

SANTA YNEZ COMMUNITY SERVICES DISTRICT**MEMORANDUM**

TO: Board of Directors
FROM: Michael LeBrun, Interim General Manager
DATE: March 30, 2022
SUBJECT: Receive presentation from Local Area Formation Commission (LAFCO) Executive Officer regarding Municipal Service Review (MSR) process.

Recommendation

Receive presentation by LAFCO Executive Officer Mike Prater, review and discuss MSR questionnaire and responses. Provide direction to staff.

Policy Implications

The Local Area Formation Commission (LAFCO) is commencing a municipal service review for water, wastewater, recycled water and stormwater service agencies within Santa Barbara County. The LAFCO review process provides an opportunity for the District to consider current service levels and future direction.

Fiscal Implications

In near term, staff time to answer the questionnaire and track the process. In the long-term, LAFCO is the agency that controls activation of District latent powers, expansion and contraction of District services boundaries, and thereby the process can have significant fiscal implications.

Alternatives Considered

None

Discussion

Mr. Mike Prater, Executive Officer for Santa Barbara County LAFCO will provide an overview of LAFCO and the Municipal Services Review Process (Presentation Notes Attached).

Santa Barbara LAFCO is made up of two members from the Board of Supervisors, two members from incorporated Cities within the County, two members from Special Districts within the County, and one member from the public at large.

On February 3, 2022, the Commission directed its staff to prepare an updated services review for water, wastewater, stormwater, and recycled water services within the County. The update process is scheduled to culminate at a LAFCO hearing in April 2023.

To initiate the update process, LAFCO staff sent a questionnaire to all agencies involved. The majority of the questionnaire deals with facts and figures regarding current District status eg. number of staff, facilities, finances, types of services. However, Section B. Boundaries and

Section L. "Other Information" deal with policy related topics such as plans for expanding or contracting services and/or boundaries.

The municipal services review and update process provides the Board an opportunity to outline a strategic plan for the District. Staff will summarize draft responses to LAFCO questionnaire and seek Board input and direction.

Attachments:

1. LAFCO Presentation Slides

Santa Barbara LAFCO

Work Program:

Water/Wastewater/Recycled/Stormwater
MSR-SOI Outline & Scope

March 30, 2022

SANTA BARBARA LAFCO
105 East Anapamu Street ♦ Santa Barbara, CA 93101
805 568 3391 ♦ FAX 805 568 2249

Water/Wastewater/Recycled/Storm MSR-SOI

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- Agencies Covered in the Review
- Intent and purpose of the Sphere of Influence
- Information used by SBLAFCO to determine SOI
- Comprehensive Service Review
- Proposed Outline
- Chapter 3 Agency Profile
- Next Steps
- Q and A

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MSR Document Volume	Community Included in Volume	LAFCO Santa Barbara Local Agency Formation Commission
Fire/Police/Emergency/Safety	County Service Areas of CSA 32	
	Community Services Districts of Isla Vista	
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang	
	County Fire	
	Fire Districts of Montecito & Carpinteria/Summerland	
Water/Wastewater/Recycled/Stormwater	Community Services Districts of Los Alamos, Los Olivos, Santa Ynez, Mission Hills, Vandenberg, Casmalia & Cuyama	
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang	
	County Service Areas of CSA 12	
	County Water Agency & Flood Control	
	Embarcadero Municipal Improvement (EMID)	
	Water Districts of San Antonio & Cuyama Basin, Carpinteria Valley, Goleta, Montecito	
	Water Conservation District of Santa Maria Valley & Santa Ynez River & Imp District #1	
	Sanitary Districts of Carpinteria, Goleta, Goleta West & Montecito, Laguna County	

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MSR Document Volume	Community Included in Volume	LAFCO Santa Barbara Local Agency Formation Commission
Transportation/Parking/St Sweep & Beauty/Lighting/ Transit/Airport	County Service Areas of CSA 3, 11, 31 & 41	
	Community Services Districts of Santa Ynez, Mission Hills, Santa Rita Hills & Isla Vista	
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang	
	Santa Maria Airport	
	SB Metro Transit	
Parks/O.S./Library/Fac Rentals	County Service Areas of CSA 3, 4 & 5	
	Community Services Districts of Isla Vista	
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang	
	Cachuma RCD Isla Vista Rec & Park	
Other Services	Cemeteries	
	Community Services Districts of Isla Vista	
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang	
	Lompoc Valley Hospital	
	SB Mosquito & Vector District Embarcadero Municipal	

