

LOAN REQUEST FORM (LRF)

CEC-271 (Revised 01/13)

CALIFORNIA ENERGY COMMISSION

New Agreement 003-16-ECD (To be completed by CGL Office)

400 Efficiency Renewable Energy Division	Nelson Peña	23	916-654-4680
Lake Arrowhead Community Services District			95-3271920
Lake Arrowhead CSD - Hesperia Farms Site Solar Facility Project			
	05 / 10 / 2017	02 / 01 / 2019	\$ 3,000,000

 ARFVTP agreements under \$75K or minor amendments delegated to Executive Director.

Proposed Business Meeting Date	5 / 10 / 2017	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Discussion
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Business Meeting Presenter	Nelson Peña	Time Needed:	5 minutes
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Please select one list serve. Financing (Energy Efficiency Financing)

Agenda Item Subject and Description

Lake Arrowhead Community Services District. Proposed resolution adopting California Environmental Quality Act Findings for Lake Arrowhead Community Services District's Hesperia Farms Site Solar Facility Project, and approving Agreement 003-16-ECD with Lake Arrowhead Community Services District. (ECAA funding) Contact: Nelson Pena. (Staff presentation: 5 minutes)

a. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS. Findings that, based on the lead agency Lake Arrowhead Community Services District's Initial Study and Mitigated Negative Declaration, the work under the proposed project presents no new significant or substantially more severe environmental impacts beyond those already considered and mitigated.

b. LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT'S HESPERIA FARMS SITE SOLAR FACILITY PROJECT. Agreement 003-16-ECD with Lake Arrowhead Community Services District for a \$3,000,000 loan at one percent interest for a 939.6 kWdc ground mounted single axis solar photovoltaic electric generation system at the Hesperia Farms Site Solar Facility. Based on the loan amount, the simple payback is 12.4 years. The project will save approximately 2,200,000 kWh and \$242,000 annually. In addition, this project will reduce greenhouse gas emissions by 759 tons annually.

1. Is Agreement considered a "Project" under CEQA?

 Yes (skip to question 2) No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":

Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because .

2. If Agreement is considered a "Project" under CEQA:

 a) Agreement **IS** exempt. (Attach draft NOE)

 Statutory Exemption. List PRC and/or CCR

section number: _____

 Categorical Exemption. List CCR

section number: _____

 Common Sense Exemption. 14 CCR 15061 (b) (3)

Explain reason why Agreement is exempt under the above section:

 b) Agreement **IS NOT** exempt. (Consult with the legal office to determine next steps.)

Check all that apply

 Initial Study

 Environmental Impact Report

 Negative Declaration

 Statement of Overriding Considerations

 Mitigated Negative Declaration

Legal Company Name:	Budget
SunPower	\$ 3,000,000
	\$ 0
	\$ 0

LOAN REQUEST FORM (LRF)



List all key partners: (attach additional sheets as necessary)

Legal Company Name:

Funding Source	Funding Year of Appropriation	Budget List No.	Amount
ECAA	2016	401.007D	\$3,000,000
ECAA			\$
Funding Source			\$
Funding Source			\$
Funding Source			\$
R&D Program Area:	Select Program Area		\$3,000,000
Explanation for "Other" selection			
Reimbursement Contract #:		Federal Agreement #:	

Name:	Catherine Cerri	Name:	Catherine Cerri
Address:	PO Box 700 San Bernadino	Address:	PO Box 700 San Bernadino
City, State, Zip:	Lake Arrowhead, CA 92352	City, State, Zip:	Lake Arrowhead, CA 92352
Phone:	909-336-7100	Fax:	- -
E-Mail:	ccerri@lakearrowheadcsd.com	E-Mail:	ccerri@lakearrowheadcsd.com

1. Annual Energy Savings	\$242,000
2. Number of Repay Periods:	Leave blank if repay is based on energy savings

Competitive Solicitation

First Come First Served Solicitation

Solicitation #: PON-13-401

1. Loan Application	<input checked="" type="checkbox"/>	Attached
2. Budget Detail	<input checked="" type="checkbox"/>	Attached
3. CEC 105, Questionnaire for Identifying Conflicts	<input checked="" type="checkbox"/>	Attached
4. Recipient Resolution	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> Attached
5. CEQA Documentation	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> Attached

Agreement Manager _____ Date _____ Office Manager _____ Date _____ Deputy Director _____ Date _____

EXHIBIT A

ENERGY CONSERVATION ASSISTANCE ACT LOAN AGREEMENT

This Loan Agreement (the "Agreement") is entered into as of the date it is executed by both parties hereto, between the California Energy Resources Conservation and Development Commission (the "Energy Commission") and the Lake Arrowhead Community Services District (the "Borrower") located in San Bernardino County, CA.

1. STATUTORY AUTHORITY AND LOAN

- A. Pursuant to the purposes authorized by section 25410, et seq., of the California Public Resources Code (the "Energy Conservation Assistance Act"), the Energy Commission has approved the Borrower's loan application dated April 12, 2016, which is not attached but is expressly incorporated by reference herein.
- B. Subject to the terms, covenants, conditions, and including Special Conditions (if applicable) contained herein, and the Budget Detail/Summary of Project Cost and Savings attached as Exhibit A, Attachment 1 hereto to the extent it modifies the Borrower's loan application, the Energy Commission shall make a loan to the Borrower (the "Loan") in the amount of three millions dollars (\$3,000,000) evidenced by a Promissory Note (the "Promissory Note") for loan number 003-16-ECD attached hereto as Exhibit B.

2. PURPOSE

The Borrower agrees to expend all funds disbursed pursuant to this Agreement only for the purposes and in the amounts set forth in Exhibit A, Attachment 1 (the "Project"). Any other use of funds disbursed hereunder shall require prior written approval by the Energy Commission.

3. LOAN DISBURSEMENT SCHEDULE

- A. The Energy Commission agrees to disburse funds to the Borrower upon the Borrower's execution of the attached Promissory Note and required supplemental documents, including invoices as required in Section 3.B below.
- B. Loan funds shall be disbursed on a reimbursement basis based on invoices submitted by Borrower in a form approved by the Energy Commission. Backup documentation for actual expenditures (such as timecards, vendor invoices, etc.) and proof of payment must be provided

to substantiate the request. Energy Commission staff will approve invoices only after verifying requested amounts against backup billings and determining that expenses are appropriate and used for the authorized purposes of this Loan. For executed Agreements, invoices for expenses incurred during the Agreement Term are eligible for reimbursement.

- C. All invoices must be submitted within sixty (60) days after Project completion.
- D. The final ten percent (10%) of the Loan amount will be withheld as retention until the final report is received from the Borrower and the Commission's Project Manager determines the Project has been satisfactorily completed.

4. **LOAN REPAYMENT AND INTEREST**

All funds disbursed hereunder, together with all interest payable thereon, shall be repaid to the Energy Commission in accordance with the terms of the Promissory Note. The Loan shall bear simple interest at the annual rate set forth in the attached Promissory Note on the principal balance of Loan funds disbursed to the Borrower. Payment of said interest shall be due at the time of semiannual scheduled Loan repayment installments to the Energy Commission, and interest shall accrue from the time of disbursement of funds to the Borrower until receipt of full Loan repayment to the Energy Commission.

