

EXECUTIVE OFFICER'S REPORT

To The

Local Agency Formation Commission

TO:

Commissioner **DAVID WEST** (Chair)

[Public]

Commissioner **MICHAEL KELLEY** [Supervisor]

Commissioner **JASON JACKSON**

[City]

Commissioner **RAY CASTILLO** [Supervisor]

Commissioner **MARIA NAVA-FROELICH**
(Vice-Chair)

[City]

Alternate Commissioner **LUIS PLANCARTE** [Supervisor]

Alternate Commissioner **JAMES PREDMORE** [City]

Alternate Commissioner **RALPH MENVIELLE** [Public]

REPORT DATE: **January 1, 2018**

FROM: Jurg Heuberger, Executive Officer



PROJECT: **City of Calipatria CL 1-16 Service Area Plan (SAP) / Municipal Service Review (MSR)**

HEARING DATE: **January 25, 2018**

TIME: **08:35 A.M.**

AGENDA ITEM NO: **12**

HEARING LOCATION: **El Centro City Council Chambers, 1275 Main Street, El Centro, CA**

RECOMMENDATION(S) BY THE EXECUTIVE OFFICER (In Summary & Order)

- OPTION #1:** Approve the proposed Service Area Plan/MSR update as presented by the Executive Officer.
- OPTION #2:** Approve the proposed Service Area Plan/MSR update as requested with modifications, following the hearing by the Commission.
- OPTION #3:** Continue the hearing for not to exceed 70 days.
- OPTION #4:** Deny the Service Area Plan update, and provide direction to the City for corrections.

Project Data:

DATA & FACTS:

Project ID	CL 1-16
Project Name:	Service Area Plan Update (SAP)/MSR
Applicant/Proponent:	City of Calipatria
Application Type:	N/A- LAFCO Initiated
Application Filed:	N/A- LAFCO Initiated
Certificate of Filing:	N/A
Area/Size:	899 +/- acres plus two additional tracts of land that are not connected to the City, Calipatria State Prison and the Wastewater treatment plant.
Location/Legal:	Sphere of Influence Map EXHIBIT "A"
Population:	Current population (excluding the prison) is about 3,696 with an estimated growth for 2035 to about 4,124.
Proposed Project:	Service Area Plan (SAP) / Municipal Services Review (MSR) Update.
MSR/SAP:	The most recent version of the MSR/SAP is 2005.

TAX AGREEMENT:

Board of Supervisors Action:	N/A
City Resolution:	N/A
Tax Split:	N/A

CEQA:

Lead Agency:	LAFCO
Documentation:	Exempt

ANALYSIS

I: Legal Requirements (Historical information):

Cortese-Knox-Hertzberg Reorganization Act of 2000 (CKH), also referred to as Government Code 56000 et Seq., provides the legal basis for the requirement of the Sphere of Influence and the Service Area Plan being considered within the scope of this hearing.

G.C. § 56425 (a) states in part; *"In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency with the county and enact policies designed to promote the logical and orderly development of areas within the sphere."*

G.C. § 56425 (b - i) provide the frame work within which the Commission may approve the sphere of influence and the process that needs to be followed.

G.C. § 56425 (e) states in part; *"In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determination with respect to each of the following:*

- (1) *The present and planned land uses in the area.*
- (2) *The present and probable need for public facilities and services in the area.*
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*
- (4) *The existence of any social or economic communities' of interest in the area if the commission determines that they are relevant to the agency.*

G.C. § 56425 (f) is a critical new section that changed the parameters of the prior review insofar that this section now requires that; *"Upon determination of a sphere of influence, the commission shall adopt that sphere, and shall review and update, as necessary, the adopted sphere not less than once every five years."*

There appears to be a misconception that the agencies will have to prepare a full new plan every five years, however the intent here is to "review" the prior plan and to amend it if necessary. If there have been significant changes, or if there has been explosive growth, then certainly the amendment will be much more comprehensive.

G.C. § 56428 (a) provides the mechanism for anyone to file a request with the executive officer for an amendment to the sphere of influence. It states in part; *"Any person or local agency may file a written request with the Executive Officer requesting amendments to a sphere of influence or urban service area adopted by the commission..."*

Again there may be some confusion in this area as there have been numerous questions about the "limitations" of the sphere and the process to amend.

It appears clear that the mandate is to review the plan at least every five years but there is no apparent restriction on the number of times that it may be amended nor is there a restriction on who can request such an amendment, there is only a process that needs to be followed. It goes without saying however that for an amendment to work it needs the consensus of the City/District, the County and the Commission.

