Rescinded and Replaced with Resolution No. 120-95

RESOLUTION NO. 64-92 DATED MARCH 25, 1992

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT ADOPTING DISTRICT PROCEDURES FOR CONSIDERATION OF DEVELOPER REQUESTS FOR ISSUANCE OF CAN AND WILL SERVE LETTERS FOR WATER AND SEWER SERVICES.

WHEREAS, the Board of Directors has been concerned about the need for formally adopted procedures for consideration and possible approval of developer requests for water and sewer service "Can and Will Serve" letters); and

WHEREAS, commencing in November 1991, the Board of Directors has held numerous open public discussions of such needed procedures, receiving significant amounts of public suggestions and identification of concerns; and

WHEREAS, representatives of the Board, staff and legal counsel have met with staff of Santa Barbara County to receive advice concerning this matter and to assure best potential for coordination and cooperation,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vandenberg Village Community Services District as follows:

1. That the <u>Procedure for Consideration of Can and Will Serve Letter Requests, Water</u> <u>and Sewer Service</u> attached hereto as Exhibit "A" and made a part hereof by reference, is hereby approved and adopted.

2. That said procedure shall henceforth be used by District staff and the Board of Directors in considering requests for new water and sewer service ("Can and will Serve" letters).

3. That the President is authorized and directed to provide to our County Supervisor and to the Director of the Santa Barbara County Resource Management Department certified copies of this Resolution.

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On the motion of Director

Second Director

Roll call to vote, to wit:

AYES: NOES: ABSENT:

Resolution No. 64-92 is hereby adopted.

Phyllis C. White President Board of Directors

ATTEST:

Deanna M. Bruegl Secretary, Board of Directors

SECRETARY'S CERTIFICATE

I, Deanna M. Bruegl, Secretary of the Board of Directors of the Vandenberg Village Community Services District, hereby certify that the foregoing is a true and correct copy of Resolution No. 64-92, passed and adopted by the Board of Directors of the Vandenberg Village Community Services District at an adjourned regular meeting held on the 25th day of March, 1992.

> Deanna M. Bruegl Secretary, Vandenberg Village Community Services District

RESOLUTION NO. 64-92 EXHIBIT "A"

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

PROCEDURE FOR CONSIDERATION OF CAN AND WILL SERVE LETTER REQUESTS, WATER AND SEWER SERVICE

This procedure shall be used by the District when responding to requests for new water and sewer service.

The process shall be taken in three steps, as indicated by the use of "A", "B", and "C" letters. It covers the decision making process from the initial request for service until the notice that service will or will not be established.

The "A" letter:

The applicant notifies the District requesting service for a specific project, which must be adequately described. The applicant must also clearly describe the proposed project's location and proposed use. Staff determines if the project is within the service area of the District, analyzes other pertinent information and reports its findings to the Legal Committee. The Legal Committee reviews the application and report and notifies the Board whether or not the applicant's project is within the District's service area, whether or not appropriate zoning exists and any other appropriate information

The applicant's project must conform to approved County zoning before the District will take any further steps to consider a request for a "Can and Will Serve" letter. An "A" letter will not be issued until the project and approved zoning are in agreement.

Once it is determined that the proposed project is within the District's service area, and is consistent with County approved zoning, a majority of the Board may authorize an "A" letter be sent to the applicant. The "A" letter confirms that the applicant's project is within the District's service area and conforms to approved County zoning. It instructs the applicant to proceed with the environmental review process with the County. To provide adequate information for the District Board, the certified Final EIR or Negative Declaration or other appropriate information, as applicable, must contain the following water and wastewater information for the project:

- a. Estimated annual water usage.
- b. Impact on existing water system.
- c. Overall impact on quantity and quality of existing water supplies.
- d. Estimated annual waste water production.

- e. Impact on existing waste water collection system.
- f. Impact on existing waste water treatment facilities and on effluent discharge.
- g. Proposed means of mitigation of the impacts listed above.

An existing EIR or Negative Declaration may be used if the proposed project is part of, or within and consistent with, the contents of the EIR or Negative Declaration. However, if the existing EIR or Negative Declaration does not contain all of the required water and wastewater information listed above, then an EIR or Negative Declaration addendum must be provided, to include the missing information.