5. **TERM**

- A. The effective date of this Agreement shall be the date on which it has been executed by both parties hereto. No work is authorized, or shall begin until the Energy Commission signs the Agreement.
- B. The Borrower agrees to complete performance of its obligations under this Agreement within the applicable periods stated in this Agreement.

6. **PREPAYMENT**

The Borrower shall have the right to prepay all or any part of the amount of this Loan at any time without penalty.

7. **PROMISSORY NOTE**

In order to evidence its debt to the Energy Commission hereunder, the Borrower agrees to, contemporaneously with the execution of this Agreement, execute and

deliver to the Energy Commission the Promissory Note (attached as Exhibit B hereto).

8. ACCOUNTS, AUDITS, AND RECORDS

- A. The Borrower agrees to establish on its books a separate account for this Loan. This account shall be maintained as long as the Loan obligation remains unsatisfied.
- B. The Borrower further agrees to maintain records that accurately and fully show the date, amount, purpose, and payee of all expenditures drawn on said account for three (3) years after this Loan is repaid in full unless the Energy Commission requests a longer retention period.
- C. The Borrower further agrees to utilize a voucher system by which all expenditures from said account will be authorized and authenticated.
- D. The Borrower further agrees to allow the Energy Commission or any other agency of the State of California (the "State") or their designated representatives, on written request, to have reasonable access to, and the right of inspection of, all records that pertain to said account or the Project. The Borrower also agrees to submit to an independent audit, if requested by the Energy Commission, at the expense of the Borrower. Borrower agrees to maintain all such records for a minimum of three years after this Loan is repaid in full unless the Energy Commission notifies the Borrower, prior to the expiration of such three-year period, that a longer period of record retention is necessary.

9. SOURCE OF REPAYMENT; OPERATION OF PROJECT

- A. Semiannual payments due to the Energy Commission under this Agreement shall be made from savings in energy costs or other legally available funds as the Borrower chooses. If the Borrower is a county, city, town, township, board of education, or school district, the Borrower agrees that the amount of the semiannual Loan repayment shall not be raised by the levy of additional taxes and shall not be an obligation against tax revenues, but shall be obtained either from savings in energy costs resulting from the subject energy conservation projects or other legally available funds as the Borrower chooses.
- B. Energy cost savings as determined by the Energy Commission are based on energy usage and serving utility rate schedules at the time of the issuance of this Loan, except as specified in Special Conditions, if any, as detailed in this Agreement, and the information and data contained in the

Borrower's loan application and technical study. The following will not affect the Energy Commission's initial finding of energy cost savings, and are not a basis for claiming a lack of energy savings: a) changes in energy use and/or rate schedules which occur after issuance of the Loan, except as specified in Special Conditions, if any, as detailed in this Agreement, b) deviations in the Project work scope from what was approved by the Energy Commission, c) changes in the Borrower's facility and/or equipment which occur after the issuance of the Loan, including, but not limited to maintenance, operations, schedules, employees and facility alterations and expansions, d) deviations, omissions or errors found in the loan application and technical study after the Loan award. The Borrower is responsible for ensuring the accuracy of the information contained in its loan application and technical study. In the event annual energy cost savings resulting from the Project, as determined by the Energy Commission, fail to equal or exceed the amount due under this Agreement, this Agreement may be renegotiated to assure that the repayment amount does not exceed the actual energy savings or avoided costs resulting from the Project, and the Promissory Note will be revised accordingly. In no event, however, will the number of semiannual installments payable hereunder and under the Promissory Note exceed forty.

- C. The Borrower shall obtain and maintain in its records any and all permits and licenses required to install or operate the Project and shall comply with all local, state, and federal laws, rules and codes concerning the Project. The Borrower shall maintain the Project in good working order for the duration of the Loan and shall insure that staff members are provided appropriate training on the operation and maintenance of the Project. The Borrower shall maintain insurance on the Project and, in the event of any casualty loss covered by such insurance policy, apply the proceeds to the repair of the Project or, with the approval of the Energy Commission, may use the insurance proceeds to install alternate projects to generate alternative energy cost savings to repay the Loan.

- D. The Borrower agrees to provide the Energy Commission with the following information for three years following completion of the Project, unless the Energy Commission requests a longer period: (1) the annual computation, required by Section 25414 of the Energy Conservation Assistance Act, of energy cost savings for the most recent fiscal year, calculated in the manner and provided in the format prescribed by the Energy Commission; and (2) any information or change in assumptions or operations which might affect the Energy Commission's initial determination of energy savings.

- E. The Borrower authorizes any official or agent of the Energy Commission, or the State to conduct physical inspections of the Project before the commencement; during construction, installation and implementation of the Project; and at any time prior to the complete repayment of the Loan. In each contract entered into with suppliers of goods and services to install, conduct, or operate the Project, including management services, the Borrower shall include terms which allow any officer or agent of the Energy Commission or the State access to the Project site and to any books, documents, or records directly relevant to the Project.
- F. Borrower will execute a continuing disclosure agreement to provide annual information and other operating or financial information as required by the Energy Commission and applicable law if Borrower is notified by the Energy Commission that: 1) its aggregate loan repayments equal or exceed 10 percent of the aggregate annual debt service on any series of Bonds, the repayment of which is secured by such loan or loans of the Borrower; or 2) its aggregate loans represent more than 10 percent of the aggregate principal amount of all Bond-funded loans pledged to a single Bond series.
- G. If, prior to final repayment of the Loan, the Borrower sells the equipment or material installed with the proceeds of the Loan or sells the building, facility or system in which the Project has been implemented, then the Borrower shall apply the sale proceeds to repay any remaining balance due under this Agreement in full at the time of such sale. All such transactions shall comply with the requirements in Exhibit D, Borrower Tax Certificate. The Borrower shall notify the Energy Commission within five business days of the date on which the Borrower enters into an agreement to effect such transaction. The Borrower shall repay the Energy Commission within 30 calendar days of receiving an invoice from the Energy Commission for the balance due.
- H. In accordance with Section 25415 of the Energy Conservation Assistance Act, the Borrower covenants to take such action as may be necessary to include all payments due hereunder in its annual budget and to make the necessary annual appropriations for all such payments. The obligation of the Borrower to make such payments shall be limited to the savings realized by the Borrower as a result of implementing the Project funded by the Loan.

10. **DEFAULT**

- A. The Borrower's failure to comply with any of the terms of this Agreement shall constitute a breach of this Agreement and an event of default. In

such case, the Energy Commission may declare this Agreement to have been breached and be released from any further performance hereunder.

- B. In the event of any default or breach of this Agreement by the Borrower, the Energy Commission, without limiting any of its other legal rights or remedies, may, to the extent permitted by law, declare the Promissory Note evidencing this Loan to be immediately due and payable.

11. TERMINATION

A. With Cause

The Energy Commission may, at its option, terminate this Agreement with cause in whole or in part, at any time prior to the funding of the Loan, upon giving five (5) days advance notice in writing to the Borrower. "Cause" includes without limitation:

- 1) Failure to perform or breach of any of the terms or covenants at the time and in the manner provided in this Agreement; or
- 2) Significant change in Energy Commission or State policy such that the work or product being funded would not be supported by the Energy Commission; or
- 3) Reorganization to a business entity unsatisfactory to the Energy Commission.

B. Without Cause

The Energy Commission may, at its option, terminate this Agreement without cause in whole or in part, at any time prior to the funding of the Loan, upon giving thirty (30) days advance notice in writing to the Borrower.