Just as there are provisions for the addition of areas to a sphere of influence there are provisions for a process to remove an area from an approved sphere boundary. This is found in G.C. 56429.

In addition to the SOI process G.C. § 56430 (a - d) now addresses the requirement for the review of municipal services which in our case has been referred to for nearly a decade as the Service Area Plan (SAP).

G.C. § 56430 (a) states; *"In order to prepare and to update spheres of influence in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub region, or any other geographic area as its appropriate for an analysis of the service or service to be reviewed and shall prepare a written statement of its determination with respect to each of the following:*

- 1) *Infrastructure needs or deficiencies.*
- 2) *Growth and population projections for the affected area.*
- 3) *Financing constraints and opportunities.*
- 4) *Cost avoidance opportunities.*
- 5) *Opportunities for rate restructuring.*
- 6) *Opportunities for shared facilities*
- 7) *Governmental structure options, including advantages and disadvantages of consolidation or reorganization of service providers.*
- 8) *Evaluation of management efficiencies*
- 9) *Local accountability and governance."*

G.C. § 56430 (d) also required that the Office of Planning and Research of the State, in consultation with the commissions, and the California Association of LAFCO's and other governmental agencies, SHALL prepare a comprehensive set of guidelines for service reviews by July 1, 2001. Unfortunately there has not been a final set of guidelines adopted by the state at this time, although a very complete and "almost" final version has been distributed by the State. Since these guidelines are voluminous a full text copy is not attached to the report however there is a PDF copy on the CD rom that has been provided to each commissioner and every interested party. Furthermore, the Executive Officer has urged the various entities to utilize the "draft final" version as a guide to preparing the SOI and SAP.

II: The PLAN as submitted:

The City of Calipatria has prepared and has presented to the Commission a comprehensive Service Area Plan (SAP). The full plan (hard copy) is not attached to all recipients of this report, only to the Commissioners; however, a copy of the full plan is available on the website.

III: City Approvals:

Pending and the City shall provide a resolution adopting the plan.

IV: CEQA:

It is argued and it is the Executive Officers opinion that the Service Area Plan fit within one or more "exemptions" under the provisions of CEQA, not the least of which is the possible determination that this process is "not a project".

V: Analysis by the Executive Officer / Determinations by the COMMISSION:

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- (1) The present and planned land uses in the area.*
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- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*
- (4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.*

Proposed findings by the Commission:

- 1) The present land use within the boundaries of the proposed SAP includes residential, recreational, agricultural, public facility, general commercial, airport commercial, and industrial.**
- 2) The present services provided by the City are administration, wastewater treatment /distribution, and parks and recreation**
- 3) Currently some of the services/functions provided by the District are at capacity or near capacity.**
- 4) The City has presented up to date financials, which have been reviewed and found to be acceptable.**

a. ADMINISTRATION

- I. Capacity- 4,851 sf
Demand- 4,024 sf
Surplus- 827 sf
Performance Standard- 2,430 sf plus 240 sf per 1,000 residents.**
- II. Findings- The current facilities meet the existing demand. Mitigation measures on 1-2 of the plan should be followed to accommodate future growth.**

b. PARKS & RECREATION

- I. Capacity- 11.87 acres
Demand- 16.445 acres
Deficiency- (4.575)
Performance Standard- 5.0 acres per 1,000 population**
- II. Findings – The existing facilities do not meet the current demand. Mitigation measures on 1-9 should be followed to meet the existing/future demand of the City.**

c. WASTEWATER

- I. Capacity-1.7MGD
Demand- 1.0MGD
Surplus- .7MGD
Performance Standard- 80 percent capacity at peak flow.**

- II. **Findings-** The Holt Group Inc. has prepared a preliminary engineering report for improvements to the wastewater system. The City will continue to review the rate and financing structure to assure adequate funding for new projects and maintenance of the existing facilities. Refer to the mitigation measures on 1-3 of the plan.

d. FIRE FACILITIES

- I. **Capacity-** 16 personnel, 4,475 square feet
Performance Standard- 4 personnel per 1,000 population, 1,157 square feet per 1,000 population
- II. **Findings-** There are a total of 16 personnel and 4,575 square feet of facilities which meet the current demand and performance standard of the City. Fire protection services meet the existing demand of the City. Mitigation measures on 1-5 should be followed to meet the future demands.

e. LAW ENFORCEMENT

- I. **Capacity-** 1 officer per 1,000 population
- II. **Findings-** The performance standard was established in the 2004 SAP, and was reviewed and continued to be accepted by the current Chief of Police. The department lacks the technology to track response times. Dispatching services are contracted through the City of Brawley. The existing capacity would meet the future demand of 4,124 population in 2035.

