

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

January 12, 2016

**FROM: TERRY W. THOMPSON, Director  
Real Estate Services Department**

**SUBJECT: RESOLUTION OF INTENT TO GRANT A REVENUE FRANCHISE TO MUSCOY  
MUTUAL WATER COMPANY**

**RECOMMENDATION(S)**

1. Adopt **Resolution No. 2016-3** declaring the intent of the Board of Supervisors to grant a revenue franchise to Muscoy Mutual Water Company to operate a pipeline system to transport water in the County of San Bernardino public right-of-way for the period commencing on the effective date of the ordinance granting the franchise and terminating fifteen years thereafter.
2. Direct the Clerk of the Board to schedule a public hearing on February 9, 2016, to introduce an ordinance to grant a water pipeline franchise to Muscoy Mutual Water Company.  
(Presenter: Terry W. Thompson, Director, 387-5252)

**BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**Ensure Development of a Well-Planned, Balanced, and Sustainable County.**

**FINANCIAL IMPACT**

This item will not require Discretionary General Funding (Net County Cost). It will allow the County of San Bernardino (County) to proceed with the application process to grant a franchise to Muscoy Mutual Water Company under the calculation formula provided for in Public Utilities Code Section 6231. This action will not impact ratepayers in the County unincorporated area. Revenue to the General Fund is expected to be approximately \$9,615 annually.

**BACKGROUND INFORMATION**

The recommended actions adopt a resolution declaring the intent of the Board of Supervisors (Board) to grant a franchise to Muscoy Mutual Water Company and sets February 9, 2016 as the date for a public hearing on the proposed franchise.

Pursuant to County Code Section 14.0701, the County is authorized to grant franchises along and over public roads and right-of-way for all lawful purposes, upon such terms, conditions and restrictions as deemed necessary and proper. In general, a franchise is an agreement between a municipality and a utility or cable provider that outlines requirements that must be met in order for the utility or cable provider to use the municipality's public right-of-way.

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cc: w/resolution  
RES-Thompson  
LUSD-Rahhal  
PW-Newcombe  
CAO-Lowe  
File – RES/General w/attach  
File – Franchise/Water/Muscoy Mutual  
Water Co. (Minute & Resolution only)  
jr 1/14/16  
  
**ITEM 31**

Record of Action of the Board of Supervisors

**APPROVED (CONSENT CALENDAR)  
COUNTY OF SAN BERNARDINO  
Board of Supervisors**

<b>MOTION</b>	<u>SECOND</u> 1	<u>AYE</u> 2	<u>AYE</u> 3	<u>MOVE</u> 4	<u>AYE</u> 5
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**LAURA H. WELCH, CLERK OF THE BOARD**

**BY \_\_\_\_\_**

**DATED: January 12, 2016**

**RESOLUTION OF INTENT TO GRANT A REVENUE FRANCHISE TO  
MUSCOY MUTUAL WATER COMPANY  
JANUARY 12, 2016  
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Muscoy Mutual Water Company operates a pipeline system for the distribution of water in the unincorporated area of Muscoy; the general parameters are the Cajon Creek to the west and California Street to the east, north of Ogden Street to the north and Roosevelt Street to the south. The pipeline consists of approximately 86,700 feet in the County road right-of-way and transports water to local residents in the Muscoy area.

Muscoy Mutual Water Company possesses a franchise with the County, under License Agreement No. 01-198, approved in 2001, which expires April 13, 2016. Muscoy Mutual Water Company will continue to operate its pipelines in the County road right-of-way and is current with payment.

Pursuant to the requirements of Section 6232 of the Public Utilities Code, the Board may adopt a resolution declaring its intent to grant a franchise, set a date for a public hearing not less than twenty nor more than sixty days after the date of the passage of the resolution to allow the Board to receive public comment on the proposed franchise agreement, and grant the franchise agreement by ordinance in the manner prescribed by law for enactment of ordinances by the Board.

**PROCUREMENT**

Not Applicable

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Robert Messinger, Deputy County Counsel, 387-5545) on December 16, 2015; Land Use Services (Terri Rahhal, Planning Director, 387-4110) on December 16, 2015; Department of Public Works (Gerry Newcombe, Director, 387-7906) on December 16, 2015; Finance (Janet Lowe, Assistant Director, Real Estate Services Department, 387-5252) on December 18, 2015; and County Finance and Administration (Mary Jane Olhasso, Assistant Executive Officer, 387-4599) on December 21, 2015.

(KK: 677-8751)

TESTING 123