12. REPORTING

- A. Progress reports are due each calendar quarter until Project completion. At a minimum, Borrower shall submit progress reports in accordance with the following schedule:

PROGRESS REPORT SCHEDULE	
For the Period Covering	Report Due Date
January 1 through March 31	April 5 th
April 1 through June 30	July 5 th
July 1 through September 30	October 5 th
October 1 through December 31	January 5 th

- B. A final report is due no later than (sixty) 60 days after Project completion.
- C. The Energy Commission will not process an invoice unless the Borrower’s report submittals are up to date.
- D. If requested by the Energy Commission, Borrower shall submit, within ten (10) days after the Energy Commission’s written request, a status report on its activities to date, pursuant to this Agreement.
- E. Reports shall be in a format as determined by the Energy Commission.
- F. The Borrower shall submit reports regarding energy savings as described in Section 9.D above.

13. GENERAL TERMS

- A. Indemnification by the Borrower. The Borrower agrees to indemnify, defend, and save harmless the Energy Commission, the State, and their officers, agents, and employees from any and all claims, losses, or costs (including reasonable attorney fees) arising out of, resulting from, or in any way connected with: (1) the Loan or this Agreement, or the financing or the operation of the facilities financed with the Loan; or (2) the Borrower’s violation or alleged violation of any tax covenant made or tax certificate executed in connection with the Loan or this Agreement or any action of the Borrower that causes interest on any bonds secured by repayment of the Loan to be included in gross income of the owners of such bonds for federal income tax purposes.
- B. Ownership of Equipment and Material. All equipment and material acquired under this Agreement shall become the property of the Borrower at time of purchase. The Borrower shall obtain and maintain in its records a written waiver of all claims, other than those previously made in writing

and still unsettled, from each contractor who supplies goods and services, including management services, in connection with the Project.

- C. Independent Capacity. The Borrower, and the agents and employees of the Borrower, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the Energy Commission or the State of California.
- D. Assignment. Without the written consent of the Energy Commission, this Agreement is not assignable or transferable by the Borrower either in whole or in part. The Energy Commission may assign its rights under this Agreement for security purposes, and in such event the assignee of this Loan Agreement, including the bond trustee of any bonds which may be secured by repayment of this Loan, shall be entitled to enforce the provisions hereof and shall be a third party beneficiary of this Agreement.
- E. Time of the Essence. Time is of the essence in this Agreement. Borrower is required to take timely actions which, taken collectively, move to completion of the purpose for which this Loan was awarded. The Commission Project Manager will periodically evaluate the progress toward completion. If the Commission Project Manager determines that the Borrower is not progressing toward completion within one (1) year after the effective date of this Agreement, the Commission Project Manager may, without penalty or prejudice to any of the Energy Commission's other remedies, terminate this Agreement.
- F. Amendment. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
- G. Severability. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
- H. Governing Law and Venue. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. Venue shall be in Sacramento County.
- I. Non-discrimination. During the performance of this Agreement, the Borrower and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental

disability, medical condition (cancer), age (over 40), marital status, and family care leave. The Borrower and its contractors and subcontractors shall insure the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Borrower and its contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this agreement by reference and made a part hereof as if set forth in full. The Borrower and its contractors and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Borrower and its contractors shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

- J. Incorporation of Energy Conservation Assistance Act. The Energy Conservation Assistance Act, together with any applicable rules, regulations or procedures authorized by such statute, is incorporated by reference in this Agreement.
- K. Borrower Authorization. The Borrower certifies it has full power and authority to enter into this Agreement, and this Agreement has been duly authorized, executed and delivered by the Borrower. The Borrower acknowledges the resolution of its governing body or other official action authorizing it to enter into this Agreement. The Borrower also authorizes such further acts as are necessary, including execution of the Promissory Note, to implement and further the intent of this Agreement.
- L. Prevailing Wage. The Borrower shall comply with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code relating to the payment of prevailing wage for work performed on the Project financed in whole or in part with the proceeds of the Loan.
- M. Funding Eligibility. By signing this Agreement, Borrower certifies it is eligible to receive state funding under all applicable laws, including but not limited to Chapter 2.8 "Project Labor Agreements", of Part 1, of Division 2 of the Public Contract Code.

14. **TAX COVENANTS**

The Borrower acknowledges that the proceeds of bonds issued by the California Infrastructure and Economic Development Bank, or other issuer authorized by law, may be used to fund all or a portion of this Loan and, in consideration of such funding, the Borrower hereby covenants that it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on such bonds under Section 103 of the Internal Revenue Code of 1986 and the regulations issued thereunder, as the same may be amended from time to time. In furtherance of the preceding sentence, the Borrower hereby covenants that it will comply with the provisions of the Tax Certificate which is attached hereto as Exhibit D and incorporated herein as if fully set forth herein.

15. **NOTICE**

Any notice required to be given to the Energy Commission hereunder shall be sent to the person and address listed under Legal Notices in Exhibit G, Contacts, or at such other address as the Energy Commission may designate in writing to the Borrower. Any notice required to be given to the Borrower hereunder shall be sent to the address shown for Borrower in this Agreement, or at such other address as the Borrower shall designate in writing to the Energy Commission. Notice to either party may be given using the following delivery methods: U.S. mail, overnight mail, or personal delivery, providing evidence of receipt, to the respective parties identified in this Agreement. Delivery by fax or e-mail is not considered notice for the purposes of this Agreement. Notice shall be effective when received, unless a legal holiday for the State commences on the date of the attempted delivery in which case the effective date shall be postponed 24 hours, or whenever the next business day occurs.

**EXHIBIT A
ATTACHMENT 1
BUDGET DETAIL/PROJECT COST AND SAVINGS**

This Loan is made to the Lake Arrowhead Community Services District] (“Borrower”) for an energy savings Project. The Project consists of installing 2,160 photovoltaic (PV) panels at the Hesperia Farms site at 7000 Arrowhead Lake Rd, San Bernardino County, California listed in Table 1.

The Table below summarizes the estimated Project cost(s), saving(s) and simple payback(s) for the Project.

TABLE 1: Summary of Project Cost and Savings:

Energy Efficiency Measures	Estimated Total Project Cost	Energy Commission Loan	Estimated Annual Energy Cost Savings	Simple Payback* (Years)
Hesperia Farms	\$3,000,000	\$3,000,000	\$242,000	12.4

*The simple payback is based on the Loan amount.

The Borrower shall implement each measure listed in Table 1.

If Borrower does not complete one or more of the measures or deviates from the quantities and specifications listed in Table 1, the Commission Project Manager will calculate the maximum Loan amount supported by the Project. The Loan amount will be determined by the lesser of: (1) multiplying the annual energy cost savings by; (2) total Project costs; or 3) approved Loan amount.

Borrower shall notify the Commission Project Manager in writing if Borrower expects any information in Table 1 to change. Energy Commission staff will advise Borrower of the procedure to approve any changes. Written documentation is required for any changes to the information included in this Attachment.

If the Borrower has received disbursements exceeding the maximum Loan amount supported by the Project, the Borrower shall refund the difference to the Energy Commission within 30 days of notification.