- 5) **There are no known social or economic communities of interest in the area.**
- 6) **SPECIAL NOTE: The City does not provide potable water as that is provided by Golden State Water Company. Therefore, no analysis of water demands is included.**

Sphere of Influence (SOI)

The Sphere of Influence (SOI) remains the same, and NO requested changes are being made at this time.

VI: Public Notice:

Public notice for the proposed project hearing before the Imperial County Local Agency Formation Commission has been given, according to Section § 56427. Notice was issued in the form of a publication in the Imperial Valley Press at least twenty-one (21) days prior to said hearing, and posted on our webpage.

VII: Report:

In accordance with Section § 56665, the Executive Officer has prepared a report, and presented said report to your Commission and to any public member requesting such report. In addition, a copy of said report has been issued to the City of Calipatria and any party requesting a copy.

VIII: Conflict of Interest Statement:

To date (at the writing of this report, January 1, 2018) no Commissioner has indicated that there is any conflict of interest with regard to this project, nor has any Commissioner reported any communications

with the Applicant, Proponent or Opponent. The Commissioners will be asked to declare that during and prior to the public hearing.

The Executive Officer does not have any type of known conflict of interest or financial gain as a result of this project and owns no property in the vicinity.

EXECUTIVE OFFICERS RECOMMENDATION

RECOMMENDATION:

It is the recommendation of the Executive Officer that LAFCO conduct a public hearing and consider all information presented in both written and oral form. The Executive Officer then recommends, assuming no significant public input warrants to the contrary, that LAFCO take the following action;

- I: Certify that the Service Area Plan(SAP)/Municipal Service Review(MSR) is exempt from CEQA.
- II: Make the finding that this Service Area Plan/Municipal Service Review is in substantial compliance with the provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000 and the Imperial LAFCO Policy and Procedures.
- III: Make the findings pursuant to Government Code Section § 56425 that:
 - a. The Service Area Plan/Municipal Service Plan has been reviewed by the Executive Officer and the Commission and the City has the capacity and ability to provide services within the area.
 - b. The Service Area Plan/Municipal Service Review will provide for logical and orderly development for the City.
 - c. The Sphere of Influence currently adopted remains adequate for any projected growth of the City, **and remains the same.**
- IV: The Commission finds that, the present land uses within the boundaries of the Service Area Plan/Municipal Service Review are residential, commercial, industrial public facilities, and open space. The land uses intended for these areas were planned by the City of Calipatria to be within the framework of the County of Imperial's General Plan guidelines estimating build out both within the City limits and the Sphere of Influence.

The Commission finds that, the present services available to the areas within the proposed boundaries are limited to those identified in the attached. Any expansion of services by the City, other than those listed herein would require LAFCO approval.

The Commission finds that the Service Area Plan/Municipal Service Review as provided by the City has the ability to provide services within its current and proposed boundary limits and the document provided indicates that the City has a plan whereby it can provide these services. The City must however make every effort to implement the recommended actions and any other actions to continue viability.

The Commission finds that, there are no known social or economic communities of interest in the areas.

- V: Since there have been no protests received, the Commission adopts and approves the revised Service Area Plan (SAP/MSR) as attached, and re-adopt the current Sphere of Influence.
- VI: The City shall obtain from Golden State Water Company a letter or equivalent document to show that Golden State Water Company has adequate capacity to service existing and projected growth of the City.

LAFCO Policy:

The proposed Sphere of Influence and Service Area Plan/Municipal Service Review appears to be consistent with the Cortese-Knox-Hertzberg Reorganization Act of 2000, the Imperial LAFCO Policies and Procedures and the County of Imperial General Plan (Chapter IV. B. of LAFCO's Policies, Standards and Procedures). Furthermore, the City has (according to the Service Area Plan/Municipal Service Review) the ability to supply the necessary public service, and has assured LAFCO that it has the capacity to service the areas.

NOTE: All "cc" submittals are the Executive Officer's Report only. Attachments are generally too voluminous and are only supplied on CD. Information about the project may also be found on the LAFCO web page at www.iclafco.com.

CC: City Manager, City of Calipatria
The Holt Group, Justina Arce

ATTACHMENTS:

EXHIBIT A: Sphere of Influence Map
EXHIBIT B: Service Area Plan