### SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

May 5, 2016 (Agenda)

LAFCO 16-02: West Santa Ynez Annexation to the Santa Ynez Community Services

District (SYCSD)

PROPONENT: Board of Directors of the Santa Ynez Community Services District, by

Resolution of Application, dated on January 20, 2016.

Approximately 434.82 acres adjacent to and northerly of State Highway ACREAGE & LOCATION

246 and west and east of Refugio Road. The proposed annexation consists

of 383 parcels separated into 6 parcels, A-F. (Exhibits A and B)

PURPOSE: The purpose of the annexation is to connect to the district sewage

> collection system to connect failing septic systems to meet Local Agency Management Program (LAMP) requirements for Onsite Wastewater Treatment Systems (see below for an explanation of

LAMP).

#### **GENERAL ANALYSIS:**

### Description of Project

1. Land Use and Zoning - Present and Future:

> The County General Plan designates the area as Single Family Residential, 1-E- one-acre min. lots, 3-E-1,3-acre minimum lots, and DR-1 Design Residential one dwelling unit per acre. It is within the Santa Ynez Community Plan area and is within the Urban Area and the Santa Ynez Valley Rural Region. There are existing homes in the annexation area.

> The proposed annexation is consistent with the Comprehensive Land Use Development Policy #5, which states: "Within designated urban areas, new development other than that for agricultural purposes shall be serviced by the appropriate public sewer and water district or an existing mutual water company, if such service is available."

No change in land use, planning or zoning will result from this annexation.

#### Surrounding Land Uses: 2.

Surrounding uses to the east are single-family residential, to the west and north are agriculture with existing homes, and to the south is residential.

### 3. Sphere of Influence:

The entire area is within the SYCSD's sphere of influence of the Santa Ynez Community Services District.

#### 4. Environmental Justice:

Annexation will have no effect with respect to the fair treatment of people of all races and income, or the location of public facilities or services.

### 5. Regional Housing Needs Assessment (RHNA):

Since these are existing houses, RHNA does not apply.

### 6. Topography, Natural Features and Drainage Basins

The annexation area and surrounding areas are level. No significant natural boundaries affect the proposal.

### 7. Population:

There are 382 single family homes in the annexation area. It is estimated that there is an approximate population of 993 persons within the proposal area. No changes in dwelling units or population are proposed or anticipated. The parcels are inhabited ((more than 12 registered voters).

#### 8. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

The Santa Ynez Community Services District has indicated that it has the capacity to serve the property. The City of Solvang operates the treatment plant. The property is already within the boundaries of the Santa Ynez Water Conservation District, Improvement District No. 1 (ID#1) and is receiving services from ID#1.

The SYCSD service boundary, has a capacity of 1.50 million gallons per day (mgd) that is contractually allocated between the City of Solvang (1.21 mgd) and SYCSD (0.29 mgd) The SYCSD provides wastewater collection for urban land uses in Santa Ynez Township as well as wastewater collection for the Chumash Reservation through contractual agreements. Based on the Community Plan, capacity projections for the SYCSD indicate that at 225 gallons per household per day, the CSD could support service to roughly 383 additional homes within its sphere of influence.

The Wastewater Treatment Plant is a Sequential Batch Reactor plant with a design capacity of 1.5 million gallons per day. The plant is currently receiving approx. 680,000 gallons per day of influent from the City of Solvang and Santa Ynez. Of this, Santa Ynez contributes approximately 144,000 gallons per day.

### 9. City of Solvang Comments:

The City of Solvang Public Works Director provided the following information regarding wastewater usage by the SYCSD:

- SYCSD owns 0.300 MGD capacity in Solvang's 1.5 MDG Wastewater Treatment Plant.
- 2. Per the agreement between Solvang and SYCSD, they may only utilize 95% of that capacity. So a 5% restriction of 0.015 MDG exists.
- 3. SYCSD's peak Annual Average Daily Flow over the past six years (2010-2015) was 0.144 MGD. This occurred in 2012.
- 4. Through an agreement with SYCSD, the Santa Ynez Band of Chumash Indians own 0.088 MGD capacity of SYCSD's 0.300 MGD.

#### 10. Additional Comments for the Santa Ynez CSD:

The Santa Ynez CSD's Capital Improvement Plan (CIP) that was approved in Dec. 2015, the District put in the 16/17 budget to fund the Horizon/Stadium project so it will be self-funded. There are approximately 145 homes that already have main lines in place that wouldn't require any expenditures to connect, the District is debt free, and has \$2 million in the bank. The Districts receives adequate funding and puts at least \$150,000 in reserves every year. The District will also pursue grant money and low interest loans if needed. The City of Solvang has indicated that there is enough capacity in the plant (see above). The District has 300,000 gallons per day in Solvang's plant and the 383 homes would require an additional 82,345 gpd to our current flows of 117,710.