Memorandum

To: **Robert B. Weisenmiller**
Karen Douglas
David Hochschild
Andrew McAllister
Janea A. Scott

Date : January 26, 2017

From : **California Energy Commission**
Scott Polaske
1516 Ninth Street
Sacramento CA 95814-5512

Subject: **Energy Commission Staff Review of Hesperia Farm Solar Photovoltaic Project Initial Study and Mitigated Negative Declaration**

I am a Planner in the Siting, Transmission, and Environmental Protection Division of the California Energy Commission. Based on my review of the Hesperia Farms Site Solar Facility Project Initial Study (IS) and Mitigated Negative Declaration (MND), prepared by the lead agency Lake Arrowhead Community Services District (LACSD), it is my opinion that the implementation of the proposed mitigation measures would mitigate the environmental impacts of the project to less than significant levels. The reasons for my conclusion are as follows:

Development of the proposed 0.96 megawatt (MW) Hesperia Farms solar photovoltaic project (the project) would require clearing any vegetation from this existing agricultural field and grading approximately five to six acres for the 2,160 solar panels and supporting equipment. A perimeter fence would be installed around the five to six acre project footprint. Each solar panel would be approximately 41.2" x 81.4" in dimension. The panels would be installed on a pedestal and track the sun. At full tilt, the low point is about four feet above grade and the high point is about six feet above grade. At horizontal tilt the panels are about five feet above grade. Panels would track the sun from east to west and at noon the panels are horizontal and facing straight up. The panels would be covered with an anti-reflective coating. The panels would appear dark blue in daylight and black in low light or night conditions. The project would be connected to the local electric grid adjacent to the project site at the southeast corner of LACSD's Hesperia Farms property. The project would generate electricity for the benefit of the LACSD's water treatment facilities by connecting to the utility at the generating meter account.

Due to the nature of the proposed project, the majority of the potential environmental impacts would occur as a result of construction or related activities. An analysis of potential impacts has been performed by LACSD. Further discussion on environmental factors with environmental impacts listed as "Less Than Significant with Mitigation Incorporated" continues below.

Biological Resources

Biological surveys conducted for the project site did not identify the presence of special status species. However, due to the proximity of the project site to known critical habitat, additional biological surveys would be required prior to the start of any disturbance activities to ensure the protection of the western burrowing owl and other special status species (including arroyo toad, Mohave ground squirrel, and desert kit fox). In the event a survey reveals burrows, dens, nests or signs of the mentioned native species are found on any portion of the project site,

these areas would be avoided with the establishment of a non-disturbance zone or other avoidance measures as determined in the coordination with the California Department of Fish and Wildlife and U.S Fish and Wildlife Service. Where avoidance is infeasible, LACSD will coordinate with the California Department of Fish and Wildlife and U.S Fish and Wildlife Service.

Cultural Resources

The proposed project would require grading and other earth-moving activities which could disturb undiscovered cultural material. Historical record searches, Native American consultations and a field survey concluded that there would be no impact to cultural resources. However, in the event cultural material is discovered during construction activities, all work in the area would be halted or diverted until a qualified archaeologist can evaluate the nature and significance of the finds. If human remains are discovered, the county coroner will be contacted to appropriately manage any such remains.

Hazards & Hazardous Materials

During construction of the proposed project, there is a potential for accidental release of petroleum products in sufficient quantity to pose a significant hazard to people and the environment. In the event such accident occurs, any spill or leakage would be remediated in compliance with applicable state and local regulations regarding cleanup and disposal of the contaminant released.

Air Quality

Construction and operation impacts emissions were modeled and would not exceed significance thresholds for air quality. Dust control mitigation measures would be implemented to mitigate fugitive dust and to notify the public of a potential airborne dust source. Air pollution emissions as a result of construction activities are not expected to exceed local air district thresholds for any pollutant even if the phases are under simultaneous construction.

Geology & Soils

The proposed project could potentially result in minimal soil erosion. To mitigate any soil erosion; stored backfill material would be covered with water resistant material during periods of heavy precipitation, excavated areas would be properly backfilled and compacted, exposed disturbed soil (trenches, stored backfill, etc.) would be sprayed with water or soil binders at least twice a day, and backfill stored onsite from trenching activities will be minimized by placing reasonable time restrictions on how long trenches may be left open.

Due to the proximity of the active San Andreas Fault, the active Helendale Fault, and the North Frontal Fault, the project site and area can be exposed to significant ground shaking during major earthquakes on these regional faults. To manage both seismic and liquefaction hazards at the project site, seismic design criteria and measures specified in the project geology report would be implemented.

Hydrology & Water Quality

A construction Storm Water Pollution Prevention Plan (SWPPP) would be prepared to identify the best management practices for minimizing the potential for accidental release of any chemicals or materials on the site which could degrade water quality. This plan, in conjunction with mitigation measures specified in the Geology and Soils section, would minimize the amount of surface run off or erosion onsite and offsite and minimize impacts to the capacity of existing or planned storm water drainage systems.

Noise

The proposed project will involve construction operations that have the potential to cause short-term significant noise impacts. The State of California has established guidelines for acceptable community noise levels that are based on the Community Noise Equivalent Level (CNEL) rating scale, however noise generation from construction activities is exempt from performance standards if construction does not occur from 7 p.m. through 7 a.m. To mitigate any short-term impacts during project construction, construction activities would be limited to the hours of 7 a.m. to 7 p.m. on Monday through Friday, and between 9 a.m. to 6 p.m. on Saturday, and will be prohibited on Sundays and federal holidays except during documented emergencies; all construction vehicles and fixed or mobile equipment would be equipped with properly operating and maintained sound attenuating devices such as mufflers; employees would wear hearing protection devices (if exposed to noise levels greater than 75 dB over an 8-hour period); portable noise barriers would be installed to reduce noise levels at receptor locations when appropriate; construction would be scheduled so that the minimum number of pieces of equipment would be operating at the same time; and a noise complaint program would be established.

In addition to the above discussion of environmental factors, I agree with the LACSD's findings that the proposed project would have no impacts or with incorporated mitigation measures have less-than-significant environmental impacts for all other environmental factors listed in LACSD's IS and MND.

The following URL provides a link to Lake Arrowhead Community Services District's Initial Study, Mitigated Negative Declaration and Board Resolutions related to the Hesperia Farms Site Solar Facility Project.

http://www.lakearrowheadcsd.com/download/agendas_and_minutes/3.-2015-Dec-15-BOD-Memo-Solar-Project-CEQA-rr.pdf

RESOLUTION NO. 2015-14

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, MAKING FINDINGS THAT (1) THE HESPERIA FARMS SOLAR PHOTOVOLTAIC PROJECT CONSTITUTES ELECTRICAL GENERATION FACILITIES AND (2) THERE IS NO FEASIBLE ALTERNATIVE TO THE PROJECT LOCATION, RENDERING CITY OF HESPERIA ZONING ORDINANCES INAPPLICABLE PURSUANT TO GOVERNMENT CODE SECTION 53096; ADOPTING FINAL MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING AND REPORTING PROGRAM UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND APPROVING PROJECT

RECITALS

WHEREAS, California Government Code section 53091, subdivisions (d) and (e), expressly exempt from county and city building and zoning ordinances the construction of facilities for the production, generation or transmission of electrical energy by a local agency, such as the Lake Arrowhead Community Services District (“District”);

WHEREAS, a “facility” subject to the exemption stated in Government Code section 53091 is broadly construed by the courts as including something that is built, constructed, installed, or established to perform some particular function or to serve or facilitate some particular end, such as the production, generation or transmission of electrical energy;

