAFCO 3024 was taken off the agenda calendar in November 2007 with the requirement to re-advertise when it returned for Commission consideration. The item was heard at the November 19, 2008 hearing and was continued to the January 21, 2009 hearing. The item was re-advertised for the January 21, 2009 hearing to reflect the sphere expansion into the City of Victorville and the Victorville Water District.

- As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.
- Comments from landowners/registered voters and any affected agency were reviewed and considered by the Commission in making its determinations.








WHEREAS, pursuant to the provisions of Government Code Section 56425(i) the range of services provided by County Service Area 64 shall be limited to the following:

	FUNCTIONS	SERVICES
CSA 64 (Spring Valley Lake)	Water	Retail and domestic
	Sewer	Collection and transportation
	Roads	Acquisition, construction, improvement and maintenance of public streets, roads, and any incidental works
	Street Sweeping	Street Sweeping
	Parkway Maintenance	Acquisition, construction, improvement, and maintenance of landscaping on public property, rights-of-way, and easements



LAFCO 3024 - County Service Area 64
 District and Sphere of Influence Boundaries



- | | | |
|---|--|--|
|  CSA 64 Boundary |  Town of Apple Valley |  City of Victorville |
|  CSA 64 Sphere of Influence |  Town of Apple Valley Unincorporated Sphere |  City of Victorville Unincorporated Sphere |
|  City of Hesperia | | |