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MSR Document	Community Included in Volume
Water/Wastewater /Recycled/Storm Water	Community Services Districts of Los Alamos, Los Olivos, Santa Ynez, Mission Hills, Vandenberg, Casmalia & Cuyama
	County Service Areas of CSA 12, Laguna County, County Water Agency, County Flood Control
	Cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria & Solvang
	Water Districts of San Antonio & Cuyama Basin, Carpinteria Valley, Goleta, Montecito
	Water Conservation District of Santa Maria Valley & Santa Ynez River & Imp District #1, EMID
	Sanitary Districts of Carpinteria, Goleta, Goleta West & Montecito, Summerland

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<p style="text-align: center;">Sphere Update and Service Review</p> <ul style="list-style-type: none"> ■ Sphere Update establishes 20 year growth boundary for a jurisdiction <ul style="list-style-type: none"> ■ Identifies areas that might be annexed in next 20 years ■ Is a big picture view of growth for a jurisdiction ■ Municipal Service Review <ul style="list-style-type: none"> ■ Information document ■ Must address 7 factors; 	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="text-align: center;">Purpose of an SOI</h2> <ul style="list-style-type: none">■ To promote the orderly and logical growth■ To encourage provision of efficient services■ To discourage urban sprawl■ To encourage preservation of agricultural lands■ SOI helps organize services and development by identifying areas that might reasonably be served by a jurisdiction	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="text-align: center;">Spheres of Influence: Special Report</h2> <h3 style="text-align: center;">CKH Act definition of a SOI</h3> <p style="text-align: center;"><i>56076. "Sphere of influence" means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission.</i></p>	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="text-align: center;">Municipal Service Review</h2> <p>Process:</p> <ul style="list-style-type: none"> ■ Information Gathering and Evaluation <ul style="list-style-type: none"> ■ Jurisdiction provides information upon request by LAFCO ■ Prepare Draft Municipal Service Review/Sphere of Influence Update/CEQA <ul style="list-style-type: none"> ■ LAFCO Staff reviews and analyzes information ■ Review/Revise Memorandum of Agreement with County and City ■ Public Review and Comment Period ■ Respond to comments-Prepare Staff Report ■ LAFCO Hearings Regarding SOI/MSR 	LAFCO Santa Barbara Local Agency Formation Commission
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<h2 style="text-align: center;">Municipal Service Review Cont.</h2> <ul style="list-style-type: none"> ■ LAFCO analyzes study areas that may be considered for an SOI ■ Typically, a SOI is the territory a city or district is expected to serve in the future <ul style="list-style-type: none"> ■ Jurisdictions are not required to annex SOI areas ■ SOIs do not give a jurisdiction any more legal authority or regulatory control in an area ■ SOI does not prevent development in the County <ul style="list-style-type: none"> ■ Landowner retains their property rights 	LAFCO Santa Barbara Local Agency Formation Commission
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<h2 style="text-align: center;">Information used for an SOI</h2> <ul style="list-style-type: none"> ■ Existing uses or future development plans ■ Size & development potential of parcels or need for services ■ Topographical & physical considerations and constraints ■ Jurisdiction's willingness to serve ■ Jurisdiction's ability to serve ■ Planning principles ■ Legal agreements ■ City and County General Plans 	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="text-align: center;">Water/Wastewater/Recycled/Storm MSR-SOI</h2> <p>Collectively Analyze 33 Agencies</p> <ul style="list-style-type: none"> ■ ongoing operations ■ current financial performance ■ existing governance structure ■ ability to provide services; and ■ agency importance within the area ■ Includes Determination required by State Law 	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<p style="text-align: center;">Water/Wastewater/Recycled/Storm MSR-SOI</p> <p>Adopted Outline</p> <ul style="list-style-type: none">■ Executive Summary – Overview & Key Findings■ Chapter One - Service Review Determination■ Chapter Two - Sphere of Influence Determinations<ul style="list-style-type: none">■ for single purpose agencies■ Chapter Three – Agency Profiles■ Appendix – Acknowledgements & Relationship to other Service Reviews	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<p style="text-align: center;">Water/Wastewater/Recycled/Storm MSR-SOI</p> <p>Adopted Outline</p> <ul style="list-style-type: none">■ Chapter Three – Agency Profiles<ul style="list-style-type: none">■ Operations■ Opportunities & Challenges■ Sphere Boundary■ Services & Attributes■ Finances & Governance■ Short Community Survey (8 questions)	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="text-align: center;">Determinations</h2> <ul style="list-style-type: none"> ■ Adopt written determinations 56425(e)(1-5) <ul style="list-style-type: none"> ■ Present and planned land uses in the area, including agriculture, and open space lands; ■ Present and probable need for public facilities and services in the area; ■ Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide; and ■ Existence of social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. ■ The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. 	LAFCO Santa Barbara Local Agency Formation Commission
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<h2 style="text-align: center;">Water/Wastewater/Recycled/Storm MSR-SOI</h2> <h3>Next Steps</h3> <ul style="list-style-type: none"> ■ Sent out Survey/Questionnaire to 33 Agencies ■ Response deadline March 31, 2022 (more time given) ■ Community Survey on LAFCO Website (open) <u>www.sblafco.org</u> ■ Administrative Draft by September 2022 ■ Public Review & Comments ■ Adoption by April 2023 	LAFCO Santa Barbara Local Agency Formation Commission
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LAFCO'S Purposes Are To

