

**RESOLUTION NO. SCV-116**

**A RESOLUTION OF APPLICATION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY REQUESTING THAT THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES (LAFCO) INITIATE PROCEEDINGS FOR THE CHANGE OF ORGANIZATION ON BEHALF OF BLC TESORO, LLC FOR THE TESORO ANNEXATION, MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND APPROVING THE PROJECT IN THE AGENCY'S LIMITED ROLE AS RESPONSIBLE AGENCY**

**WHEREAS**, Santa Clarita Valley Water Agency ("SCV Water") is a water agency created to acquire, hold, and utilize water and water rights, including, but not limited to, water available from the state under the State Water Resources Development System/State Water Project ("SWP"), and to provide, sell, manage, and deliver surface water, groundwater, and recycled water for municipal, industrial, domestic, and other purposes at retail and wholesale within the boundaries of SCV Water; and

**WHEREAS**, BLC Tesoro, LLC ("Applicant"), owns 1,274.6 acres adjacent to the boundary of SCV Water in the County of Los Angeles of which approximately 323.43 acres is proposed for annexation to SCV Water ("Annexation Lands"); and

**WHEREAS**, SCV Water's predecessor in interest, Castaic Lake Water Agency ("CLWA"), and Applicant's predecessor in interest, Montalvo Properties, LLC, executed various documents establishing the obligations, conditions and responsibilities consistent with CLWA's Annexation Policy, and its underlying principles, necessary for the orderly development and service of water to the Annexation Lands. These documents include, but are not limited to, the following:

1. February 19, 2013 Deposit and Funding Agreement ("Deposit and Funding Agreement")
2. September 29, 2017 Amended and Restated Annexation Agreement ("Annexation Agreement")

**WHEREAS**, the Deposit and Funding Agreement requires, among other things, that the Applicant pay for all staff time and fees relating to SCV Water's preparation and submittal of an annexation application to LAFCO; and

**WHEREAS**, SCV Water desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code section 56000 et seq., for a change of organization for annexation of the Annexation Lands into SCV Water; and

**WHEREAS**, the proposed change of organization requested by this Resolution of Application pursuant to Government Code section 56654 is annexation of the Annexation Lands to SCV Water ("Annexation"); and

**WHEREAS**, the proposed Annexation is not consistent with the sphere of influence ("SOI") of SCV Water, therefore, it is proposed and requested that the SCV Water SOI be concurrently amended to reflect the proposed Annexation; and

**WHEREAS**, the territory proposed to be annexed is uninhabited; and

**WHEREAS**, the boundaries of the Annexation Lands are described in the legal description, and depicted on the corresponding maps, Exhibit "A" and Exhibit "B", respectively, for annexation, which are incorporated herein by reference; and

**WHEREAS**, the County of Los Angeles ("County") served as the lead agency responsible for the environmental review, analysis, and approval of the Tesoro Del Valle project ("Project") pursuant to the California Environmental Quality Act ("CEQA") (Pub. Res. Code, § 21000, et seq.) and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000, et seq.), which project includes construction of 820 residential units, including 455 conventional single-family units and 365 age-qualified dwelling units; 19.1 acres of parks and other recreational amenities, including trails; a 2.1 acre helispot; an internal circulation system; and associated infrastructure and utility systems on a development footprint of approximately 393.6 acres located in unincorporated Los Angeles County, north of Avenida Rancho Tesoro and west of Casa Luna; and

**WHEREAS**, the County of Los Angeles ("County") analyzed the Tesoro Del Valle project consistent with CEQA and certified a Final Environmental Impact Report (State Clearinghouse No. 93021007) ("1999 FEIR") for the Project in or about 1999, which EIR consists of a Draft Environmental Impact Report ("DEIR") dated October 1995, the Technical Appendices to the DEIR dated October 1995, the Final EIR dated December 1996, and the Additional Environmental Information for Inclusion in the Final EIR for Revised Tesoro Del Valle Project dated October 1998; and

**WHEREAS**, on or about November 7, 2018, the County certified a Subsequent Environmental Impact Report (State Clearinghouse No. 2016101032) ("SEIR") and adopted a Mitigation Monitoring and Reporting Program ("MMRP") for the Project consistent with CEQA and the State CEQA Guidelines; and