WHEREAS, a solar photovoltaic system operating under the Renewable Energy Self-Generation Bill Credit Transfer Tariff produces and generates electrical energy that is fed into the meter at the site upon which the solar photovoltaic system is located and utilized by the local utility, which generates a credit that is applied to energy use at other facilities owned by the public agency who operates the solar photovoltaic system;

WHEREAS, the Solar Rights Act, specifically, Civil Code section 801.5, subdivision (a), broadly defines a solar energy system as including both the solar photovoltaic panels and the support structures upon which the solar photovoltaic panels are attached;

WHEREAS, the Legislative intent of the Solar Rights Act, when read in conjunction with Government Code section 53091, was to exempt solar facilities, including the mounting structures upon which the solar photovoltaic panels are mounted, from city and county permitting requirements in order to encourage and facilitate the installation of solar energy systems;

WHEREAS, Government Code section 53096 provides the mechanism for a local agency to override city or county building and zoning ordinances for facilities related to storage or transmission of electrical energy;

WHEREAS, the District desires to construct 0.96 megawatt solar electric panels located on five to six acres on part of the District-owned, 350-acre Hesperia Farms property located at 6727 Arrowhead Lake Road, Hesperia, California (“Project”);

WHEREAS, on October 27, 2015, the District’s Board of Directors approved Resolution No. 2015-10 approving the award of the Energy Services Agreement to SunPower Corporation, Systems (“SunPower”), contingent upon compliance with CEQA, and authorized the execution and delivery of other documents and actions required in connection therewith. SunPower will design, construct, and install solar photovoltaic facilities at the Project site. SunPower will also arrange with the local utility for interconnection of the facilities to generate energy that will be used by the local utility and result in credits to offset use by the District at its operating facilities under the RESBCT Tariff;

WHEREAS, the District’s Solar Power Alternatives Ad Hoc Committee working with SunPower, was unable to identify any other sites owned by the District with sufficient space suitable for the purpose of installing the Project. The District does not own any other property that has the acreage and necessary components for a successful solar project due to terrain, trees, and weather conditions. The proposed site for the Project is a prime location for solar development based on capital costs, utility inflation, and photovoltaic degradation considerations;

WHEREAS, at least 10 days prior to the public hearing, the District hand delivered notice of the hearing to the owners of all property within 300 feet of the Project site, and posted notice of the hearing in a conspicuous place at the Project site, as required by Government Code section 53096;

WHEREAS, in light of the above, the District seeks to make formal findings that the proposed Project will be directly utilized by the District for the production / generation of electrical energy and there is no feasible alternative to the location of the Project, and, as such, the facilities are exempted from City of Hesperia and any other county or city zoning and building requirements under sections 53091 and 53096 of the Government Code;

WHEREAS, District staff determined that the Project is considered a “project” under the requirements of the California Environmental Quality Act (“CEQA”), Public Resources Code section 21000 *et seq.* The District, in conjunction with its environmental consultants, prepared an Initial Study to determine possible environmental impacts under State CEQA Guidelines section 15063;

WHEREAS, on the basis of the Initial Study, which indicated that all potential environmental impacts from the Project would be less than significant with the incorporation of the mitigation measures in the Mitigation Monitoring and Reporting Program (“MMRP”), District staff determined that a Mitigated Negative Declaration (“MND”) should be prepared;

WHEREAS, the Draft Initial Study/MND was prepared in accordance with CEQA, the State CEQA Guidelines (Title 14 of the California Code of Regulations Code, section 15000 *et seq.*); and the District’s Local CEQA Guidelines;

WHEREAS, the Draft Initial Study/MND was circulated for review by the public and interested, responsible, and trustee agencies from April 22 to May 22, 2015. District staff, in conjunction with its environmental consultant, revised certain mitigation measures in response to comments and elected to recirculate the Revised Initial Study/MND for review and comment;

WHEREAS, the District made the Revised Initial Study/MND available to the public and all interested, responsible and trustee agencies for at least 30 days (November 6 to December 6, 2015) by: (1) filing a Notice of Intent to Adopt a Mitigated Negative Declaration (“NOI”) with the State Clearinghouse; (2) filing a NOI with the San Bernardino County Clerk; (3) placing a NOI in the Mountain News, a newspaper of General Circulation; (4) posting a NOI at the Project site, the District’s office, and the Yucaipa branch of the County of San Bernardino library; and (5) mailing a NOI to various interested persons, agencies, and tribes, and to the owners and occupants of property contiguous to the Project;

WHEREAS, the District received, considered and responded to all comments from the public, as well as any responsible, trustee, and interested agencies, on the Revised Initial Study/MND;

WHEREAS, the Final Initial Study/MND consists of the responses to comments and the Revised Initial Study/MND;

WHEREAS, at a Special Meeting on December 15, 2015, the Board held a duly noticed public hearing to consider the Final Initial Study/MND, the MMRP, and the Project;

WHEREAS, the Board has reviewed the Final Initial Study/MND and all other relevant information contained in the administrative record regarding the Project; and

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

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Lake Arrowhead Community Services District as follows:

1. The matters set forth in the recitals to the Resolution are true and correct statements.

2. The Board finds and determines that the Project constitutes facilities for the generation of electrical energy, and therefore meets the criteria for exemption from (1) City of Hesperia building ordinances under Government Code section 53091, subdivision (d), and (2) City of Hesperia zoning ordinances under Government Code section 53091, subdivision (e).

3. The Board finds and determines that for over a year the District’s Solar Power Alternatives Ad Hoc Committee and SunPower met on numerous occasions and, with District staff, thoroughly reviewed and analyzed all potential locations for the Project. The District does not own any other property that has the acreage and necessary components for a successful solar project due to terrain, trees, and weather conditions. Further, in order to comply with the City’s solar ordinance, the District would have to redesign and relocate the Project away from the nearest residentially designated property, which would include the installation of additional AC conductor between the solar array and the Point of Interconnection. This would result in a significant cost increase, measurable power loss, and project delay.

4. Thus, the Board finds it is not feasible to install the solar photovoltaic system at any other locations other than the proposed location identified in Exhibit “A”, attached hereto

and incorporated herein.

5. Based on the above-findings, the Board finds and determines that pursuant to Government Code section 53096, there is no feasible alternative to the location of the Project at the Hesperia Farms site, by four-fifths vote of the Board, City of Hesperia zoning ordinances, including but not limited to, City of Hesperia Ordinance No. 2012-07, are rendered inapplicable to the Project.

6. The Board directs District staff to provide the City of Hesperia with a copy of this Resolution within ten (10) calendar days of the Board's adoption.

7. As the decision-making body for the Project, the Board has reviewed and considered the Final Initial Study/MND and administrative record for the Project, including all oral and written comments received during the comment period. The Board finds that the Final Initial Study/MND and the administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and the District's Local CEQA Guidelines.

8. Based on the Final Initial Study/MND and the administrative record, including all written and oral evidence presented to the Board, the Board finds that all environmental impacts of the Project are less than significant with mitigation. The Board further finds that there is no substantial evidence in the administrative record supporting a fair argument that the Project may result in significant environmental impacts. The Board finds that the Final Initial Study/MND contains a complete, objective and accurate reporting of the environmental impacts associated with the Project and reflects the independent judgment and analysis of the Board. No new significant environmental effects have been identified in the Final Initial Study/MND and any changes to the Final Initial Study/MND in response to comments or otherwise do not constitute substantial revisions requiring recirculation under State CEQA Guidelines section 15073.5.