#### 11. Assessed Value, Tax Rates and Indebtedness:

The proposal is presently within tax rate area 062026. The assessed value is \$196,291,309, Land - \$93,533,717, Improvements – \$102,757,592. (2015-16 roll). The overall tax rate will not be affected by this change.

### 12. Environmental Impact of the Proposal:

The proposal is categorically exempt (Class 19 – Annexation of Existing Facilities and Lots for Exempt Facilities) from the California Environmental Quality Act (Exhibit C).

13. Landowner and Annexing Agency Consent:

The annexing district has consented to waiving conducting authority proceedings. Written consent from all of the property owners has not been obtained. Therefore, a protest hearing will be required if the annexation is approved by the Commission.

14. Boundaries, Lines of Assessment and Registered Voters:

There are no conflicts with lines of assessment or ownership. Each of the six areas proposed for annexation are contiguous to the District. The site is inhabited; namely, there are more than 12 registered voters.

The boundaries are definite and certain. The County Surveyor has approved a map and legal description sufficient for filing with the State Board of Equalization.

15. <u>LAMP Requirements for Onsite Wastewater Systems: (Excerpts from Santa Barbara County's Local Agency Management Program for Onsite Wastewater Treatment Systems):</u>

"The State Water Board's Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems (OWTS Policy) establishes statewide regulations for onsite systems. It sets minimum performance standards and allows for continued local agency oversight. To accommodate regional geologic and climatic conditions, the OWTS Policy allows local agencies to propose local agency management programs (LAMPs). LAMPs allow local agencies to establish criteria that may differ from the minimum standards set in the OWTS Policy.

On September 1, 2015, the Santa Barbara County Board of Supervisors approved the County's LAMP. The proposed LAMP incorporates Central Coast Regional Water Quality Control Board (Water Board) comments. The OWTS Policy requires that a LAMP must be approved by the appropriate regional water quality control board in a public hearing to be effective.

The proposed LAMP incorporated language recommended by the Water Board to specifically address degraded groundwater basins, such as in the West Santa Ynez Area and the Community of Los Olivos. If the Central Coast Water Board identifies a groundwater basin or sub-basin in the County where the use of OWTS is causing or contributing to exceedances of nitrate or pathogen maximum contaminant levels (MCLs), the County will develop an Advanced Groundwater Protection Management Program (AGPMP) in close consultation with and approved by the Central Coast Water Board. The AGPMP may include but not be limited to: supplemental treatment for all new and replacement systems, mandatory, routine inspections and maintenance,

connection to the public sewer, shallow groundwater monitoring or other appropriate actions. The County will require conformance with current standards including supplemental treatment standards, to the greatest extent practicable.

The revised LAMP incorporates the LAMP Completeness Checklist and language to specifically address degraded groundwater basins. The revised LAMP did not incorporate suggestions for modification of the proposed county-wide shallow groundwater monitoring, nor did it specifically address working with local agencies.

It is clear that development and implementation of the LAMP is an iterative process that will continue after adoption and with future LAMP and county ordinance revisions. The proposed LAMP is a positive step towards enhanced protection of groundwater quality and improved local oversight of onsite wastewater treatment systems."

### **EXHIBITS**

Exhibit A and B

Maps of the Proposed Annexation

Exhibit C

Categorical Exemption

Exhibit D

Proposed Resolution Approving the Annexation

#### Conclusion:

Annexation of the West Santa Ynez Area to the Santa Ynez Community Services District represents a reasonable and logical expansion of the district. The area is fully developed and is within the district sphere of influence. The district has the ability to serve the area and address groundwater contamination issues related to LAMP requirements. It would also eliminate the need to annex individual parcels on a piecemeal basis when septic tanks fail.

The district has also indicated that there would be no mandatory hookup to the collection system. The district has also indicated that it could be a long term project to get every property owner within the annexation boundaries to connect to the district wastewater collection system.

In addition, this annexation will require that a protest hearing be held. Government Code Section 57075 reads in pertinent part:

In the case of inhabited territory, the conducting authority will take one of the following actions:

(1) Terminate proceedings if a majority protest exists

- (2) Order the change of organization or reorganization subject to confirmation by the registered voters residing within the affected territory if written protests have been filed and not withdrawn by either of the following:
- (A) At least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory.
- (B) At least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory.
- (3) Order the change of organization or reorganization without an election if paragraphs
- (1) and (2) of this subdivision do not apply.

The protest hearing will determine if the owners and/or registered voters are on favor of the West Santa Ynez Annexation to the Santa Ynez Community Services District.

