

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF BOARD GOVERNED COUNTY SERVICE AREAS  
AND RECORD OF ACTION**

April 7, 2026

**FROM**

**NOEL CASTILLO, Director, Department of Public Works – Special Districts  
TERRY W. THOMPSON, Director, Real Estate Services Department**

**SUBJECT**

Amendment to Revenue License Agreement with Arrowhead Lake Association for Use of County Service Area 70 D-1 Land in Lake Arrowhead

**RECOMMENDATION(S)**

Acting as the governing body of County Service Area 70 D-1:

1. Find that approval of Amendment No. 2 to Revenue License Agreement No. 15-833 with Arrowhead Lake Association, for use of 1.59 acres of land, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 2 to Revenue License Agreement No. 15-833** with Arrowhead Lake Association for the non-exclusive use of approximately 1.59 acres of County Service Area 70 D-1 land, located northeast of State Highway 173 and Torrey Road (Assessor's Parcel Number 0330-011-46-0000) in Lake Arrowhead, for the short-term storage of dredging materials prior to removal, to:
  - a. Exercise the remaining option to extend the Revenue License Agreement term from May 1, 2026 through April 30, 2031, following a permitted holdover for the period of September 3, 2025 through April 30, 2026.
  - b. Approve total additional revenue in the amount of \$230,296, from \$308,814 to \$539,110, inclusive of \$25,696 for the permitted holdover period.
3. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.  
Promote and Fulfill the Countywide Vision.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Total revenue to be received by County Service Area 70 D-1 (CSA 70 D-1) for Amendment No. 2 (Amendment) to Revenue License Agreement No. 15-833 (License) for the five-year extension total fees are \$230,296, which includes \$25,696 in holdover fees and \$204,600 in extended term fees. Expenses associated with administrative costs, notice of exemption and California Environmental Quality Act (CEQA) fees will be funded by CSA 70 D-1

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(1301351408). Adequate appropriation and revenue have been included in CSA 70 D-1's 2025-26 budget and will be included in future recommended budgets.

<b>Year</b>	<b>Monthly Fees</b>	<b>Annual Fees</b>
*September 3, 2025 – April 30, 2026	\$3,212	\$25,696
May 1, 2026 – April 30, 2027	\$3,212	\$38,544
May 1, 2027 – April 30, 2028	\$3,308	\$39,696
May 1, 2028 – April 30, 2029	\$3,407	\$40,884
May 1, 2029 – April 30, 2030	\$3,509	\$42,108
May 1, 2030 – April 30, 2031	\$3,614	\$43,368
<b>Totals</b>		<b>\$230,296</b>

\*Permitted holdover period

**BACKGROUND INFORMATION**

On November 3, 2015 (Item No. 35), the Board of Supervisors (Board) approved a three-year Revenue License. The original term of the License was for a period from November 3, 2015 through November 2, 2018. On August 25, 2020 (Item No. 65), the Board approved a five-year extension from September 3, 2020, through September 2, 2025, following a 23-month period of holdover. All other terms remained unchanged.

The recommended action will amend the existing License to extend the term with Arrowhead Lake Association (ALA), from May 1, 2026 through April 30, 2031, through ALA's exercise of its option to extend, for the use of 1.59 acres of CSA 70 D-1 land, located northeast of State Highway 173 and Torrey Road (Assessor's Parcel Number 0330-011-46-0000) in Lake Arrowhead (Property), for the short-term storage of dredging materials before removal.

The Licensee used the option to extend the terms to amend the agreement for the period from May 1, 2026 through April 30, 2031, following a permitted month-to-month occupancy from September 3, 2025 through April 30, 2026. The holdover period was necessary to allow the Licensee to dispose of dredged debris remaining on the property prior to renewal. This Amendment revises the termination provision from a 90-day notice requirement to a 60-day notice requirement. All other terms and conditions of the License remain the same.

The project to approve the Amendment was reviewed pursuant to CEQA and determined to be categorically exempt under Section 15301 – Class 1 Existing Facilities because the proposed Amendment continues an existing use of previously disturbed land with negligible or no expansion of use. Accordingly, no further action is required under CEQA.

Summary of License Terms

Licensee: Arrowhead Lake Association

Location: Northeast of State Highway 173 and Torrey Road (Assessor's Parcel Number 0330-011-46-0000) in Lake Arrowhead

Size: Approximately 1.59 acres

Second Extended Term: Five years

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Options:	None
Rent:	Monthly: \$3,212 Yearly: \$38,544 *High-range for comparable facilities in the Lake Arrowhead area per the competitive set analysis on file with RESD
Annual Increases:	Approximately 3% annually
Improvement Costs:	None
Custodial:	Licensee's responsibility
Maintenance:	Licensee's responsibility
Utilities:	None
Insurance:	The Certificate of Liability Insurance, as required by the License, is on file with RESD
Holdover:	Upon the end of the term, if permitted by Lessor, the License shall continue on a month-to-month term upon the same terms and conditions which existed at the time of expiration.
Right to Terminate:	60 days' written notice
Parking:	None

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (John Tubbs II and Aaron Gest, Deputies County Counsel, 387-5455) on March 3, 2026; Special Districts (Henry Mac, Division Manager, 389-8822) on March 11, 2026; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on March 12, 2026; and County Finance and Administration (Mathew Dalton, 387-5005, and Eduardo Mora, 387-4376, Administrative Analysts) on March 23, 2026.

(CM: 840-266-0977)

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Association for Use of County Service Area 70 D-1 Land in Lake  
Arrowhead  
April 7, 2026**

Record of Action of the Board of Supervisors  
Board Governed County Service Areas

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Curt Hagman  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: April 7, 2026



cc: RESD - Thompson w/agree  
Contractor - c/o RESD w/agree  
File - w/agree

MBA 04/9/2026