9. The Board approves and adopts the MND pursuant to Public Resources Code section 21080, subdivision (c)(2).

10. Pursuant to Public Resources Code section 21081.6, the Board approves and adopts the MMRP prepared for the Project and attached to this Resolution as Exhibit "B".

11. The Board approves the Project as described in the Final Initial Study/MND.

12. The Board directs staff to file a Notice of Determination with the San Bernardino County Clerk and the Office of Planning and Research within five (5) working days of approval of the Project.

13. The documents and materials that constitute the record of proceedings on which these findings have been based are located at Lake Arrowhead Community Services District, 27307 State Highway 189, Blue Jay, California 92317. The custodian of these documents is the General Manager of the Lake Arrowhead Community Services District.

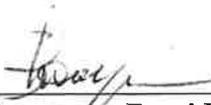
The foregoing Resolution was adopted at a meeting of the Board of Directors of the Lake Arrowhead Community Services District on December 15, 2015, by the following vote:

AYES: Boydston, Keefe, Thompson, and Wurm

NOES: None

ABSENT: Gross

ABSTAIN: None



**Bill Thompson President, Board of Directors
Lake Arrowhead Community Services District**

ATTEST:



Kathleen Field, Clerk of the Board

**EXHIBIT A – MAP OF PROJECT SITE
EXHIBIT B – MITIGATION MONITORING AND REPORTING PROGRAM**

FIGURE 4d
Aerial Photo of the LACSD Solar Facility Site (after development)

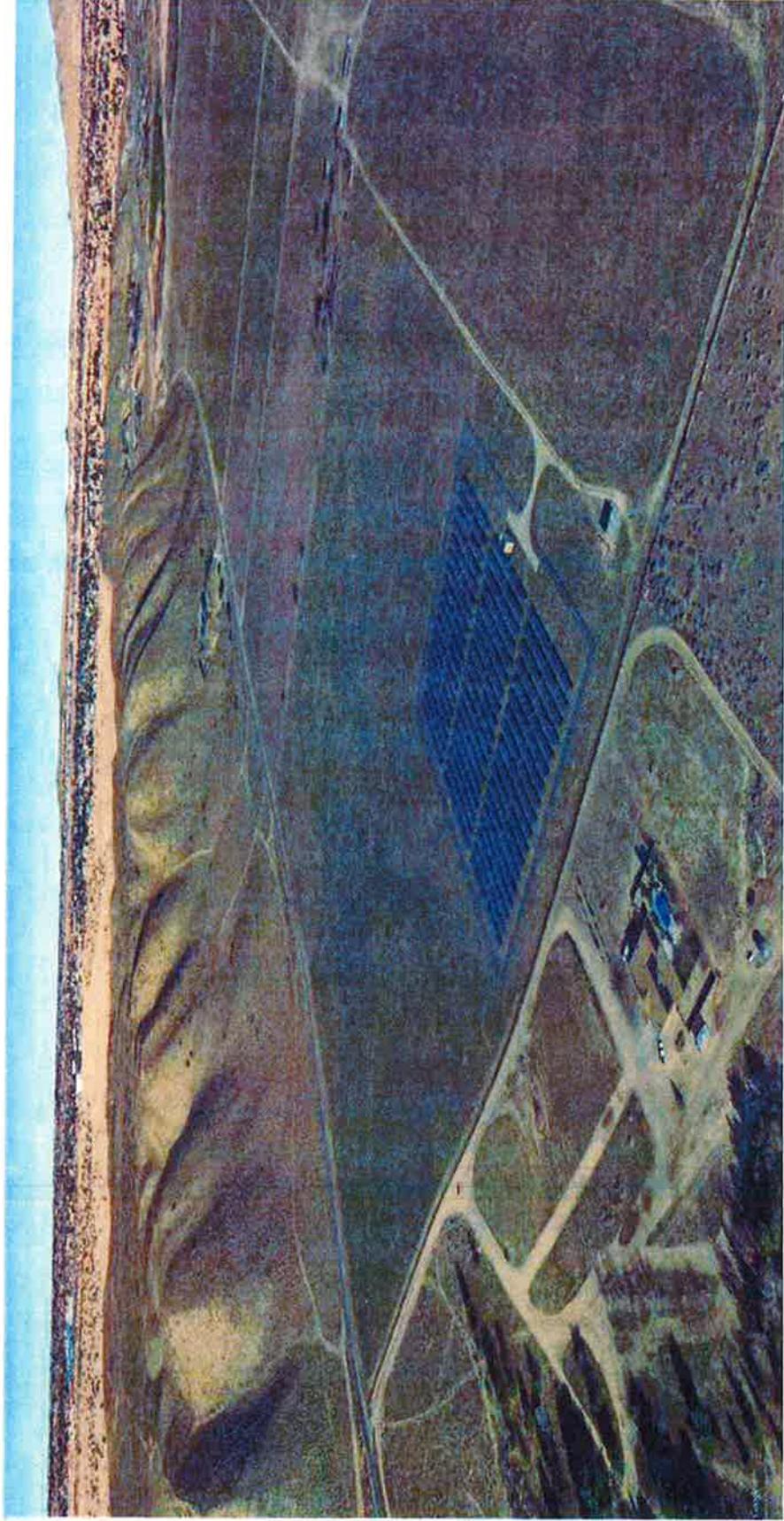


EXHIBIT “B”

APPENDIX 7

Mitigation Monitoring and Reporting Program

The Mitigation Monitoring and Reporting Program (MMRP) for the proposed project has been prepared in accordance with PRC Section 21081.6 and *State CEQA Guidelines* Section 15091(d). The Lake Arrowhead Community Services District (District) will use this MMRP to track compliance with the project mitigation measures. The District’s Board of Directors will consider adoption of the MMRP for the Mitigated Negative Declaration (MND). The MMRP will incorporate all mitigation measures adopted for the proposed project.

This MMRP summarizes potentially significant impacts and mitigation commitments identified in the Hesperia Farms Solar Photovoltaic Project MND. **Table 7-1** provides the MMRP which includes all mitigation measures, monitoring process, monitoring timing, and responsible persons/agency for implementation. Impacts and mitigation measures are presented in the same order as in the project MND. The columns in the table provide the following information:

- **Mitigation Measures:** The action(s) that will be taken to reduce the impact to a less-than-significant level.
- **Monitoring Process:** This column outlines the appropriate steps to implement and verify compliance with the mitigation measures.
- **Monitoring Timing:** This column indicates the general schedule for conducting each monitoring task, either prior to construction, during construction, and/or after construction.
- **Responsible Person(s):** This column lists the agency responsible for ensuring implementation of the mitigation measure. The District will assume responsibility for all monitoring and reporting actions.