**WHEREAS**, the 1999 Final EIR and the SEIR both contemplated and analyzed the environmental impacts of the Annexation and further analyzed the Project's impacts on water supply, water system capacity, and other water-related issues; and

**WHEREAS**, on or about November 7, 2018, the County made certain findings consistent with State CEQA Guidelines section 15091 before approving the Project (the "Findings"), including findings that (1) the Project's impacts associated with water supply would be less than significant, and (2) changes have been required in, or incorporated into, the Project that would reduce impacts to water and wastewater system capacity to less than significant levels; and

**WHEREAS**, SCV Water hereby incorporates by reference the 1999 FEIR, the SEIR, the MMRP, and the Findings, copies of which are on file with SCV Water; and

**WHEREAS**, SCV Water has more limited approval and implementing authority over the Project and thus serves only as a "responsible agency" for the Project pursuant to the requirements of CEQA; and

**WHEREAS**, SCV Water has considered the SEIR, the MMRP, the County's Findings, and other information in the record consistent with the process set forth in State CEQA Guidelines section 15096; and

**WHEREAS**, SCV Water, at its agendized public meeting on October 18, 2006 independently reviewed and considered the 1999 FEIR, the SEIR, the MMRP, the Findings, and all other related documents in the record before it; and

**WHEREAS**, all the procedures of CEQA have been met, and the SEIR prepared in connection with the Project is sufficiently detailed so that all of the potential effects of the Project relating to those potential environmental impacts within SCV Water's powers and authorities as responsible agency, along with all measures necessary to avoid or substantially lessen such effects, have been evaluated in accordance with CEQA; and

**WHEREAS**, all of the findings and conclusions made by SCV Water pursuant to this Resolution are based upon the oral and written evidence presented to it as a whole and not based solely on the information provided in this Resolution; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, BE IT RESOLVED** that:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution of Application.
2. CEQA Compliance. As the decision-making body for SCV Water, and in SCV Water's limited role as a responsible agency under CEQA, the SCV Water Board of Directors ("Board of Directors") has reviewed and considered the information contained in the 1999 FEIR, the SEIR, the MMRP, the Findings, and all supporting documentation. Based on this review, the Board of Directors finds that, as to those potential environmental impacts within SCV Water's powers and authorities as responsible agency, the 1999 FEIR, SEIR, and supporting environmental documentation contain a complete, objective, and accurate reporting of the Project's and Annexation's potential impacts; the Board of Directors further finds that these documents comply with all CEQA requirements. These findings reflect the independent judgment and analysis of the Board of Directors.
3. Findings on Environmental Impacts. Having considered the EIRs discussed above, and in its limited role as a responsible agency under CEQA and as required by State CEQA Guidelines sections 15091 and 15096, the Board of Directors finds and agrees with the County that (1) the Project's impacts associated with water supply would be less than significant, and that the Project includes a measure, MM-Util-3, that would further reduce the Project's already less than significant impacts on water supply, and (2) changes have been required in, or incorporated into, the Project that would reduce impacts to water system capacity to less than significant levels; in particular implementation of MM Util-1 and MM Util-2 as set forth in the Findings and in the MMRP would reduce impacts to water and wastewater system capacity to less than significant levels. The Board of Directors thus finds that with the mitigation measures set forth in the MMRP, the Project or Annexation will not result in potentially significant environmental impacts as to those potential environmental impacts within SCV Water's powers and authorities as responsible agency, and that there are no feasible alternatives within the SCV Water's powers that are required to avoid or substantially reduce these less-than-significant impacts. The Board of Directors further finds that any comments received by the Board of Directors regarding the Project and/or Annexation have been examined and determined to not modify the

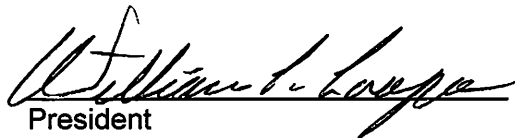
conclusions of the SEIR. Therefore, the Board of Directors adopts the County's CEQA Findings and MMRP as its own.

