NOTICE OF EXEMPTION

TO: Riverside County Clerk 2720 Gateway Drive Riverside, CA 92507 San Bernadino County Clerk 385 N. Arrowhead Ave. San Bernardino, CA 92415 Office of Land Use and Climate Innovation P.O. Box 3044, Room 113 Sacramento, CA 95812-3044 Attn: State Clearinghouse	FROM: San Gorgonio Pass Water Agency 1210 Beaumont Ave. Beaumont, CA 92223 Phone: (951) 845-2577

Project Title:	2026 Crestline-Lake Arrowhead Water Agency and San Gorgonio Pass Water Agency Transfer Agreement
Project Location:	Within the service areas of the San Gorgonio Pass Water Agency ("SGPWA") and Crestline-Lake Arrowhead Water Agency ("CLAWA").
a) Project Location – Cities:	SGPWA and CLAWA's service areas
Project Location – Counties:	Riverside County San Bernadino County
Description of nature, purpose, and beneficiaries of Project:	On November 2, 2026, SGPWA's Board of Directors approved a Transfer Agreement between itself and CLAWA ("Agreement"). The Agreement authorizes the purchase and transfer of up to 1,500 acre-feet of water from CLAWA to SGPWA at a rate of $150 per acre-foot ("Project").
Name of Public Agency approving Project:	San Gorgonio Pass Water Agency
Name of Person or Agency carrying out Project:	San Gorgonio Pass Water Agency, 1210 Beaumont Avenue, Beaumont, CA 92223 Crestline-Lake Arrowhead Water Agency, 24116 Crest Forest Drive, Crestline, CA 92325, Telephone: (909) 338-1779
Exempt status: (check one)	
☒ Categorical Exemption.	State CEQA Guidelines §§ 15301 [Existing Facilities], 15304 [Minor Alterations to Land]
☒ Statutory Exemption	Cal. Water Code § 1729 (State CEQA Guidelines § 15282(u))

☒ Other. Explanation:	State CEQA Guidelines § 15061(b)(3)
Reason why Project was exempt:	The Agreement is categorically exempt pursuant to State CEQA Guidelines section 15301 (Class 1 – Existing Facilities), which provides that environmental review is not required for "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination." The Project entails using existing facilities—including the California Aqueduct and San Luis Reservoir facilities—to temporarily transport water and will not require construction of any additional facilities. The Project merely changes the place of water use, and will not involve any change in the type or expansion of use. The Agreement is also categorically exempt pursuant to State CEQA Guidelines section 15304 (Class 4 – Minor Alterations to Land) which provides that environmental review is not necessary for "minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees." The transfer of water between CLAWA and SGPWA is a minor alteration in water conditions and will not involve any tree removal. Additionally, none of the exceptions set forth under State CEQA Guidelines § 15300.2 to categorical exemptions apply to the Agreement. The Project is not located in a particularly sensitive environment or on a hazardous waste site, would not affect scenic resources within an officially designated state scenic highway, and would not result in a substantial adverse change in the significance of a historical resource. There are no unusual circumstances that would result in a reasonable possibility of significant environmental effects, nor would the Project result in significant cumulative impacts from successive projects of the same type in the same place over time. Accordingly, the Project is categorically exempt pursuant to Classes 1 and 4. The Agreement is also statutorily exempt under Water Code section 1729 which exempts temporary changes in the point of diversion, place

	of use, or purpose of use due to a transfer or exchange of water or water rights. (State CEQA Guidelines § 15282(u).) Here, the Project involves a temporary exchange of a certain amount of water and will conclude on or before May 31, 2027. Therefore, any transfers will take place within one year or less and constitute a temporary change in the water's place of use. (Cal. Water Code, §1728.) The Project will not involve any construction of additional facilities to service the transfer. Finally, the Agreement is not subject to CEQA under State CEQA Guidelines section 15061(b)(3) which exempts a project for which it can be seen with certainty there is no possibility the activity may have a significant effect on the environment. The Project involves only the transfer of an existing allocation of water using existing conveyance and delivery facilities. No new construction, expansion of existing facilities, or changes to existing infrastructure or operations are required. Accordingly, the Project would not result in any physical changes to the environment, and there is no possibility that it would have a significant environmental effect.
Contact Person:	Matthew Howard, Operations Manager
Telephone:	(951) 845-2577

Date: November 2, 2026

Matthew Howard, Operations Manager

(Clerk Stamp Here)