### **ALTERNATIVES FOR COMMISSION ACTION**

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following options:

**OPTION 1** – APPROVE the annexation as submitted and adopt a resolution that will take the following actions:

- 1) Find that the proposal is categorically exempt (Class 19 Annexation of Existing Facilities and Lots for Exempt Facilities) from the California Environmental Quality Act.
- 2) Approve the proposal, to be known as the West Santa Ynez Area Annexation to the Santa Ynez Community Services District subject to the following terms and conditions:
  - a) That the territory being annexed being liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the District.
  - b) The territory shall be liable for existing or future bonded indebtedness of the Santa Ynez Community Services District.

**OPTION 2** – Adopt this report and DENY the proposal.

**OPTION 3** - CONTINUE consideration of the proposal to a future meeting.

## **CHANGE OF ORGANIZATION ITEM NO. 1**

Executive Officer's Report

LAFCO 16-02

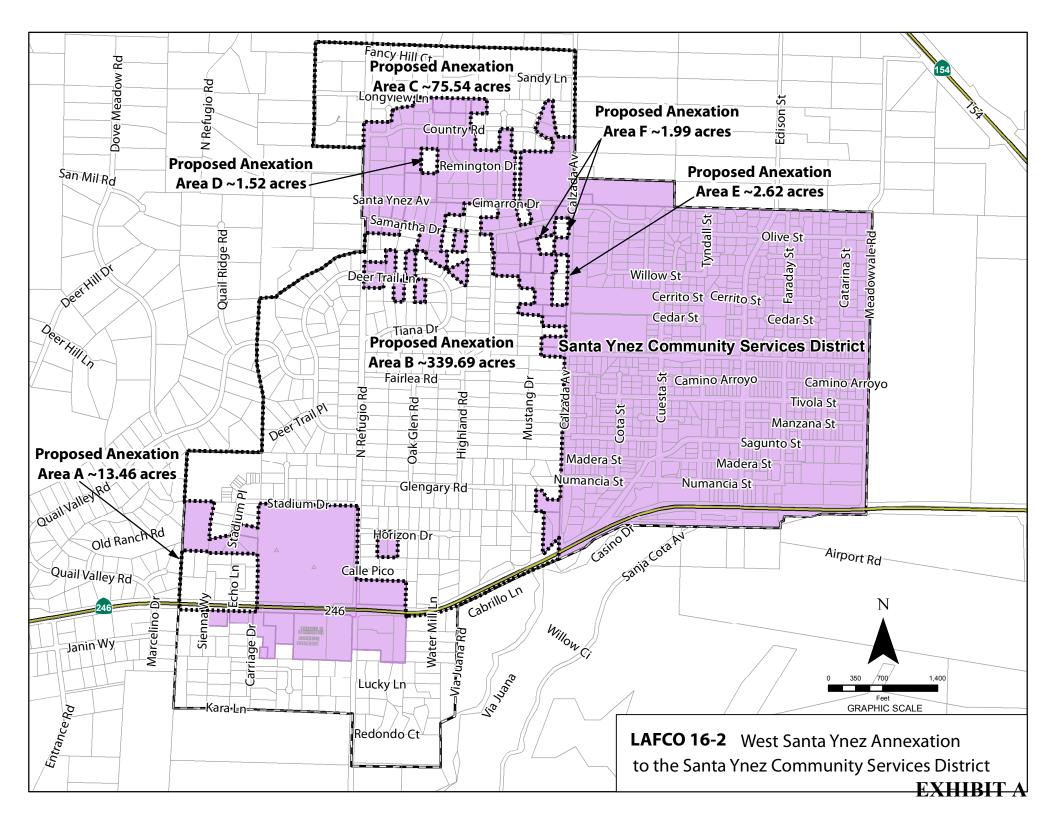
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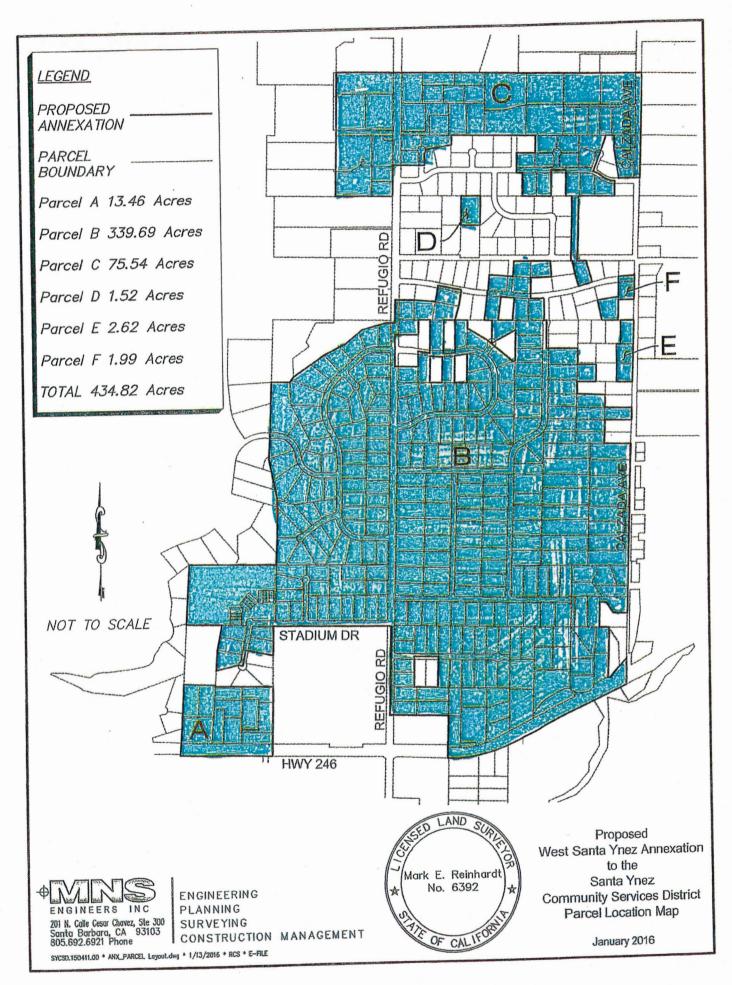
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### **RECOMMENDED ACTION:**