4. Approval of Project. Within its limited role as a utility provider for the Project, the Board of Directors hereby approves the Project.
5. A proposal is hereby made by SCV Water to LAFCO for a change of organization as follows:
  - a. This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000 of the California Government Code.
  - b. The nature of the proposed change of organization is the annexation of the Annexation Lands to SCV Water ("Annexation").
  - c. The Annexation Lands are not within the Sphere of Influence ("SOI") of SCV Water, therefore it is requested that the SOI of SCV Water be concurrently amended to reflect the proposed Annexation.
  - d. The affected territory proposed to be annexed is uninhabited.
  - e. The boundaries of the Annexation Lands are described in the legal description, and depicted on the corresponding map, Exhibit "A" and Exhibit "B", respectively, for annexation, which are incorporated herein by reference.
  - f. The reason for proposed Annexation, together with the proposed SOI amendment, is to permit the Annexation Lands to be served by SCV Water and for the efficiencies resulting therefrom.
  - g. It is desired that the proposed Annexation provide for and is made subject to the following terms and conditions:
    - 1) The Annexation Lands, once annexed, will be subject to all rules and regulations of SCV Water, including but limited to water efficiency guidelines, conservation requirements and Best Management Practices.
    - 2) Any previously authorized service fees, charges, assessments or taxes of SCV Water shall be extended to the Annexation Lands, once annexed, and the Annexation Lands shall be subject to the payment of such service fees, charges, assessments, or taxes as SCV Water currently imposes and may legally impose in the future. Applicant will not oppose the imposition of any service fees, charges, assessments, or taxes currently applicable to SCV Water, or the Annexation Lands.
    - 3) Once the Annexation Lands are annexed, any taxes, fees, charges, or assessments for SCV Water may be collected by the County of Los Angeles Tax Collector in the same manner as ad valorem property taxes or otherwise allowed by law.

- 4) DWR approval of extension of the SCV Water service area for use of SWP facilities for delivery of water to the Annexation Lands.
- 5) Formation by SCV Water of a Water Service Area within the Annexation Lands, once annexed.
- 6) Payment by Applicant to SCV Water of the following:
  - i. All fees, charges and other payments due under the Deposit and Funding Agreement and/or Annexation Agreement, and/or the Water Annexation Policy applicable to the Annexation Lands, including but not limited to the following, as calculated as of the effective date of the Annexation:
    - (a) Facility Capacity and Connection Fees;
    - (b) Annexation Charges and State Water Project Back Taxes pursuant to Section 7 of the Annexation Agreement;
    - (c) Annexation Charges/BV-RBB Costs pursuant to Section 8 of the Annexation Agreement;
    - (d) Past Carrying Costs pursuant to Section 8 of the Annexation Agreement;
    - (e) Standby Charges pursuant to Sections 8 and 10 of the Annexation Agreement; provided however, no new special internal district(s) for purposes of establishing, adopting, levying, or collecting Standby Charges for the Annexation Lands, will be established;
    - (f) Annexation Charges/1% Property Tax Transfer and Back Taxes pursuant to Section 9 of the Annexation Agreement;
    - (g) Past BV-RRB Acquisition and Past Carrying Cost pursuant to Section 13 of the Annexation Agreement;
    - (h) Payment of all processing costs including but not limited to, Title reports, carrying costs not otherwise captured above, staff time, engineering costs, environmental costs, and costs associated with legal services;
    - (i) Payment of Property Tax Equivalent pursuant to Section 13 of the Annexation Agreement;
    - (j) All other costs not otherwise captured above, as specified and identified in the Deposit and Funding Agreement.
- 7) Applicant's payment of all LAFCO fees for the Annexation and SOI Amendment currently set at \$8,500.00 and any State Board of

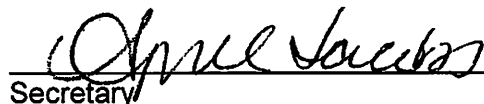
Equalization fees due as a result of the Annexation; and other related fees.