- Encourage orderly boundaries
- Discourage urban sprawl
- Preserve agriculture and open space
- Promote efficient public services
- Consider regional housing needs, adequate water/wastewater and other key issues

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Commission Membership Composition

- Two County Supervisors
 - Joan Hartmann, Vice-Chair – Das Williams – Alt Bob Nelson
- Two City Council Members
 - Etta Waterfield – Roger Aceves – Alt Holley Sierra
- Two Special District Members
 - Craig Geyer – Jay Freeman – Alt Cynthia Allen
- One Public Member
 - Shane Stark, Chair – Alt Jim Richardson

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LAFCO Actions

- **Incorporations:** most recent in SB (City of Goleta in 2002); Jurupa Valley in 2011
- **District Formations:** **Most recent Los Olivos CSD, Cuyama Basin & San Antonio WD**
- **Dissolution:** most recent CSA 45 in 2009; SRHCSD voted down in 2015
- **Disincorporation:** vary rare- most recent in State so far = Hornitos by statute in 1973
- **Annexations:** most common
- **Detachments:** most often with reorganizations
- **Out-of-Agency Service Agreements:** to serve property outside the service area of a jurisdiction.
- **Spheres of Influence/Municipal Service Review:** every five years; Water/Wastewater/Recycled/Stormwater underway now
- **Activate Latent Powers:** SRHCSD taking about that now
- **Consolidations/Mergers/Reorganization:** Montecito looking into this

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Special District in Santa Barbara County

9 Community Service Districts

- 7 CSD's provide water, or sewer, or both to their communities
- 2 of the CSD's provide either road maintenance or other services
- Governed by Board of Directors

7 Public Cemetery Districts

29 Other Special District

▪ Cachuma RCD	▪ Golela Sanitary	▪ Montecito Water
▪ Carpinteria Sanitary	▪ Golela Water	▪ Mosquito & Vector
▪ Carpinteria Valley Water	▪ Golela West Sanitary	▪ San Antonio Basin Water
▪ Carpinteria-Summerland Fire	▪ Isla Vista R&P	▪ Santa Maria Valley WCD
▪ Cuyama Valley R&P	▪ Lompoc Hospital	▪ Santa Maria Airport
▪ Embarcadero Municipal Improvement	▪ Montecito Fire	▪ Santa Ynez River WCD
	▪ Montecito Sanitary	▪ Santa Barbara Metro Transit
		▪ Summerland Sanitary

8 County Service Areas

- Governed by the Board of Supervisors
- Provide services to different unincorporated communities

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<h2 style="margin: 0;">LAFCOs Budget</h2> <ul style="list-style-type: none"> ■ Adopted FY 21-22 <ul style="list-style-type: none"> ■ LAFCO Budget FY 21-22 approved; total \$455,490; agency shares totaled \$437,690 ■ Proposed FY 22-23 - draft \$616,700 agency shares \$580,565 Special District 1/3 portion \$192,247 <ul style="list-style-type: none"> ■ April 7, 2022; Final on May 5, 2022 ■ Budget is established by the Commission and is funded 1/3 by the Cities, 1/3 by the County/ and 1/3 by Special Districts. County Auditor uses the State Controllers Special Districts Annual Report to allocate charges based on revenues 	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<h2 style="margin: 0;">Summary</h2> <ul style="list-style-type: none"> ■ SOI has many components/information sources ■ Limited legal application in terms of authority ■ MSR/SOI Update facilitates a discussion ■ LAFCO uses the MSR/SOI to set the table for future growth and development ■ Administrative Draft in September 2022 ■ Public Review & Comments Jan – Feb next year ■ Adoption by April 2023 	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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<p>Thank You. Do you have questions?</p>	<p>LAFCO Santa Barbara Local Agency Formation Commission</p>
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