In the case of an application for a single family home, to be built on an existing approved single family parcel, the application is exempted from requirement for an EIR or Negative Declaration. The Board may determine other limited use cases, including projects by public agencies or by non-profit public service or social service organizations, which may be exempt from requirement for EIR or Negative Declaration.

The "B" Letter:

The applicant provides the District with the certified Final EIR or Negative Declaration. District staff reviews the EIR or Negative Declaration for completeness and adequacy concerning the items required by the "A" letter. Staff provides its evaluation report concerning water and wastewater related issues concerning the project, including comments on identified impacts, mitigation methods, mitigation costs and means of financing mitigation costs. Such review and report will be guided by the principal that all water and wastewater costs related to the proposed new project are to be borne by the applicant, and that existing users of water and wastewater service from the District shall not be negatively impacted by water or wastewater costs related to the proposed new project.

Staff shall also determine the extent of capital improvements not addressed in the EIR or Negative Declaration which improvements will be required and should be funded by the developer (such as, but not limited to, reservoir additions, increased filtration capacity, etc.).

The EIR or Negative Declaration and staff report will be provided to the Water, Wastewater and Finance Committees, which will review them and make recommendations to the Board of Directors. The Board of Directors reviews the recommendations, determines the level of services which can be provided, mitigations required of the applicant and full financing by the applicant of water and wastewater related costs. The Board directs staff to prepare and deliver to the applicant a "B" letter which contains the Board's determination of proposed service level and its requirements imposed on the applicant, including financial arrangements. This includes the requirement that applicant constructed water and/or wastewater facilities must be turned over to the District, for ownership, operation and maintenance, subject to acceptance by the District and subject to applicable District Ordinances, Resolutions, rules and regulations.

The "C" Letter:

When requirements have been met and financial arrangements completed, the applicant submits evidence to the District. Staff reviews such evidence and reports its findings and recommendations to the Water, Wastewater and Finance Committees. These Committees make their recommendations to the Board. The Board, if it determines that all of its concerns have been met will direct staff to provide a "C" letter to the applicant. The "C" letter serves as the District's "Can and Will Serve" letter for the applicant.

It tells the applicant and the County:

- a. The level of the requested service which can and will be provided.
- b. When the beginning of the requested service may be anticipated.

c. That new service connections may be postponed, in the Board's discretion, during times of drought or other existing or threatened water shortage emergency.

d. Other conditions, restrictions and limitations associated with the District's "Can and Will Serve" letter.

The District will normally complete its portion of each step within 100 days after it is received from the applicant. If the District and the developer cannot mutually agree on an extension date, the District will then proceed to make a decision concerning service based on the information available to it. This can include declining to serve the project.

Such letters will apply only to the locations and the projects they identify. They could be transferred with the ownership of the property but not to other property nor to different projects on that property. Any significant change in a project will require reapplication. However, if changes which occur during the "A", "B", "C" letter process are determined by the Board to be not significant, the Board may determine to proceed with the process. In the event that the holder of a "Can and Will Serve" letter for a project subsequently decides to downsize a project (i.e. require less water and wastewater capacity), the Board may determine to allow the downsized project to proceed, based upon the previously approved "Can and Will Serve" letter, without the "A", "B", "C" process being required again.

During the course of development, any re-zoning request by the developer which could reasonably be expected to increase the impact on water or wastewater services shall automatically trigger a supplemental process at the "A" letter stage. Issuance of a supplemental "Can and Will Serve" letter by the District Board must occur before there can be implementation of any increase in water or wastewater service which is caused by a zoning change.

The "C" letter will be valid for a period of two years from date of issuance. It will continue valid beyond two years if the project has been commenced within two years and progresses continuously to completion. Any interruption in the progress of construction of the project which extends for a period greater than one year may result in termination of validity of the "C" letter by determination

of the Board. When an applicant desires to have a "C" letter renewed, or extended, the application must return to the "B" letter step in this process.

The agreements and service obligations set forth in the "C" letter are not binding upon the District, should uncontrollable events or circumstances occur which restrict the District's ability to perform. The "C" letter provisions shall also be subject to all other Ordinances, Resolutions, rules and regulations of the District.