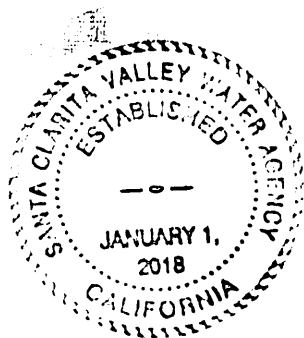
- 8) The effective date of the annexation shall be the date of execution of the certificate of completion by LAFCO
6. SCV Water consents to waive protest proceedings pursuant to Government Code Section 56662(a) (1) through 56662(a) (3), inclusive, and 56662(d).
7. This Resolution of Application is hereby adopted and approved by SCV Water and LAFCO is hereby requested to initiate proceedings for the annexation of territory as authorized and in the manner provided by the Cortese-Know-Hertzberg Local Government Reorganization Act of 2000.
8. SCV Water is hereby authorized and directed to file a certified copy of this Resolution together with the required application and other documents for the Annexation and corresponding SOI regarding the Annexation Lands, with the Executive Officer of the Local Agency Formation Commission for the County of Los Angeles.
9. Notice of Determination. The Board of Directors directs staff to file a CEQA Notice of Determination with the County of Los Angeles Clerk and State Clearinghouse within five (5) working days of adoption of this Resolution.
10. Custodian of Records. The documents and materials that constitute the record of proceedings on which this Resolution and the above findings have been based, including but not limited to the 1999 FEIR, the SEIR, the MMRP, and the Findings, are located at the offices of the SCV Water, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. The custodian for these records is SCV Water Board Secretary.
11. This Resolution shall take effect immediately upon adoption by the Board of Directors of SCV Water.

  
President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Santa Clarita Valley Water Agency, and that at a regular meeting of the Board of Directors of said Agency held on August 6, 2019, the foregoing Resolution No. SCV-116 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: August 6, 2019

  
Secretary



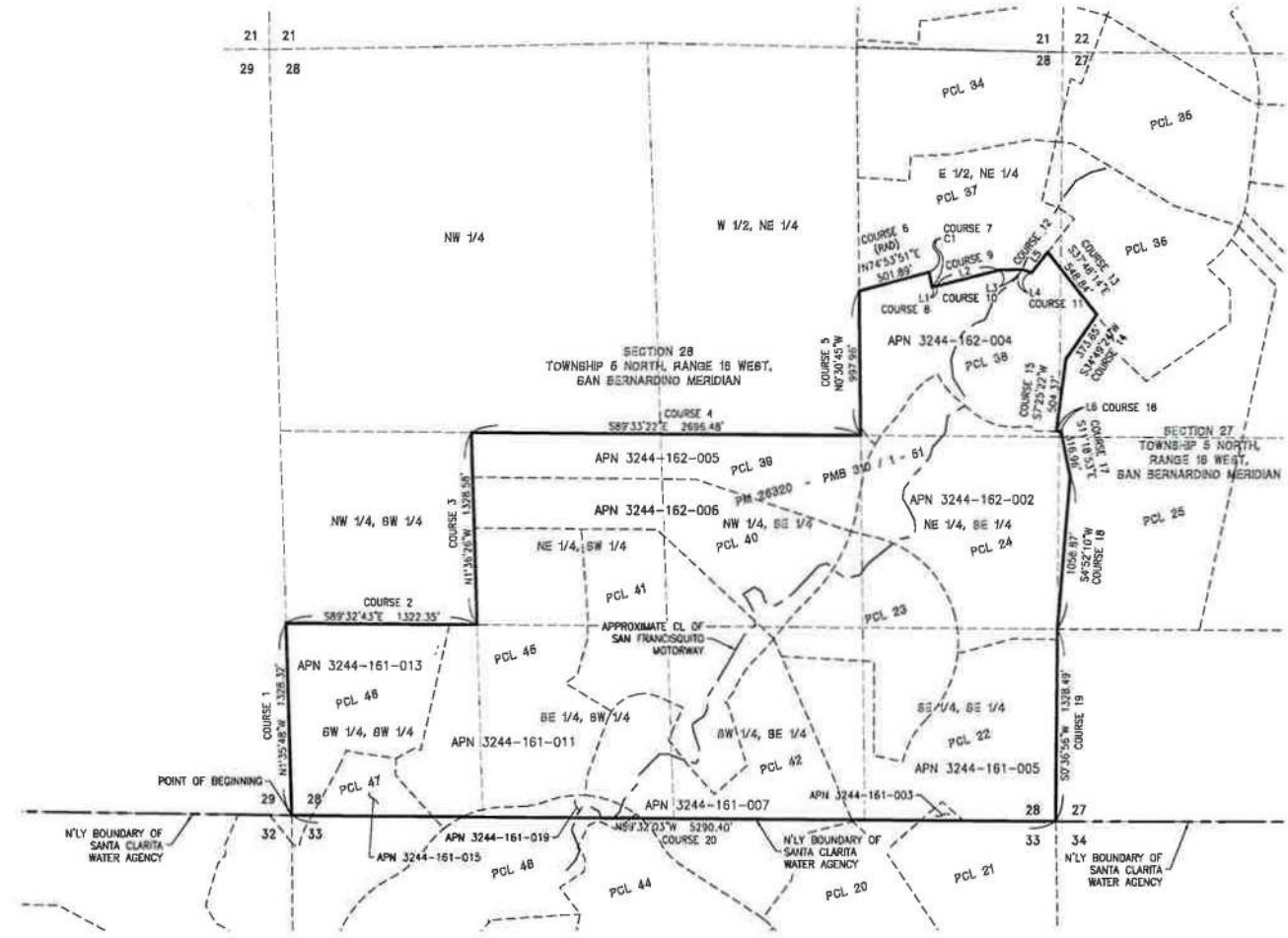
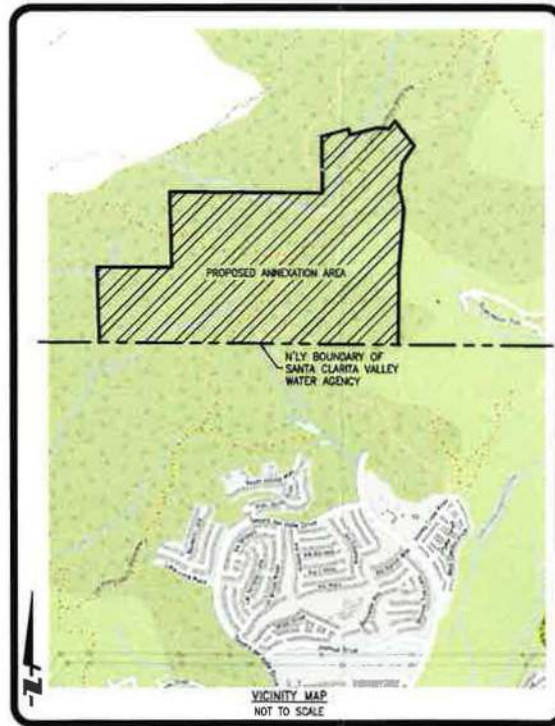
# EXHIBIT B