**TABLE 7-1
MITIGATION MONITORING AND REPORTING PROGRAM – HESPERIA FARMS SOLAR PHOTOVOLTAIC PROJECT**

Mitigation Measures	Monitoring Process	Monitoring Timing	Responsible Person(s)
I. Aesthetics			
Mitigation Measure I-1: The District shall install a low height vegetation barrier on the southern boundary of the solar facility that will shield nearby residences from visual access to the facility, but not eliminate scenic views north of the project site. This "hedge" or vegetation barrier shall be planted prior to initiating construction of the solar facility and shall be irrigated using District provided well water. It shall be maintained at a maximum height of six feet.	Site Inspection	Prior to Construction, During Construction, Post Construction	District
Mitigation Measure I-2: Night lighting will be located and shielded so as to avoid creating a nuisance to nearby residents. Light from onsite security and safety lighting shall not spill off the solar facility site onto adjacent residences or other light sensitive uses. A maximum change in light at the nearest residence of 0.5 foot candle shall be used as the threshold of significance.	Site Inspection	During Construction	District
III. Air Quality			
Mitigation Measure III-1: Fugitive Dust Mitigation Measures:			
<ul style="list-style-type: none"> • Apply soil stabilizers such as hay bales or aggregate cover to inactive areas. • Prepare a high wind dust control plan and implement plan elements and terminate soil disturbance when winds exceed 25 miles per hour (mph). • Stabilize previously disturbed areas if subsequent construction is delayed. • Water exposed surfaces and haul roads 3 times/day. • Cover all stock piles with tarps. • Replace ground cover in disturbed areas quickly. • Reduce speeds on unpaved roads to less than 15 mph. • Minimize the time that trenches or other excavations are left exposed. • Identify proper compaction for backfilled soils in construction specifications. 	Site Monitoring	Prior to Construction, During Construction	District
Prior to initiating ground disturbance activities, the District shall incorporate the above measures and any other fugitive dust control measures into a dust control plan and submit it to MDAQMD.			
Mitigation Measure III-2: The District shall erect a sign with the following dimensions prior to the commencement of construction: A minimum 48 inch in height by 96 inch width; the sign shall be located within 50 feet of each project site entrance; text shall meet minimum text height (identified below); text shall be black on a white background on one inch A/C laminated plywood board; lower edge of the sign shall be between six and seven feet above grade; text shall include the contact name of the responsible official for the site and a local or toll-free number that is accessible 24 hours per day; and text shall be arranged as follows:			
<p>"Site Name (four inch text) Project Name/Project Number (four inch text) IF YOU SEE DUST COMING FROM (four inch text) THIS PROJECT CALL: (four inch text) Contact Name, PHONE NUMBER XXXXXXXX (six inch text)</p>			
Site Inspection			
During Construction			
District			

**TABLE 8-1 (continued)
MITIGATION MONITORING AND REPORTING PROGRAM – WEYMOUTH IMPROVEMENTS PROGRAM**

Mitigation Measures	Monitoring Process	Monitoring Timing	Responsible Person(s)
<p>Contact Name, PHONE NUMBER XXXXXXXX (six inch text) if you do not receive a response, Please call (three inch text) The MDAQMD at 1-800-635-4617 (three inch text)*</p>			
<p>Mitigation Measure III-3: Additional fugitive dust measures:</p>	Site Monitoring	During Construction	District
<ul style="list-style-type: none"> • A water truck shall be used to maintain moist disturbed surfaces and actively spread water during visible fugitive dust emissions. For projects with exposed san or fines deposits (and for projects that expose such soils through earthmoving), chemical stabilization or covering with a stabilizing layer of gravel will be required to eliminate visible dust/sand from sand/fines deposits. • All perimeter fencing shall be wind fencing or the equivalent, to a minimum of four feet of height or the top of all perimeter fencing. The owner/operator shall maintain the wind fencing as needed to keep it intact and remove windblown dropout. This wind fencing requirement may be superseded by local ordinance, rule or project-specific biological mitigation prohibiting wind fencing. • All maintenance and access vehicular roads and parking areas shall be stabilized with chemical, gravel or asphaltic pavement sufficient to eliminate visible fugitive dust from vehicular travel and wind erosion. Actions must be taken to prevent project-related trackout onto paved surfaces, and clean any project-related trackout within 24 hours. All other earthen surfaces within the project area shall be stabilized by natural or irrigated vegetation, compaction, chemical or other means sufficient to prohibit visible fugitive dust from wind erosion. 			
<p>IV. Biological Resources</p>			
<p>Mitigation Measure IV-1: Within 14 days prior to the initiation of any grading or clearing activities, a subsequent Western Burrowing Owl Survey shall be performed to confirm that burrowing owls have not occupied any portion of the site. In the event that a portion of the site has been occupied by the burrowing owl, the survey biologist in consultation with California Department of Fish and Wildlife shall establish no disturbance areas around the burrow and related foraging area to ensure that no impacts to the burrowing owl occur. The subsequent survey will comply with the survey protocols established by the California Department of Fish and Wildlife and U.S. Fish and Wildlife Service.</p>	Site Survey	Prior to Construction, During Construction	District
<p>Mitigation Measure IV-2: Within 30 days prior to the initiation of any grading or clearing activities, preconstruction surveys shall be conducted to determine the absence of special status species (including arroyo toad, Mohave ground squirrel, and desert kit fox) within the project impact areas. If special status species, burrows, dens, nest, or sign are found within project impact areas, these areas shall be avoided with the establishment of a non-disturbance zone or other avoidance measures as determined in coordination with the California Department of Fish and Wildlife and U.S. Fish and Wildlife Service. Where avoidance is infeasible, the District shall coordinate with the California Department of Fish and Wildlife and U.S. Fish and Wildlife Service.</p>	Site Survey	Prior to Construction, During Construction	District

Appendix 7: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Process	Monitoring Timing	Responsible Person(s)
<p>Mitigation Measure IV-3: The removal of potential nesting vegetation of native bird species shall be conducted outside of the nesting season (February 1 to August 31), if feasible. Regardless of the nesting season, prior to any vegetation removal, a qualified biologist shall conduct a nesting bird survey of potentially suitable nesting vegetation or substrate on the entire solar project site. Surveys shall be conducted no more than three days prior to scheduled vegetation removal. If active nests are identified, the biologist shall establish buffers around the vegetation or ground substrate containing the active nest (500 feet for raptors and 200 feet for non-raptors). The vegetation or ground substrate containing the active nest shall not be removed, and no grading shall occur within the established buffer until a qualified biologist has determined that the nest is no longer active. If clearing is not conducted within three days of a negative survey, the nesting survey must be repeated to confirm the absence of nesting birds.</p>	Site Survey	Prior to Construction, During Construction	District
<p>V. Cultural Resources</p>			
<p>Mitigation Measure V-1: If buried cultural material is discovered during any earth-moving operations associated with the Project, all work in that area should be halted or diverted until a qualified archaeologist can evaluate the nature and significance of the finds. Any resources of significance shall be managed in accordance with pertinent professional standards for such resource. If human remains are discovered the County Coroner shall be contacted to appropriately manage any such remains.</p>	Site Inspection/Survey	During Construction	District
<p>VI. Geology and Soils</p>			
<p>Mitigation Measure VI-1: To manage both seismic and liquefaction hazards at the project site, the District shall implement the recommended seismic design criteria and measures provided in the project geology report, reproduced here as Appendix 5.</p>	Site Inspection	During Construction	District
<p>Mitigation Measure VI-2: Stored backfill material shall be covered with water resistant material during periods of heavy precipitation to reduce the potential for rainfall erosion of the material. If covering is not feasible, then measures such as the use of straw bales or sand bags shall be used to capture and hold eroded material on the project site for future cleanup.</p>	Site Inspection	During Construction	District
<p>Mitigation Measure VI-3: Excavated areas shall be properly backfilled and compacted. Paved areas disturbed by this project will be repaved in such a manner that roadways and other disturbed areas are returned to as near the pre-project condition as is feasible.</p>	Site Inspection	During Construction, Post Construction	District
<p>Mitigation Measure VI-4: All exposed, disturbed soil (trenches, stored backfill, etc.) will be sprayed with water or soil binders twice a day or more frequently if fugitive dust is observed migrating from the site within which the water facilities are being installed.</p>	Site Inspection	During Construction	District
<p>Mitigation Measure VI-5: The length of trench which can be left open at any given time will be limited to that needed to reasonably perform construction activities. This will serve to reduce the amount of backfill stored onsite at any given time.</p>	Site Inspection	During Construction	District

