

RESOLUTION NO. 2020-11

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT TO ENTER INTO NEGOTIATIONS WITH THE SHEEP CREEK MUTUAL WATER COMPANY FOR THE PURPOSES OF CONSOLIDATING THE SHEEP CREEK MUTUAL WATER SYSTEM WITH THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

WHEREAS, the Phelan Piñon Hills Community Services District (“District”) is a Community Services District located within the County of San Bernardino and is organized and operates pursuant to the California Government Code Section 61000, et seq.;

WHEREAS, the District was formed pursuant to Resolution No. 2994 of the Local Agency Formation Commission of the County of San Bernardino (“LAFCO”) adopted on March 18, 2008;

WHEREAS, pursuant to Condition No. 6 of LAFCO Resolution No. 2994 and Section 61100(a) of the California Government Code, the District is authorized to supply water for any beneficial uses within the District’s jurisdictional boundaries;

WHEREAS, the Sheep Creek Mutual Water Company (“SCMWC”) is a mutual water company organized and operating as a mutual benefit nonprofit corporation pursuant to California Corporations Code Section 7110, et seq., which provides potable water service to its shareholders within SCMWC’s service area located within the District’s jurisdictional boundaries;

WHEREAS, the District’s Board of Directors has the authority to enter into negotiations with the SCMWC to consolidate the SCMWC water supply and distribution system into the District;

WHEREAS, the District’s Board of Directors believes that the option of consolidating the SCMWC water supply and distribution system with the District may be the interest of the community and District rate payers for the purposes of potential improved water quality, access to additional water resources, and increased storage capacity;

WHEREAS, it is the intention of the District’s Board of Directors to represent the interests of the community and District rate payers to the best of their ability in the negotiations with the SCMWC; and

WHEREAS, the District’s Board of Directors anticipates, with the assistance of the State Water Resource Control Board, that negotiations will commence without delay in a good faith effort to meet full compliance with the State Water Resource Control Board deadline for determination of the course of action for an improved alternative water supply for the SCMWC.

THEREFORE, BE IT RESOLVED that the Board of Directors of the Phelan Piñon Hills Community Services District hereby proposes to enter into negotiations with the Sheep Creek Mutual Water Company to consolidate the mutual water system and facilities into the District.

BE IT FURTHER RESOLVED that the District's Board of Directors authorizes Don Bartz, General Manager, at the direction of the District's Board of Directors, to act as the District's representative in the course of negotiations with the SCMWC.

ADOPTED by the Board of Directors of the Phelan Piñon Hills Community Services District at a regular meeting held on September 16, 2020, by the following vote:

AYES: Johnson, Kujawa, Philips, Roberts

NOES:

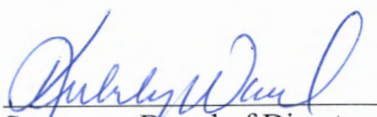
ABSENT: Hoffman

ABSTAIN:



President, Board of Directors

Attest:



Secretary, Board of Directors