## ANNEXATION NO. 19-\_\_\_

### TO SANTA CLARITA VALLEY WATER AGENCY

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N82°43'02"E	32.00'
L2	N75°47'35"E	448.13'
L3	N88°20'10"E	184.36'
L4	S88°23'48"E	65.06'
L5	N38°01'05"E	184.48'
L6	S88°40'04"E	31.77'

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	007°49'11"	750.00'	102.36'



AREA:  
323.9964 ACRES

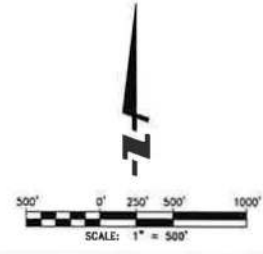
- LINE LEGEND:
- PROPOSED ANNEXATION BOUNDARY
  - - - SECTION LINES
  - - - ADJACENT/INTERNAL PARCEL LINES
  - - - EXISTING SCVWA BOUNDARY LINE
  - - - APPROXIMATE CL. OF SAN FRANCISQUITO MOTORWAY

SURVEYOR'S STATEMENT:  
THIS MAP WAS PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.

*J. Marty Smith*  
J. MARTY SMITH, PLS 8070  
EMAIL: jmart@fuscoe.com



05/31/2019  
DATE



NO.	DATE	REVISION	EXHIBIT B	FUSCOE	DATE: May 30, 2019
			ANNEXATION NO. 19-___	 16795 Von Karman, Suite 100 Irvine, California 92606 Tel 949.474.1940 • Fax 949.474.5315 www.fuscoe.com	SCALE: 1" = 500'
			To: SANTA CLARITA VALLEY WATER AGENCY		FN: 1771-001scvwd_lafco JN: 1771-001-01/3600 DRAWN BY: JMS CHECKED BY: KRT SHEET 1 OF 1
FEI REFERENCE:					

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