**TABLE 8-1 (continued)
MITIGATION MONITORING AND REPORTING PROGRAM – WEYMOUTH IMPROVEMENTS PROGRAM**

Mitigation Measures	Monitoring Process	Monitoring Timing	Responsible Person(s)
<p>Mitigation Measure VI-6: The District shall identify any additional best management practices (BMPs) to ensure that the discharge of surface water does not cause erosion downstream of the discharge point. This shall be accomplished by reducing the energy of any site discharge through an artificial energy dissipator or equivalent device. If any substantial erosion or sedimentation occurs, any erosion or sedimentation damage shall be restored to pre-discharge conditions immediately following an erosive event. Restoration shall consist of repairing the onsite erosion by recontouring the eroded area and providing additional protection to prevent a similar event in the future.</p>	Site Inspection	During Construction	District
<p>VIII. Hazards and Hazardous Materials</p>			
<p>Mitigation Measure VIII-1: All spills or leakage of petroleum products during construction activities will be remediated in compliance with applicable state and local regulations regarding cleanup and disposal of the contaminant released. The contaminated waste will be collected and disposed of at an appropriately licensed disposal or treatment facility. This measure will be incorporated into the Stormwater Pollution Prevention Plan (SWPPP) prepared for the project development</p>	Site Monitoring	During Construction	District
<p>IX. Hydrology and Water Quality</p>			
<p>Mitigation Measure IX-1: The District shall prepare and implement a construction SWPPP. The plan shall identify the BMPs that will be used for the project site to minimize the potential for accidental releases of any chemicals or materials on the site that could degrade water quality, including solid waste and require that any spills be cleaned-up, contaminated material properly disposed of and the site returned to pre-discharge condition, or in full compliance with regulatory limits for the discharged material. The portion of the SWPPP that addresses erosion and related sediment discharge shall specify the percentage of pollutant removal from discharges that is proposed to be achieved. At a minimum, BMPs shall be designed to achieve 60 percent removal of sediment other pollutants from runoff generated by disturbed sites during construction.</p>	Site Monitoring	Prior to Construction, During Construction	District
<p>XII. Noise</p>			
<p>Mitigation Measure XII-1: Construction activities shall be limited to the hours at 7 a.m. to 7 p.m. on Monday through Friday, and between 9 a.m. to 6 p.m. on Saturday, and shall be prohibited on Sundays and federal holidays except during documented emergencies.</p>	Site Monitoring	During Construction	District
<p>Mitigation Measure XII-2: All construction vehicles and fixed or mobile equipment shall be equipped with properly operating and maintained sound attenuating devices such as mufflers.</p>	Site Inspection, Equipment Inspection	During Construction	District
<p>Mitigation Measure XII-3: All employees that will be exposed to noise levels greater than 75 dB over an 8-hour period shall be provided with adequate hearing protection devices to ensure no hearing damage will result from construction activities.</p>	Site Inspection, Equipment Inspection	During Construction	District
<p>Mitigation Measure XII-4: If equipment is being used that can cause hearing damage at adjacent noise receptor locations (distance attenuation shall be taken into account), portable noise barriers shall be installed that are demonstrated to be adequate to reduce noise levels at receptor locations below hearing damage thresholds.</p>	Site Monitoring, Equipment Inspection	During Construction	District

Appendix 7: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Process	Monitoring Timing	Responsible Person(s)
<p>Mitigation Measure XII-5: Schedule the construction such that the minimum number of pieces of equipment will be operating at the same time.</p>	Site Inspection	Prior to Construction, During Construction	District
<p>Mitigation Measure XII-6: The construction contractor shall establish a noise complaint program and post a number at the job site where such complaints can be registered. The contractor shall take efforts to control noise (portable sound barriers, short-term relocation, etc.) and document these efforts with the District.</p>	Site Inspection	Prior to Construction, During Construction	District

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

WHEREAS, Lake Arrowhead Community Services District has requested funding for the “Hesperia Farms Site Solar Facility Project” (hereafter, “Project”), a project to install energy efficiency measures at the Hesperia Farms Site Solar Facility, and more fully set forth in proposed Agreement 003-16-ECD (hereafter, “003-16-ECD”); and

WHEREAS, Lake Arrowhead Community Services District is the lead agency pursuant to California Environmental Quality Act (hereafter, “CEQA”) (Pub. Resources Code section 21000 et seq.) and the State CEQA Guidelines (Cal. Code Regs., tit. 14, section 15000 et seq.); and

WHEREAS, Lake Arrowhead Community Services District prepared an Initial Study to determine the possible environmental impacts of the Project; and on the basis of the Initial Study, prepared a Mitigated Negative Declaration (hereafter, “MND”); and

WHEREAS, Lake Arrowhead Community Services District considered the Initial Study, MND and other related documents in the record before it, and on December 15, 2015 approved and adopted the MND and adopted environmental findings for the Project; and

WHEREAS, the State Energy Resources Conservation and Development Commission (hereafter, “Energy Commission”) is the responsible agency and must therefore, pursuant to State CEQA Guidelines sections 15091 and 15096, subdivision (h), make certain findings prior to approval of 003-16-ECD; and

WHEREAS, the Energy Commission has reviewed and considered the Initial Study and MND and other related documents in the record before it; and

WHEREAS, the Energy Commission has no information indicating that the environmental documentation is inadequate, and has used its own independent judgment to consider the Initial Study and MND in deciding whether to approve 003-16-ECD.

THEREFORE BE IT RESOLVED, that the Energy Commission finds, on the basis of the entire record before it, that since the MND was adopted by Lake Arrowhead Community Services District, there have been no substantial changes to the project and no substantial changes in project circumstances that would require major revisions to the MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the MND nor has the Energy Commission identified any feasible alternative or additional feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect approving 003-16-ECD would have on the environment; and

BE IT FURTHER RESOLVED, Lake Arrowhead Community Services District has already adopted the mitigation measures recommended in the MND and as set forth in the Mitigation Monitoring and Reporting Program, has authority to implement the mitigation measures, or to seek any required approvals for the mitigation measures, and such measures are within the responsibility of Lake Arrowhead Community Services District and that the Energy Commission finds, on the basis of the entire record before it, that the mitigation measures incorporated in the MND will eliminate or mitigate the environmental impacts of the proposed project to less than significant levels; and

BE IT FURTHER RESOLVED, that the Energy Commission approves Agreement 003-16-ECD with Lake Arrowhead Community Services District for \$3,000,000; and

BE IT FURTHER RESOLVED, that the Executive Director or his/her designee shall execute the same on behalf of the Energy Commission.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the California Energy Commission held on May 10, 2017.

AYE: [List of Commissioners]

NAY: [List of Commissioners]

ABSENT: [List of Commissioners]

ABSTAIN: [List of Commissioners]

Cody Goldthrite,
Secretariat