Approve **Option 1**.

PAUL HOOD Executive Officer





### Exhibit "B"

### **Notice of Exemption**

16-02

# **Notice of Exemption**

то:		Office of Planning and Research P.O. Box 3044 1400 Tenth Street, Room 222 Sacramento, CA 95812-3044 or	FROM:	Santa Ynez Community Services District P.O. Box 667 Santa Ynez, CA 93460-0667			
		County Clerk County of Santa Barbara 105 E. Anapamu Street Santa Barbara, CA, 93101					
Project Title: West Santa Ynez Annexation							
Project Location – Specific: SYCSD sphere of Influence							
Project Location – City: Unincorporated Town of Santa Ynez							
Project Location – County: Santa Barbara							
<b>Description of Project:</b> Annexation of all non-annexed properties within the District's Sphere of Influence							
Name of Public Agency approving project: Santa Ynez Community Services District							
Name of Person or Agency carrying out project: Santa Ynez Community Services District							
Exempt status: (check one)							
		Ministerial project.					
		Not a project.					
	$\square$	Emergency Project. Categorical Exemption. State type and class number:	CEQA Guide	elines Section 15319			
		Declared Emergency.					
		Statutory Exemption. State Code section number:					
		Other. Explanation:					

### Reason why project is exempt:

The project is Categorically Exempt under CEQA Guidelines Section 15319 as an annexation of (i) areas containing existing structures developed to the density allowed by the current zoning with the extension of sewer service to the existing facilities having a capacity to serve only the existing facilities, and (ii) individual small parcels of the minimum size for facilities exempted by Section 15303.

Lead Agency Contact Person: Wendy Berry, Secretary Telephone: (805) 688-3008

Signature of Lead Agency Representative:

Nendy Berry, Secretary/Treasurer Date Received for Filing:

Dated: January 20, 2016

### LAFCO <u>16-</u>

RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING THE WEST SANTA YNEZ ANNEXATION TO THE SANTA YNEZ COMMUNITY SERVICES DISTRICT

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Santa Barbara Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

WHEREAS, at the times and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, existing Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, the Local Agency Formation Commission finds the proposal to be in the best interests of the affected area and the total organization of local governmental agencies within Santa Barbara County.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Local Agency Formation Commission of Santa Barbara County as follows:

- 1) Find that the proposal is categorically exempt (Class 19 Annexation of Existing Facilities and Lots for Exempt Facilities) from the California Environmental Quality Act.
- 2) That the proposal, to be known as the West Santa Ynez Area Annexation to the Santa Ynez Community Services District be approved subject to the following terms and conditions:
  - a) That the territory being annexed being liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the District.
  - b) The territory shall be liable for existing or future bonded indebtedness of the Santa Ynez Community Services District.

	This resolution was adopted on Mag	y 5, 2106, and is effective on the date s	signed by the
	Chair.		
AYES	:		
NOES	:		
ABST	AINS:		
Dated:		Chair Santa Barbara Local Agency Formation Commission	
ATTE	ST		
-	lyne Alexander, Clerk Barbara Local Agency Formation Cor	mmission	